



BOARD OF DIRECTORS

Katherine Burnworth, President | Laura Goodsell, Vice-President | James Garcia, Treasurer | Arturo Proctor, Secretary | Enola Berker, Director | Rodolfo Valdez, Director | Felipe Irigoyen, Director

AGENDA

**REGULAR MEETING OF THE BOARD OF DIRECTORS
THURSDAY, January 8, 2026, 5:00 P.M.**

601 Heber Ave. Calexico, Ca. 92231

[Join Microsoft Teams](#)

Meeting ID: 288 531 783 084 7

Passcode: GM3aK6LG

~ CLOSED SESSION ~ 5:00 p.m.

- a. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Gov. Code 54956.9(d)(1))
Case Name: Eduardo Sevilla v. Imperial Valley Healthcare District et al.
Imperial County Superior Court Case No: ECU004201
- b. CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION (Significant Exposure to Litigation, Gov. Code 54956.9(d)(2))
 - One potential matter
- c. CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION (Government Code 54956.9(d)(2))
 - One matter: Xitlalic Bucio Government Claim
- d. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: El Centro Regional Medical Center, 1415 Ross Avenue El Centro, CA 92243 and related healthcare facilities
Agency negotiators: IVHD Ad Hoc (Katherine Burnworth, James Garcia, Laura Goodsell), Legal Counsel (Adriana Ochoa), IVHD CEO Christopher Bjornberg
Negotiating parties: Pablo Velez, ECRMC, City of El Centro
Under negotiation: Closing conditions related to Asset Transfer Agreement

~ OPEN SESSION ~ Time Certain 6:00 p.m.

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Approval of Request for Remote Appearance by Board Member(s), if Applicable

5. Consider Approval of Agenda

In the case of an emergency, items may be added to the agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage, a crippling disaster, or other activity that severely imperils public health, safety, or both. Items on the agenda may be taken out of sequential order as their priority is determined by the Board of Directors. The Board may take action on any item appearing on the agenda.

6. Public Comments

At this time the Board will hear comments on any agenda item. If any person wishes to be heard, they shall stand; address the president, identify themselves, and state the subject for comment. Time limit for each speaker is 3 minutes individually per item to address the Board. Individuals who wish to speak on multiple items will be allowed four (4) minutes in total. A total of 15 minutes shall be allocated for each item for all members of the public. The board may find it necessary to limit the total time allowable for all public comments on items not appearing on the agenda at anyone one meeting to one hour.

7. Board Comments

Reports on meetings and events attended by Directors; Authorization for Director(s) attendance at upcoming meetings and/or events; Board of Directors comments.

- a. Brief reports by Directors on meetings and events attended
- b. Schedule of upcoming Board meetings and/or events
- c. Report by Merger Strategic Planning Ad-Hoc Committee
- d. Finance Committee Update

8. Consent Calendar

Any member of the Board may request that items for the Consent Calendar be removed for discussion. Items so removed shall be acted upon separately immediately following approval of items remaining on the Consent Calendar.

- a. Approve minutes for meetings of December 11, 2025
- b. Approval and file PMH Expenses/Financial Report November 2025
- c. Contracts with Values Under \$200,000 with Recommendations by IVHD Finance Committee for Approval on Consent:
 - i. Approval of the CT Aquilion Cardiac Software
 - ii. Approval of the Renew Greenman IT Backup Solution

9. Items for Discussion and/or Board Action:

- a. Election of Board Officers (IVHD Bylaws Article IV, Section 2)
 - Chairperson
 - Vice-Chairperson
 - Secretary
 - Treasurer
- b. Approval of Resolution No. 2026-0108, Resolution of the Imperial Valley Healthcare District Board of Directors Declaring Vacancy on the Board of Directors
- c. Discussion and Possible Action to Approve Professional Services Agreement with WipFli
- d. MEDICAL STAFF REPORT – Recommendations from the Medical Executive Committee for Medical Staff Membership and/or Clinical Privileges, policies/ procedures/forms, or other related recommendations.
- e. Staff Recommends Action to Authorize: InterSystems HealthShare Connect Interface Engine
Presented by: Christopher Bjornberg
Contract Value: License \$55,335
Contract Term: 1 Year
Budgeted: Yes
Budgeted Classification: License
- f. Staff Recommends Action to Authorize: Authorization to approve Professional Service Agreement for Ramaiah Indudhara, M.D.
Presented by: Christopher Bjornberg/Carly Zamora
Contract Value: value varies depending on wRVU incentives and demands and on-call demands.
Contract Term: 1 Year
Budgeted: Yes
Budgeted Classification: Professional Service Agreement
- g. Staff Recommends Action to Authorize: Authorize renewal of the Emergency Medical Care On-Call Coverage Agreement for Orthopedic Surgery between Christopher Lai, MD. and Imperial Valley Healthcare District.
Presented by: Christopher Bjornberg/Carly Zamora
Contract Value: estimated at \$500,000 annually, varies depending on needs
Contract Term: 2 Years
Budgeted: Yes
Budgeted Classification: Professional Fees
- h. Staff Recommends Action to Authorize: Authorization to approve

Professional Service Agreement for George Fareed, M.D.
Presented by: Christopher Bjornberg/Carly Zamora
Contract Value: approximately \$320,000, value varies depending on wRVU
Contract Term: 4 Years
Budgeted: Yes
Budgeted Classification: Professional Service Agreement

10. Management Reports

- a. Finance: Carly C. Loper, MAcc – Chief Financial Officer
- b. Hospital Operations: Carol Bojorquez, MSN, RN – Chief Nursing Officer
- c. Clinics Operation: Carly Zamora MSN, RN – Chief of Clinic Operations
- d. Urgent Care: Tomas Virgen – Administrative Coordinator/ Support for AB 918
- e. Executive: Christopher R. Bjornberg – Chief Executive Officer
- f. Legal: Adriana Ochoa – General Counsel

11. Items for Future Agenda

This item is placed on the agenda to enable the Board to identify and schedule future items for discussion at upcoming meetings and/or identify press release opportunities.

12. Adjournment

- a. The next regular meeting of the Board will be held on January 22, 2026, at 6:00 p.m.

POSTING STATEMENT

A copy of the agenda was posted January 2, 2026, at 601 Heber Avenue, Calexico, California 92231 at 9:30 p.m. and other locations throughout the IVHD pursuant to CA Government code 54957.5. Disclosable public records and writings related to an agenda item distributed to all or a majority of the Board, including such records and written distributed less than 72 hours prior to this meeting are available for public inspection at the District Administrative Office where the IVHD meeting will take place. The agenda package and material related to an agenda item submitted after the packets distribution to the Board is available for public review in the lobby of the office where the Board meeting will take place.

In compliance with the Americans with Disabilities Act, if any individuals request special accommodations to attend and/or participate in District Board meetings please contact the District at (760)970- 6046. Notification of 48 hours prior to the meeting will enable the District to make reasonable accommodation to ensure accessibility to this meeting [28 CFR 35.102-35.104 ADA title II].

ATTORNEY OR PARTY WITHOUT ATTORNEY: STATE BAR NO: NAME: Peter Horton, SBN 227678; Shadi Sahebghalam, SBN 343403 FIRM NAME: Protection Law Group, LLC STREET ADDRESS: 149 Sheldon St. CITY: El Segundo STATE: CA ZIP CODE: 90245 TELEPHONE NO.: (424) 290-3095 FAX NO.: 866.264.7880 E-MAIL ADDRESS: peter@protectionlawgroup.com; shadi@protectionlawgroup.com ATTORNEY FOR (Name): Plaintiff, Eduardo Sevilla	FOR COURT USE ONLY
SUPERIOR COURT OF CALIFORNIA, COUNTY OF IMPERIAL STREET ADDRESS: 939 West Main Street MAILING ADDRESS: CITY AND ZIP CODE: El Centro 92243 BRANCH NAME: El Centro Courthouse	
Plaintiff/Petitioner: EDUARDO SEVILLA Defendant/Respondent: PIONEERS MEMORIAL HOSPITAL FOUNDATION, ET AL.	
NOTICE AND ACKNOWLEDGMENT OF RECEIPT—CIVIL	
CASE NUMBER: ECU004201	

TO (insert name of party being served): IMPERIAL VALLEY HEALTHCARE DISTRICT

NOTICE

The summons and other documents identified below are being served pursuant to section 415.30 of the California Code of Civil Procedure. Your failure to complete this form and return it within 20 days from the date of mailing shown below may subject you (or the party on whose behalf you are being served) to liability for the payment of any expenses incurred in serving a summons on you in any other manner permitted by law.

If you are being served on behalf of a corporation, an unincorporated association (including a partnership), or other entity, this form must be signed by you in the name of such entity or by a person authorized to receive service of process on behalf of such entity. In all other cases, this form must be signed by you personally or by a person authorized by you to acknowledge receipt of summons. If you return this form to the sender, service of a summons is deemed complete on the day you sign the acknowledgment of receipt below.

Date of mailing: December 30, 2025

Peter Horton

(TYPE OR PRINT NAME)



Pet / Hort

(SIGNATURE OF SENDER—MUST NOT BE A PARTY IN THIS CASE)

ACKNOWLEDGMENT OF RECEIPT

This acknowledges receipt of **(to be completed by sender before mailing)**:

- ☐ A copy of the summons and of the complaint.
- ☒ Other (specify):

First Amended Complaint; Amended Summons

(To be completed by recipient):

Date this form is signed: _____

(TYPE OR PRINT YOUR NAME AND NAME OF ENTITY, IF ANY,
ON WHOSE BEHALF THIS FORM IS SIGNED)



(SIGNATURE OF PERSON ACKNOWLEDGING RECEIPT, WITH TITLE IF
ACKNOWLEDGMENT IS MADE ON BEHALF OF ANOTHER PERSON OR ENTITY)

PETER HORTON, SBN 227678
peter@protectionlawgroup.com
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Attorneys for Plaintiff
EDUARDO SEVILLA

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF IMPERIAL

EDUARDO SEVILLA, individually and on
behalf of others similarly situated,

Plaintiff,

vs.

IMPERIAL VALLEY HEALTHCARE
DISTRICT, a California public entity; and
DOES 1 through 50, inclusive,

Defendants.

Case No.: ECU004201

**FIRST AMENDED CLASS ACTION
COMPLAINT**

DEMAND FOR TRIAL BY JURY

- (1) Violation of Cal. Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages)**
- (2) Violation of Cal. Labor Code §§ 2800 and 2802 (Failure to Reimburse Necessary Business Expenses)**
- (3) Violation of Cal. Business & Professions Code § 17200, et seq.**

1 Plaintiff EDUARDO SEVILLA (“Plaintiff”), individually and on behalf of other members
2 of the general public similarly situated, based upon facts that either have evidentiary support or
3 are likely to have evidentiary support after a reasonable opportunity for further investigation and
4 discovery, alleges as follows:

5 **JURISDICTION AND VENUE**

6 1. Plaintiff brings this action against Defendants IMPERIAL VALLEY
7 HEALTHCARE DISTRICT, and DOES 1 THROUGH 50 (hereinafter also collectively referred
8 to as “Defendants”) for California Labor Code violations, unfair business practices, and civil
9 penalties stemming from Defendants’ failure to pay overtime compensation, failure to provide
10 meal periods, failure to authorize and permit rest periods, failure to pay minimum wage, failure
11 to timely pay wages, failure to provide accurate wage statements, failure to maintain accurate
12 time and payroll records, and failure to reimburse necessary business-related expenses.

13 2. Plaintiff’s First through Eighth Causes of Action are brought as a class action on
14 behalf of himself and similarly situated current and former employees of Defendants (hereinafter
15 collectively referred to as the “Class” or “Class Members,” as defined more fully in paragraph
16 13, below) pursuant to California Code of Civil Procedure section 382. The monetary damages
17 and restitution sought by Plaintiff exceeds the minimal jurisdiction limits of the Superior Court
18 and will be established according to proof at trial.

19 3. The Court has jurisdiction over this action pursuant to the California Constitution,
20 Article VI, Section 10, which grants the superior court “original jurisdiction in all other causes”
21 except those given by statute to other courts. The statutes under which this action is brought do
22 not specify any other basis for jurisdiction.

23 4. This Court has jurisdiction over Defendants because, upon information and belief,
24 Defendants are citizens of California, have sufficient minimum contacts in California, or
25 otherwise intentionally avail themselves of the California market so as to render the exercise of
26 jurisdiction over them by the California courts consistent with traditional notions of fair play and
27 substantial justice.
28

5. Venue is proper in this Court because, upon information and belief, Defendants maintain offices, have agents, and/or transact business in the State of California, County of Imperial.

PARTIES

6. Plaintiff EDUARDO SEVILLA is an individual residing in the County of Imperial, State of California.

7. Defendant IMPERIAL VALLEY HEALTHCARE DISTRICT, is and at all times herein mentioned was, a California public entity formed under California Health & Safety Code section 32000, *et seq.*

8. Plaintiff is ignorant of the identities of defendants Does 1 through 50, inclusive, and therefore sues these defendants by such fictitious names. The Doe defendants may be individuals, partnerships, or corporations. Plaintiff is informed and believes, and thereon alleges, that, at all times mentioned herein, each of the Doe defendants was the parent, subsidiary, agent, servant, employee, co-venturer, and/or co-conspirator of each of the other defendants and was at all times mentioned acting within the scope, purpose, consent, knowledge, ratification and authorization of such agency, employment, joint venture and conspiracy. Plaintiff will amend this Complaint to allege their true names and capacities when ascertained. Plaintiff is informed and believes and thereon alleges that each of the fictitiously named Doe defendants is responsible in some manner for the occurrences herein alleged, and that Plaintiff's damages as herein alleged were proximately caused by its conduct. IMPERIAL VALLEY HEALTHCARE DISTRICT and Doe Defendants 1 through 50 are collectively referred to herein as "Defendants."

9. Defendants are and at all times herein mentioned were, (a) conducting business in the County of Imperial, State of California, and (b) the employer of Plaintiff consistent with the California Labor Code and Industrial Welfare Commission Wage Orders (“Wage Orders”).

10. Plaintiff further alleges that Defendants, directly or indirectly, controlled or affected the working conditions, wages, working hours, and conditions of employment of Plaintiff, the Class, so as to make each of said Defendants employers and employers jointly liable

under the statutory provisions set forth herein.

CLASS ACTION ALLEGATIONS

11. Plaintiff brings the First through Third Causes of Action as a class action on his own behalf and on behalf of all other members of the general public similarly situated, and, thus, seeks class certification under Code of Civil Procedure section 382.

12. The proposed class is defined as follows: All current and former non-exempt employees of any of the Defendants within the State of California at any time commencing four (4) years preceding the filing of Plaintiff's complaint up until the time that notice of the certified class action is provided to the class (hereinafter referred to as the "Class" or "Class Members.>").

13. Plaintiff reserves the right to establish other subclasses as appropriate.

14. The Class is ascertainable and there is a well-defined community of interest in the litigation:

- a. Numerosity: The Class Members are so numerous that joinder of all Class Members is impracticable. The membership of the entire Class is unknown to Plaintiff at this time; however, the Class is estimated to be over fifty (50) individuals, and the identity of such membership is readily ascertainable by inspection of Defendants' employment records.
- b. Typicality: Plaintiff's claims are typical of all other Class Members demonstrated herein. Plaintiff will fairly and adequately protect the interests of the other Class Members with whom he has a well-defined community of interest.
- c. Adequacy: Plaintiff will fairly and adequately protect the interests of each Class Member, with whom he has a well-defined community of interest and typicality of claims, as demonstrated herein. Plaintiff has no interest that is antagonistic to the other Class Members. Plaintiff's attorneys, the proposed class counsel, are versed in the rules governing class action discovery, certification, and settlement. Plaintiff has incurred, and during the pendency of this action will continue to incur, costs and attorneys' fees that have been, are, and will be necessarily

1 expended for the prosecution of this action for the substantial benefit of each Class
2 Member.

3 d. Superiority: A class action is superior to other available methods for the fair and
4 efficient adjudication of this litigation because individual joinder of all Class
5 Members is impractical.

6 e. Public Policy Considerations: Certification of this lawsuit as a class action will
7 advance public policy objectives. Employers of this great state violate
8 employment and labor laws every day. Current employees are often afraid to
9 assert their rights out of fear of direct or indirect retaliation. However, class
10 actions provide the Class Members who are not named in the complaint
11 anonymity that allows for the vindication of their rights.

12 15. There are common questions of law and fact as to the Class that predominate over
13 questions affecting only individual members. The following common questions of law or fact,
14 among others, exist as to the members of the Class:

15 a. Whether Defendants' failure to pay wages, without abatement or reduction, in
16 accordance with the California Labor Code, was willful;

17 b. Whether Defendants had a corporate policy and practice of failing to pay Plaintiff
18 and the other Class Members for all hours worked, and missed, short, late, or
19 interrupted meal periods and rest breaks in violation of California law;

20 c. Whether Defendants required Plaintiff and the other Class Members to work more
21 than eight (8) hours per day and/or more than forty (40) hours per week and failed
22 to pay the legally required overtime compensation to Plaintiff and the other Class
23 Members;

24 d. Whether Defendants deprived Plaintiff and the other Class Members of meal
25 and/or rest periods or required Plaintiff and the other Class Members to work
26 during meal and/or rest periods without compensation;

27 e. Whether Defendants failed to pay meal period premium wages to Class Members
28

- 1 when they were not provided with a legally compliant meal period;
- 2 f. Whether Defendants failed to pay rest period premium wages to Class Members
- 3 when they were not authorized and permitted to take legally compliant rest
- 4 periods;
- 5 g. Whether Defendants failed to pay minimum wages to Plaintiff and the other Class
- 6 Members for all hours worked;
- 7 h. Whether Defendants failed to pay Plaintiff and the other Class Members the
- 8 required minimum wage pursuant to California law;
- 9 i. Whether Defendants failed to pay Plaintiff and the other Class Members proper
- 10 overtime compensation pursuant to California law;
- 11 j. Whether Defendants failed to pay all wages due to Plaintiff and the other Class
- 12 Members within the time required upon their discharge or resignation from
- 13 employment;
- 14 k. Whether Defendants failed to reimburse Plaintiff and the other Class Members
- 15 for all necessary business-related expenses and costs in violation of California
- 16 Labor Code section 2802;
- 17 l. Whether Defendants failed to timely pay all wages due to Plaintiff and the other
- 18 Class Members during their employment;
- 19 m. Whether Defendants complied with wage reporting as required by the California
- 20 Labor Code, including section 226;
- 21 n. Whether Defendants' conduct was with malice, fraud, or oppression;
- 22 o. Whether Defendants' conduct was willful or reckless;
- 23 p. Whether Defendants engaged in unfair business practices in violation of
- 24 California Business & Professions Code section 17200, *et seq.*, based on their
- 25 improper withholding of compensation and deduction of wages;
- 26 q. The appropriate amount of damages, restitution, and/or monetary penalties
- 27 resulting from Defendants' violation of California law; and
- 28

r. Whether Plaintiff and the other Class Members are entitled to compensatory damages pursuant to the California Labor Code.

GENERAL ALLEGATIONS

16. Defendants are a hospital.

17. Defendants employed Plaintiff to work as a Head Receiving Clerk from approximately August 1, 2023, to August 8, 2024.

18. At all relevant times set forth herein, Defendants employed Plaintiff and the Class as hourly-paid or non-exempt employees.

19. Throughout the time period involved in this case, Defendants had the authority to hire and terminate Plaintiff and the Class; to directly or indirectly control work rules, working conditions, wages, working hours, and conditions of employment of Plaintiff and the Class; and to hire and terminate the employment of Plaintiff and the Class.

20. At all times herein mentioned, Defendants were subject to the Labor Code of the State of California and the applicable Industrial Welfare Commission Orders.

21. Plaintiff is informed and believes, and thereon alleges that Defendants engaged in an ongoing and systematic scheme of wage abuse against their hourly-paid or non-exempt employees. As set forth in more detail below, this scheme involved, *inter alia*, regularly requiring Plaintiff and the Class to work off the clock without compensation, thereby failing to pay them for all hours worked, including minimum wages. Defendants also implemented time rounding practices that resulted in the systematic underpayment of wages to Plaintiff and the Class, including minimum wages. Defendants also implemented policies that prohibited Plaintiff and the Class from accurately recording the actual time worked, resulting in a failure to pay Plaintiff and the Class all wages owed. Defendants also failed to reimburse Plaintiff and the Class for all necessary business-related expenses.

22. Throughout the time period involved in this case, Defendants have implemented policies and practices that failed to provide Plaintiff and the Class with timely and duty-free meal periods. Defendants routinely failed to relieve Plaintiff and the Class of all duties during their

1 meal periods, regularly failed to relinquish control over Plaintiff and the Class during their meal
2 periods, regularly failed to permit Plaintiff and the Class a reasonable opportunity to take their
3 meal periods, and regularly impeded or discouraged Plaintiff and the Class from taking thirty (30)
4 minute uninterrupted meal breaks no later than the end of their fifth hour of work and/or from
5 taking a second thirty (30) minute uninterrupted meal break no later than their tenth hour of work
6 for shifts lasting more than ten (10) hours. Defendants also failed to maintain accurate records of
7 meal periods taken by Plaintiff and the Class.

8 23. Throughout the time period involved in this case, Defendant did not adequately
9 inform Plaintiff and the Class of their right to take meal periods under California law. Moreover,
10 Defendants systematically disregarded their own written policies regarding the provision and
11 timing of meal periods for Plaintiff and the Class. Instead, Defendant's actual policy and practice
12 was to schedule Plaintiff and the Class in a way that prohibited them from taking timely and duty-
13 free meal periods, and to require Plaintiff and the Class to work through their meal periods, for
14 which they were not compensated.

15
16 24. Throughout the time period involved in this case, Defendants regularly required
17 Plaintiff and the Class to perform work off the clock. Although Defendants prohibited overtime,
18 Defendants still regularly required that Plaintiff and the Class complete all of their assigned duties.
19 To do so, Plaintiff and the Class were regularly required to perform work off the clock for which
20 they were not compensated.

21 25. Throughout the time period involved in this case, Defendants employed a time
22 rounding policy that was not neutral and designed to consistently round time in Defendants' favor,
23 ensuring that Plaintiff and the Class were oftentimes not paid for all time worked.

24 26. Throughout the time period involved in this case, Defendants implemented policies
25 that prohibited Plaintiff and the Class from accurately recording the actual time worked, resulting
26 in a failure to pay Plaintiff and the Class all wages owed.

27 27. Throughout the time period involved in this case, Defendants regularly failed to
28

1 pay Plaintiff and the Class at least minimum wages for all hours worked. Defendants knew or
2 should have known that Plaintiff and the Class were entitled to receive at least minimum wages
3 for all hours worked and that they were not receiving at least minimum wages for all hours
4 worked. Defendants' failure to pay minimum wages included, *inter alia*, failing to pay Plaintiff
5 and the Class at the required minimum wage pursuant to California law, requiring Plaintiff and
6 the Class to perform work off the clock, and implementing time rounding policies that resulted in
7 the systematic underpayment of wages to Plaintiff and the Class.

8 28. Throughout the time period involved in this case, Defendants failed to reimburse
9 Plaintiff and the Class for all necessary business-related expenses, including but not limited to
10 uniforms and expenses for the use of a personal cell phone for work-related purposes. Defendants
11 knew or should have known that Defendants were required to reimburse Plaintiff and the Class
12 for all necessary business-related expenses and costs, but, in fact, failed to do so in violation of
13 California law.

14 29. Throughout the time period involved in this case, Defendants knew or should have
15 known that they had a duty to compensate Plaintiff and the Class pursuant to California law.
16 Defendants had the financial ability to pay such compensation, but willfully, knowingly, and
17 intentionally failed to do so, and falsely represented to Plaintiff and the Class that they paid all
18 wages owed to them, all in order to increase Defendants' profits.

19 30. California Labor Code section 218 states that nothing in Article 1 of the Labor
20 Code shall limit the right of any wage claimant to "sue directly ... for any wages or penalty due
21 to him [or her] under this article."

22 31.

23 **FIRST CAUSE OF ACTION**

24 **(Violation of California Labor Code §§ 1194, 1197, and 1197.1)**

25 **(Against All Defendants)**

26 32. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and
27 every allegation set forth above.
28

costs incurred as a result of, including but not limited to, simple negligence.

41. Defendants have intentionally and willfully failed to reimburse Plaintiff and the Class for all necessary business-related expenses and costs. Plaintiff and the Class are entitled to recover from Defendants their business-related expenses and costs incurred during the course and scope of their employment, plus interest accrued from the date on which the employee incurred the necessary expenditures at the same rate as judgments in civil actions in the State of California.

THIRD CAUSE OF ACTION

(Violation of Cal. Business & Professions Code §§ 17200, *et seq.*)

(Against All Defendants)

42. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

43. Defendants' conduct, as alleged herein, has been, and continues to be, unfair, unlawful, and harmful to Plaintiff and the Class, to the general public, and Defendants' competitors. Accordingly, Plaintiff seeks to enforce important rights affecting the public interest within the meaning of Code of Civil Procedure section 1021.5.

44. Defendants' activities as alleged herein are violations of California law, and constitute unlawful business acts and practices in violation of California Business & Professions Code section 17200, *et seq.*

45. A violation of California Business & Professions Code section 17200, *et seq.*, may be predicated on the violation of any state or federal law. In this instant case, Defendants' policies and practices of requiring employees, including Plaintiff and the Class, to work overtime without paying them proper compensation violate California Labor Code sections 510 and 1198. Additionally, Defendants' policies and practices of requiring employees, including Plaintiff and the Class, to work through their meal and rest periods without paying them proper compensation violate California Labor Code sections 226.7 and 512(a). Moreover, Defendants' policies and practices of failing to timely pay wages to Plaintiff and the Class violate California Labor Code sections 204.

1 6. For general unpaid wages and such general and special damages as may be
2 appropriate;

3 7. For statutory wage penalties pursuant to California Labor Code section 1197.1 for
4 Plaintiff and the Class in the amount as may be established according to proof at trial;

5 8. For pre-judgment interest on any unpaid compensation from the date such amounts
6 were due;

7 9. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
8 California Labor Code section 1194(a);

9 10. For liquidated damages pursuant to California Labor Code section 1194.2; and

10 11. For such other and further relief as the Court may deem just and proper.

11 **As to the Second Cause of Action**

12 12. That the Court declare, adjudge, and decree that Defendants violated California
13 Labor Code sections 2800 and 2802 by willfully failing to reimburse Plaintiff and the Class for
14 all necessary business-related expenses as required by California Labor Code sections 2800 and
15 2802;

16 13. For actual, consequential, and incidental losses and damages, according to proof;

17 14. For the imposition of civil penalties and/or statutory penalties;

18 15. For reasonable attorneys' fees and costs of suit incurred herein; and

19 16. For such other and further relief as the Court may deem just and proper.

20 **As to the Third Cause of Action**

21 17. That the Court declare, adjudge and decree that Defendants violated California
22 Business and Professions Code sections 17200, *et seq.* by failing to provide Plaintiff and the Class
23 all overtime compensation due to them, failing to provide all meal and rest periods to Plaintiff
24 and the Class, failing to pay at least minimum wages to Plaintiff and the Class, failing to pay
25 Plaintiff's and other Class Members' wages timely as required by California Labor Code section
26 204 and by violating California Labor Code sections 226(a), 1174(d), 2800, and 2802;

27 18. For restitution of unpaid wages to Plaintiff and the Class and all pre-judgment
28

1 interest from the day such amounts were due and payable;

2 19. For the appointment of a receiver to receive, manage, and distribute any and all
3 funds disgorged from Defendants and determined to have been wrongfully acquired by
4 Defendants as a result of violation of California Business and Professions Code sections 17200,
5 *et seq.*;

6 20. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
7 California Code of Civil Procedure section 1021.5;

8 21. For injunctive relief to ensure compliance with this section, pursuant to California
9 Business and Professions Code sections 17200, *et seq.*; and

10 22. For such other and further relief as the Court may deem just and proper.
11
12

13 Dated: December 30, 2025

PROTECTION LAW GROUP, LLP

14
15 By: _____



Peter Horton
Shadi Sahebghalam
Kyril Karpiuk
Attorneys for Plaintiff
EDUARDO SEVILLA

DEMAND FOR TRIAL BY JURY

Plaintiff demands a trial by jury as to all causes of action triable by a jury.

Dated: December 30, 2025

PROTECTION LAW GROUP, LLP

By: _____



Peter Horton
Shadi Sahebghalam
Kiryl Karpiuk
Attorneys for Plaintiff
EDUARDO SEVILLA

AMENDED SUMMONS **(CITACION JUDICIAL)**

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

NOTICE TO DEFENDANT:
(AVISO AL DEMANDADO):

IMPERIAL VALLEY HEALTHCARE DISTRICT, a California public entity; and DOES 1 through 50, inclusive,

YOU ARE BEING SUED BY PLAINTIFF:

(LO ESTÁ DEMANDANDO EL DEMANDANTE):

EDUARDO SEVILLA, individually and on behalf of others similarly situated,

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **¡AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:

(El nombre y dirección de la corte es): El Centro Courthouse

939 West Main Street, El Centro, CA 92243

CASE NUMBER:
(Número del Caso):

ECU004201

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

Peter Horton, SBN 227678; Protection Law Group, LLC, 149 Sheldon St., El Segundo, CA 90245; (424) 290-3095

DATE:

(Fecha)

Clerk, by

(Secretario)

, Deputy

(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

[SEAL]

NOTICE TO THE PERSON SERVED: You are served

1. ☐ as an individual defendant.

2. ☐ as the person sued under the fictitious name of (specify):

3. ☐ on behalf of (specify):

under: ☐ CCP 416.10 (corporation)

☐ CCP 416.60 (minor)

☐ CCP 416.20 (defunct corporation)

☐ CCP 416.70 (conservatee)

☐ CCP 416.40 (association or partnership)

☐ CCP 416.90 (authorized person)

☐ other (specify):

4. ☐ by personal delivery on (date):

December 8, 2025

VIA U.S. MAIL



Pioneers Memorial Healthcare District
Attn: Government Claims Act
Secretary of the Board of Directors of
Pioneers Memorial Healthcare District
and/or Clerk of the Board
207 W. Legion Road
Brawley, CA 92227

Re: Xitlalic Bucio Government Claim Submission Pursuant to Government Claims Act

To Pioneers Memorial Healthcare District and the Secretary of the Board of Directors and/or Clerk of the Board:

My name is Xitlalic Bucio and I am a current hourly employee of Pioneers Memorial Healthcare District ("PMHD") providing direct patient care. This letter presents claims to PMHD pursuant to the Government Claims Act. I am unaware of any form designated by PMHD for use in relation to submission of such government claims.

Pursuant to Cal. Gov. Code § 910 (a-f), please find below details related to my claims against Pioneers Memorial Healthcare District:

1. Claimant Name and Post Office Address:

- a. Claimant Name: Xitlalic Bucio
- b. Claimant Contact Information:
 - i. Telephone: [REDACTED]
 - ii. Post Office Address: [REDACTED] Brawley, CA 92227

2. Post Office Address to which Claimant Desires All Notices to be Sent:


Xitlalic Bucio
[REDACTED]
Brawley, CA 92227

3. Date, Place, and Other Circumstances of the Occurrence or Transaction Giving Rise to the Claim Asserted:

- a. Dates:
 - i. Throughout Claimant's employment with PMHD, which began prior to December 5, 2021 and continues to date.

- b. Place:
 - i. Pioneers Memorial Healthcare District, 207 Legion Road, Brawley, CA 92227
 - c. Circumstances Giving Rise to Claim:
 - i. PMHD's payroll policies and practices failed to compensate Claimant and similarly situated employees for all wages owed to them, including but not limited to unpaid overtime and/or other premium wages, unpaid meal period premiums and unpaid rest period premiums. PMHD is subject to the Fair Labor Standards Act, and California Labor Code and Wage Order, pursuant to California Health and Safety Code Section 32128(d) and/or California Labor Code 512.1. Claimant and similarly situated employees were/are not compensated for all wages owed to them, including but not limited to unpaid overtime and/or other premium wages, unpaid meal period premiums and unpaid rest period premiums.
4. General Description of Indebtedness, Obligation, Injury, Damages, or Loss:
- a. Claimant and similarly situated employees were/are not compensated for all wages owed to them, including but not limited to unpaid overtime wages and/or other premium wages, unpaid meal period premium wages and unpaid rest period premium wages.
 - b. PMHD's payroll policies and practices failed to compensate Claimant and similarly situated employees for the same. PMHD is subject to the Fair Labor Standards Act, and California Labor Code and Wage Order, pursuant to California Health and Safety Code Section 32128(d) and/or California Labor Code 512.1.
5. Name(s) of Public Employee(s) Causing Injury, Damage, or Loss, if Known:
- a. Unknown
6. Dollar Amount of Claim/Limited/Non-Limited Civil Case:
- a. This claim exceeds the jurisdictional amount required to be a limited civil case. Thus, no dollar amount is necessary to be stated at this time and this matter would ultimately be designated as an unlimited and/or non-limited civil case.

Regards,


Xitlalic Bucio (Dec 8, 2025 11:30:17 PST)
Xitlalic Bucio



**MEETING MINUTES
DECEMBER 11, 2025
REGULAR AND SPECIAL BOARD MEETING**

THE IMPERIAL VALLEY HEALTHCARE DISTRICT MET IN REGULAR SESSION ON THE 11th OF DECEMBER AT 1271 ROSS AVENUE CITY OF EL CENTRO, CA. ON THE DATE, HOUR AND PLACE DULY ESTABLISHED OR THE HOLDING OF SAID MEETING.

1. TO CALL ORDER:

The regular meeting was called to order in open session at 5:03pm by Katherine Burnworth.

2. ROLL CALL-DETERMINATION OF QUORUM:

President	Katherine Burnworth
Vice-President	Laura Goodsell
Secretary	Arturo Proctor
Treasurer	James Garcia
Trustee	Enola Berker
Trustee	Rodolfo Valdez

ABSENT:

Felipe Irigoyen - Trustee

GUESTS:

Adriana Ochoa – Legal/Snell & Wilmer
Christopher R. Bjornberg - Chief Executive Officer
Tomas Virgen - Support for IVHD (AB 918)

3. PLEDGE OF ALLEGIANCE WAS LED BY DIRECTOR BURNWORTH.

4. APPROVAL OF REQUEST FOR REMOTE APPEARANCE BY BOARD MEMBER(S)

None

5. CONSIDER APPROVAL OF AGENDA:

Motion was made by Director Berker and second by Director Goodsell to approve the combining the Special and Regular agenda for December 11, 2025. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

6. PUBLIC COMMENT TIME:

None.

7. BOARD COMMENTS:

- a. Brief reports by Directors on meetings and events attended.

Director Berker reported that she attended the Auxiliary Woman's meeting and the store is doing really well.

Director Proctor attended a meeting with Pablo with the Imperial Valley County Sheriffs



and Chiefs Association last week at Brawley PD to discuss some strategies moving forward when we consolidate both the hospitals as to how to expedite given officers in when they have in custody and ext. and also how to keep them away from the general population.

- b. Schedule of upcoming Board meetings and events.

None

- c. Report of Merger Strategic Planning Ad-Hoc Committee

This item is being going to be discussed in the agenda

- d. Finance Committee

Director Garcia reported that the finance committee met on November 25th and at that meeting the finance committee discussed and approved the bylaws of the Imperial Valley Healthcare District Finance and Budget Committee. They also reviewed and recommend for the board to approve the items listed in the consent agenda such as 8b approval and file PMH expense financial report October 2025, 8c approval of contract with value under \$200,000, approval of financial professional services agreement with Urology Indudhara.

CEO Chris Bjornberg requested to pull it 8Ci Professional Services Agreement for Urology Indudhara. This item will be pulled and be brought back to the next board meeting.

Director Garcia also reported that they reviewed the Renew Barracuda email Security, Oracle Clinical AI Agent (CAA and Affinity Data Archive Phase 3 (CAA)

This item is being going to be discussed in the agenda. They also reviewed, discussed and recommend to the board for approval item 9C which surpasses their \$200,000 capacity and that is why it is an action item Oracle Health HER Nursing Mobility.

8. CONSENT CALENDAR:

Motion was made by Director Berker and second by Director Proctor to approve pulling item 8Ci Professional Services Agreement for Urology Indudhara and approving the consent calendar items:

- a. Minutes for meetings of November 6, 2025, and November 13, 2025
- b. PMH Expenses/Financial Report October 2025
- c. Approval of Contracts with Values Under \$200,000 (After Finance Committee Review and with Recommendation for Approval):
 - ii. Renew Barracuda Email Security
 - iii. Oracle Clinical AI Agent (CAA)
 - iv. Approval of the Affinity Data Archive Phase 3 (CAA)

Motion passed by the following vote wit:



AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez, Irigoyen
NOES: None

9. ACTION ITEMS:

- a. PRESENTATION OF IVHD 5-YEAR INTEGRATED FINANCIAL PLAN FOR POST-MERGER HEALTHCARE SYSTEM

Background: This presentation is intended to inform the Board and the public regarding the financial plan to finance the acquisition and ongoing operations of Pioneers Memorial Hospital, El Centro Regional Medical Center and the related healthcare facilities (HSC § 32499.6(c)(6)(D)).

Staff Recommends the Following Action: Accept and Approve 5-Year Integrated Financial Plan

Presented by: Berkeley Research Group and UCSD/Pablo Velez, ECRMC CEO

Motion was made by Director Berker and second by Director Proctor to accept and approve the five integrated financial plan. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Garcia, Berker, Garcia, Valdez
NOES: None

- b. MEDICAL STAFF REPORT – Recommendations from the Medical Executive Committee for Medical Staff Membership and/or Clinical Privileges, policies/ procedures/forms, or other related recommendations.

Motion was made by Director Berker and second by Director Proctor to approve the recommendations from the Medical Executive Committee. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez
NOES: None

- c. Staff Recommends Action to Authorize: Oracle Health EHR Nursing Mobility

Presented by: Christopher Bjornberg

Contract Value: License Fees (60 Handheld Devices) \$64,800(36 months)

Purchased Services \$103,632.75 (one-time)

Travel Estimate \$16,000 (one-time)

\$184,432.75

Hardware (60 Handheld Devices) \$120,000 (not to exceed, one-time)

Total Project Value: \$304,432.75

Contract Term: 36-months

Budgeted: Yes

\$180,000 in CapEx associated with WOW upgrades or handhelds

\$194,466.35 in Purchased Services for implementation.

\$24,480 in Licensing costs (monthly fees, 1st years cost budgeted to licenses)

Budgeted Classification: Maintenance

Motion was made by Director Berker and second by Garcia to approve the Oracle Health



EHR Nursing Mobility. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- d. Staff Recommends Action to Authorize: Authorize Amendment No. 4 to the Supplemental Funding Enhancement Program Agreement with Steve Clark & Associates (SCA).

Presented by: Carly Loper, CFO

Contract Value: \$90,000/year, no increase

Contract Term: One Year Agreement from January 1, 2026 to December 31, 2026

Budgeted: Yes

Budgeted Classification: Purchased Services

Motion was made by Director Berker and second by Garcia to approve Authorize Amendment No. 4 to the Supplemental Funding Enhancement Program Agreement with Steve Clark & Associates (SCA). Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- e. Staff Recommends Action to Authorize: Authorize the payment of annual membership dues for the District Hospital Leadership Forum (DHLF) for Imperial Valley Healthcare District.

Presented by: Carly Loper, Chief Financial Officer

Contract Value: Annual Membership dues are \$76,535.73

Contract Term: One Year Membership (January 1, 2026 – December 31, 2026)

Budgeted: Yes

Budgeted Classification: Dues and Subscriptions

Motions was made by Director Berker and second by Proctor to approve Authorize the payment of annual membership dues for the District Hospital Leadership Forum (DHLF) for Imperial Valley Healthcare District. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- f. Staff Recommends Action to Authorize: Authorize Off-Site Biomedical Waste Treatment and Disposal Service Agreement with Veolia ES Technical Solutions, L.L.C.

Presented by: Carly Loper, Chief Financial Officer

Contract Value: \$75,000/six months (cost is based on weight)

Contract Term: Six Month Agreement from January 1, 2026 to June 30, 2026

Budgeted: Yes

Budgeted Classification: Purchased Services

Motion was made by Director Proctor and second by Berker to approve Authorize Off-Site Biomedical Waste Treatment and Disposal Service Agreement with Veolia ES Technical Solutions, L.L.C. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez



NOES: None

- g. Staff Recommends Action to Authorize: Purchase of Chemistry Analyzer (Vitros 7600)
Presented by: Carly Zamora/Annabel Limentang
Contract Value: \$209,875

Contract Term: Purchase; 3-year warranty included

Budgeted: No; PMH filed for an insurance claim, possibility of a reimbursement

Budgeted Classification: Capital Equipment

Motion was made by Director Berker and second by Proctor to approve Purchase of Chemistry Analyzer (Vitros 7600). Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- h. Action Item: Policy and Procedure: Influenza Work Instructions

Motion was made by Director Proctor and second by Berker to approve Policy and Procedure: Influenza Work Instructions. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- i. Action Item: Policy and Procedure: Ebola Work Instructions

Motion was made by Director Proctor and second by Berker to approve Policy and Procedure: Ebola Work Instruction. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- j. Action Item: Policy and Procedure: Vector-Borne Work Instruction

Motion was made by Director Proctor and second by Berker to approve Policy and Procedure: Vector-Borne Work Instruction. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- k. Action Item: Policy and Procedure: Obstetrics Cash Discount Policy FY2026

Motion was made by Director Proctor and second by Berker to approve Obstetrics Cash Discount Policy FY2026. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- l. Action Item: Policy and Procedure: Hepatitis B Vaccine



Motion was made by Director Proctor and second by Berker to approve Policy and Procedure: Hepatitis B Vaccine. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Proctor, Garcia, Berker, Valdez

NOES: None

- m. Action Item: Policy and Procedure: Standardized Procedure for Registered Nurses: Post Exposure Prophylaxis Treatment of Sexually Transmitted Diseases – SART

Motion was made by Director Proctor and second by Director Berker to approve Policy and Procedure: Standardized Procedure for Registered Nurses: Post Exposure Prophylaxis Treatment of Sexually Transmitted Diseases - SART. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Garcia, Berker, Garcia, Valdez

NOES: None

Moving on to the items for the Special Meeting Agenda.

5. ACTION ITEMS:

- a. Staff Recommends Action to Authorize: Approval of Professional Design Agreement with Mascari Dinh Architects
Presented by: Chris Bjornberg, CEO
Contract Value: \$954,317.00 plus \$50,000 in reimbursable expenses

Motion was made by Director Berker and second by Director Proctor to approve Approval of Professional Design Agreement with Mascari Dinh Architects. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Garcia, Berker, Garcia, Valdez

NOES: None

- b. Staff Recommends Action to Authorize: Microsoft Enterprise Agreement and Office 365
Presented by: Chris Bjornberg, CEO
Contract Value: Not to exceed \$550,000
(13 months for PMH and 12 months for ECRMC, aligning expiration of the term to 01/31/2027) The current quote is \$511,627.14; however, additional flexibility is requested to accommodate potential licensing adjustments. ECRMC's current agreement includes 860 licenses, but because they have not been actively using Microsoft 365, compliance with that number is uncertain. There may also be a need to upgrade certain roles—such as Administrators and Directors—from F3 to E3 licenses, which carry a higher cost. This contingency ensures uninterrupted service and compliance without requiring additional board action.
Contract Term: 13-months for IVHD, 12-months for ECRMC
Budgeted: IVHD \$411,000 (Licenses)
ECRMC \$165,000 (Licenses)
Budgeted Classification: Subscription



Motion was made by Director Berker and second by Director Valdez to approve Microsoft Enterprise Agreement and Office 365. Motion passed by the following vote wit:

AYES: Burnworth, Goodsell, Garcia, Berker, Garcia, Valdez

NOES: None

10. MANAGEMENT REPORTS:

- a. Finance: Carly C. Loper, MAcc – Chief Financial Officer

Carly went over the financial report.

- b. Hospital Operations: Carol Bojorquez, MSN, RN – Chief Nursing Officer

Carol went over the CNO report.

- c. Clinics Operation: Carly Zamora MSN, RN – Chief of Clinic Operations

Carly reported on the Clinic Operation report.

- d. Urgent Care: Tomas Virgen – Administrative Coordinator/ Support for AB 918

Tomas reported that the numbers have slightly increased from the summer. They picked up for October and November.

- e. Executive: Christopher R. Bjornberg – Chief Executive Officer

Chris reported that last week they had a meeting with LAFCO and they put out that they would like to floating the idea that they would like to have special districts have two spots on the LAFCO board and there is a cost associated with that. Once he has more information on this he will report back to the board.

He also reported that there has been a lot of work. The teams have really done a phenomenal job. Another thing that was reported is they are looking at bringing the security in house for IVHD, Currently we outsource that. Over at ECRMC we have that in-house so we are going to make that in house for Pioneers as well. ECRMC has a great program for that and how that's all set up and he thinks that will be very beneficial to the district as we do that and everybody feels safe from that standpoint and you will see that probably coming here pretty soon as we look at making changes from that perspective.

- f. Legal: Adriana Ochoa – General Counsel

Adriana reported that SB707 becomes effective January 1st. Most of this bill currently does not apply to IVHD. There's one section that could apply to IVHD if you wanted it to. And this is something we discussed at the finance committee, which is the virtual meetings provision for subsidiary bodies, which basically means committees. This gives the finance committee the option of meeting entirely virtually but the board would have to

adopt a resolution in January that says that they can. The parent board has to give sort of permission for the committee to be able to meet virtually and they have to make certain



findings every six months thereafter. It does not give us a ton of benefits especially considering how small our finance committee is, particularly because elected officials still have to comply with certain provisions of the Brown Act and there are a lot of sort of burdensome video requirements that we would have to check the bucket list on. But it is a good option for flexibility. You will still have the ability to attend meetings, you the board and committees have the ability to attend meetings remotely under the just cause exemption which you can only use twice a year because you meet twice a month. That added flexibility is good but remember you have to make the just cause the determination you have to say either you are sick or are caring for a loved one or you have to sort of justify your just cause and it has to fit into one of those four buckets. IVHD are not currently subject to the rules for SB707 because only certain types of agencies are subject to SB707. One of them is called the large agencies. It applies to large agencies and right now we don't fit that definition but after the merger we will because after the merger we will be an entity that has its countywide footprint and over a thousand employees so then we will have to comply with many provisions of SB707. This is just a heads up because we're slated to close January 24 and if that works out then our February meeting will have to start complying with these requirements. If the committees are interested in virtually meetings Adriana will work on a resolution for the board to approve in January.

Adriana also reported that SB852 is effective in January and what this means is the 700 form has now be filled electronically directly the FPPC. She also reported that they are working on an amended conflict of interest code, which we will likely be presented to the board at the second meeting of January at amend your code or it might come in February because you will need to amend your conflict of interest code to be consistent with you new organizational chart. The will bring the revised org chart for approval by this board and new conflict of interest code that designates the new positons and the different positions and they're filing obligations so that folks know who as to file within the 30 days and who as to file before April 1st. Last is she wanted to give a rundown on the high level where were at with the merger. We are checking lots of stuff off the checklist and the ad hoc aware, the checklist is like 20 pages long but big level real property is almost closed up. We got all the appraisals today. The title objection letters have been submitted The real property side and the actual transfer of buildings brick and mort from agency a to agency b is moving along smoothly no delay. The benefits side

The benefits side, which is very complicated, the pension stuff, the 457A plan, the 402B plan, all the resolutions were finalized by the pension Council for ECRMC and IVHD a few weeks ago. They're going to be presented to the ECRMC board next week at their December 18th meeting. So the benefit side of the house has been checked. The labor and employment side offer letters went out started going out to ECRMC employees for employment at IVHD effective on the date of closing. If that's January 24th, great. If it's a different date, it'll be effective on the date of closing. And those conversations and those offer letters have been going out and have been, from what she understands, pretty smooth and that's been happening ever since the beginning of December. Offer letters also to the ECRMC executives went out today and in January, we will bring to this board the offer letters that we finalize with the ECRMC team for CFO and COO for consultation. So under the Joint Powers Agreement with UCSD, which was one of the things that we changed from the last JPA, UCSD is required to consult with this board, with respect to the employment of CEO, CFO, and COO. CEO is an employee of UCSD, so we don't



have a say in their employment agreement that's outside. But the CFO and COO can be an IVHD employee, or they can be a UCSD employee at UCSD's option. At this point, they're going to be IVHD employees, so those offer letters went out and all we're doing is presenting them for consultation. You're not going to actually approve them because it's really under the CEO's powers to do that, but in light of the language that they have to be brought for consultation, we're gonna bring those for consultation in January. The two big checklist items for closing continue to be the financial, the big financial issues, which is the Preston Hollow consent to transfer the bonds. Which we haven't gotten yet, but there's been ongoing discussions with Preston Hollow, and we just have a lot of work to do over the next couple weeks to make sure that we make them comfortable with consenting. And then satisfying the PMH debt, we're also working on that. Finally, and this is outside of the merger, but this is information we just got yesterday, so she wanted to make the board aware. We got the county's deadlines for 2026 June primary elections. The county asked who's up in June. And I responded today and she talked to Chris about this saying, I don't think anyone's up. In June, our resolutions call for the board directors to be elected at the general election. So she asked her to confirm that her understanding is correct and that there's not some requirement we're not aware of. So she will let the board know, and certainly in January, because if we have if the board is subject to primaries, it would be districts one, two, and three that are up. And we have to pass a resolution consolidating our election with the statewide primary. And by January 30, to say, here's the three districts that are up, plus district seven because of the vacancy. And then you would have to have a deadline, which I'll forward the calendar. You have a deadline. Your folks that are interested in running have deadlines to submit their candidacy statements. The other thing is that apparently, even though the elections code requires resolutions calling for basically our funding mechanism to be delivered to the county 88 days before the primary. The county has told us that their deadline is January 30th. This cuts off about a month, that we thought we had. We still have time, but this means that if this board wants to put a funding mechanism on a ballot for June, then you've got to approve a resolution and figure out the funding mechanism in January at one of the January, or sometime before January 30. Your obligation under SB1070, as a reminder, is November. But there have been discussions about wanting to do it in June, so she letting the board know that the deadline to submit that resolution is January 30th.

Christian Rodriguez, reported that he had the privilege of representing IVCs third semester, registered nursing cohort. For the past years has been stepping into IVHDs facilities, such as Pioneers Memorial Hospital and PMHDPNF. He expressed that it's made a tremendous impact in their confidence, competence, and development as future nurses. He thanked everyone for their continued support; trust in letting them step in the support facilities. He is also so happy that we are all on the same page on behalf of our cohort. Thank you for your ongoing support of nursing education.

11. ITEMS FOR FUTURE AGENDA:

None

12. ADJOURNMENT:

With no future business to discuss, Motion was made unanimously to adjourn meeting at 6:38 p.m.



To: Board of Directors

Katherine Burnworth, President

Laura Goodsell, Vice President

Arturo Proctor, Secretary

James Garcia, Treasurer

Enola Berker, Trustee

Rodolfo Valdez, Trustee

Felipe Irigoyen, Trustee

Additional Distribution:

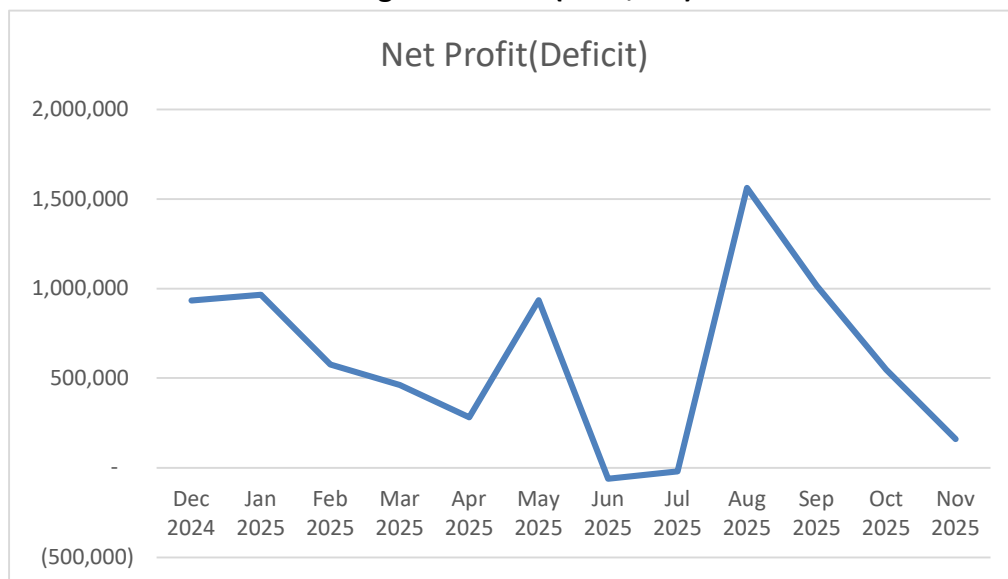
Christopher R. Bjornberg, Chief Executive Officer

From: Carly Loper, Chief Financial Officer

Financial Report – November 2025

Overview:

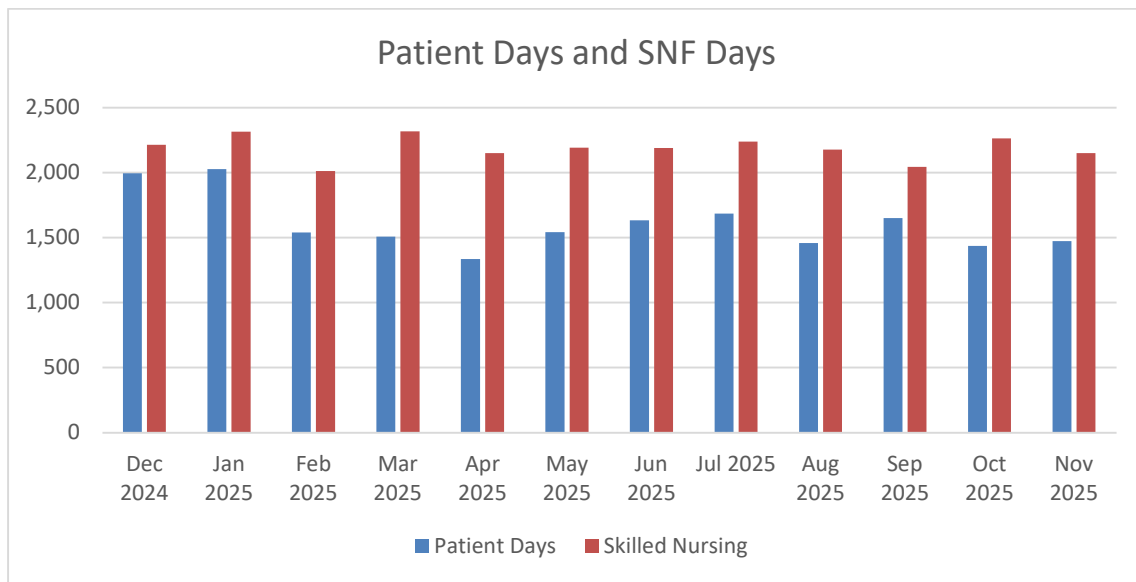
Financial operations for the month of November resulted in a profit of \$159,419 against a budgeted loss of (\$904,225).



Patient Volumes:

Inpatient days were under budget by (7.0%) and higher than the prior month volumes by 2.6%. For the year-to-date period, inpatient days under budget and prior year by (0.4%), or 32 patient days.

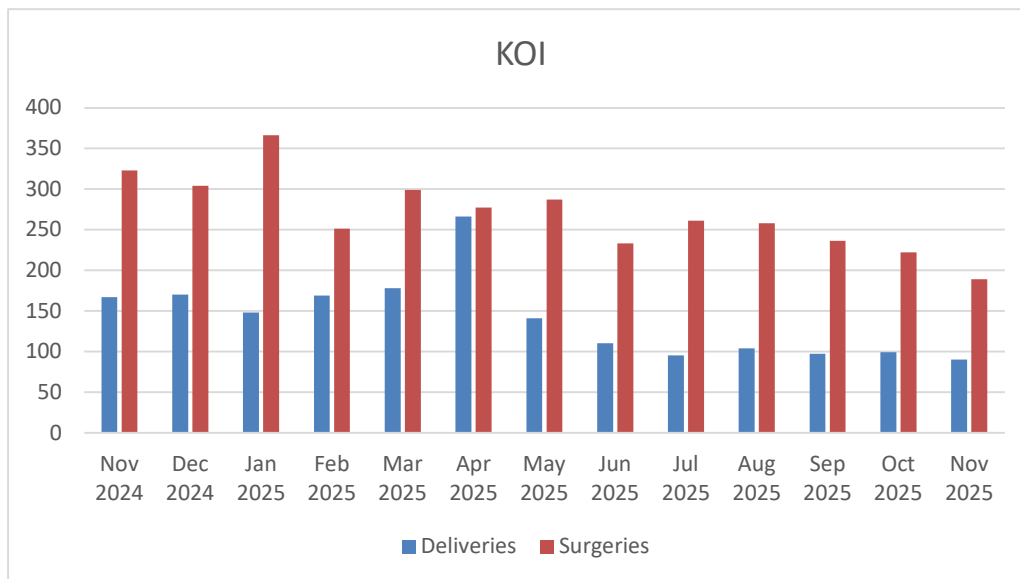
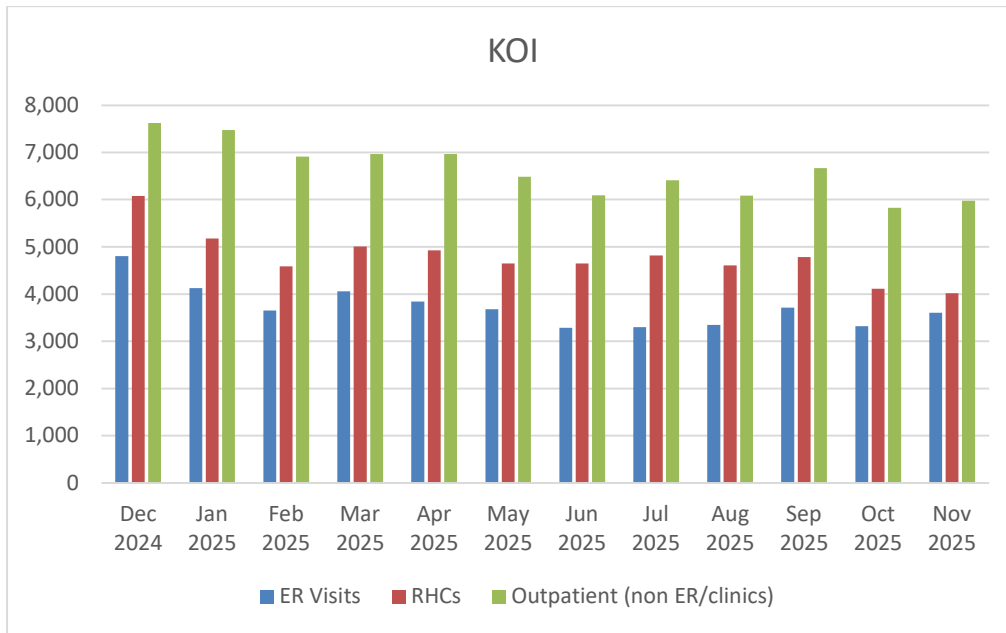
Skilled Nursing days were under budget by (11.7%) and under prior month volumes by (5.0%). October inpatient days were 2,263 compared to 2,149 inpatient days in November. PMSNC had an average daily census (ADC) of 71.6 for the month of October.



For the month of November the key operating statistics: Deliveries, Surgeries and Callexico Rural Clinic fell below the prior month visits/procedures with Emergency Room, Pioneers Health Center and Outpatient (non ER) exceeding the prior month. All fiscal year-to-date numbers, except for the Callexico clinic, are lower than prior year. For actual compared to budget fiscal year to date, the visits/procedures are all under budget with the exception of the rural clinics.

See Exhibit A (Key Volume Stats – Trend Analysis) for additional detail.

	Current Period			Year To Date		
	Act.	Bud	Prior Yr.	Act.	Bud	Prior Yr.
Deliveries	90	187	167	485	896	829
E/R Visits	3,605	3,629	3,817	17,276	17,347	18,230
Surgeries	189	301	323	1,166	1,515	1,859
Rural Clinics	4,018	4,402	6,289	22,333	22,173	22,292
Outpatient(nonER)	5,974	5,951	6,531	31,101	35,658	32,273



Gross Patient Revenues:

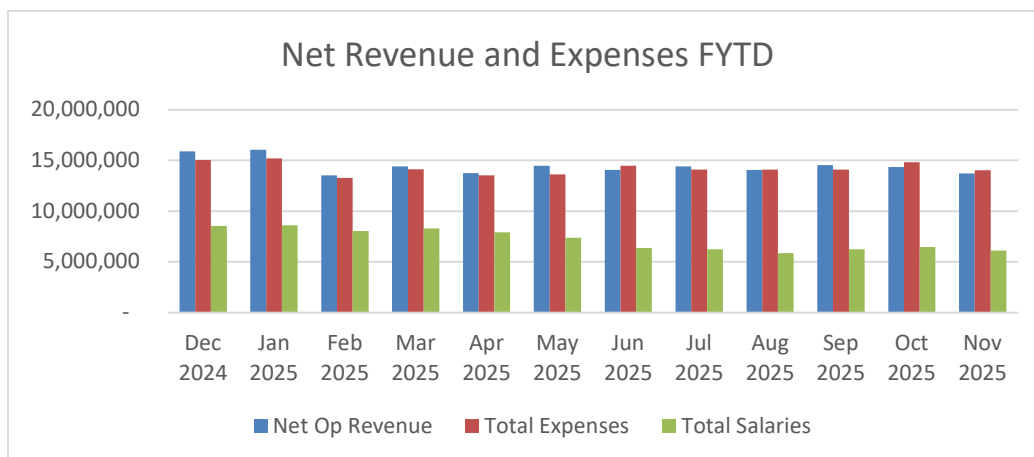
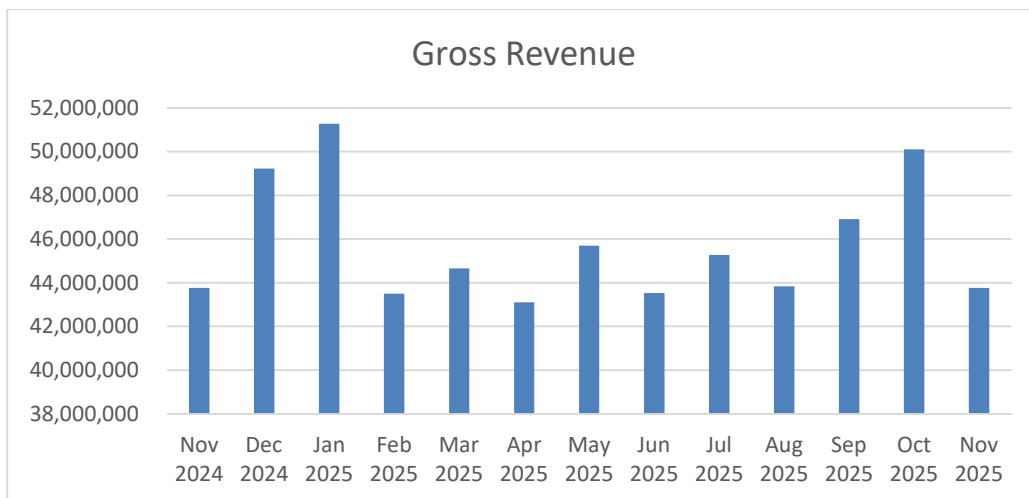
In November, gross revenues are below budget by \$570k or 1.3% and below prior month by \$6.9 M or 16.0%.

	Monthly Gross Revenue	Daily Gross Revenue
October	\$50,106,165	\$1,616,328
November	\$43,188,646	\$1,439,622

Operating Expenses:

In total, November operating expenses were under budget by \$166k or 1.2%. Daily expenses were \$467k and budget is \$472k per day. Total staffing expense and maintenance are 6.8% and 11.8% under budget, respectively. Total expenses were lower than prior month by \$819k or 6.0%.

	Monthly Expenses	Daily Expenses
October	\$14,825,116	\$478,230
November	\$14,006,146	\$466,872

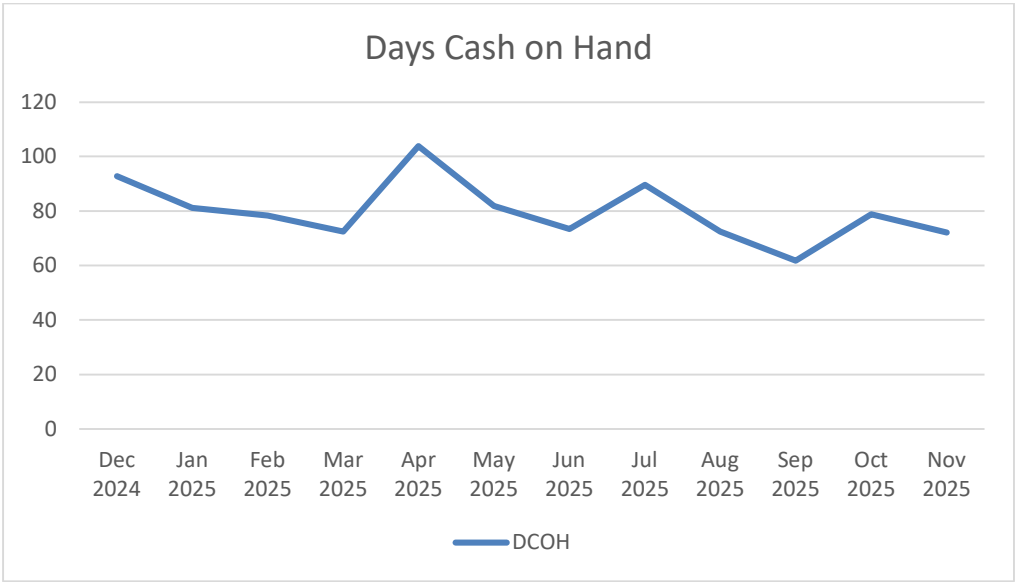


Bond Covenants:

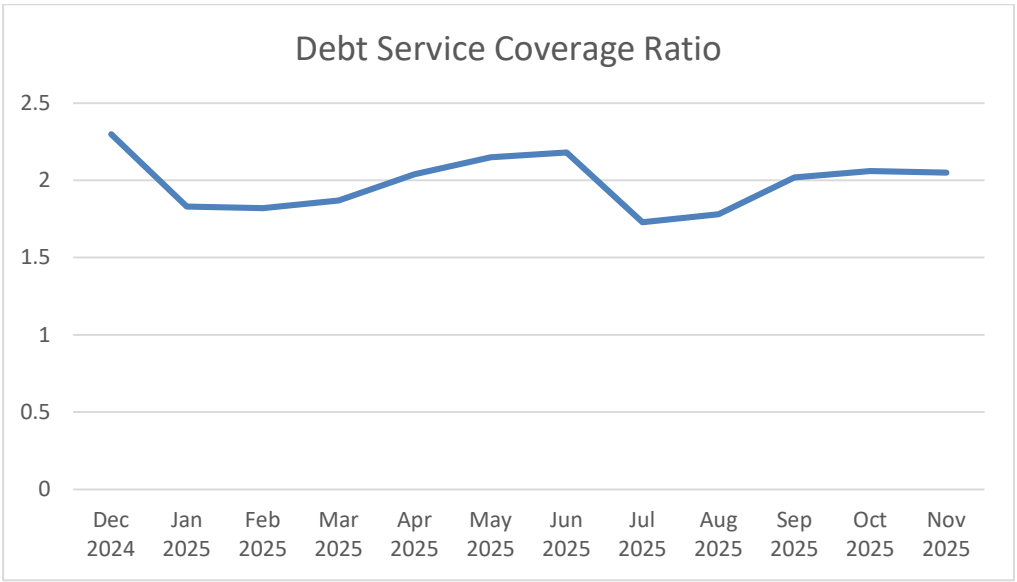
As part of the Series 2017 Bond issue, the District is required to maintain certain covenants or “promises” to maintain liquidity (days cash on hand of 50 days) and profitability (debt service coverage ratio of 1.20). A violation of either will allow the Bond Trustee (US Bank) authorization to take certain steps to protect the interest of the individual Bond Holders.

The District’s days cash on hand increased from the prior month with the following results:

end of August 2025:	72.4 days cash on hand
end of September 2025:	61.8 days cash on hand
end of October 2025:	78.8 days cash on hand
end of November 2025:	72.1 days cash on hand

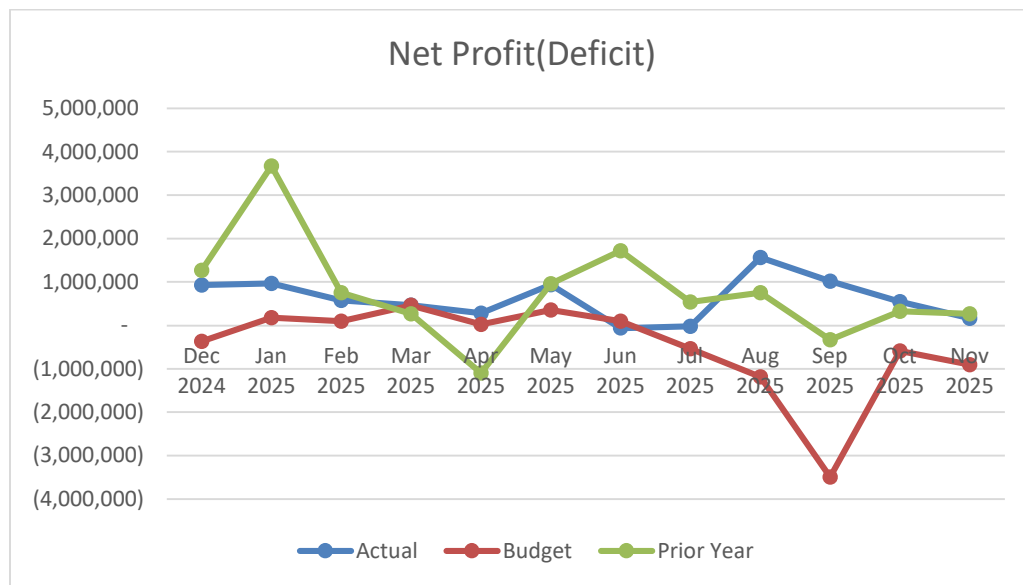


October 2025 debt service coverage ratio was 2.06. November 2024 debt service coverage is 2.05.



Net Excess/(Deficit):

Fiscal year-to-date, District operations have resulted in a profit of \$3,265,860 against a budgeted loss of (\$6,706,195), which is ahead of the prior year-to-date profit of \$1,551,482. Of the current year profit about \$1.2 M is from FEMA reimbursement.



**IMPERIAL VALLEY HEALTHCARE DISTRICT
STATEMENT OF REVENUE AND EXPENSE**

THIS MONTH ACTUAL OCTOBER	LAST YEAR ACTUAL NOVEMBER	THIS MONTH ACTUAL NOVEMBER	THIS MONTH BUDGET NOVEMBER	% VAR	FOR THE PERIOD ENDING NOCEMBER 30, 2025	FYTD ACTUAL NOVEMBER	FYTD BUDGET NOVEMBER	% VAR	FYTD PRIOR YEAR NOVEMBER	% VAR
3,843	3,243	3,835	3,728	2.85%	ADJ PATIENT DAYS	20,755	18,301	13.41%	15,751	31.77%
1,435	1,376	1,472	1,582	-6.95%	INPATIENT DAYS	7,700	7,732	-0.41%	6,655	15.70%
486	501	519	539	-3.71%	IP ADMISSIONS	2,578	2,613	-1.34%	2,448	5.31%
48	44	49	53	-6.95%	IP AVERAGE DAILY CENSUS	50	51	-0.41%	43	15.70%
					GROSS PATIENT REVENUES					
18,708,455	18,566,845	16,577,828	18,566,845	-10.71%	INPATIENT REVENUE	85,080,176	91,851,584	-7.37%	91,851,583	-7.37%
31,397,710	25,191,832	26,610,818	25,191,832	5.63%	OUTPATIENT REVENUE	144,254,802	125,548,780	14.90%	125,548,780	14.90%
50,106,165	43,758,677	43,188,646	43,758,677	-1.30%	TOTAL PATIENT REVENUES	229,334,978	217,400,364	5.49%	217,400,363	5.49%
					REVENUE DEDUCTIONS					
12,400,237	9,362,592	12,107,072	12,779,537	5.26%	MEDICARE CONTRACTUAL	61,039,011	56,104,503	-8.80%	49,793,010	-22.59%
15,868,842	13,222,417	14,854,153	13,214,896	-12.40%	MEDICAL CONTRACTUAL	71,095,502	65,779,118	-8.08%	63,867,225	-11.32%
-1,573,242	-1,374,159	-3,053,795	-1,518,546	-101.10%	SUPPLEMENTAL PAYMENTS	-9,005,754	-7,268,251	-23.91%	-6,837,202	-31.72%
-243,579	0	0	0	100.00%	PRIOR YEAR RECOVERIES	-243,579	0	100.00%	0	
7,821,997	8,171,185	4,893,665	5,408,650	9.52%	OTHER DEDUCTIONS	30,665,207	35,570,084	13.79%	38,261,334	19.85%
390,992	12,363	0	0	#DIV/0!	CHARITY WRITE OFFS	1,775,956	1,680,085	-5.71%	230,051	-671.98%
1,106,077	920,000	1,006,077	1,365,442	26.32%	BAD DEBT PROVISION	4,116,523	4,384,566	6.11%	4,827,961	14.74%
-4,167	-4,167	-4,167	-4,167	0.00%	INDIGENT CARE WRITE OFFS	-16,668	-21,045	20.80%	-20,835	-20.00%
35,767,157	30,310,231	29,803,005	31,245,812	4.62%	TOTAL REVENUE DEDUCTIONS	159,426,198	156,229,060	-2.05%	150,121,544	-6.20%
14,339,008	13,448,446	13,385,641	12,512,865	6.98%	NET PATIENT REVENUES	69,908,780	61,171,304	14.28%	67,278,819	-3.91%
71.4%	69.3%	69.0%	71.4%			69.5%	71.9%		69.1%	
0	0	0	0		OTHER OPERATING REVENUE					
887,444	392,693	322,016	461,008	-30.15%	GRANT REVENUES	0			0	#DIV/0!
887,444	392,693	322,016	461,008	-30.15%	OTHER	2,430,508	2,305,039	5.44%	1,998,181	21.64%
					TOTAL OTHER REVENUE	2,430,508	2,305,039	5.44%	1,998,181	21.64%
15,226,452	13,841,139	13,707,657	12,973,873	5.66%	TOTAL OPERATING REVENUE	72,339,288	63,476,343	13.96%	69,277,000	4.42%
					OPERATING EXPENSES					
6,463,090	6,700,034	6,119,637	7,011,069	12.71%	SALARIES AND WAGES	31,236,097	33,131,849	5.72%	31,630,203	1.25%
1,598,931	1,474,183	1,838,087	1,537,211	-19.57%	BENEFITS	7,461,411	8,239,833	9.45%	7,908,566	5.65%
183,055	170,892	183,990	185,753	0.95%	REGISTRY & CONTRACT	830,662	1,035,135	19.75%	960,830	13.55%
8,245,076	8,345,109	8,141,714	8,734,033	6.78%	TOTAL STAFFING EXPENSE	39,528,170	42,406,817	6.79%	40,499,599	2.40%
1,474,067	1,406,374	1,353,338	1,434,024	5.63%	PROFESSIONAL FEES	7,814,438	6,877,609	-13.62%	6,741,730	-15.91%
1,893,608	1,269,214	1,529,212	1,299,273	-17.70%	SUPPLIES	8,252,448	7,695,563	-7.24%	7,501,594	-10.01%
730,849	569,775	728,043	583,812	-24.71%	PURCHASED SERVICES	3,433,629	3,273,246	-4.90%	3,182,276	-7.90%
471,500	668,786	603,894	684,439	11.77%	REPAIR & MAINTENANCE	3,072,521	3,179,133	3.35%	3,099,166	0.86%
309,556	288,299	309,555	284,793	-8.69%	DEPRECIATION & AMORT	1,547,789	1,505,602	-2.80%	1,438,364	-7.61%
273,371	225,205	326,217	241,064	-35.32%	INSURANCE	1,424,632	1,259,091	-13.15%	1,179,796	-20.75%
256,382	122,990	164,853	122,990	-34.04%	HOSPITALIST PROGRAM	1,214,184	1,138,553	-6.64%	1,138,553	-6.64%
1,170,707	741,486	849,319	787,931	-7.79%	OTHER	4,798,083	4,318,230	-11.11%	4,007,917	-19.72%
14,825,116	13,637,238	14,006,146	14,172,359	1.17%	TOTAL OPERATING EXPENSES	71,085,894	71,653,844	0.79%	68,788,995	-3.34%
401,336	203,901	-298,489	-1,198,486	75.09%	TOTAL OPERATING MARGIN	1,253,394	-8,177,500	-115.33%	488,005	-156.84%
					NON OPER REVENUE(EXPENSE)					
79,378	-2,357	391,419	121,307	222.67%	OTHER NON-OP REV (EXP)	-398,422	606,535	-165.69%	741,886	-153.70%
0	0	0	0	0.00%	FEMA FUNDS	2,078,448	0	100.00%	0	0.00%
117,632	117,632	117,632	225,987	-47.95%	DISTRICT TAX REVENUES	588,160	1,129,935	-47.95%	588,160	0.00%
-51,144	-53,369	-51,144	-53,033	3.56%	INTEREST EXPENSE	-255,720	-265,165	3.56%	-266,561	4.07%
145,866	61,906	457,907	294,261	55.61%	TOTAL NON-OP REV (EXPENSE)	2,012,466	1,471,305	36.78%	1,063,485	89.23%
547,202	265,807	159,419	-904,225	117.63%	NET EXCESS / (DEFICIT)	3,265,860	-6,706,195	148.70%	1,551,482	-110.50%
1,017.98	1,031.44	1,107.43	1,421.89	22.12%	TOTAL PAID FTE'S (Inc Reg & Cont.)	1,110.75	1,353.68	17.95%	1,332.66	16.65%
922.31	748.60	987.18	1,160.83	14.96%	TOTAL WORKED FTE'S	990.87	1,078.85	8.15%	1,058.18	6.36%
17.51	16.78	18.53	19.43	4.67%	TOTAL CONTRACT FTE'S	17.42	21.23	17.96%	21.83	20.20%

IMPERIAL VALLEY HEALTHCARE DISTRICT
BALANCE SHEET AS OF NOVEMBER 30, 2025

	<u>OCTOBER 2025</u>	<u>NOVEMBER 2025</u>	<u>NOVEMBER 2024</u>
ASSETS			
CURRENT ASSETS			
CASH	\$33,193,476	\$30,230,010	\$36,892,642
CASH - NORIDIAN AAP FUNDS	\$0	\$0	\$0
CASH - 3RD PRY REPAYMENTS	\$2,618,646	\$2,618,646	\$0
CDs - LAIF & CVB	\$66,244	\$66,244	\$66,244
ACCOUNTS RECEIVABLE - PATIENTS	\$108,979,715	\$118,124,952	\$101,945,345
LESS: ALLOWANCE FOR BAD DEBTS	-\$1,855,486	-\$1,878,126	-\$4,961,663
LESS: ALLOWANCE FOR CONTRACTUALS	-\$75,942,742	-\$85,717,721	-\$81,922,021
NET ACCTS RECEIVABLE	\$31,181,488	\$30,529,106	\$15,061,661
	28.61%	25.84%	14.77%
ACCOUNTS RECEIVABLE - OTHER	\$30,072,599	\$32,402,535	\$31,686,261
COST REPORT RECEIVABLES	\$59,499	\$59,499	\$1,206,822
INVENTORIES - SUPPLIES	\$3,365,226	\$3,598,553	\$3,356,554
PREPAID EXPENSES	\$2,202,316	\$1,701,228	\$2,610,646
TOTAL CURRENT ASSETS	<u>\$102,759,493</u>	<u>\$101,205,820</u>	<u>\$90,880,830</u>
OTHER ASSETS			
PROJECT FUND 2017 BONDS	\$783,840	\$783,840	\$911,002
BOND RESERVE FUND 2017 BONDS	\$968,373	\$968,373	\$968,336
LIMITED USE ASSETS	\$12,364	\$10,263	\$3,671
NORIDIAN AAP FUNDS	\$0	\$0	\$0
GASB87 LEASES	\$60,529,359	\$60,529,359	\$64,931,450
OTHER ASSETS PROPERTY TAX PROCEEDS	\$269,688	\$269,688	\$269,688
OTHER INVESTMENTS	\$420,000	\$420,000	\$0
UNAMORTIZED BOND ISSUE COSTS			
TOTAL OTHER ASSETS	<u>\$62,983,624</u>	<u>\$62,981,523</u>	<u>\$67,084,147</u>
PROPERTY, PLANT AND EQUIPMENT			
LAND	\$6,883,278	\$6,883,278	\$2,623,525
BUILDINGS & IMPROVEMENTS	\$63,870,530	\$63,870,530	\$62,919,140
EQUIPMENT	\$67,945,273	\$67,981,285	\$63,932,117
CONSTRUCTION IN PROGRESS	\$5,974,438	\$6,005,106	\$1,057,667
LESS: ACCUMULATED DEPRECIATION	-\$104,788,763	-\$105,098,318	-\$101,187,358
NET PROPERTY, PLANT, AND EQUIPMENT	<u>\$39,884,756</u>	<u>\$39,641,881</u>	<u>\$29,345,091</u>
TOTAL ASSETS	<u>\$205,627,873</u>	<u>\$203,829,224</u>	<u>\$187,310,068</u>

IMPERIAL VALLEY HEALTHCARE DISTRICT
BALANCE SHEET AS OF NOVEMBER 30, 2025

	<u>OCTOBER 2025</u>	<u>NOVEMBER 2025</u>	<u>NOVEMBER 2024</u>
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE - CASH REQUIREMENTS	\$2,984,602	\$3,479,996	\$2,280,964
ACCOUNTS PAYABLE - ACCRUALS	\$8,633,761	\$5,506,609	\$8,153,651
PAYROLL & BENEFITS PAYABLE - ACCRUALS	\$6,018,440	\$6,195,285	\$7,475,226
COST REPORT PAYABLES & RESERVES	\$2,618,646	\$2,618,646	\$0
NORIDIAN AAP FUNDS	\$0	\$0	\$0
CURR PORTION- GO BONDS PAYABLE	\$0	\$0	\$0
CURR PORTION- 2017 REVENUE BONDS PAYABLE	\$335,000	\$335,000	\$320,000
INTEREST PAYABLE- GO BONDS	\$1,917	\$1,917	\$1,917
INTEREST PAYABLE- 2017 REVENUE BONDS	\$374,383	\$427,513	\$435,513
OTHER - TAX ADVANCE IMPERIAL COUNTY	\$0	\$0	\$0
DEFERRED HHS CARES RELIEF FUNDS	\$0	\$0	\$0
CURR PORTION- LEASE LIABILITIES(GASB 87)	\$4,071,774	\$4,071,774	\$3,756,205
SKILLED NURSING OVER COLLECTIONS	\$3,317,471	\$3,523,171	\$207,500
CURR PORTION- SKILLED NURSING CTR ADVANCE	\$0	\$0	\$0
CURRENT PORTION OF LONG-TERM DEBT	\$1,037,037	\$1,037,037	\$1,133,537
TOTAL CURRENT LIABILITIES	\$29,393,031	\$27,196,948	\$23,764,513
LONG TERM DEBT AND OTHER LIABILITIES			
PMH RETIREMENT FUND - ACCRUAL	\$778,000	\$1,018,000	\$240,083
NOTES PAYABLE - EQUIPMENT PURCHASES	\$0	\$0	\$0
LOANS PAYABLE - DISTRESSED HOSP. LOAN	\$26,962,963	\$26,962,963	\$26,962,963
LOANS PAYABLE - CHFFA NDPH	\$0	\$0	\$3,766,770
BONDS PAYABLE G.O BONDS	\$0	\$0	\$0
BONDS PAYABLE 2017 SERIES	\$14,121,092	\$14,119,106	\$14,477,929
LONG TERM LEASE LIABILITIES (GASB 87)	\$58,207,090	\$58,207,090	\$62,267,845
DEFERRED REVENUE -CHW	\$0	\$0	\$0
DEFERRED PROPERTY TAX REVENUE	\$275,438	\$275,438	\$275,438
TOTAL LONG TERM DEBT	\$100,344,583	\$100,582,597	\$107,991,028
FUND BALANCE AND DONATED CAPITAL	\$72,783,818	\$72,783,818	\$54,003,039
NET SURPLUS (DEFICIT) CURRENT YEAR	\$3,106,442	\$3,265,860	\$1,551,482
TOTAL FUND BALANCE	\$75,890,260	\$76,049,678	\$55,554,521
TOTAL LIABILITIES AND FUND BALANCE	\$205,627,874	\$203,829,223	\$187,310,062

IMPERIAL VALLEY HEALTHCARE DISTRICT
STATEMENT OF REVENUE AND EXPENSE - 12 Month Trend

	1	2	3	4	5	6	7	8	9	10	11	12	YTD
	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Nov-25
ADJ PATIENT DAYS	3,868	3,776	2,876	3,264	2,707	3,686	3,714	4,647	4,044	4,407	3,843	3,835	43,755
INPATIENT DAYS	1,676	1,769	1,275	1,350	1,110	1,542	1,632	1,684	1,458	1,651	1,435	1,472	17,958
IP ADMISSIONS	591	585	488	511	462	551	538	555	500	518	486	519	6,286
IP AVERAGE DAILY CENSUS	54	57	46	44	46	50	54	54	47	55	48	49	601
GROSS PATIENT REVENUES													
INPATIENT REVENUE	21,330,319	24,026,450	19,289,412	18,471,097	17,673,179	19,122,305	19,132,498	16,407,174	15,807,716	17,579,003	18,708,455	16,577,828	226,114,453
OUTPATIENT ANCILLARY	27,895,452	27,255,392	24,218,568	26,191,988	25,433,294	26,581,622	24,402,953	28,872,822	28,033,507	29,339,945	31,397,710	26,610,818	324,815,086
TOTAL PATIENT REVENUES	49,225,771	51,281,842	43,507,980	44,663,085	43,106,473	45,703,927	43,535,451	45,279,996	43,841,223	46,918,948	50,106,165	43,188,646	550,929,539
REVENUE DEDUCTIONS													
MEDICARE CONTRACTUAL	11,681,500	13,186,192	11,368,853	11,713,712	10,228,981	10,173,409	10,067,042	10,914,920	9,513,796	13,253,122	12,400,237	12,107,072	133,864,357
MEDICAL CONTRACTUAL	15,178,005	18,178,743	12,813,377	12,785,203	13,643,163	13,219,010	13,232,031	13,887,933	12,434,283	13,701,424	15,868,842	14,854,153	168,164,429
SUPPLEMENTAL PAYMENTS	-1,374,159	-1,374,159	-1,378,326	-1,184,154	-1,378,326	-1,453,003	-1,378,326	-1,322,496	8,526,807	-1,574,256	-1,573,242	-3,053,795	-6,837,799
PRIOR YEAR RECOVERIES	-1,925,640	0	-15,505	-88,856	-467,741	0	0	0	994,668	0	-243,579	0	-1,746,653
OTHER DEDUCTIONS	9,491,219	4,827,640	6,597,941	6,978,258	6,797,466	8,500,637	6,238,570	6,876,265	-4,235	5,605,549	7,821,997	4,893,665	77,902,492
CHARITY WRITE OFFS	26,134	25,780	7,162	0	8,600	188,266	1,012,366	2,926	159,173	1,375,831	390,992	0	3,209,593
BAD DEBT PROVISION	1,171,548	749,234	950,000	600,000	920,000	920,000	882,258	872,185	-1,396,479	38,784	1,106,077	1,006,077	7,733,607
INDIGENT CARE WRITE OFFS	-4,167	-4,167	0	0	0	0	0	0	0	-4,167	-4,167	-4,167	-20,835
TOTAL REVENUE DEDUCTIONS	34,244,440	35,589,263	30,343,502	30,804,163	29,752,143	31,548,319	30,053,941	31,231,733	30,228,014	32,396,287	35,767,157	29,803,005	382,269,191
NET PATIENT REVENUES	14,981,331	15,692,579	13,164,478	13,858,922	13,354,330	14,155,608	13,481,510	14,048,263	13,613,209	14,522,661	14,339,008	13,385,641	168,660,347
	69.57%	69.40%	69.74%	68.97%	69.02%	69.03%	69.03%	68.97%	68.95%	69.05%	71.38%	69.01%	69.39%
OTHER OPERATING REVENUE													
GRANT REVENUES	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER	909,432	343,185	362,386	535,886	372,539	311,185	571,500	339,253	424,312	457,484	887,444	322,016	5,907,299
TOTAL OTHER REVENUE	909,432	343,185	362,386	535,886	372,539	311,185	571,500	339,253	424,312	457,484	887,444	322,016	5,907,299
TOTAL OPERATING REVENUE	15,890,763	16,035,764	13,526,864	14,394,808	13,726,869	14,466,793	14,053,010	14,387,516	14,037,521	14,980,145	15,226,452	13,707,657	174,567,646
OPERATING EXPENSES													
SALARIES AND WAGES	6,537,237	6,670,775	6,039,904	6,268,879	6,237,213	6,278,514	6,359,473	6,223,056	6,189,444	6,240,870	6,463,090	6,119,637	76,208,489
BENEFITS	1,838,509	1,747,884	1,691,888	1,816,690	1,462,931	844,172	1,474,386	1,346,466	1,436,464	1,241,463	1,598,931	1,838,087	17,973,967
REGISTRY & CONTRACT	169,549	181,032	291,516	180,983	210,277	233,655	120,425	191,671	114,483	157,463	183,055	183,990	2,205,002
TOTAL STAFFING EXPENSE	8,545,295	8,599,691	8,023,308	8,266,552	7,910,421	7,356,341	7,954,285	7,761,193	7,740,391	7,639,796	8,245,076	8,141,714	96,387,458
PROFESSIONAL FEES	1,241,747	1,352,522	1,142,132	1,463,172	1,490,185	1,435,269	2,217,574	1,562,084	1,733,156	1,691,793	1,474,067	1,353,338	18,210,075
SUPPLIES	2,456,239	1,960,507	1,545,327	1,454,101	1,405,314	1,678,334	1,501,610	1,711,274	1,555,753	1,562,601	1,893,608	1,529,212	19,993,882
PURCHASED SERVICES	508,682	724,696	618,846	684,894	459,333	667,131	548,591	601,430	680,238	693,069	730,849	728,043	7,487,534
REPAIR & MAINTENANCE	795,518	820,025	266,691	723,397	662,344	733,946	591,319	713,336	617,305	666,485	471,500	603,894	7,730,652
PHYSICIAN GUARANTEES	0	0	0	0	0	0	0	0	0	0	0	0	0
DEPRECIATION & AMORT	293,647	399,610	282,356	282,356	331,604	305,281	299,579	309,556	309,566	309,556	309,556	309,555	3,720,966
INSURANCE	232,212	222,108	239,646	204,757	224,447	222,120	40,139	246,647	286,130	292,266	273,371	326,217	2,709,048
HOSPITALIST PROGRAM	0	266,507	167,004	249,017	244,297	207,916	292,881	295,732	244,175	253,042	256,382	164,853	2,599,943
OTHER	944,621	839,501	977,589	786,002	784,904	1,008,868	1,021,103	879,760	908,378	989,919	1,170,707	849,319	11,052,838
TOTAL OPERATING EXPENSES	15,017,961	15,185,167	13,262,899	14,114,248	13,512,849	13,615,206	14,467,081	14,081,012	14,075,092	14,098,527	14,825,116	14,006,145	169,892,396
TOTAL OPERATING MARGIN	872,802	850,597	263,965	280,560	214,020	851,587	-414,071	306,504	-37,571	881,618	401,336	-298,488	4,675,250
NON OPER REVENUE(EXPENSE)													
OTHER NON-OPS REVENUE	-6,557	-6,426	245,308	114,595	344	16,003	286,161	-1,109,043	171,783	68,041	79,378	391,419	-142,770
FEMA FUNDS	0	0	0	0	0	0	0	715,753	0	0	0	0	715,753
DISTRICT TAX REVENUES	117,632	172,729	117,632	117,632	117,632	117,632	117,632	117,632	117,632	117,632	117,632	117,632	1,466,681
INTEREST EXPENSE	-51,401	-51,350	-51,299	-51,247	-51,196	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-616,726
CARES HHS/ FEMA RELIEF FUNDING	0	0	0	0	0	0	0	0	1,362,695	0	0	0	1,362,695
TOTAL NON-OPS REVENUE(EXPENSE)	59,674	114,953	311,641	180,980	66,780	82,491	352,649	-326,802	1,600,966	134,529	145,866	457,907	2,785,633
NET EXCESS / (DEFICIT)	932,476	965,550	575,606	461,540	280,800	934,078	-61,422	-20,298	1,563,395	1,016,147	547,202	159,419	7,460,883
TOTAL PAID FTE'S (Inc Reg & Cont.)	1,116.10	1,189.57	1,172.24	1,106.21	964.28	1,011.14	1,129.64	1,191.95	1,276.95	954.26	1,017.98	1,107.43	1,092.86
TOTAL WORKED FTE'S	948.70	993.61	1,051.28	981.75	837.21	915.77	991.52	1,049.86	1,137.05	853.38	922.31	987.18	952.57
TOTAL CONTRACT FTE'S	16.29	17.57	24.10	20.84	21.15	21.06	15.28	19.86	14.68	16.53	17.51	18.53	18.45
PAID FTE'S - HOSPITAL	964.18	1,040.82	1,008.51	914.42	803.19	860.70	1,024.79	1,089.84	1,124.91	850.19	913.90	999.88	956.30
WKD FTE'S - HOSPITAL	809.59	857.09	910.21	798.47	697.31	785.41	900.06	960.18	1,003.78	762.67	831.61	896.47	830.54

Imperial Valley Healthcare District - Financial Indicators Report
(Based on Prior 12 Months Activities)
For The 12 Months Ending: November 30, 2025
excludes: GO bonds tax revenue, int exp and debt.

1. Debt Service Coverage Ratio

This ratio compares the total funds available to service debt compared to the debt plus interest due in a given year.

$$\text{Formula: } \frac{\text{Cash Flow} + \text{Interest Expense}}{\text{Principal Payments Due} + \text{Interest}}$$

$$\text{DSCR} = \frac{\$11,711,205}{\$5,723,312} = \mathbf{2.05}$$

Recommendation: To maintain a debt service coverage of at least 1.20% x aggregate debt service per the 2017 Revenue Bonds covenant.

2. Days Cash on Hand Ratio

This ratio measures the number of days of average cash expenses that the hospital maintains in cash and marketable investments. (Note: The proformas ratios include long-term investments in this calculation:)

$$\text{Formula: } \frac{\text{Cash} + \text{Marketable Securities}}{\frac{\text{Operating Expenses, Less Depreciation}}{365 \text{ Days}}}$$

$$\text{DCOHR} = \frac{\$32,914,900}{\frac{\$166,570,493}{365}} = \mathbf{72.1}$$

Recommendation: To maintain a days cash on hand ratio of at least 50 days per the 2017 Revenue Bonds covenant.

3. Long-Term Debt to Capitalization Ratio

This ratio compares long-term debt to the Hospital's long-term debt plus fund balances.

$$\text{Formula: } \frac{\text{Long-term Debt}}{\text{Long-term Debt} + \text{Fund Balance (Total Capital)}}$$

$$\text{L.T.D.-C.R.} = \frac{\$104,399,956}{\$180,449,634} = \mathbf{57.9}$$

Recommendation: To maintain a long-term debt to capitalization ratio not to exceed 60.0%.

5 Months 11/30/2025

	Current Month 11/30/2025	Year-To-Date 5 Month 11/30/2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	159,419	3,265,861
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	\$309,555	\$1,547,791
(Increase)/Decrease in Net Patient Accounts Receivable	\$652,382	(\$1,465,166)
(Increase)/Decrease in Other Receivables	(\$2,329,937)	(\$2,552,981)
(Increase)/Decrease in Inventories	(\$233,327)	(\$549,717)
(Increase)/Decrease in Pre-Paid Expenses	\$501,088	\$405,548
(Increase)/Decrease in Other Current Assets	\$0	\$3,233,154
Increase/(Decrease) in Accounts Payable	\$495,394	(\$185,130)
Increase/(Decrease) in Notes and Loans Payable	(\$3,127,151)	(\$4,413,032)
Increase/(Decrease) in Accrued Payroll and Benefits	\$176,845	(\$1,222,670)
Increase/(Decrease) in Accrued Expenses	\$0	\$0
Increase/(Decrease) in Patient Refunds Payable	\$0	\$0
Increase/(Decrease) in Third Party Advances/Liabilities	\$0	\$0
Increase/(Decrease) in Other Current Liabilities	\$53,129	\$2,884,292
Net Cash Provided by Operating Activities:	(3,342,602)	\$947,949
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(\$66,680)	(\$5,496,735)
(Increase)/Decrease in Limited Use Cash and Investments	\$2,101	(\$8,476)
(Increase)/Decrease in Other Limited Use Assets	\$0	(\$324,183)
(Increase)/Decrease in Other Assets	\$0	\$0
Net Cash Used by Investing Activities	(\$64,579)	(\$5,829,394)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Bond/Mortgage Debt	(\$1,985)	(\$9,926)
Increase/(Decrease) in Capital Lease Debt	\$0	\$0
Increase/(Decrease) in Other Long Term Liabilities	\$445,700	\$1,392,282
Net Cash Used for Financing Activities	\$443,714	\$1,382,356
(INCREASE)/DECREASE IN RESTRICTED ASSETS	\$0	\$0
Net Increase/(Decrease) in Cash	(\$2,963,467)	(\$3,499,089)
Cash, Beginning of Period	\$35,878,367	\$36,413,989
Cash, End of Period	\$32,914,900	\$32,914,900



Key Operating Indicators November 2025

	Month			YTD		
	ACTUAL	BUDGET	PRIOR YR	ACTUAL	BUDGET	PRIOR YR
Volumes						
Admits	519	539	501	2,578	2,613	2,448
ICU	101	114	114	535	561	561
Med/Surgical	975	930	930	4,817	4,539	4,539
Newborn ICU	76	78	78	527	533	533
Pediatrics	51	58	58	274	243	243
Obstetrics	269	402	402	1,547	1,856	1,856
Total Patient Days	1,472	1,582	1,582	7,700	7,732	7,732
Adjusted Patient Days	3,435	3,728	3,728	20,296	14,579	18,301
Average Daily Census	49	51	53	50	51	51
Average Length of Stay	1.89	2.94	2.74	0.60	2.96	2.70
Deliveries	90	187	167	485	896	829
E/R Visits	3,605	3,629	3,817	17,276	17,347	18,230
Surgeries	189	301	323	1,166	1,515	1,859
Wound Care	237	119	251	1,410	716	1,506
Pioneers Health Center	2,269	2,377	3,473	12,343	11,957	12,521
Calexico Visits	900	776	1,119	4,901	3,995	4,159
Pioneers Children	573	858	1,009	3,355	4,132	3,349
Outpatients (non-ER/Clinics)	5,974	5,951	6,531	31,101	35,658	32,273
Surgical Health	69	64	89	288	343	281
Urology	272	312	434	1,344	1,726	1,793
WHAP	276	391	688	1,734	2,089	2,263
C-WHAP	403	558	552	2,873	2,678	1,546
CDLD	155	63	84	674	147	168
Skilled Nursing	2,149	2,434	2,108	10,873	12,174	10,945
FTE's						
Worked	987.18	1,160.83	748.38	990.87	1,078.85	1,058.18
Paid	1,107.43	1,421.89	983.93	1,110.75	1,353.68	1,332.66
Contract FTE's	18.53	19.43	16.57	17.42	21.23	21.83
FTE's APD (Worked)	8.62	9.34	6.02	7.47	11.32	8.85
FTE's APD (Paid)	9.67	11.44	7.92	8.37	14.21	11.14
Net Income						
Operating Revenues	13,707,657	12,978,039	13,841,141	\$72,339,289	\$63,497,175	\$69,276,999
Operating Margin	(298,488)	(1,194,320)	203,900	\$1,253,396	-\$8,156,668	\$488,003
Operating Margin %	-2.2%	-9.2%	1.5%	1.7%	-12.8%	0.7%
Total Margin	159,418	(900,059)	265,809	\$3,265,861	-\$6,685,366	\$1,551,487
Total Margin %	1.2%	-6.9%	1.9%	4.5%	-10.5%	2.2%

Exhibit A - November 2025

		Key Volume Stats -Trend Analysis													
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	YTD
Deliveries															
	Actual	95	104	97	99	90	0	0	0	0	0	0	0	485	485
	Budget	162	181	195	171	187	200	162	156	178	177	177	177	2,123	896
	Prior FY 2025	152	167	184	159	167	170	148	169	178	266	141	110	2,201	829
E/R Visits															
	Actual	3,297	3,346	3,710	3,318	3,605	0	0	0	0	0	0	0	17,276	17,276
	Budget	3,509	3,338	3,463	3,408	3,629	4,624	3,804	3,442	3,794	3,668	3,668	3,668	44,015	17,347
	Prior FY 2025	3,728	3,498	3,597	3,590	3,817	4,803	4,125	3,654	4,055	3,839	3,678	3,285	43,064	18,230
Surgeries															
	Total Actual	261	258	236	222	189	0	0	0	0	0	0	0	1,166	1,166
	Total Budget	335	309	275	295	301	331	312	219	275	295	295	295	3,537	1,515
	Prior FY 2025	312	403	369	452	323	304	366	251	299	277	287	233	3,510	1,859
Calexico															
	Actual	1,124	961	1,002	914	900	0	0	0	0	0	0	0	4,901	4,901
	Budget	722	760	831	906	776	891	957	944	1,074	873	873	873	10,480	3,995
	Prior FY 2025	621	675	829	915	1,119	1,232	1,012	948	1,074	1,174	923	1,034	11,556	4,159
Pioneers Health Center															
	Actual	2,654	2,539	2,630	2,251	2,269	0	0	0	0	0	0	0	12,343	12,343
	Budget	2,186	2,396	2,320	2,678	2,377	2,305	2,809	2,483	2,594	2,461	2,461	2,461	29,531	11,957
	Prior FY 2025	1,937	2,115	2,308	2,688	3,473	3,496	2,856	2,580	2,744	2,655	2,599	2,584	32,035	12,521
Pioneers Children															
	Actual	660	734	766	622	573	0	0	0	0	0	0	0	3,355	3,355
	Budget	723	799	846	906	858	881	905	798	839	839	839	839	10,072	4,132
	Prior FY 2025	358	376	765	841	1,009	984	878	734	845	728	749	659	8,926	3,349
Outpatients															
	Actual	6,548	6,085	6,669	5,825	5,974	0	0	0	0	0	0	0	31,101	31,101
	Budget	7,094	6,949	7,889	7,775	5,951	6,154	7,941	7,663	6,516	7,104	7,104	7,104	85,244	35,658
	Prior FY 2025	6,314	6,270	6,378	6,780	6,531	7,619	7,471	6,911	6,961	6,966	6,484	6,092	80,777	32,273
Wound Care															
	Actual	297	281	272	323	237	0	0	0	0	0	0	0	1,410	1,410
	Budget	197	160	118	122	119	136	167	112	104	137	137	137	1,646	716
	Prior FY 2025	270	327	332	326	251	258	293	304	287	292	242	270	3,452	1,506
WHAP															
	Actual	378	373	383	324	276	0	0	0	0	0	0	0	1,734	1,734
	Budget	378	513	392	415	391	379	425	320	336	394	394	394	4,731	2,089
	Prior FY 2025	330	443	388	414	688	362	427	325	342	367	375	369	4,830	2,263
C-WHAP															
	Actual	738	657	651	424	403	0	0	0	0	0	0	0	2,873	2,873
	Budget	465	457	588	610	558	583	581	379	445	518	518	518	6,220	2,678
	Prior FY 2025	131	95	365	403	552	400	425	441	432	419	599	588	4,850	1,546

Imperial Valley Healthcare District DBA Pioneers Memorial Hospital

CONSENT AGENDA

BOARD MEETING DATE: January 8th, 2026

SUBJECT: CT Aquilion Cardiac Software

BACKGROUND: CT2, our outside scanner, will require cardiac software to continue supporting daily cardiac imaging needs.

KEY ISSUES: The current CT1, inside scanner, which is equipped with cardiac capabilities, is scheduled for decommissioning and replacement with an upgraded unit. During this transition period, we will be without cardiac imaging functionality unless cardiac software is installed on the outside scanner. For this reason, the purchase and installation of cardiac software on CT2 is necessary to ensure uninterrupted cardiac services.

CONTRACT VALUE: Canon Cardiac Software kit
1-year cost: \$12,018.43
7-year annual cost: \$84,129.00

CONTRACT TERM: Finance terms range from 12 months- 84 months.
Total cost \$84,129

BUDGETED: No

BUDGET CLASSIFICATION: Operational

RESPONSIBLE ADMINISTRATOR: Carly Zamora / Derek Tapia

DATE SUBMITTED TO LEGAL: 11/2025 **REVIEWED BY LEGAL:** Yes
No change in language from the previous contract.

RECOMMENDED ACTION: Approve purchase of cardiac software to continue services throughout installation of new scanner.



CANON MEDICAL SYSTEMS USA, INC.

Made For life

QUOTATION/ORDER SUMMARY

DATE: 10/30/2025
SID #: 30121303
QUOTE #: 197951-1

PRESENTED TO:

IMPERIAL VALLEY HEALTHCARE DISTRICT
207 W LEGION RD
BRAWLEY, CA. 92227

ACC-CT-SERVE.200

OPTIONS FOR AQUILION SERVE CT

SPECIAL INFORMATION & TERMS

- If this quotation is not accepted by December 31, 2025, Canon Medical Systems USA, Inc. reserves the right to cancel this quotation.

This quotation shall remain valid until December 31, 2025.

All prices are F.O.B. destination.

Payment terms are: Cash - 0% down payment, 80% upon shipment, 20% upon completion of installation and/or availability for first use, whichever is earlier. All invoice terms are net 30 days.

This quotation/order will be subject to and governed by the Agreement for Computed Tomography equipment products between HealthTrust Purchasing Group and Canon Medical Systems USA, Inc., reference contract no. HPG-66714, effective March 1, 2022. Vendor represents and warrants that it will continue to support and provide Services to repair and maintain those Products that are Equipment for a minimum of ten (10) years from installation of such Product. In the event of a conflict between the Canon Medical Systems USA, Inc. Equipment terms and conditions and the (GPO) agreement, the (GPO) agreement shall control.

Please return signed quotation to Canon Medical Systems USA, Inc. by email OrderAdmin@us.medical.canon or fax 714-441-9320.

ACCEPTED AGREED AND ORDERED:

PURCHASER'S SIGNATURE/TITLE

DATE

CANON MEDICAL SYSTEMS REP

DATE

All information contained in this quotation is confidential and may not be disclosed to any third party without Canon Medical Systems' prior written consent.



CANON MEDICAL SYSTEMS USA, INC.

Made For life

EQUIPMENT SUMMARY:

ACC-CT-SERVE.200

OPTIONS FOR AQUILION SERVE CT

<u>PART NUMBER</u>	<u>QTY</u>	<u>DESCRIPTION</u>	
CGS-41A/2B	1	FAST SCAN KIT (0.35 SEC)	
CONSOLE-SCORE/RXL.100	1	SURECARDIO SCORING ON-CONSOLE KIT	
	1	SURECARDIO SCORING ON CONSOLE (REQUIRES SURECARDIO PACKAGE WITH ECG OPTION)	
	1	COLOR PRINTER INTERFACE FOR NETWORK PRINTERS	
SURECARD-VELOCT/2.100	1	SURECARDIO WITH PHASEXACT AND SURECARDIO PROSPECTIVE FOR VELOCT	
	1	ECG GATING WITH SURECARDIO PROSPECTIVE & PHASEXACT FOR VELOCT (REQUIRES ECG MONITOR)	
	1	ECG MONITOR, R WAVE CARDIAC TRIGGER 7800T	
590441	1	STAND,ECG UNIT (MODEL-7800)	
APPS-ONSITE-24	1	ON-SITE APPLICATIONS TRAINING - 24 HOURS	
TOTAL QUOTE PRICE			\$84,129.00
Applicable Sales Tax Additional			



CANON MEDICAL SYSTEMS USA, INC.

Made For life

FINANCE OPTIONS:

Finance options are available through Canon Medical Finance USA, a program of Canon Medical Systems USA, Inc.

CANON MEDICAL FINANCE USA OFFERINGS:

- Fair Market Value, \$1.00 Buy Out (Lease to Own), and Loan structures
- Finance terms ranging from 12 months to 84 months
- Financing for 3rd party assets (including, but not limited to leasehold improvements & I.T.)

CANON MEDICAL FINANCE USA BENEFITS:

- No progress payments. Payments begin after delivery and installation
- Upgrades to the current technology platform can be financed.
- Flexible finance structures, such as deferred payments, tiered repayments, and bridge financing, to meet cash flow needs

Finance options are subject to credit underwriting, approval, and a fully executed contract.

For more information, please contact Trish Malone, Sr. Dir. Financial Programs at:

tmalone@us.medical.canon or visit us at <https://us.medical.canon/service-and-support/financial-programs/>

COMPONENT SUMMARY:

<u>PART NUMBER</u>	<u>QTY</u>	<u>DESCRIPTION</u>
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CGS-41A/2B	1	FAST SCAN KIT (0.35 SEC) <ul style="list-style-type: none"> Allows the user to scan at 0.35 second full rotation when used in conjunction with Canon Medical Systems' optional ^{SURE}Cardio gating hardware and software. Enables a cardiac temporal resolution as low as 35 msec for up to five segmented reconstructions. Provides additional rotation speeds of 0.4, 0.45, and 0.6 for helical scanning.
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Note:

Can only be applied on Aquilion 32 and 64 H, I and J, K systems.

Prerequisites:

- Canon Medical Systems' ^{SURE}Cardio gating hardware and software must be purchased if not currently on the system in order to use 0.35 second rotation speed*
- 72 kW/600 mA generator if currently not on the system is also needed for Cardiac exams acquired with 0.35 second rotation speed*

CONSOLE- SCORE/RXL.100	1	SURECARDIO SCORING ON-CONSOLE KIT <p>^{SURE}Cardio Scoring on-console software is designed to calculate calcium scores from non-contrast enhanced CT data acquired during an ECG-gated cardiac exam.</p> <p>Key Features:</p> <ul style="list-style-type: none"> Calculates Ca scores using the Agatston method and the Volume Mass method. The score and number of Ca lesions are calculated and displayed for each of the following coronary artery branches. The total score and total number of lesions are also displayed. <ul style="list-style-type: none"> Right coronary artery (RCA) Left main trunk (LM) Left anterior descending branch (LAD) Left circumflex branch (LCX) A report containing the calculated scores, the corresponding guidelines indicated by the studies accepted as the standards in the field, and the axial images for the highest 12 scores can be displayed. The report can be output to a general-purpose printer or a DICOM network printer. It is possible to register the report in a DICOM SC file as a new series added to the corresponding data. <p>Pre-requisites:</p>
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Requires optional ECG gating hardware package

1 SURECARDIO SCORING ON CONSOLE (REQUIRES SURECARDIO PACKAGE WITH ECG OPTION)

^{SURE}Cardio Scoring on-console software is designed to calculate calcium scores from non-contrast-enhanced CT data acquired during an ECG-gated cardiac exam.

Key Features

- Calculates Ca scores using the Agatston method and the Volume Mass method.
- Calculates and displays the score and number of Ca lesions for each of the following coronary artery branches:
 - Right coronary artery (RCA)
 - Left main trunk (LM)
 - Left anterior descending branch (LAD)
 - Left circumflex branch (LCX)
- Calculates and displays the total score and number of Ca lesions.
- Displays a report containing:
 - The calculated scores
 - The corresponding guidelines indicated by the studies accepted as the standards in the field
 - The axial images for the highest 12 scores
- Outputs the report to a general-purpose printer or a DICOM network printer.
- Registers the report in a DICOM SC file as a new series added to the corresponding data.

Prerequisite: ^{SURE}Cardio ECG gating (option, must be purchased separately).

1 COLOR PRINTER INTERFACE FOR NETWORK PRINTERS

Transfers windows in the image display area to a Post Script color printer (sold separately) via a network. Compatible with Aquilion , Aquilion Precision, Aquilion Prime SP, Aquilion PRIME, Aquilion LB and Aquilion Lightning.

Features

- Supports 24-bit full-color Postscript printing
- Specify next print job before current job is complete
- Able to print while checking contents

Note: The system configuration does not include a printer.

We recommend the printer shown below. If recommend printer is not available, please use PostScript A3 printer.

– CODONICS: NP-1600

*– Canon: LBP-2260PSII or equivalent**

** CCP-03A only. System software version V1.5 or later.*

**SURECARD-
VELOCT/2.100****1 SURECARDIO WITH PHASEXACT AND SURECARDIO PROSPECTIVE
FOR VELOCT**

SURECardio for VeloCT provides the basic foundation package of hardware and software for advanced cardiac imaging.

The axial gated acquisition provides low dose to the patient for evaluation of calcified plaque. The ECG gating software performs scanning triggered by signals from an ECG monitor and includes a compact ECG monitor with color LCD display and fast gated trigger output for R-wave synchronization applications. The ECG gating reconstruction software receives signals obtained using the supplied ECG monitor and performs processing triggered by the received signal. The reconstructed images for specific (cardiac) phases are generated (by raw data processing) from the helical scan data that is acquired by the ECG-gated scan system.

phaseXact eliminates the need for unnecessary multiple reconstructions by automatically selecting and reconstructing the cardiac phase with the least motion.

SURECardio Prospective™ is a unique application that dramatically lowers patient dose during coronary CTA exams. This advanced software provides enhanced workflow with automatic pitch selection and exposure window setting based on patient's heart rate and employs the use of the helical acquisition and an x-ray on/off modulation technique.

This unique application allows for rapid data collection during every heartbeat, producing short scan times with a dramatic reduction of x-ray exposure and contrast dose to the patient.

Cardiac Application Training

Twenty-four (24) hours of on-site education will be provided at the customer facility for up to four (4) imaging professionals. Training is focused on maximizing cardiac scan techniques and protocols and to optimize staff proficiency and system productivity in cardiac imaging. Training is scheduled for three (3) consecutive days during standard business hours. CE credits are earned by participants that attend the Phase II training event in its entirety.

Note: Canon Medical Systems personnel are not responsible for scanning patients, patient safety, any actual patient contact, or operation of equipment during education sessions. Canon Medical Systems will only demonstrate proper equipment operation.

The training is offered to the Customer at no charge, providing that it is completed no later than one (1) year after the warranty start date.

Additional onsite training is available for purchase.

Applications support is available by phone on the toll-free ASSIST line, 1-800-521-1968.

1 ECG GATING WITH SURECARDIO PROSPECTIVE & PHASEXACT FOR VELOCT (REQUIRES ECG MONITOR)

Acquires images for specific cardiac phases.

Includes

- ECG-gated helical scanning and reconstruction with dose modulation and arrhythmia rejection.
- phaseXact: automatically detects cardiac phases with minimal motion to perform reconstruction.
- ^{SURE}Cardio Prospective: sets helical pitch and ECG dose modulation based on ECG/heart rate.

Prerequisites: ECG monitor with trigger.

1 ECG MONITOR, R WAVE CARDIAC TRIGGER 7800T

Cardiac ECG Trigger Monitor Model 7800T for use with CT hardware and software to measure skin impedance to help ensure reliable scanning.

- Compact ECG monitor with fast gated trigger output for R-wave synchronization applications
- High & Low Heart Rate Limits
- 6.5" Color LCD Display (TFT Active Matrix)
- Integrated ECG simulator to test the integrity of the patient cables, lead wires, and electronic circuitry.

590441

1 STAND, ECG UNIT (MODEL-7800)

APPS-ONSITE-24

1 ON-SITE APPLICATIONS TRAINING - 24 HOURS

Three (3) days, twenty-four (24) hours, of additional onsite applications support. Training is scheduled consecutively, Monday through Friday, with Monday mornings and Friday afternoons scheduled as travel time for the applications specialist.

Note: Canon Medical Systems personnel are not responsible for scanning patients, patient safety, any actual patient contact, or operation of equipment during education sessions. Canon Medical Systems will only demonstrate proper equipment operation.

Education expires two (2) years from the later of purchase date or warranty start date.

CT PRODUCT WARRANTY AND SERVICE COVERAGE

SYSTEM WARRANTY TERMS: Canon Medical Systems warrants that the Equipment will be free from defects in material and workmanship, for the duration and subject to the terms and conditions stated below. Any part furnished to Customer, during the warranty period (stated in the table below), to correct a warranty failure, will be warranted to the extent of the unexpired term of the warranty, applicable to the Equipment.

The warranty period will commence on the date the installation, of the product, is complete. Notwithstanding the foregoing, in the event that the installation, of the product, is delayed for a total of thirty (30) days or more, from the date of delivery, for any reason or reasons for which Canon Medical Systems is not responsible, the warranty period for such product may, at Canon Medical Systems' option, commence on the thirtieth (30th) day from the date such product is delivered to Customer.

WARRANTY EXCLUSIONS: Warranty coverage does not include any defect which results, in whole or in part, from (1) negligent storage or handling of the product by Customer, its employees, agents, or contractors, (2) failure of Customer to prepare the site or provide power requirements or operating environmental conditions, in compliance with any applicable instructions or recommendations of Canon Medical Systems, (3) absence of any product, component, or accessory recommended by Canon Medical Systems but omitted at Customer's direction, (4) any design, specification or instruction furnished by Customer, its employees, agents, or contractors, (5) any alteration of the product by persons other than Canon Medical Systems, (6) combining Canon Medical Systems' product with any product furnished by others that is not approved by Canon Medical Systems, (7) combining incompatible products of Canon Medical Systems, without Canon Medical Systems' prior approval, (8) improper use of the product, improper maintenance of the product by a party other than Canon Medical Systems, or failure to comply with any applicable instructions or recommendations of Canon Medical Systems, or (9) acts of God, fires, floods, strikes or other labor disturbances, or other causes beyond the reasonable control of Canon Medical Systems.

Canon Medical Systems does not warrant any products, not manufactured by Canon Medical Systems such as, without limitation, monitors, cameras, computer equipment, injectors, and lasers. Such items will be furnished, subject only to the manufacturer's warranty, if any, and without any warranty whatsoever by Canon Medical Systems. Warranty coverage also excludes consumables, including but not limited to batteries, storage media, positioning pads, table pads, power units, and radioactive sources.

X-RAY TUBE WARRANTY: CT X-ray tubes are covered under a separate warranty. The CT X-ray tube included with the purchase of a new system is governed by the glassware warranty, described below, not the system warranty. CT X-ray tubes carry a prorated warranty, based on the number of rotations shown below or 12 months, whichever occurs first. A rotation is any 360-degree or single rotation of the gantry with X-rays on. Complete glassware coverage, during warranty period, may be purchased from Canon Medical Systems, at an additional charge.

CT X-Ray Tube Type	Equipment	Prorated Warranty
CXB-750D/ G/ U/ V	Celesteion / Cartesion/ AQ Exceed/ Insight/ LB/ Prime/ RXL/ Serve SP/ Assure Plus (128)/ 64	200,000 rotations*
CXB-750E	AQ One Assure	150,000 rotations*
CXB-750B/ F	AQ Genesis/ Lightning/ One/ Vision	100,000 rotations*

CT X-RAY TUBE PRORATION CALCULATION: Credits for CT X-ray tubes, stated above, that fail, during the warranty period, will be calculated as follows:

$$\text{Credit} = 1 - \frac{\text{Number of Rotations Used}}{\text{Number of Rotations Warranted}}$$

REMEDIES: If Canon Medical Systems determines that any product fails to meet the above-mentioned warranty, during the applicable warranty period, Canon Medical Systems will correct any such failure by either, at its option, repairing, adjusting, or replacing, without charge to Customer, any defective or nonconforming parts of the product. Canon Medical Systems will have the option to furnish either new or remanufactured replacement parts or assemblies. However, remanufactured parts will meet the manufacturer's specifications, for new components, as of the date of completion of installation. All defective parts replaced by Canon Medical Systems will become the property of Canon Medical Systems.

SOFTWARE UPDATES: Canon Medical Systems will furnish to Customer, free of charge, for the life of the Equipment, all Canon Medical Systems software or hardware upgrades to the Equipment purchased by Customer, which are intended to correct a safety risk. Software updates offering enhancements, to previously purchased software features, will be provided during the term of the warranty, if they do not require hardware modifications or additions. Software upgrades providing new features or capabilities not originally purchased, will be made available for purchase, by Customer, upon request, when compatible with the originally purchased hardware. Canon Medical Systems retains the sole right to determine whether a software release is considered an update or an upgrade, for which Customer will be charged. The above items will be performed only during the Covered Hours stated in the warranty. Service required outside these hours will be billed at Canon Medical Systems' differential rates, in effect, at the time such items are provided to Customer.

WARRANTY SERVICE: Warranty service, during the applicable warranty period, will be performed, without charge to Customer, during Canon Medical Systems' normal business hours, Monday through Friday, excluding Canon Medical Systems holidays. Subject to the availability of personnel, after-hours service is available, upon request, at an additional charge.

Customer must promptly notify Canon Medical Systems, within the applicable warranty period, of any defect that is covered by the warranty, and make the Equipment promptly available for repair and maintenance.



CANON MEDICAL SYSTEMS USA, INC.

Made For life

DISCLAIMERS AND LIMITATIONS ON LIABILITY: Canon Medical Systems' obligations, stated above, will be Customer's sole and exclusive remedy for a breach of the warranty set forth above. SUCH WARRANTY WILL BE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Canon Medical Systems does not warrant that the operation of the Equipment will be uninterrupted.

EQUIPMENT	12 Months
ACCESSORY OPTIONS	6 Months
REPLACEMENTS, OPTIONAL PARTS & UPGRADE COMPONENTS*	90 Days*

* The above, 90-day period, applies only to parts that are not furnished, pursuant to a warranty repair, for the Equipment. Any part furnished to Customer during the warranty period, to correct a warranty failure, will be warranted to the extent of the unexpired term of the warranty, applicable to the System.

TERMS AND CONDITIONS OF SALE

1. **TITLE AND RISK OF LOSS.** Title and risk of loss to the Equipment purchased under this Agreement will pass to Customer: (a) if Canon Medical Systems is to provide installation, upon Canon Medical Systems' completion of installation, or (b) if Canon Medical Systems will not provide installation, upon delivery by Canon Medical Systems to Customer.

2. **TERMS OF PAYMENT.** Prices stated are F.O.B. Customer's facility. All taxes which are payable by Canon Medical Systems in connection with the sale, use, or possession of the Equipment (excluding income taxes), will be paid by Customer in addition to the quoted price. Terms of payment will be as stated in the first page of this Quotation. All invoices paid after due date will be assessed a late payment charge of the lesser of 1 1/2% per month or the maximum rate permitted by law.

3. **DELAYS.** If Customer changes the scheduled delivery date during the period of 120 days preceding the delivery date, Customer will nevertheless pay the installment of the purchase price which would have been payable upon delivery, on the Scheduled Delivery Date as if delivery had been made on such date. In addition, Customer will pay all extra costs incurred by Canon Medical Systems as a result of such delay, including, without limitation, storage and transportation. Storage fees will be charged at commercially comparable rates for storage on Canon Medical Systems' site. If delivery is delayed by 12 months or more from the Scheduled Delivery Date, except through the fault of Canon Medical Systems, the price set forth in this Agreement may be increased by Canon Medical Systems to a level equal to the prevailing price in effect at the time of the revised delivery date.

4. **EQUIPMENT INSTALLATION.** Canon Medical Systems will provide, at no additional cost, standard labor and rigging services to unload the Product from the transport vehicle and move to the final position. The shoring of floors, the widening of doorways, and other nonstandard rigging requirements will be negotiated between the Canon Medical Systems and Customer separately if it is determined they are required. Canon Medical Systems will install all Equipment purchased under this Agreement and connect them to existing power and/or plumbing lines at no additional charge to Customer. Customer will be responsible for electrical wiring, plumbing, carpentry, plastering, painting, or all other site preparation required prior to installation and connection of the Equipment by Canon Medical Systems. Customer will provide space at the installation site for the safe storage of Canon Medical Systems' tools, test equipment and other materials used for installation at no charge to Canon Medical Systems. Customer shall, at its cost, obtain all permits and licenses required by governmental authorities in connection with the installation and operation of the Equipment. Customer acknowledges that the System and Software are designed to operate within certain power, temperature, airborne contamination, and humidity ranges. Customer will be responsible for, without limitation: (i) preparing and maintaining the Customer facility in conformance with the Site Preparation Guide; (ii) maintaining its network infrastructure; (iii) providing Canon Medical Systems, access to a network connection in or near the area of the System being serviced by the equipment service staff; and (iv) supplying computer grade AC power. The Equipment relies upon a stable grounded connection to the main power grid in order to function effectively. Customer acknowledges that AC power supply quality may be a problem in old facilities or in those facilities receiving poor quality utility service and that power conditioning may be necessary in such cases.

5. **EQUIPMENT OPERATION.** Customer agrees that all Equipment purchased under this Agreement will be operated exclusively by duly qualified technicians and/or medical doctors in a safe and reasonable manner in accordance with Canon Medical Systems' written instructions, applicable laws and regulations, and for the purposes for which such Equipment was intended.

6. **LIMITED WARRANTY AND REMEDY.** A. For the warranty period described below by product, Canon Medical Systems, as its only obligation, will replace or repair, without charge to Customer during Canon Medical Systems' normal working hours (if Customer requests warranty service outside such hours, Customer will pay overtime premium for labor), any component of the Equipment that is defective in materials or workmanship, provided such defect is reported to Canon Medical Systems within the warranty period. Canon Medical Systems' warranty period is as follows: (a) Systems and Major Components - one year from date of completion of installation; (b) Accessories/Options (except glassware) - six months from date of completion of installation. Components not manufactured by Canon Medical Systems will be furnished subject only to the manufacturer's warranty, if any, and without any warranty whatsoever by Canon Medical Systems. During the warranty period, Canon Medical Systems will furnish free of charge any parts, including software required to correct any defect in the Equipment or as required under applicable laws.

B. Canon Medical Systems does not warrant that the operation of the Equipment of the System will be uninterrupted. All defective parts replaced by Canon Medical Systems will become the property of Canon Medical Systems. Replacement parts may be re-manufactured. However, such parts will meet the manufacturer's specifications for new components as of the date of completion of installation. CANON MEDICAL SYSTEMS' OBLIGATION TO REPAIR OR REPLACE DEFECTIVE PARTS OR SOFTWARE WILL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR A BREACH OF THE WARRANTY SET IN THIS AGREEMENT. SUCH WARRANTY WILL BE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. The warranty set forth in this Agreement will not apply to, and Canon Medical Systems will not be liable for any defects resulting from misuse, repairs performed by unauthorized third parties, accidents, acts of God, or neglect of anyone other than Canon Medical Systems.

7. LATEST HARDWARE AND SOFTWARE AT TIME OF DELIVERY. Canon Medical Systems agrees that the Equipment ordered by Customer will, at the time of delivery to Customer, contain, at no additional charge to Customer, the latest hardware and software manufactured by Canon Medical Systems for such Equipment that are commercially available in the United States and which are provided as part of Canon Medical Systems' standard configuration for such Equipment at the time of delivery. This commitment applies only to components and not an upgrade to the entire system. Furthermore, it is limited to hardware and software that (a) have been ordered by Customer, and not any optional or other items that were not ordered by Customer, and (b) are cleared by the FDA as of the date of delivery of the Equipment. This clause does not apply to Assure, Demonstration or Used Equipment.

8. LIMITATION OF LIABILITY. A. NEITHER CANON MEDICAL SYSTEMS NOR CUSTOMER WILL UNDER ANY CIRCUMSTANCES BE LIABLE FOR CONSEQUENTIAL, SPECIAL, INCIDENTAL, OR EXEMPLARY DAMAGES OR ECONOMIC LOSS ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, EVEN IF EITHER PARTY IS APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING.

B. IN NO EVENT WILL CANON MEDICAL SYSTEMS' LIABILITY TO THE CUSTOMER (WHETHER BASED ON AN ACTION OR CLAIM IN CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE) ARISING OUT OF OR RELATING TO THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT EXCEED THE AGGREGATE AMOUNT ACTUALLY PAID BY CUSTOMER TO CANON MEDICAL SYSTEMS UNDER THIS AGREEMENT. THE LIMITATION OF LIABILITY SET FORTH ABOVE WILL NOT APPLY TO CLAIMS FOR PERSONAL INJURY OR PROPERTY DAMAGE CAUSED BY EQUIPMENT DEFECTS.

9. SECURITY INTEREST. Canon Medical Systems hereby reserves and Customer grants to Canon Medical Systems a security interest pursuant to the Uniform Commercial Code, in and to the Equipment (and all products and proceeds of it) until full payment of the purchase price is received. In the event that Customer finances its acquisition of the Equipment through a lease, conditional sale contract, secured loan agreement or other financing agreement (collectively, "Lease") with Canon Medical Systems, then the security interest in the Equipment (and all products and proceeds thereof) shall secure all obligations of Customer due and to become due under the Lease.

10. REMOVAL OF EQUIPMENT. Until Canon Medical Systems has received full payment of the purchase price, Customer will not remove all or any part of the Equipment from Customer's premises, nor will Customer sell, lease, transfer or otherwise part with the possession of, or permit any lien or encumbrance to be placed on all or any part of the Equipment.

11. TRADE-IN. If this quotation includes the trade-in of Customer's existing equipment and the removal date of the trade-in equipment is delayed due to no fault of Canon Medical Systems or if the trade-in equipment is damaged or its condition deteriorates from the date of this quotation through the date of removal, Canon Medical Systems reserves the right to increase the pricing of the new equipment in an amount equal to the reduction in the resale price of the trade-in equipment. Customer must convey free and clear title to the trade-in equipment. If there are any liens or encumbrances on the trade-in equipment, Canon Medical Systems cannot accept the trade-in. Canon reserves the right to adjust trade-in values for equipment not removed by the agreed upon date. The trade-in equipment shall include any associated parts or accessories, included but not be limited to: backup software, manuals, service dongles, positioning pads, straps, CD's, chillers, coils, transducers, UPS systems, and other ancillary items. The trade-in equipment needs to be maintained to OEM specifications up until the time of removal and is subject to inspection by Canon or a Canon designated third party. Equipment must be available for inspection at least 30 days prior to removal. Customer is responsible for a clear removal path to include removal of any walls or doorways, if necessary, as well as responsible for removal of all patient information from the system prior to the removal date. HARD DRIVES MUST BE INCLUDED, INTACT, FUNCTIONAL, AND IRREVERSABLY WIPE OF ALL DATA. For CT system trade-ins: if the CT tube is replaced prior to removal of the CT system, the tube must either be documented as a new tube or documented used tube and less than 100k scan seconds, 40 million mAs, or 100k slices each. For MR system trade-ins: MRI cryogen level must be at a minimum of 70% at the time of removal. Equipment found to be performing below OEM specifications will be subject to a reduced trade-in amount.

12. REMEDIES OF CANON MEDICAL SYSTEMS. If Customer fails to make any payment when due under this Agreement, or becomes insolvent or makes an assignment for the benefit of creditors, or if a petition in Bankruptcy is filed by or against Customer, or if the financial responsibility of Customer becomes impaired, or if Customer otherwise breaches any of the terms and conditions of this Agreement, then Canon Medical Systems may, without prior notice or demand, defer shipments, cancel the balance of the order, suspend performance of any obligation (including without limitation, all obligations set forth under Limited Warranty And Remedy above), and/or take immediate possession of the Equipment delivered, until the full purchase price of the Equipment is paid by Customer or, at Canon Medical Systems' discretion, until security satisfactory to Canon Medical Systems is given by Customer. Any costs incurred by Canon Medical Systems as a result of suspending performance or repossession or collection will be payable by Customer. Canon Medical Systems may sell repossessed Equipment with proceeds to be applied to unpaid balance and expenses incurred in sale, repossession and collection. Customer will pay any remaining deficiency. Canon Medical Systems may exercise any other rights available to it by law.

13. EXCUSED PERFORMANCES. Except for Customer's payment obligations hereunder, neither party will be liable to the other for non-performance or delay in performance resulting directly or indirectly from any occurrences beyond such party's control, including without limitation, strikes or other labor troubles, acts of God, war, accidents, fires, floods, other catastrophes, inclement weather, transportation, delays caused by suppliers, or laws, regulations, or acts of any governmental agency.

14. SOFTWARE. All rights and interest in any software that may be furnished under this Agreement, and any updates and enhancements to it, will remain the property of Canon Medical Systems. Such software is being furnished to Customer under a non-exclusive license. Customer will not, or allow others to decompile, modify, copy, reproduce, or transcribe the software nor allow third parties to use the same without Canon Medical Systems' prior written consent. In the event a third party's software is furnished to Customer, Customer may be required to execute a software license agreement as requested by such third party as a condition to delivery and/or purchase of the third party's product. Canon Medical Systems will furnish Customer with a copy of such license agreement for its review and execution. In the event Customer sells the Equipment to a third party, the purchaser thereof will have the same rights and obligations with respect to any Canon Medical Systems software as Customer. Customer will need to make its own determination whether it needs to obtain any consent from a third party for non-Canon Medical Systems software. Any Canon Medical Informatics, Inc. products quoted herein are conditioned on and subject to the Software License located: <https://us.medical.canon/download/CMI-Capital-License-Agreement>. Any Dell, Inc. software, which may be imbedded in Canon products are conditioned and subject to the Software License located: https://i.dell.com/sites/csdocuments/Legal_Docs/en/us/reseller-terms-of-sale.pdf. Both the CMI and Dell licenses are incorporated herein by reference.

15. CANCELLATION. Customer may not cancel the order subject to this Agreement except with Canon Medical Systems' prior written consent. Canon Medical Systems will allow Customer to modify the product one time, as long as such request is approved by Canon Medical Systems in accordance with timeline below:

- a. CT: No later than 120 days before scheduled delivery date:
- b. MR: No later than 150 days before scheduled delivery date:
- c. VL: No later than 150 days before scheduled delivery date:
- d. XR (excluding Mobile XR): No later than 120 days before scheduled delivery date:

In the event of cancellation without Canon Medical Systems' written consent, Canon Medical Systems will be entitled to recover liquidated damages in an amount equal to twenty percent (20%) of the purchase price of the Equipment

16. ASSIGNMENT. Neither party may assign any of its obligations under this Agreement without the prior written consent of the other party. However, some of the obligations stated in this Agreement, such as the ones relating to installation of items not manufactured by Canon Medical Systems and the warranty thereof may be performed by Canon Medical Systems' contractors or suppliers.

17. EXPORT REGULATIONS. This Agreement involves products, and/or technical data that may be controlled under the U.S. Export Administration Regulations and may be subject to the approval of the U.S. Department of Commerce prior to export. Any export or re-export by Customer, directly or indirectly, in contravention of such Regulations is prohibited.

18. ATTORNEY'S FEES . COSTS. In the event of any legal proceeding involving any party to this Agreement against the other relating to the subject matter of this Agreement, the prevailing party in such proceeding will be entitled to recover reasonable attorney's fees, expert fees, and court costs against the non-prevailing party

19. ACCEPTANCE BY CANON MEDICAL SYSTEMS. This Quotation/Order will not be binding on Canon Medical Systems even if signed by a Canon Medical Systems' employee, until Customer's order for the Equipment is booked by Canon Medical Systems' Headquarter office.

20. END USER CERTIFICATION. Purchaser represents, warrants and covenants that it is acquiring the Products for its own end use and not for reselling, leasing or transferring to a third party (except for leaseback financing).

21. CONFIDENTIALITY. The parties agree that the use of the Equipment purchased and any associated output (including but not limited to binary data files) shall remain confidential between the parties and shall not be shared externally with any third party without the express written permission of Canon Medical Systems.

22. ENTIRE AGREEMENT. This quotation contains the entire agreement between the parties and supersedes all prior and contemporaneous agreements between the parties, whether oral or written, relating to its subject matter, including, without limitation, all different or additional terms and conditions which may be contained in Customer's bid documents, purchase order or any other documents furnished by Customer. The provisions of this Agreement may not be modified unless in writing and executed by both parties.

IMPERIAL VALLEY HEALTHCARE DISTRICT

CONSENT AGENDA

BOARD MEETING DATE:

January 2026

SUBJECT:

Renew Greenman IT Backup Solution

BACKGROUND:

IVHD currently utilizes the cloud-based backup system Greenman IT that is accessible 24/7 from any internet enabled location. We've been on their solution for 5+ years. This type of back up solution is more reliable than other solutions as data is replicated across different geographic locations.

According to HIPAA Security Rules, all entities must "securely back up retrievable exact copies of electronic protected health information".

KEY ISSUES:

No issues with the current solution.

CONTRACT VALUE:

License \$72,000

CONTRACT TERM:

1 Year

BUDGETED:

Yes

BUDGET CLASSIFICATION:

License

RESPONSIBLE ADMINISTRATOR:

Christopher Bjornberg

REVIEWED BY LEGAL:

☒

Yes

☐

Needs review

RECOMMENDED ACTION:

Approve licensing.

Service Level Agreement

Prepared for

Imperial Valley Healthcare District

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Introduction

This document details specific responsibilities for both Greenman IT Support, Inc. Support (Greenman IT Support) and Imperial Valley Healthcare District (Customer) to ensure that the Greenman IT Support Cloud Backup Services are properly commissioned. This document defines what will happen in the event that a problem occurs. It also specifically details the circumstances under which services will be deemed to be outside of the Service Level Agreement (SLA).

1. Greenman IT Support Responsibilities and Obligations

Greenman IT Support will provide an automated mechanism whereby the Customer will be able to backup and recover data from all configured servers and network connected systems as defined in the Customer Backup and Recovery Matrix.

Subject to the conditions outlined in this document, Greenman IT Support will ensure that the product and services delivered to the Customer will function as specified.

1.1. Installation and Configuration

An authorized Greenman IT Support representative will deploy the specified products and services to the Customer site on a pre-arranged installation date(s) as specified in the Service Agreement.

All defined products and services will be installed, commissioned and tested to ensure that any equipment and/or services are fully operational.

A Greenman IT Support authorized representative will demonstrate to a designated Customer representative that the service is capable of backing up and recovering data from the Customer network.

At this point, the Greenman IT Support authorized representative will enable co-control of the Cloud Backup & Replication service with the Customer and notify the Greenman IT Support operations team that the service is live and fully operational. The Greenman IT Support authorized representative will present the designated Customer contact with instructions and Greenman IT Support will continue to assist and support the service at the Customer's directive.

1.2. Training

Greenman IT Support will provide basic training for the designated Customer representative and detailed documentation covering usage of the management interface.

The authorized Customer representative will be trained to create a backup set, to administer and schedule backups, and to restore data from cloud-based repositories, and optionally, local storage.

1.3. Support and Problem Escalation

The Customer will have access to the Greenman IT Support customer support staff by phone and/or email. Calls will be handled in accordance with the escalation procedures outlined in the Support and Escalation Procedure section of this document, with priority going to the most severe type of problem.

1.4. Data Backup and Restoration

Within the terms of this SLA, Greenman IT Support will be responsible for ensuring that the Cloud Backup service and all associated components will be available to backup and recover Customer data that has been defined in the Customer Backup and Recovery Matrix.

Greenman IT Support will be responsible for ensuring that the Cloud Backup Service and all associated components will be available to restore Customer data that has been previously backed up and stored within Greenman IT Support' cloud-based storage.

1.5. Service Upgrades and Maintenance

Greenman IT Support will be responsible for the provision, management and installation of all product and service releases and engineering changes (hardware, software or firmware) that it deems necessary to maintain and/or upgrade the product and services.

IMPORTANT: Upon installation, the Customer may be required to select an encryption method. Greenman IT Support will accept no responsibility for storing Customer's Cloud Backup encryption keys. Loss of the encryption keys by the Customer will prevent recovery of the Cloud Backup service and the Customer's backup data.

2. Customer Responsibilities and Obligations

Although Cloud Backup is a managed service and Greenman IT Support will be responsible for the availability of the service components, the day-to-day operation of the Cloud Backup service will, in part, depend on certain key processes, documentation and related equipment which are wholly under the Customer's control.

2.1. Installation and Configuration

The Customer will be responsible for providing authorized and free access to Greenman IT Support representatives to deliver the product and services to the Customer site on a pre-arranged installation date(s).

The Customer will be responsible for providing the necessary power, network connection and environment to support the backup server appliance.

The Customer will make available a designated and appropriately qualified representative to work with the Greenman IT Support representative during the installation of the product and services, as defined in the contract.

The designated Customer representative will work with Greenman IT Support representatives to complete the Backup and Recovery Matrix and validate that the backup functionality of the service has been demonstrated to his/her satisfaction.

The designated Customer representative will then accept delivery of the Cloud Backup service as a fully commissioned service.

IMPORTANT: The Customer is solely responsible for storing their Cloud Backup encryption keys in a secure location. Loss of the encryption keys by the Customer will prevent access to the Cloud Backup Service and the Customer's backed up data.

2.2. Training

The Customer will be responsible for designating a representative to participate in training to develop a basic understanding of the services and product functionality.

The Customer will ensure that at least one designated person is capable of creating a backup set and schedule, backing up and restoring data using the management interface, and evaluating a problem using the procedures outlined in the Support and Escalation Procedure section of this document.

2.3. Support and Problem Escalation

The Customer designated representative will be responsible for promptly reporting any problems directly to the Greenman IT Support Customer Support Team in accordance with the escalation procedures outlined in the Support and Escalation Procedure section of this document.

2.4. Data Backup and Restoration

The Customer will be responsible for the availability of their network and those systems to be backed up by the Cloud Backup Service.

The Customer will be responsible for working with Greenman IT Support representatives to complete the Backup and Recovery Matrix, to define the appropriate backup sets, schedules, Recovery Time Objectives (RTOs), Recovery Point Objectives (RPOs) and retention policies for those systems to be backed up. Greenman IT Support

representatives will assist Customer with configuration, as needed and directed, based on Customer's policies regarding data, schedules, retention, etc..

The Cloud Backup Service cannot guarantee to successfully back up all open files. This is rare, and usually due to proprietary applications and/or operating system limitations. If open files fail to back up, they are reported to the Customer by the Cloud Backup service. The Customer will be responsible for reviewing such occurrences and working with Greenman IT Support to modify their backup sets as appropriate.

For confidentiality and security reasons, transmitted data is never opened or read by any of the Greenman IT Support Backup processes. It therefore remains the Customer's responsibility to ensure that data integrity, including virus scanning is maintained. The Customer will be responsible for either performing data restoration operations and/or requesting assistance from Greenman IT Support for restoration operations.

2.5. Reports and Logs

The Customer has a unique and intimate knowledge of their environment, including activities, trends and problems with their systems and data. The Customer will be responsible for periodically reviewing and acting upon the reports, logs and notifications provided by the Cloud Backup service. This ensures that backup activities, warnings and/or notifications are within Customers environmental norms.

Greenman IT Support may provide additional reporting, either proactively, or at Customer's request, to provide additional details or metrics to support Customer and SLA compliance.

2.6. Service and Maintenance

The Customer will accept installation of all product and service releases and engineering changes (hardware, software or firmware) deemed necessary by Greenman IT Support to maintain and/or upgrade the Cloud Backup service.

3. Support and Escalation Procedure

The following table defines the escalation priorities to be used by the Customer and Greenman IT Support in opening calls concerning the Cloud Backup Service.

Contacting Support

Normal Business Hours Support (07:30 to 18:00 PST Weekdays):

- Call 1- 619-573-9363 or email support@greenmanitsupport.com

After Hours or Holiday Support (Federal Holiday Dates):

- Call 1- 619-573-9363

Greenman IT Support Responsibilities: Greenman IT Support will respond and resolve issues according to the defined priority levels below.

Customer Responsibilities: Customer MUST provide contact information for the designated Customer representative(s) to facilitate ongoing communication. In the event that normal communications systems are unavailable due to off-hours, disaster, communication system failure (VOIP/Email), etc., mobile phone and/or external email addresses may be required.

ANY INABILITY TO COMMUNICATE WITH CUSTOMER IN A TIMELY MANNER MAY CAUSE DELAYS IN ISSUE RESOLUTION OR FAILURE TO MEET RECOVERY OBJECTIVES. GREENMAN IT SUPPORT CANNOT BE HELD RESPONSIBLE FOR FAILURE TO MEET EXPECTED RESPONSE TIMES OR RECOVERY OBJECTIVES DUE TO COMMUNICATION DELAYS OR LACK OF ACCESS TO CUSTOMER SYSTEMS.

3.1. Customer Escalation Priorities

Priority 3 (Low)

Classification: General enquiry or problem which has no operational impact on the Customer system.

Call Logging: 07:00 to 18:00 PST, weekdays

Time to Respond or Resolve: Greenman IT Support will respond and resolve Priority 3 issues usually within 1 business day, provided additional research or engineering efforts are not required.

Typical Event:

- Billing or documentation query
- Request to move or re-deploy services
- General product/functionality enquiry
- Report generation issues
- General advice and guidance
- Product/service enhancements

Logged calls will be serviced on a first-come, first-served basis and typically resolved within one day.

Priority 2 (Medium)

Classification: Customer or Greenman IT Support has identified a possible error or fault with the installed Greenman IT Support service but there is no critical effect on any other part of the service.

Call Logging: 24hrs/day x 7 days/week x 365 days/year

Time to Respond or Resolve: Greenman IT Support will respond within 4 hours and normally resolve Priority 2 issues usually within 1 business day,

Typical Event:

- Previously installed and working Greenman IT Support software now not functioning correctly
- Problem backing up a single Customer system

If logged during a business day (08:00 – 18:00 hrs, Monday to Friday) and an immediate resolution is not available, the call will receive attention during the next business day.

provided additional research or engineering efforts are not required.

Priority 1 (High)

Classification: Customer or Greenman IT Support has identified a possible error or fault with the installed Greenman IT Support service that is affecting multiple Customer clients or causing a severe impact to system operations.

Call Logging: 24hrs/day x 7 days/week x 365 days/year

Time to Respond or Resolve: Greenman IT Support will respond within 1 hour and normally resolve Priority 3 issues usually within 4 hours, provided additional research or engineering efforts are not required.

Typical Event:

- Escalation of Priority 2 call
- Greenman IT Support remotely monitored fault on WAN connection.
- Customer unable to restore data
- Customer experiencing Greenman IT Support related problems backing up from multiple systems

Call referred immediately to Greenman IT Support Team member who will become the primary point of contact and co-ordinate recovery actions. Representative will provide a status report to Customer approximately every 2 hours.

Some calls may require further investigation and even internal escalation by technical specialists. Although Greenman IT Support will aim to resolve an open Service Request (SR) in the shortest possible timeframe, this may in some cases depend on the availability of diagnostic information from the Customer or Third Party Providers (TPP). In this case, Greenman IT Support will monitor events at every stage throughout the diagnostic process and keep the Customer informed of all developments.

In many cases, Greenman IT Support operations staff, through their service monitoring systems, will be aware of problems before they are logged by the Customer. In these cases the operations staff will call the assigned Customer representative to arrange the necessary remedial action.

Any investigative work carried out by Greenman IT Support personnel on a fault that is not found to be the responsibility of Greenman IT Support may incur charges, with a minimum billable charge of \$150/hr.. Should travel and accommodation be involved, Greenman IT Support will work with Customer to establish responsibility and any associated costs.

3.2. Disaster Recovery - High Priority

In the event of the Customer implementing a Disaster Recovery, or Disaster Recovery Test (Drill), the normal Cloud Backup Service Level Agreement will be suspended for the duration of the Disaster Recovery. During this time, the

following disaster recovery process will be put into effect. A Disaster Recovery Plan or Business Continuity Master Plan document should be provided to all responsible parties and followed. Disaster Recovery Drills should be scheduled with Greenman IT Support representative to ensure dedicated resources are available.

Typical Event:

- Disruption of Mission Critical systems due to data loss
- Major data loss
- Loss of entire Customer site
- Scheduled Disaster Recovery Test

Call referred immediately to Customer Service Representative who will become the primary point of contact and coordinate the following actions:

- Notify all relevant members of the Greenman IT Support Senior Management Team
 - Review previous call history
 - Gather database and remote diagnostic support systems
 - Implement repair/replacement/Crash Response Team procedure
 - Arrange onsite arrival of Greenman IT Support technical personnel, if applicable
 - Provide problem status updates to the Customer on a regular basis
 - Contact the Customer to confirm successful resolution
 - Provide the Customer with specific post-DR reports (DR Executive Summary, DR Problems Log and DR Timeline)
-

4. Performance Level Agreement

Greenman IT Support acknowledges that the consistent availability and performance of the Cloud Backup service is essential to ensuring that the Customer's data can be effectively backed-up, transferred offsite and made available for recovery and retrieval upon request.

4.1. Service Availability

4.1.1. Availability Guarantee:

Greenman IT Support guarantees that Datacenter-based Cloud Services will have an availability of 99.99%. (Excluding maintenance windows.)

4.1.2. Service Outage:

Service Outage is defined as the occurrence, within the Greenman IT Support managed network(s), resulting in the inability of Greenman IT Support' Datacenter-based Cloud Services to provide backup or data restoration services to Customer. A Service Outage does not include maintenance windows or reasons of Force Majeure.

4.1.3. Outage Triggering Service Credit

Level-One Outage. A Level-One Outage is defined as any occurrence within the Greenman IT Support Service network that results in Service Outage greater than or equal to twelve (12) minutes in any calendar day. In the event that a Level-One Outage occurs, the Customer will receive credit for an entire day of service.

Level-Two Outage. A Level-Two Outage is defined as any occurrence within the Greenman IT Support Service network that results in Service Outage greater than or equal to four (4) hours in any calendar day. In the event that a Level-Two Outage occurs, the Customer will receive credit for 25% of the monthly service fee.

Level-Three Outage. A Level-Three Outage is defined as any occurrence within the Greenman IT Support Service network that results in Service Outage greater than or equal to eight (8) hours in any calendar day. In the event that a Level-Three Outage occurs, the Customer will receive credit for 50% of the monthly service fee.

4.1.4. Multiple Outages within a 30 Day Period

Three Level-One Outages. In the event that a Customer experiences three (3) Level-One Outages within a 30 day rolling period, the Customer will receive credit for 25% of the monthly service fee.

Two Level-Two Outages. In the event that a Customer experiences three (3) Level-Two Outages within a 30 day rolling period the Customer will receive credit for 50% of the monthly service fee.

Two Level-Three Outages. In the event that a Customer experiences two (2) Level-Three Outages within a 30 day rolling period, the Customer will receive credit for an entire month of service.

4.2. Network Performance

Greenman IT Support acknowledges that the performance of its network is crucial to providing cloud-based services and ensuring optimal service delivery conditions.

4.2.1. Latency Guarantee

Greenman IT Support' Network Latency Guarantee is measured as the average round-trip transmission of 85 milliseconds or less (for a 64 byte ping packet) between Greenman IT Support' multiple domestic (U.S.) Points-of-Presence (POPs). Latency shall be measured by averaging sample measurements taken during a calendar month between Greenman IT Support's multiple domestic (U.S.) Points-of-Presence (POPs).

4.2.2. Latency Guarantee Service Credit

If Greenman IT Supports network fails to meet any Latency Guarantee in a given calendar month; Customer may request a credit for one day of service, for each day the Latency Guarantee is not met. Greenman IT Support Network Latency Guarantee does not include maintenance windows or reasons of Force Majeure.

4.2.3. Packet Loss Guarantee

Greenman IT Support Guarantees packet loss will be no more than 1% between Greenman IT Support's multiple domestic (U.S.) Points-of-Presence (POPs), for the applicable calendar month. Measured transmissions are solely among points that are within the core Greenman IT Support backbone; excluding delivery failures that are not attributable to performance of the Greenman IT Support network IP backbone (i.e. local loops and exchange points).

Packet loss shall be measured by averaging sample measurements taken during a calendar month between backbone-to-backbone point routers.

4.2.4. Packet Loss Guarantee Service Credit

If Greenman IT Support's network fails to meet any Packet Loss Guarantee in a given calendar month; Customer may request a credit for one day of service, for each day the Packet Loss Guarantee is not met. Greenman IT Support's Packet Loss Guarantee does not include maintenance windows or reasons of Force Majeure.

4.2.5. Total Outage Credits

Total Outage Credits will not exceed the actual monthly recurring charge for the effected services. Service and Network outage credits cannot be combined for any single event. Should the Customer experience four (4) or more Level-2 failures, and/or two (2) or more Level-3 failures on a rolling sixty (60) day basis, then the Customer may terminate only that portion of any Service Order or Service Orders related to the services so affected, by written notice to Greenman IT Support.

Greenman IT Support	Customer
By: <u>Signature</u>	By: <u>Signature</u>
Name: <u>Bryan Ladd</u>	Name: <u></u>
Title: <u>President</u>	Title: <u></u>
Date: <u></u>	Date: <u></u>



Email: contact@greenmanitsupport.com
Web: <http://www.greenmanitsupport.com>
Office and after-hours support: 619-573-9363

Greenman IT Support, Inc.

Master Service Agreement

GENERAL INFORMATION SHEET

Effective Date: 8/1/2025	Term: 1 Year
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This Master Services Agreement ("Agreement") is entered into by Greenman IT Support, Inc. ("Greenman IT Support") and Imperial Valley Healthcare District (IVHD) (Customer") as of the Effective Date indicated above. This Agreement consists of this General Information Sheet, the General Terms and Conditions attached hereto, any Service Orders (as defined herein) executed by the parties.

☒ Managed Services (Backup and Replication, Hosting and Storage)

This Agreement constitutes the entire agreement of the parties with respect to the subject matter of this Agreement. This Agreement supersedes all agreements, whether oral or written, between the parties to this Agreement with respect to the subject of this Agreement. Except as otherwise expressly provided herein, this Agreement may be modified only in writing and signed by an authorized representative of each party. In the event of a conflict between this Agreement and any Service Order, this Agreement will control.

Greenman IT Support Information

Greenman IT Support Contact	Phone	Email
Bryan Ladd	(619) 573-9363	bryan@greenmanitsupport.com
Address	5663 Balboa Ave., #403, San Diego, CA 92111	

Customer Information

Business Contact	Phone	Email
Walter Nguyen (IVHD)	(760) 351-4667	wnguyen@iv-hd.org
Address	601 Heber Avenue Calexico, CA 92231	

Greenman IT Support

By:

Name: Bryan Ladd

Title: President

Date:

Customer

By:

Name:

Title:

Date:

GENERAL TERMS AND CONDITIONS

1. Overview.

1.1 Overview. This Agreement states the terms and conditions by which Greenman IT Support will deliver and Customer will receive services provided by Greenman IT Support, which will include Managed Services and Set Up Services as defined herein (collectively, the "Services"). The Services that Customer may order hereunder, and any additional terms applicable to such Services, are identified in the Service Orders and Service Level Agreement (SLA) set forth on the General Information Sheet and signed by authorized representatives of Customer and Greenman IT Support. The Services ordered by Customer, and provided by Greenman IT Support, under the terms and conditions herein, are set forth in Service Orders executed by the parties (each, a "Service Order") and hereby incorporated by reference into this Agreement. This Agreement is intended to cover all services ordered by Customer and provided by Greenman IT Support.

2. Provision of Services

2.1 Managed Services. Subject to the terms and conditions of this Agreement, Customer may order on a Service Order the services indicated as ("Managed Services"). Greenman IT Support hereby grants to Customer a nonexclusive and nontransferable license for Customer and its Users to access and use the computer systems used by Greenman IT Support to provide the Managed Services solely in connection with the provision of the Managed Services and subject to the limitations herein. Greenman IT Support will provide support for the Managed Services and work with Customer's designated contact. Unless otherwise indicated in any applicable Service Orders: (i) Customer shall be solely responsible for providing Customer service and support to its End-Users.

2.2 Set Up Services. Subject to the terms and conditions of this Agreement, Customer may order, on a Service Order, the implementation, customization and other professional services indicated as "Set Up Services" ("Set Up Services"). Greenman IT Support will provide the Set Up Services ordered by Customer in any Service Order to Customer, and Customer may use such Services, in accordance with the terms and conditions of this Agreement.

3. Use of the Services

3.1 Acceptable Use Policy (AUP): Customer agrees to adhere to Greenman IT Support's policy regarding acceptable use of the Managed Services, as it relates to Customer's use of the Managed Services. A copy is available at: <http://www.greenmanitsupport.com/aup.html>. Upon thirty (30) days notice to Customer, Greenman IT Support, in its sole discretion, may modify the Acceptable Use Policy, which modifications shall be posted, as above, to Greenman IT Support's Website

3.2 Suspension or Termination of Managed Services. If Greenman IT Support becomes aware of or suspects any unlawful use

of the Services by a User, or any use in violation of the Acceptable Use Policy, Greenman IT Support shall attempt to notify Customer and provide reasonable detail of such violation. However, Greenman IT Support reserves the right to immediately suspend or terminate the Services if Greenman IT Support determines in its sole discretion may be unlawful or in violation of the Acceptable Use Policy, or when reasonably necessary to protect Greenman IT Support's interests. In the event the Managed Services are used in an unlawful manner or in violation of the Acceptable Use Policy, and thereby causes damage or added expense to Greenman IT Support, Customer shall be liable to Greenman IT Support for such damage or added expense. Greenman IT Support, at its sole discretion, may waive all or a portion of any such liability. Customer agrees that the use of the Managed Services, for illegal purposes or violations of the Acceptable Use Policy may subject Customer, as applicable, to criminal or civil liability. Customer will cooperate with Greenman IT Support in investigations and other actions taken for suspected or known violations of the Acceptable Use Policy.

3.3 Additional Restrictions. Customer agrees that it will not, and will not permit any third party to, (i) sell, transfer, lease, license or sublicense any of the rights granted under this Agreement except as expressly permitted herein; (ii) attempt to download or otherwise obtain a copy of any software on the Greenman IT Support System; (iii) decompile, disassemble, or otherwise attempt to derive source code from any software on the Greenman IT Support System; or (iv) allow access to the Managed Services or Greenman IT Support System to any third party other than as expressly permitted in this Agreement.

3.4 Compliance with Laws. Each party agrees to comply with all applicable laws, rules and regulations, including any Internet regulations or policies and applicable export laws, in its performance under this Agreement.

3.5 Privacy. Greenman IT Support has a corporate policy to respect the privacy of its Customers and users. Greenman IT Support will only access and disclose any domain names, user names, addresses or passwords, or content of messages or data files, transmitted through the Greenman IT Support System or by means of the Services (collectively, the "User Information") as required by law, to provide the Services, to operate or maintain the Greenman IT Support System or to protect itself or its Customers. Any additional disclosure of information will be with the explicit and expressed written consent by customer.

3.6 Modifications. Greenman IT Support reserves the right to modify the features and functionality of the Greenman IT Support System from time to time, provided that Greenman IT Support will not modify the Greenman IT Support System in a manner that would have a significant adverse effect on Users' use of or ability to use the Managed Services, without providing at least thirty (30) days prior notice to Customer of any such modification.

4. Ownership and Additional Licenses.

4.1 Proprietary Rights. Greenman IT Support shall retain all proprietary rights in and to the Services and Greenman IT Support System. All software, source and object code, specifications, designs, processes, techniques, concepts, improvements, discoveries, and inventions made or developed in connection with the Set Up Services will be the sole and exclusive property of Greenman IT Support. As between Customer and Greenman IT Support, Customer shall own all right, title and interest in the User Information, subject to Greenman IT Support's right to use such User Information in performing under, or as otherwise expressly permitted by, this Agreement.

4.2 Additional Licenses. If Greenman IT Support provides or make available to Customer under this Agreement any software ("Software") or any instruction manuals or other materials and on-line help files for the Services ("Training Materials"), Customer shall have only a non-exclusive, non-transferable, royalty-free limited license to use such Software and Training Materials solely in connection with the Services during the term of this Agreement. Greenman IT Support and its licensors retain all rights, title and interest in and to the Software and Training Materials. Except as permitted by applicable law, Customer may not decompile, reverse engineer, disassemble, modify, rent, lease, loan, distribute, assign, transfer or create derivative works of the Software or Training Materials. Customer may not remove, deface or obscure any of Greenman IT Support's or its licensors' proprietary rights notices on or in the Software or Training Materials or on output generated by the Software. If a license agreement is included with any Software provided hereunder, Customer shall be licensed with respect to such Software pursuant to that license to the extent inconsistent with this provision. Customer agrees that any violation of the Software license shall constitute a material breach of this Agreement.

5. Payment

5.1 Fees. For each Service ordered by Customer on a Service Order and delivered by Greenman IT Support, Customer will pay Greenman IT Support the Managed Service Fees and Set Up Service Fees as set forth on the applicable Service Order(s).

5.2 General Payment Terms. All amounts payable under this Agreement shall be made in U.S. dollars, and are exclusive of any sales, use, excise, property or any other taxes associated with the provision of Services or of Customer's or Users' access to or use of the Greenman IT Support System. Customer is responsible for payment of any and all such taxes (excluding taxes based on Greenman IT Support's net income). All payments are due thirty (30) days after invoice date. Greenman IT Support may charge a late fee of 15% of the total monthly invoiced amount, or, if less, the maximum amount allowed by applicable law, for payments made by Customer after the due date. Payments due from Customer are not subject to any set-off claims.

6. Disclaimer of Warranties.

6.1 No Warranties. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN A SERVICE ORDER OR SERVICE LEVEL AGREEMENT, THE

SERVICES AND SOFTWARE ARE PROVIDED, AND THE GREENMAN IT SUPPORT SYSTEM IS MADE AVAILABLE, BY GREENMAN IT SUPPORT TO CUSTOMER AND USERS "AS IS." GREENMAN IT SUPPORT AND ITS SUPPLIERS MAKE NO WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, REGARDING THE SERVICES OR THE GREENMAN IT SUPPORT SYSTEM AND SPECIFICALLY DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS, TO THE MAXIMUM EXTENT PERMITTED BY LAW.

6.2 Service Usage. Except as otherwise expressly provided in a Service Order, Greenman IT Support and its suppliers make no warranties regarding the quality, reliability, timeliness or security of the Services or the Greenman IT Support System or that the Services, the Software or the Greenman IT Support System will be uninterrupted or error free.

6.3 Customer's Responsibilities. Customer shall be solely responsible for any warranties provided to Users with respect to the Services or the Greenman IT Support System.

7. Limitation of Liability.

7.1 Limitation of Liability. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED WITHIN THIS AGREEMENT OR INCLUDED SERVICE LEVEL AGREEMENT (SLA), IN NO EVENT SHALL GREENMAN IT SUPPORT'S AGGREGATE LIABILITY ARISING OUT OF THIS AGREEMENT FOR ANY DAMAGES FROM ANY CAUSE WHATSOEVER (INCLUDING LIABILITY UNDER ANY WARRANTY OR REMEDY SET FORTH IN A SERVICE ORDER), REGARDLESS OF FORM OF ACTION,

WHETHER IN CONTRACT, NEGLIGENCE OR OTHERWISE, EXCEED THE GREATER OF: (1) THE AMOUNT PAID BY CUSTOMER TO GREENMAN IT SUPPORT HEREUNDER IN THE TWELVE (12) MONTHS PRIOR TO ANY SUCH CLAIM OR (2) CLAIMS SUBMITTED AND PAID UNDER GREENMAN IT SUPPORT'S CURRENT INSURANCE POLICY. GREENMAN IT SUPPORT HAS PROVIDED PROOF OF INSURANCE TO CUSTOMER AND SHALL MAINTAIN SUCH INSURANCE THROUGHOUT THE TERM OF THIS AGREEMENT. IN NO EVENT WILL EITHER PARTY, OR ITS SUPPLIERS, BE LIABLE TO THE OTHER PARTY, OR TO ANY THIRD PARTY, FOR CONSEQUENTIAL, EXEMPLARY, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, EVEN IF THE PARTY OTHERWISE LIABLE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. GREENMAN IT SUPPORT WILL NOT BE LIABLE FOR ANY ACTUAL OR ALLEGED INFRINGEMENT BY ANY THIRD PARTY MATERIALS AVAILABLE THROUGH THE SERVICES.

8. Confidential Information.

8.1 Confidential Information. Each party agrees to keep confidential and to use only for purposes of performing under this Agreement, any proprietary or confidential information of the other party disclosed pursuant to this Agreement which is appropriately marked as confidential or which could reasonably be considered of a proprietary or confidential nature ("Confidential Information"), and, except as otherwise permitted by this Section, the terms of this Agreement and all negotiations relating thereto (but not the existence

of this Agreement generally). The obligation of confidentiality shall not apply to information which is publicly available through authorized disclosure, is known by the receiving party at the time of disclosure as evidenced in writing, is rightfully obtained from a third party who has the right to disclose it, or which is required by law to be disclosed. All Confidential Information remains the property of the disclosing party. Upon any termination of this Agreement, the receiving party will return all Confidential Information of the disclosing party, and all copies thereof, in the possession or control of the receiving party unless otherwise provided in this Agreement.

9. Indemnification.

9.1 Greenman IT Support Indemnity. Greenman IT Support will defend any third-party suit or action against Customer to the extent such suit or action is based on a claim that the Services infringe any valid United States patent, copyright, trade secret or other proprietary right, and Greenman IT Support will pay those damages and costs finally awarded against Customer in any monetary settlement of such suit or action which are specifically attributable to such claim. These obligations do not include any claims to the extent they are based on use of the Services in violation of this Agreement or in combination with any other software or hardware, or any modification to the Services pursuant to Customer's specifications. If any portion of the Services becomes, or in Greenman IT Support's opinion is likely to become, the subject of a claim of infringement, then Greenman IT Support may, at its option and expense, (a) procure for Customer the right to continue using such Services or (b) replace or modify the Services so that they become non-infringing. The indemnity obligations set forth in this Section 9.1 are contingent upon: (a) Customer giving prompt written notice to Greenman IT Support of any such claim(s); (b) Greenman IT Support having sole control of the defense or settlement of the claim; and (c) at Greenman IT Support's request and expense, Customer cooperating in the investigation and defense of such claim(s). The foregoing states Greenman IT Support's entire liability for infringement claims.

9.2 Customer Indemnity. Customer will defend, indemnify and hold Greenman IT Support harmless from and against any and all claims, actions or demands resulting from Customer's marketing or resale of the Services under this Agreement, except any claims, actions or demands for which Greenman IT Support is liable under Section 9.1. The indemnity obligations set forth in this Section 9.2 are contingent upon: (a) Greenman IT Support giving prompt written notice to Customer of any such claim(s); (b) Customer having sole control of the defense or settlement of the claim; and (c) at Customer's request and expense, Greenman IT Support cooperating in the investigation and defense of such claim(s).

10. Term and Termination.

10.1 Term. This Agreement will commence on the Effective Date and continue for the period set forth on the cover page of this Agreement ("Initial Term"). Thereafter, the Customer will have the option to renew for additional one (1) month terms ("Renewal Term") only upon written consent from Customer." The Initial Term and any Renewal Term are collectively referred to as the "Term."

10.2 Termination for Breach. Either party may terminate this Agreement by giving to the other party written notice of such termination upon the occurrence of any of the following events: (i) the other party materially breaches or defaults in any of the material terms or conditions of this Agreement and fails to cure such breach or default within 30 days of receipt of written notice thereof, (ii) the other party makes any assignment for the benefit of creditors, is insolvent or unable to pay its debts as they mature in the ordinary course of business, or (iii) any proceedings are instituted by or against the other party in bankruptcy or under any insolvency laws or for reorganization, receivership or dissolution.

10.3 Termination Without Cause: This Agreement may be terminated by either party for any reason by providing at least 30 days' prior written notice to the other party.

10.4 Effect of Termination. Upon any termination of this Agreement: (i) Customer will immediately destroy all copies of the Software, Greenman IT Support Confidential Information and Training Materials in its possession or under its control; (ii) Greenman IT Support will destroy any Customer Confidential Information in its possession or under its control; and (iii) Greenman IT Support will provide any migration services set forth in a Service Order. Within thirty (30) days of the later of termination of this Agreement or the date of migration completion, Customer will pay Greenman IT Support all accrued and unpaid fees and charges.

10.5 Survival. Sections 4.1, 6, 7, 8, 9, 10.3, 10.4, and 11 and such provisions of the Service Order(s) indicated therein will survive any expiration or termination of this Agreement.

11. Miscellaneous

11.1 Notices. Notices under this Agreement must be in writing and will be deemed given when delivered personally, or by email or facsimile (with confirmation of receipt) or by conventional mail (registered or certified, postage prepaid with return receipt requested). Notices will be addressed to the parties at the addresses appearing in the introductory paragraph of this Agreement, but each party may change the address by written notice in accordance with this paragraph.

11.2 Assignment. This Agreement will be binding upon and inure to the benefit of the parties, their successors and permitted assigns. Neither party may transfer, sublicense or otherwise assign this Agreement or any of its rights or obligations hereunder without the other party's prior written consent, which consent will not be unreasonably withheld. Notwithstanding the foregoing, either party may assign this Agreement (i) to any entity in which the party has a greater than fifty-percent (50%) equity ownership interest or of which the party has voting control, (ii) to any entity that buys

fifty percent (50%) or more of that party's stock or all or substantially all of that party's assets, or (iii) as part of a merger, reorganization or re-incorporation.

11.3 Force Majeure. Greenman IT Support is not responsible for any delays, errors, failures to perform, interruptions or disruptions in the Services or the Greenman IT Support System caused by or resulting from any act, omission or condition beyond Greenman IT Support' reasonable control, whether or not foreseeable or identified, including without limitation acts of God, strikes, lockouts, riots, acts of war, governmental regulations, fire, power failure, earthquakes, severe weather, floods or other natural disaster or Customer's, User's or any third party's actions, hardware, software or communications equipment or facilities (each a "Force Majeure Event").

11.4 General Provisions. This Agreement will be governed by and construed in accordance with the laws of the State of California exclusive of its conflict of law principles. Nothing contained in this Agreement is intended or is to be construed to create a partnership, joint venture or agency relationship between Greenman IT Support and Customer. If any provision of this Agreement is held invalid, illegal or unenforceable, such provision will be reformed only to the extent necessary and in such a manner to effect the original intention of the parties; all remaining provisions continue in full force and effect. Any failure by either party to strictly enforce any provision of this Agreement will not operate as a waiver of that provision or any subsequent default or breach of the same or a different kind.

Customer Service Order

<div style="border-bottom: 1px solid black; margin-bottom: 5px;"> Imperial Valley Healthcare District </div> <div style="margin-bottom: 5px;">Customer / Company Name</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"> 207 W. Legion Rd </div> <div style="margin-bottom: 5px;">Street Address</div> <div style="display: flex; justify-content: space-between; margin-bottom: 5px;"> <div style="border-bottom: 1px solid black; width: 30%;"> Brawley </div> <div style="border-bottom: 1px solid black; width: 30%;"> CA </div> <div style="border-bottom: 1px solid black; width: 30%;"> 92227 </div> </div> <div style="display: flex; justify-content: space-between; margin-bottom: 5px;"> <div>City</div> <div>State</div> <div>Zip</div> </div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"> Authorized By (Print or Type) </div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"> Telephone Number </div>	<p>Service Delivery This Customer Service Order is valid for 60 days, beginning on 8/1/2025 and effective for the term specified in the Master Service Agreement. During this period Greenman IT Support, Inc. will provide the below described services to the customer for the fees listed.</p> <p>Payment Terms: Customer is responsible for payments which are due thirty (30) days after invoice date, unless otherwise specified. Amounts past due will be subject to a late fee of 15% of the total monthly invoiced amount. If Customer does not pay outstanding bills within 15 days of due date, Greenman IT Support reserves the right to suspend all services without notice. Greenman IT Support will charge a reconnection fee for services discontinued due to lack of timely payments. All Charges will be shown as Annual, Monthly Recurring Charges ("MRC") or Non Recurring Charges ("NRC").</p>
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Service Description	MRC	Annual	NRC
Managed Services Backup, Replication and DR Services - Onsite Backup Server & Storage - Veeam Backup and Replication Software - Onsite & Offsite Backup and Recovery 130 Backup Objects Cold Storage (Archive) - 30 TB cold storage of archived system backups DR Documentation and Testing (upon request) - DR Planning and Documentation - Annual DR Testing - DR Test Reporting and Analysis Licensing and Support - All Backup/DR Licensing included (Veeam, Microsoft, VMware) - All Support (24x7x365) Included	\$6000.00		
<div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p style="text-align: center; margin: 0;">Monthly Units</p> <p>1 – Comprehensive package based on current PMHD systems.</p> <ul style="list-style-type: none"> All Active VMs ~130 Critical Systems ~30 Onsite Backup Storage ~30TB Offsite Backup Storage ~30TB Archived – Cold Storage ~25 TB </div>			
Total(s)	\$6,000.00	\$72,000.00	\$0.00

Authorizing Signature

Date

ARTICLE IV
OFFICERS

Section 1. Officers.

The officers of the Board of Directors shall be a Chairperson, a Vice Chairperson, a Secretary, and a Treasurer. No person shall hold more than one office. Whenever a Board of Directors officer is authorized to execute a written instrument in his or her official capacity, other than for reimbursement of expenses, the Chairperson and Secretary shall do so.

The Board of Directors has the power to prescribe the duties and powers of the District President/Chief Executive Officer, the secretary, and other officers and employees of any health care facilities of the District, to establish offices as may be appropriate and to appoint Board of Directors members or employees to those offices, and to determine the number of and appoint all officers and employees and to fix their compensation. The officers and employees shall hold their offices or positions at the pleasure of the Board of Directors. (H&S Code §§ 32100.001 and 32121(h).)

Section 2. Election of Officers.

The officers of the Board of Directors shall be chosen every calendar year by the Board of Directors at the regular January meeting. They shall assume office at the close of that meeting, and each officer shall hold office for one year, or until his or her successor shall be elected and qualified, or until he or she resigns or is otherwise disqualified to serve.

Section 3. Chairperson.

The Board of Directors shall elect one of their members to act as Chairperson. If at any time the Chairperson shall be unable to act, the Vice Chairperson shall take his or her place and perform his or her duties. If the Vice Chairperson shall also be unable to act, the Board of Directors may appoint some other member of the Board of Directors to do so and such person shall be vested temporarily with all the functions and duties of the office of the Chairperson.

The Chairperson, or member of the Board of Directors acting as such as above provided:

- a. Shall preside over all the meetings of the Board of Directors.
- b. Board of Directors Chairperson, or his or her designee, shall attend Medical Executive Committee, Joint Conference Committee meetings and other similar meetings of non-District organizations related to operations of the hospital (including those of Medical Staff committees and the hospital foundation) on behalf of the Board of Directors. Designees shall be Board of Directors members and shall at all times exclusively represent the interests of the Board of Directors.

Designees may be removed at any time at the sole discretion of the Board of Directors Chairperson.

- c. Shall sign as Chairperson, on behalf of the District, all instruments in writing which he or she has been specifically authorized by the Board of Directors to sign, provided that such instruments shall also be signed by the Secretary of the Board of Directors (other than for reimbursement requests).
- d. Shall have, subject to the advice and control of the Board of Directors, general responsibility for management of the affairs of the District during his or her term in office. (H&S Code 32100.001.)

Section 4. Vice Chairperson.

The Board of Directors shall elect one of their members to act as Vice Chairperson. The Vice Chairperson shall, in the event of absence, incapacitation, resignation, or other inability of the Chairperson, exercise all the powers and perform all the duties herein given to the Chairperson.

Section 5. Secretary.

The Board of Directors shall elect one of their members to act as Secretary. The Secretary of the Board of Directors shall perform ministerial duties (i.e., sign legal documents on behalf of the Board of Directors of the District. (H&S code 32100.001.)

Section 6. Treasurer.

The Board of Directors shall elect one of their members to act as Treasurer. The Treasurer shall be required to fulfill the duties under Health and Safety Code Section 32127; provided, however, that these duties are hereby delegated to the District's Chief Financial Officer to the extent permitted by law. (H&S Code 32127; Gov. Code 53600 et seq.)

Section 7. Reserved [Assistant Secretary].

Section 8. Reserved [Assistant Treasurer].

Section 9. Removal, Resignation or Vacancy.

- a. Any officer appointed or elected by the Board of Directors may be removed from that office for failure to discharge the duties of that office, for violation of any of the policies of the Board of Directors, or for any other good cause, as determined by a majority vote of all the Board of Directors in office at that time, at any regular or special meeting of the Board of Directors.
- b. Any officer may resign from said office at any time by giving written notice to the

Chair of the Board of Directors, the Board of Directors Secretary or to the Clerk of the Board of Directors. Any such resignation shall take effect as of the date of the receipt of the notice or any later time specified therein, and, unless specified therein, the acceptance of such resignation shall not be necessary to make the resignation effective.

- c. In the event of a vacancy in the office of the Chairperson, the Vice-Chairperson shall succeed to that office for the balance of the unexpired term of the Chairperson. In the event of a vacancy in the office of the Secretary or Treasurer, the Board of Directors shall elect an officer to fill the vacancy for the balance of the unexpired term of that officer.

Section 10. Determination of and Sanctions for Willful or Corrupt Misconduct in Office

The following procedure may be used, in addition to any other procedures authorized by law or policy, to determine whether a Board of Directors member has engaged in willful or corrupt misconduct in office within the meaning of Government Code section 3060.

- a. Any member of the Board of Directors may present an accusation in writing to the Board of Directors against member of the Board of Directors alleging willful or corrupt misconduct in office, together with any written materials to support the accusation. "Misconduct in office" shall be broadly construed and include any willful malfeasance, misfeasance, and/or nonfeasance in office, and shall be interpreted in a manner consistent with Government Code section 3060.
- b. After consideration of the accusation, the Board of Directors members present shall then vote on the question of authorizing a formal hearing on the accusation presented. A formal contempt hearing is authorized by the Board of Directors upon the concurrence of a majority of the members present, excluding the accused who shall not have a vote.
- c. Within 7 days of the authorization for a formal contempt hearing, the Board of Directors shall serve upon the accused a copy of the accusation, a statement identifying the reasons for the hearing, and a notice of the days of the hearing. The date of the hearing shall not be less than 10 days from the service of the accusation. Service shall be in person, or if that fails, by leaving a copy of the accusation taped to the entry door of the accused's last known address in plain view.
- d. The accused shall appear before the Board of Directors at the time and date stated in the accusation. However, if the date chosen by the Board of Directors is unacceptable to the accused for good cause as determined by the Board of Directors, another date shall be assigned, but shall not be more than 30 days beyond the original date set by the Board of Directors.

RESOLUTION NO 2026-0108

**RESOLUTION OF THE IMPERIAL VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS DECLARING VACANCY ON THE BOARD OF DIRECTORS**

WHEREAS, Mr. Arturo Proctor was appointed to the Imperial Valley Healthcare District (“**IVHD**”) Board of Directors as the City of El Centro appointee by the public health director for the County of Imperial pursuant to Health & Safety Code 32499.6(a)(1)(C) and was duly sworn-in to the position on February 2, 2024;

WHEREAS, the IVHD Board of Directors received a letter of voluntary resignation from Mr. Proctor with an effective resignation date of January 8, 2026;

WHEREAS, Section 6 of IVHD’s Amended and Restated Bylaws, dated August 14, 2025, states that a voluntary resignation from any member of the Board of Directors is effective immediately upon receipt or any such later time specified therein;

NOW THEREFORE, this Board of Directors of IVHD does hereby find, resolve, and order the following:

SECTION 1. Mr. Proctor’s seat on the IVHD Board of Directors is hereby declared vacant as of January 9, 2026.

SECTION 2. The remaining members of the IVHD Board of Directors intend to fill the vacancy by appointment within 60 days pursuant to Government Code § 1780(d).

SECTION 3. Legal counsel is directed to notify the county elections official of the vacancy no later than 15 days from the date of this Resolution, and shall ensure that notice of the vacancy is posted in three or more conspicuous places in the District at least 15 days before the District Board makes the appointment pursuant to Government Code § 1780(b) & (d).

SECTION 4. The person appointed to fill the vacancy shall hold office for the unexpired balance of the term of office, which is until Mr. Proctor’s successor is elected and takes office as a result of the general election occurring in November of 2026, consistent with IVHD Resolution No. 2024-01.

SECTION 5. This resolution shall take effect immediately upon its adoption.

**IT IS SO RESOLVED, PASSED AND ADOPTED AND SIGNED ON THIS 8th
DATE OF JANUARY 2026.**

SECRETARY'S CERTIFICATE

I, _____, Secretary of the Board of Directors of Imperial Valley Healthcare District, a California healthcare district, County of Imperial, California, certify as follows:

The attached is a full, true, and correct copy of Resolution 2026-0108, duly adopted at the meeting of the Board of Directors of Imperial Valley Healthcare District, which was duly held January 8, 2026, at which meeting a quorum of the members of the Board of Directors were present; and at such meeting such resolution was adopted by the following vote:

YES:

NO:

ABSTAIN:

ABSENT:

I have carefully compared the same with the original minutes of such meeting on file and of record in my office; the attached resolution is a full, true and correct copy of the original resolution adopted at such meeting and entered in such minutes; and such resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this 8th day of January, 2028.

Secretary
Imperial Valley Healthcare District

Approved as to Form:

Adriana R. Ochoa
Legal Counsel for Imperial Valley Healthcare District

[DRAFT PSA FOR WIPFLI]

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“**Agreement**”) is made on _____ (“**Effective Date**”), between Imperial Valley Healthcare District (“**IVHD**”), and _____ (“**CONTRACTOR**”), an independent contractor, collectively referred to herein as “**parties**” or individually as “**party**,” to furnish certain services as provided in this Agreement and upon the following terms and conditions.

**ARTICLE 1
TERM OF AGREEMENT**

1.01 The term of this Agreement shall commence on the Effective Date, and will continue through the completion of the Services provided for in this Agreement or until terminated as provided under Article 7, whichever occurs first. Attachment A – Scope of Work (“**Attachment A**”) may contain further instructions regarding required timelines for performance of the Services to be provided under this Agreement. Time is of the essence for each and every provision of this Agreement.

**ARTICLE 2
SCOPE OF WORK**

2.01 CONTRACTOR shall perform the services within the scope described in Attachment A and as authorized by IVHD (the “**Services**”). CONTRACTOR will provide IVHD with periodic reports regarding the progress of Services performed, at IVHD’s request. Any changes to the scope of work or timeframes identified in Attachment A must be authorized by IVHD in writing and shall be set forth as an amendment to this Agreement.

2.02 CONTRACTOR shall determine the method, details, and means of performing the above-described Services. Unless otherwise stated in Attachment A, CONTRACTOR shall supply all labor, tools, materials, and equipment required to perform the Services under this Agreement.

2.03 CONTRACTOR shall perform the Services required hereunder in accordance with the prevailing standard of care by exercising the skill and ability customarily exercised by reputable members of CONTRACTOR’s profession providing the same or similar services in the State of California. While exercising such professional skill and expertise, CONTRACTOR shall use reasonable diligence and best judgment, and shall perform the Services required hereunder in the best interests of IVHD. Acceptance by IVHD of reports, and incidental professional work or materials furnished hereunder, shall not in any way relieve CONTRACTOR of responsibility for the adequacy of its work.

**ARTICLE 3
COMPENSATION**

3.01 Compensation payable to CONTRACTOR for Services performed under this Agreement shall not exceed those amounts indicated on Attachment A (the “**Approved Fees**”). The Approved Fees shall not be exceeded unless agreed upon through an amendment to this Agreement executed by both parties. Such amendment shall identify any change in compensation as a result of the change in scope of work. The parties agree that this compensation was developed in accordance with the customary and prevailing compensation level in the community and surrounding area for comparable services. CONTRACTOR and IVHD agreed to this amount through an arm’s length negotiation between the parties.

3.02 CONTRACTOR shall not incur any expenses unless pre-approved by IVHD in writing. CONTRACTOR shall submit invoices to IVHD at the address listed on Attachment A. Such invoices shall include a brief narrative description of the work performed, as well as detailed time expenditures on a task-by-task basis pursuant to Attachment A. CONTRACTOR will provide IVHD with receipts and proof of payment for all expenses. Unless otherwise provided on Attachment A, IVHD shall make payment of any undisputed invoiced amount to CONTRACTOR within forty-five (45) days of receipt of an approved invoice.

3.03 IVHD shall have the right to withhold payment from CONTRACTOR for any unsatisfactory Services until such time service is performed satisfactorily or as otherwise provided for in this Agreement. The Parties will work in good faith to promptly resolve any invoiced amount disputed by IVHD.

ARTICLE 4 RELATIONSHIP OF PARTIES

4.01 It is expressly understood and agreed that CONTRACTOR is an independent contractor and its employees are not employees of IVHD while engaged in carrying out this Agreement. CONTRACTOR is free from the control and direction of IVHD in connection with the performance of the work, CONTRACTOR performs work that is outside the usual course of IVHD business, and CONTRACTOR is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed. The parties agree that no work, act, commission, or omission of CONTRACTOR or its employee(s) pursuant to this Agreement shall be construed to make CONTRACTOR or its employee(s) the agent, employee, or servant of IVHD. CONTRACTOR and its employee(s) are not entitled to receive from IVHD vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability benefits, unemployment benefits, or any other employee benefit of any kind. CONTRACTOR shall be solely responsible for paying all federal and state employment and income taxes, for carrying workers' compensation insurance, and for otherwise complying with all other employment law requirements with respect to CONTRACTOR and its employee(s).

4.02 To the maximum extent allowable by law, CONTRACTOR agrees to indemnify, defend and hold IVHD harmless from any and all liability, damages, or losses (including attorneys' fees, costs, penalties, and fines) that IVHD suffers as a result of (a) CONTRACTOR's failure to meet its obligations under this Article, or (b) a third party's designation of CONTRACTOR or its employee(s) as an employee of IVHD, regardless of any actual or alleged negligence by IVHD.

4.03 CONTRACTOR and IVHD acknowledge that the relationship between the parties is non-exclusive and CONTRACTOR may perform or engage in any activity not inconsistent with this Agreement, including performing services for, or contracting with, other clients, persons, or companies as CONTRACTOR sees fit. IVHD reserves the right to employ other contractors in connection with the Services described in Attachment A.

ARTICLE 5 OBLIGATIONS OF CONTRACTOR

5.01 In performing the Services specified in this Agreement, CONTRACTOR agrees to comply with all applicable laws, rules, regulations, and ordinances, whether federal, state, or local, and any and all applicable IVHD policies, procedures, departmental rules, and other directives provided by IVHD to CONTRACTOR. Any changes to IVHD policies and procedures that relate to CONTRACTOR will be provided to CONTRACTOR in writing. CONTRACTOR agrees that, prior to entering into this

Agreement, it has reviewed such policies, procedures, rules, and directives, the contents of which CONTRACTOR will be deemed to have knowledge.

5.02 To the maximum extent allowable by law, CONTRACTOR shall indemnify, defend, and hold harmless IVHD and each its officials, officers, directors, employees, agents and volunteers (collectively referred to as the “**Indemnified Parties**”) against all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, attorneys’ fees, and costs (collectively referred to as “**Liabilities**”) that such entities or persons may incur that pertain to, arise out of, or relate to CONTRACTOR’s performance or obligations under this Agreement, or to CONTRACTOR’s negligence, recklessness, or willful misconduct, or a breach by CONTRACTOR of any representation or agreement contained in this Agreement. CONTRACTOR’s obligation to indemnify, defend, and hold harmless IVHD shall extend to the acts or omissions, either directly or indirectly, by CONTRACTOR’s officers, officials, directors, employees, subcontractors, agents, representatives, volunteers, successors, assigns, or anyone for whom CONTRACTOR is legally responsible. CONTRACTOR’s obligations to indemnify, defend, and hold IVHD harmless against any Liabilities shall apply regardless of any negligence of Indemnified Parties, except to the extent solely caused by the negligence or willful misconduct of the Indemnified Parties. CONTRACTOR shall not agree without Indemnified Parties’ prior written consent to any settlement on Indemnified Parties’ behalf. CONTRACTOR’s indemnification, hold harmless, and defense obligation shall survive the termination or expiration of this Agreement.

5.03 CONTRACTOR shall carry all insurance required by federal, state, county and local laws. Unless otherwise indicated on Attachment A, CONTRACTOR shall procure and maintain during the life of the Agreement, adequate insurance coverage, admitted in the State of California, to protect CONTRACTOR and IVHD from any liabilities and claims for injuries and damages to persons or property which may arise from, or in connection with, the performance of work hereunder by CONTRACTOR, its agents, representatives, employees or subcontractors. The nature and amount of insurance shall be discussed by the parties prior to executing this Agreement and the adequacy of which shall be determined by IVHD in its sole discretion. Insurance policies shall be on an occurrence basis. CONTRACTOR will provide proof of insurance coverage upon request of IVHD. IVHD reserves the right to terminate this Agreement if CONTRACTOR fails to provide proof of adequate insurance coverage as required herein. Provision of insurance coverage as required by this Agreement shall not affect CONTRACTOR’s indemnity obligations.

5.04 Upon the award of this Agreement and periodically thereafter, CONTRACTOR may be required to complete and file with IVHD a Conflict of Interest form, to be provided to CONTRACTOR by IVHD.

5.05 CONTRACTOR shall not subcontract or assign this Agreement nor any duties or obligations under this Agreement without the prior written consent of IVHD. CONTRACTOR shall be responsible for the acts and omissions of and for payment to any subcontractor performing services under this Agreement, and shall bind any such subcontractor to CONTRACTOR’s duties and obligations hereunder.

5.06 CONTRACTOR shall be solely and completely responsible for the safety of all CONTRACTOR personnel, including personnel of any subcontractors, during performance of Services. CONTRACTOR shall fully comply with all laws, rules, regulations and ordinances relating to safety of the public and workers, whether federal, state or local. CONTRACTOR shall also comply with all contract provisions and IVHD’s policies, procedures, departmental rules, and other directives, as provided by IVHD to CONTRACTOR, relating to the safety of the public and workers.

ARTICLE 6 OBLIGATIONS OF IVHD

6.01 IVHD agrees to comply with all reasonable requests of CONTRACTOR, including requests to access documents, data and facilities reasonably necessary for the performance of CONTRACTOR's duties under this Agreement, consistent with applicable law.

ARTICLE 7 TERMINATION OF AGREEMENT

7.01 If IVHD determines that CONTRACTOR has failed to perform the Services under this Agreement in accordance its terms and conditions, IVHD may terminate all or part of the Agreement for cause. This termination shall become effective if CONTRACTOR does not cure its failure to perform within 10 days (or more, if authorized in writing by IVHD) after receipt of a notice of intention to terminate from IVHD specifying the failure in performance. If a termination for cause does occur, IVHD shall have the right to withhold monies otherwise payable to CONTRACTOR until the Services under this Agreement are completed. If IVHD incurs additional costs, expenses, or other damages due to the failure of CONTRACTOR to properly perform under this Agreement, these costs, expenses, or other damages shall be deducted from the amounts withheld. Should the amounts withheld exceed the amounts deducted, the balance will be paid to CONTRACTOR upon completion of the Services to be provided under this Agreement. If the costs, expenses, or other damages incurred by IVHD exceed the amounts withheld, CONTRACTOR shall be liable to IVHD for the difference.

7.02 CONTRACTOR may terminate this Agreement for cause if IVHD fails to cure a material default in performance within a period of 30 days, or such longer period as CONTRACTOR may allow, after IVHD'S receipt from CONTRACTOR of a written termination notice specifying the default in performance. In the event of termination for cause by CONTRACTOR, IVHD will pay CONTRACTOR in accordance with Section 7.03.

7.03 IVHD may terminate this Agreement for convenience at any time upon written notice to CONTRACTOR, in which case, IVHD will pay CONTRACTOR for all Services performed and all expenses incurred under this Agreement up to and including the effective date of termination less any costs, expenses, or other damages due to the failure of the CONTRACTOR to properly perform pursuant to the Agreement. No compensation will be payable for anticipated profit on unperformed services.

ARTICLE 8 PROPRIETARY AND CONFIDENTIAL INFORMATION

8.01 Any written, printed, graphic, or electronically or magnetically recorded information furnished by IVHD for CONTRACTOR's use is the sole property of IVHD. CONTRACTOR and its employee(s) and subcontractor(s) will keep any confidential information provided by IVHD in the strictest confidence, and will not disclose it by any means to any person except with IVHD approval, and only to the extent necessary to perform the Services under this Agreement. On termination of this Agreement, CONTRACTOR will promptly return to IVHD any confidential information in its possession.

8.02 IVHD will solely and exclusively own all right, title and interest in and to all original, data, reports, documents and materials developed pursuant to the Services and all intellectual property rights related thereto ("**Work Product**"). All Work Product shall be considered "works for hire," provided that, to the extent that any of the foregoing may not be deemed a "work for hire," or in the event that IVHD may not, by operation of law or otherwise, be deemed to own any such Work Product, CONTRACTOR agrees to assign to IVHD, and to the extent permitted by applicable law does hereby irrevocably and

unconditionally assign to IVHD and its successors, and assigns, all right, title and interest in and to such Work Product and all intellectual property rights embodied therein or practiced thereby.

ARTICLE 9 GENERAL PROVISIONS

9.01 The terms and conditions of Attachment B – Additional Obligations and Requirements hereto are hereby incorporated by reference.

9.02 Any notices required to be given under this Agreement by either party to the other may be affected by email, personal delivery, mail (first class, registered, or certified) with postage prepaid and return receipt requested. Mailed notices must be addressed to the parties at the addresses below, but each party may change the address by giving written notice in accordance with this Section. Any notice personally delivered or sent by email shall be deemed communicated upon receipt if received before 5:00 p.m. Pacific Standard Time (“PST”) on a business day, or the following business day if received after 5:00 p.m. PST or on a Saturday, Sunday, or legal holiday. Any notice sent by overnight delivery service shall be deemed communicated on the next business day following delivery thereof to the overnight delivery service. Any notice given by mail shall be deemed communicated three (3) days after deposit in the United States mail.

To IVHD: 601 Heber Avenue Calexico, CA 92231

To CONTRACTOR: To the address indicated on the signature page hereto.

9.03 This Agreement, including any Attachments, contains the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements, or conditions, express or implied, oral or written, except as herein contained. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

9.04 If any non-material provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

9.05 If this Agreement involves an expenditure of public funds in excess of Ten Thousand Dollars (\$10,000), the Agreement is subject to examination and audit of the State Auditor, at the request of IVHD or as part of any audit of IVHD, for a period of three (3) years after final payment under the Agreement. CONTRACTOR shall cooperate with IVHD, including any authorized representative of IVHD, regarding such audit at no charge to IVHD.

9.06 Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein, and the Agreement shall be read and enforced as though they were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the request of either party, the Agreement shall forthwith be physically amended to make such insertion.

9.07 This Agreement and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of actions), shall be governed by and construed in accordance with the laws of the State of California.

9.08 The proper jurisdiction and venue for any claims, causes of action or other proceedings arising out of or relating to this Agreement shall be in the County of San Diego, State of California, and the parties hereby waive any right providing for a change of jurisdiction or forum to any other location.

9.09 This Agreement may not be modified or amended other than by a writing signed by the parties, including any changes to the scope of services or any timeframes identified in Attachment A. A waiver by either party of a breach of any provision of this Agreement shall not constitute a general waiver or prejudice the other party's right otherwise to demand strict compliance with that provision or any other provisions in this Agreement. Likewise, IVHD's acceptance of any reports, work, services or materials furnished pursuant to this Agreement, or IVHD's payment therefor, shall not operate as a waiver of any of IVHD's rights under this Agreement or of any cause of action or defense relating to the performance of this Agreement.

9.10 In signing this Agreement, CONTRACTOR certifies that CONTRACTOR shall not submit a false claim in violation of the False Claims Act, section 12650 *et seq.* of the Government Code.

9.11 IVHD and CONTRACTOR do covenant that the individual executing this Agreement on their behalf is a person duly authorized and empowered to execute this Agreement for such party. This Agreement may be executed in counterparts and electronically, each of which shall constitute an original, but all of which together shall constitute one and the same agreement, and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

[SIGNATURE PAGE FOLLOWS]

BY SIGNING BELOW THE PARTIES VOLUNTARILY ENTER INTO THIS AGREEMENT AND ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE TERMS SET FORTH HEREIN AND AGREE TO BE BOUND THEREBY.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their authorized representatives on the Effective Date.

CONTRACTOR

[CONTRACTOR NAME]

CONTRACTOR SIGN HERE

Name of Signatory:

Title of Signatory:

Address for Notices:

IVHD

IMPERIAL VALLEY HEALTHCARE DISTRICT

_____*(IVHD signs here)*

Name:

Title:

Attachment A – Scope of Work and Approved Fees

Scope of Work

[INSERT]

Approved Fees

[INSERT]. Compensation payable to CONTRACTOR for Services performed under this Agreement shall not exceed _____ Dollars (\$_____), in the aggregate.

Materials and Equipment provided by IVHD

[Due to the Services involving sensitive information, CONTRACTOR will perform certain Services using desktop computer provided by IVHD.]

Invoices

CONTRACTOR shall send invoices to **[EMAIL ADDRESS]**

Invoices shall be paid **[within 15/30/45 days]** of receipt by IVHD.

ATTACHMENT B –

Additional Obligations and Requirements

Reporting

- A. [INCLUDE IF VALUE OF SERVICES EXCEEDS \$5,000, OR DELETE] CONTRACTOR shall ensure that any report generated under this Agreement complies with California Government Code section 7550.

A high-angle photograph of a healthcare worker with curly hair tied back, wearing blue scrubs, standing in a large, sunlit hallway with a tiled floor. The worker is holding a tablet and looking at the screen. The sunlight creates a pattern of light and shadow on the floor.

PROPOSAL FOR **PROFESSIONAL** **SERVICES**

Solutions now.
Direction for the road ahead.

Imperial Valley Healthcare District

January 8, 2026

WIPFLI



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'Wipfli' is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.



YOUR VISION **OUR FOCUS**

Our healthcare team helps organizations like Imperial Valley Healthcare District see an increasingly complex landscape with clarity and confidence.

PROPOSED SCOPE OF SERVICES AND PROFESSIONAL FEES

Wipfli is currently ranked among the top 25 largest public accounting firms in the United States, with a history dating back to 1930. Today, we serve 3,500+ healthcare clients with relentless curiosity and clear-sighted guidance. We hope to do the same for Imperial Valley Healthcare District ("IVHD" or the "District"). We prepared the following based on our conversations with members of your management team. This scope can be refined as we develop engagement agreements detailing our mutually agreed upon terms and conditions. We look forward to speaking with you further and working with you as you serve the residents of the Imperial Valley.

Phase I: Debt Capacity Analysis

We understand that you would like Wipfli to provide you with a consulting engagement, inclusive of a Debt Capacity Analysis, with the ultimate goal of providing a general range of tax obligation needed to support the operations of the IVHD healthcare facilities. We understand that you expect this analysis to encompass 20-40 hours of Wipfli's work effort and is to be based upon the BRG Corporate Finance ("BRG") IVHD Model Overview that was presented to you on December 8, 2025 ("IVHD December 8 Presentation").

Our services will consist of the following:

- Read and comment (at a high-level) on the "IVHD Merger" financial projections that BRG prepared based on information provided by IVHD hospitals' respective management teams inclusive of strategic synergies and initiatives.
- Prepare key financial ratios based upon the results of the financial projections presented on pages 22 to 25 of the IVHD December 8 Presentation.
- Layer on various debt service amounts to those financial projections presented on pages 22 to 25 of the IVHD December 8 Presentation and calculate key ratios.
- Provide a range of tax obligations needed to support the merged entity under various debt service scenarios in order to maintain days cash on hand of no less than 60 days.

Our deliverable will be a PowerPoint presentation summarizing our work described above. The results of this analysis will be for IVHD's internal use only and to guide the consultants and/or registered financial advisors engaged to assist in guiding the District in the tax levy process. You will be invoiced hourly for our services in this phase and we expect our fees to be on or around \$25,000.

Phase II: Examination or Compilation Feasibility Study

Following the Debt Capacity Analysis and the consolidation of the healthcare systems, Wipfli LLP will engage with IVHD to examine or compile a set of financial forecasts for the District in the form of a comprehensive 50-100 page document to include an independent accountant's examination-level opinion (in the case of bond financing or other governmental insurance programs (FHA or USDA)) or a compilation-level opinion (in the case of the District's plan to seek Cal-Mortgage Insurance).

For purposes of this proposal, we have included the Cal-Mortgage feasibility study requirements for your reference. While the opinion between a compilation and an examination differ, the components of the feasibility studies are similar. A feasibility study for an organization your size typically encompasses 250 to over 400 hours of work effort at a fee range of approximately \$135,000 to \$225,000. Wipfli will be able to refine the range of work effort and professional fees depending on: 1) the type of opinion that is to be provided; 2) the timing of the issuance of the study in the trajectory of the District's collective financial reporting (i.e. District audit completed, for example); 3) the level of staff assigned to the feasibility study given availability and complexity.

The information contained in this proposal document is for discussion purposes only does not constitute a binding contract between you or your organization and Wipfli. If the services and information described are acceptable and you wish to proceed, we will prepare a formal engagement letter for execution. The engagement letter will address the specific scope, responsibilities and fees related to the engagement. The engagement letter will constitute the entirety of the terms and conditions of our arrangement.



Cal-Mortgage Feasibility Study Guidelines

The following pages include the requirements for a feasibility study prepared for Cal-Mortgage Insurance (as referenced in Phase II of the previously described Scope of Services).

**DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION
CAL-MORTGAGE LOAN INSURANCE PROGRAM**

**EXHIBIT A
FINANCIAL FEASIBILITY STUDY GUIDELINES AND CERTIFICATION**

A financial feasibility study demonstrates, among other things, that loan proceeds, together with cash flow of the facility, are sufficient to complete the project and to cover annual debt service requirements.

A financial feasibility study consists of historical and prospective financial statements and other pertinent information that present, to the best of the Borrower's (Applicant's) knowledge and belief, a facility's expected financial position, results of operations, and changes in financial position. A financial forecast is based on the Applicant's assumptions reflecting conditions it expects to exist and the course of action it expects to take.

In addition to management's expected outcome, the feasibility study should include sensitivity analyses as appropriate or as requested by staff (e.g., elimination of Medicare capital pass through, changing market interest rates, variance in utilization, reduction in grants or contracts, etc.).

The fundamental purpose of a financial feasibility study is to assist staff in evaluating an Applicant's ability to repay borrowed funds. Specifically, it compares the relative size of positive cash flow to principal and interest payments on the proposed debt.

Please note that all information and documentation submitted are considered public records under the California Public Records Act and are open to inspection and copying by anyone.

All financial feasibility studies prepared for the application are to be incorporated into the Official Statement or Private Offering Memorandum either by reference or in their entirety. If the study is only to be referenced, the name of the preparing feasibility firm and the date of the study are to be cited.

The feasibility study must be prepared by a firm with expertise in health facility financial consulting. The firm should have sufficient resources and expertise to perform the study and render an opinion. While Health and Safety Code Section 129095 allows the Applicant to choose its consultants, in order to avoid any potential conflict of interest, the feasibility study should be prepared by someone other than the corporation's auditing firm of record.

Failure to follow these guidelines may adversely affect the recommendation for approval of loan insurance. Furthermore, submitting a financial feasibility study following these guidelines does not guarantee approval of loan insurance.

Tables of data, where appropriate, should be expressed in actual amounts and percentage of change.

The financial feasibility study is to describe the assumptions underlying the financial analyses, in addition to analysis of historical and forecasted financial statements.

A. Instructions for Assumptions and Rationale:

Background and Description:

1. History and background of the Applicant and the onsite management company operating the facility, if any.
2. Existing Facility: If the project is a renovation or expansion, provide an overview of the size, services provided, occupancy rate, and service area of the existing facility; if the Applicant owns and/or operates other health facilities, briefly describe them as well.
3. New Facility/Project: Describe the project components, including the physical facility, size, services provided, service area (if different from existing facility), expected utilization of services added by the project, and sources of new revenue for the project.

Project Costs and Financing:

4. Provide a detailed sources and use of equity and loan proceeds.
5. The construction cost "detail" should be provided by the design architect, a cost estimator, or the general contractor who will perform or manage the actual construction. Validation of construction costs by an independent cost estimator is important to the credibility of the project budget. The construction cost should include a contingency allowance. (Staff may require an additional contingency based on the facts and circumstances of the project.)
6. Provide a conceptual design and accompanying narrative describing how the proposed square footage is appropriate to current and mid-range future space needs of the facility. For replacement projects, describe why the existing site is inadequate and how the replacement facility will alleviate the problem.
7. Provide a square footage cost for the space. How does this project's costs compare to costs with other similar types of facilities in the area. Describe any major cost variations.

Historical and Forecast of Facility Utilization:

8. The historical utilization should be shown for the facility overall and for the specific services involved with the project. For example, if the project includes increasing Ob-Gyn beds, the historical and projected occupancy rates should be shown.
9. If the Applicant is a clinic, provide historical and projected encounters, as well as yearly encounter documentation for each physician and mid-level medical full-time employee (FTE) equivalent.
10. The Applicant should explicitly state how the forecast utilization will be achieved. It is not sufficient to assume future utilization will equal historical utilization. This section should contain demographic data, patient/payor mix, average length of stay, and other information sufficient to justify the utilization assumptions.
11. Document the historical record and current plan for provider recruitment and retention (e.g., Kaiser, county health departments, medical groups, etc.).

Historical and Forecast of Revenues:

12. Provide forecast revenue data for the facility overall, as well as the new service(s) added by the project. The forecast should be supported by a discussion of how the revenue items were determined, including assumed rates of increase in charges and contractual allowances. Changes in revenue due to cost containment, utilization trends, and payor mix should be explicitly addressed, as well as the impact of existing contractual relationships, as described in the following "Effects of Contractual Allowance, Discounts, and Capitation" section.
13. Delineate the patient revenues by source (including Medicare, Medi-Cal, county probation, regional centers for the developmentally disabled, residential care, personal care, accommodation fees, etc.) and percentage of total patients/residents.
14. If the clinic is a Federally Qualified Health Center (FQHC), or an FQHC Look-Alike, identify the current and prior prospective payment rate approved by Medi-Cal.
15. Delineate all grants by source. If the feasibility study assumes any inflation rate for grant income per year, explain.
16. Identify and age accounts receivable by source.
17. If contributions are equivalent to or higher than ten percent of revenue, provide detailed historical and forecast contribution data. The forecast should be supported by a discussion of how the contribution amount(s) were determined and identify source(s).

Historical and Forecast of Expenses:

18. Provide detailed historical and forecast expense data, and identify the expenses associated with the service(s) added by the project. The presentation should include a breakdown of FTE's.
19. The forecast should be supported by a discussion of how the expense items were determined, including assumed rates of inflation for labor, utilities, supplies, etc., and any changes that will occur from different methods of operation.

Historical and Forecast of Working Capital Requirements:

20. Identify the explicit assumptions used to determine working capital requirements. For example, was it calculated as a percentage of operating expenses and revenues? By another method?

Long-Term Debt and Debt Service Coverage:

21. Prepare a Debt Service Coverage Schedule with three (3) years' historical and five (5) years' forecasted ratios.

Effects of Contractual Allowance, Discounts, and Capitation:

22. Medi-Cal: If you are a contracting hospital, provide the current term of your contract and allowed daily rate of reimbursement; if you are a contractor to a Medi-Cal hospital, describe the nature of the contract.
23. Medicare: Describe the basis of reimbursement under Medicare; if you are providing Medicare as a health maintenance organization (HMO) or a comprehensive medical plan (CMP), please describe.
24. Provide the estimate of total Medicare patient days and revenue assumed in the revenue projections over the forecast period. Compare this to historical expenses.

26. Third-Party Payors: Identify insurance companies or employers with whom you have preferred provider organization (PPO) arrangements, or HMO, or independent practice association (IPA) contracts. Describe the terms of reimbursement under these contracts or the discount percentage and the percentage of revenue each contract generates. Also, if the facility, alone or with others, offers a PPO directly to employers, describe the nature of that arrangement.
27. Provide the estimate of total patient days and revenue assumed in the revenue projects for each type of contract or arrangement over the forecast period.

Per Diem Revenue by Historical and Forecast Years:

28. Include a table of per diem revenue by historical and forecast years. The patient days used in the calculation should be the same as the following section. Calculate the percentage increase from year-to-year. Explain the differences between historical and forecast rates of increase, and any deviation between future increases and assumed revenue increases.

Per Diem Expense by Historical and Forecast Years:

29. Include a table of per diem expense by historical and forecast years. Provide the total patient days (actual and assumed) used to calculate per diem expense. Calculate the percentage increase from year-to-year (historical and forecast). Explain any difference between historical and forecast rates of increase, as well as any deviation between future increases and assumed expense inflation.

Routine Cost Per Diem and Medicare Limit Per Diem for Historical and Forecast Years:

30. For skilled nursing facilities (SNF), include a table of routine cost per diem and Medicare limit per diem for historical and forecast years. This should be completed if it receives Medicare reimbursement by methods other than diagnosis-related groups (DRG's) or CMP/HMO contracts.

Lease vs. Purchase Analysis:

31. Prepare a schedule of continuing to lease the facility versus purchasing the facility.

Refinancing Project:

32. If the Applicant is refinancing existing debt, identify the amount of savings by year as well as a percent of the present value savings.

B. Instructions for Historical & Forecast Financial Statement:

1. Provide three (3) years' historical and five (5) years' proforma statements for the balance sheet, income and expense statement, cash flow statement, and statement of changes in fund balance.
2. The balance sheet should reflect any reserves that are required (e.g., debt service, insurance, refund, charity, fill-up, capital improvements, etc.).
3. For the Income & Expense Statement, also include the percent of changes over the preceding year.
4. For all historical and forecast years, show the following ratios and data:
 - a. Current Ratio
 - b. Days in Patient Accounts Receivable
 - c. Days Cash on Hand
 - d. Equity Ratio

- e. Asset to Long Term Debt Ratio
- f. Operating Margin
- g. Days Payable
- h. Debt Service Coverage

C. Demand Analysis:

1. Provide a strengths, weaknesses, opportunities, threats (SWOT) analysis summarizing the project's strengths, weaknesses, opportunities, and threats.
2. Describe how the service/market area was determined.
3. Describe the demographic and economic factors of the service/market area relating to income, housing, employment, transportation, and population.
4. Identify any existing or proposed competing facilities within the service/market area. Describe and compare the market share, size, historical utilization, distance from the facility and fee structure (including entrance fees and monthly service fees, if applicable).
5. Identify Cal-Mortgage insured facilities providing competing services in the primary and secondary service areas.
6. In forecasting utilization for multi-level continuing care retirement communities/residential care facilities for the elderly (CCRC/RCFE) facilities, describe the marketing plans including sales person's method of compensation and any health or asset screening procedures (if applicable).
7. Provide maps and other relevant documentation, which illustrate that the proposed facility is located in the target population and is in reasonable proximity to referring providers.
8. Describe how the market share and competition will change as a result of the proposed project.

D. Additional Requirements:

Clinics:

1. Indicate the clinic's linkage with local hospitals and commonly used specialty providers.
2. What are the clinic's hours of operation? Are there plans for Saturday and evening hours? If not, please explain?
3. Describe the clinic's financial system(s) for documenting cost accounting and describe the billing and collection system.

Multi-Level Health Facility (CCRC/RCFE):

4. Provide documentation as to how the Applicant intends to meet the financial risks associated with:
 - a. Initial fill-up of the facility.
 - b. Health care costs for short term acute care or rehab SNF care.
 - c. Turnover or expiration within a mature facility.
 - d. Resident asset depletion or charity care.
5. Describe how the facility proposes to cover the cost of health care for residents whose health plan (HMO) will direct them to a different HMO designated SNF for post-operative or convalescent care.

CERTIFICATION OF FEASIBILITY CONSULTANT

The undersigned (hereafter "Consultant"), certifies that:

- Consultant was retained by _____ (hereafter "Applicant") to prepare a financial feasibility study to be submitted as part of the Applicant's Application to the Cal-Mortgage Loan Insurance Program of the Department of Health Care Access and Information ("Cal-Mortgage");
- Consultant has no affiliation, relationship, or financial interest in the Applicant or any financial advisor, underwriter, or other party connected with the Application or any prospective loan resulting therefrom;
- The fee charged by Consultant for the preparation of the financial feasibility study submitted with the Application, was determined in arm's length negotiation and no portion of that fee represents payment for any other direct or indirect services;
- No part of Consultant's fee is dependent on the issuance of a letter of commitment by Cal-Mortgage, or a closing of a loan to the Applicant;
- The entire fee charged by the Consultant for preparation of the financial feasibility study and any additional scenarios, stress tests, or other work related to such financial feasibility study shall be due and payable whether or not Cal-Mortgage issues a commitment for loan insurance or any loan resulting therefrom closes; and
- No part of Consultant's fee is refundable to any party.

Consultant understands that Cal-Mortgage will rely on the financial feasibility study in granting its commitment for loan insurance. The undersigned certifies under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this _____ day of _____, 20____

By: _____
(Signature)

(Name and Title of Consultant)

A photograph of a man and a woman in an office setting. The man, in the foreground, has a beard and is wearing a light blue checkered shirt. The woman, behind him, has her hair in a bun and is wearing a light-colored blazer. They are both smiling and looking towards the left. The background is a blurred office interior with large windows.

OUR EXPERIENCE TO MEET YOUR NEEDS

“We never knew what the price was for a product unless we called the vendors. So now pricing is accurate, and we can *also* see invoicing, which helps us better control pricing and provides opportunities to lower our inventory values.”

Tim Olson, Supply Chain Manager, St. Croix Regional Medical Center

CAPITAL PLANNING AND FINANCIAL FEASIBILITY STUDIES SERVICES APPROACH

Wipfli's capital planning and feasibility consultants have extensive experience in:

- Financial affordability studies
- Debt capacity studies
- Reimbursement impact studies
- Financial examined forecasts
- Feasibility studies
- Strategic financial planning
- Valuation and transactions
- Tax-exempt and taxable financings
- USDA Community Facilities Program
- FHA Section 242, 241, 232, and 223(f) Mortgage Insurance Programs
- Mergers and acquisitions
- Regulatory filings
- Market assessment and new business planning
- Volume and demographic projections
- Service line planning and forecasting



YOUR ENGAGEMENT TEAM

Solving the challenges you face means getting access to a skilled team — trusted advocates who listen to your concerns and provide the support, advice and strategies you need to succeed. Meet your project leaders:



Karen Lloyd, CPA

Partner, Engagement Lead Phases I and II

Karen Lloyd is a Certified Public Accountant with over 20 years of experience in auditing, accounting and consulting for organizations across the country. She leads a team of professionals who help guide healthcare organizations through the full scope of planning needed to support strategic growth-related business decisions, major facility development projects, and/or capital investments. Karen and her team have extensive experience evaluating and examining operational and financial plans to enable creditors and investors to make informed financing decisions.



Tammy Staedens

Senior Manager, Phases I and II

Tammy Staeden is a senior manager with more than 25 years of industry experience. Her areas of expertise in healthcare accounting and reimbursement are leveraged when assisting various types of entities, with a focused knowledge of acute-care hospitals, skilled nursing facilities and rural health clinics. Tammy applies her skill set to help clients achieve their financial goals and compete in today's market



Sydney Diekmann

Manager, Phase II

Sydney Diekmann is a manager in Wipfli's healthcare facility and capital planning practice. Her clientele spans the healthcare continuum, ranging from rural health clinics to independent physician practices, healthcare districts to county governments, and critical access hospitals to academic medical centers, with an emphasis on rural healthcare organizations. Sydney specializes in market analytics and demographic projections, utilization and volume projections, physician demand planning, service line development strategy, facility master planning and community health needs assessments. As a consultant and project manager, she approaches her engagements with an analytical and consultative mindset, helping her clients align their vision with the appropriate strategies to position them for future success. Her data-driven and customizable approach helps ensure each client's unique needs and circumstance are met.



Kim Heller

Partner, Phase II

Kim Heller is a CPA and partner in Wipfli's national healthcare practice, with over 30 years of experience. She prides herself on providing outstanding services to healthcare organizations, including integrated delivery systems, general and specialty hospitals, and post-acute care providers. Kim will be the CPA signing partner on the examination or compilation level financial feasibility study (Phase II).



Wes Thew

Partner, El Centro External Audit and Additional Resource to the Engagement Team

Wes Thew, Partner in Wipfli's Healthcare practice, specializes in audits, reimbursement, capital planning, and outsourced financial management for hospitals and senior living organizations. Member of AICPA and Wipfli's Healthcare Technical Issues Committee..

SELECT PROJECT EXPERIENCE

Wipfli's specialized team of healthcare professionals thoroughly understands the pressures facing your leadership team. Whether you're aligning with strategic partners, adapting to new payment structures, or leverage technology advancements for real-time insights, we have helped providers across California do the same — with results that mater.

Included are examples of our recent work in California and the experts who led each project.



Loma Linda University Medical Center New Patient Towers

LOMA LINDA, CALIFORNIA WIPFLI

TEAM MEMBERS

- Karen Lloyd, Tammy Staeden, and Sydney Diekmann

Wipfli continues to work with LLUMC on various planning efforts and is currently engaged on several ongoing projects with Loma Linda. We were engaged in Loma Linda's long-term capital planning efforts to fund the near \$1 billion construction of new patient towers for both Loma Linda's children's and acute-care hospital while incorporating multiple strategic and operational initiatives developed throughout the course of the engagement, addressing various related providers within the organization, issuing feasibility studies for public offerings of debt in 2016 and 2018.

SELECT PROJECT EXPERIENCE



San Bernardino Mountains Community Hospital District

LAKE ARROWHEAD, CALIFORNIA

Examined financial forecast for San Bernardino Mountains Community Hospital District's for a \$48,500,000 in USDA direct loan financing for a new acute care wing and entry area, as well as the expansion of its skilled nursing facility

WIPFLI TEAM MEMBERS

- Karen Lloyd and Sydney Diekmann



Seneca Healthcare District

CHESTER, CALIFORNIA

Examined financial forecast for a replacement hospital and skilled nursing facility to be financed through combination of an equity contribution, General Obligation funds and a USDA Direct Loan

WIPFLI TEAM MEMBERS

- Karen Lloyd
- Sydney Diekmann



Plumas Hospital District

PLUMAS, CALIFORNIA

Financial feasibility analysis for a skilled nursing facility financed through USDA Direct loan

WIPFLI TEAM MEMBERS

- Karen Lloyd and Sydney Diekmann



San Geronio Memorial Hospital

BANNING, CALIFORNIA

Assisting management with forecasting related to an application for the Distressed Hospital Loan Program and continued assistance with monthly cash flow modeling.

WIPFLI TEAM MEMBERS

- Karen Lloyd
- Tammy Staeden

WIPFLI



ABOUT WIPFLI

"Wipfli" is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.

“Our experience with Wipfli was awesome. Whatever came up, the Wipfli team was always there, always super responsive and always had an answer or a workaround.”

Paige Oldham, CFO, Health Solutions

WHY WIPFLI

Growing since inception

From one man to more than 3,000 professionals — but still one firm.

In the early 1900s, Clarence J. Wipfli & Company was established in Wausau, Wisconsin. Clarence founded the company with a clear vision for bringing his values to his business. Today, more than 3,000 Wipfli team members with an unmatched breadth and depth of experience are trained to help individuals and businesses of all sizes (from small, family-owned companies to large, international businesses).

And while a lot has changed over the years, the deeply ingrained values passed down from our founders still remain an evident part of our business.

Partner involvement in your engagement

Achieving your goals requires an accounting team with more than just considerable industry-specific knowledge; it requires experience at the highest level. Our partners and executives are hands-on and actively involved in your engagement, lending their wealth of experience and helping ensure you enjoy continuity in our relationship and in the advice and service you receive.

Strategic, proactive and in it for the long term

We look behind the financial numbers to find opportunities that can make you more successful and profitable. Our multidisciplinary approach gives

us invaluable insights into how the right decisions can positively impact your financial performance, long-term growth, organizational development and operational effectiveness — all so your business can expand and reach its utmost potential.

The bench strength to serve you

You'll never need to "train" our people to do their jobs — our auditors, tax professionals and consultants are experienced managers, senior managers and partners. The depth and breadth of our resources can meet your complex needs, and our staff continuity helps minimize disruption to your organization, save you time and money and help ensure consistent service.

Wipfli works to attract and retain the most talented personnel in the industry. We make every effort to help ensure that you work with consistent team members year after year.

The know-how you need, when you need it

When you combine the resources of a large, experienced firm with local and reliable accessibility, you get an ideal business partner, available whenever you need us. As members of a leading tax, audit and business consulting firm, our professionals have developed the profound skills and knowledge you'd expect in a top-performing company. And with local offices, we're also your community neighbors, working by your side to help implement solutions and support your success.

Wipfli today

54,000+

clients

3,000+

associates

270+

partners

\$612M

revenue in FY 2025

HEALTHCARE SERVICES AND SOLUTIONS

Our specialized team of healthcare professionals thoroughly understands the pressures placed on your leadership team, and we've built proven solutions designed for healthcare providers like you. We have experience providing a range of services to healthcare entities.

Tax: Navigate tax regulations along with the potential exemption, reporting and compliance concerns unique to healthcare. Our knowledgeable tax team goes beyond the basics to deliver actionable insights and strategy that help you **build financial confidence**.

Audit and assurance: We can help you choose the right audit and equip you with the information you need to **strengthen compliance** and **improve operations**.

Digital: Use the latest healthcare technology to unlock growth and greater efficiency. With our digital services, we help you navigate your digital strategy and execution so that you can **increase productivity** and **improve care**.

Organizational performance: Create an efficient, agile organization with Wipfli's organizational performance services. We provide you with the strategy and operations support you need to **transform the way you allocate resources** and **stay future-ready**. We also offer leadership development to help you **deepen your bench strength** and create high-performing teams.

Outsourcing: Master your back-office challenges so that you can **focus on care delivery**. We add knowledge and experience to your teams in key areas such as talent, finance, information security and technology.

HEALTHCARE CONSULTING

Reimbursement services

Navigate Medicare and Medicaid reporting rules so that you can file for the appropriate rate and **stay in compliance**.

We provide the following:

- Annual Medicare/Medicaid cost report preparation
- Coding and compliance
- Disproportionate share reimbursement
- Licensing and Medicare/Medicaid certification/enrollment
- Medicare/Medicaid appeals
- Medicare/Medi-Cal preparation, review, appeals and rate-setting
- On-site reimbursement staffing
- Payment projections for regulatory changes
- Payor contract audits and compliance
- Provider-based applications
- Rural health clinic/FQHC rate-setting and change-in-scope rate change reports

Revenue cycle management

Understand your cash flow and improve your processes so that you **achieve greater financial stability**.

We can support your organization with:

- Revenue cycle process assessment
- Coding audits
- Outpatient coding
- Compliance
- Strategic pricing reviews
- Third-party payor contracting
- Denials management

Capital planning

Be strategic in the way you analyze, optimize and implement capital and facility planning.

We can provide:

- Feasibility studies
- Functional and space program design
- Market assessment and demand forecasting
- Physician demand planning
- Valuations and transactions

Strategic planning

Meet regulatory requirements for strategic planning and **stay future-ready**.

We can perform a gap analysis to help you understand how you can get from your current state to your desired future state. Our data-based strategy solutions are actionable, providing you with clear next steps and support to help you navigate the risks and challenges you may face with implementation.

YOUR NEXT STEP

Karen Lloyd

Partner

klloyd@wipfli.com

828.242.3837

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WIPFLI



DATE: December 17, 2025

TO: Imperial Valley Healthcare District Board of Directors

FROM: Ramaiah Indudhara, M.D; Chief of Staff, Pioneers Memorial Hospital

SUBJ: PMH Medical Staff Recommendations for Approval

ITEMS FOR CONSIDERATION: Recommendations from the Medical Executive Committee for Medical Staff Membership and/or Clinical Privileges, policies/procedures/forms or other related recommendations.

SUMMARY AND BACKGROUND: The Medical Executive Committee, upon the recommendations of the Credentials Committee and the respective clinical services and/or chiefs and based on the completed credential files, policies and procedures, recommends that medical staff membership and/or clinical privileges be granted as outlined below:

1. Recommendation for **Initial Appointment** to the **Provisional Staff effective February 1, 2026** for the following:
 - Dilsaver, Steven, MD Psychiatry
 - Jirjis, Rami, MD Urology
 - Torres Ortiz, Aldo, MD Nephrology
2. Recommend **Reappointment** effective **February 1, 2026** for the following:
 - Bivens, Joseph, MD Hyperbaric Medicine and Wound Care Center
 - Kopec, Marcin, MD Teleradiology
 - Gonzales, Joe, MD Family Nurse Practitioner
3. Recommend Acceptance of Resignation effective **December 30, 2025** as follows:
 - Basso-Williams, Michael DO Orthopedics
 - Honig, Amanda CRNA Nurse Anesthetist
 - Padilla, Patricia FNP Family Nurse Practitioner
4. Mr. Bjornberg stated that the Financial Model has been presented and approved by the Board. Full reports will be presented to the MEC in January. ECRMC Employees are receiving their offer letters as required by the merger of the hospitals. There are ongoing discussions with Cerner to merge information from the system to be accessible for both hospitals.
5. Financial reports were presented for October. It was noted that the reports in the future will be presented to the board with both hospitals consolidated, but separate reports will be available. We had a profit at PMH for October. Patient volumes were lower for October than the prior month. Both gross revenues and net operating revenues exceeded the monthly budgeted amounts. Operating expenses were under budget; however, the total expenses exceeded the prior month. For the Bond Covenants, we have 78.8 days Cash on Hand. Debt service coverage ratio for October is at 2.06
6. The transfer report was discussed. There was a total of 114 in November and a total of 1232 for the year. Most transfers were accepted by Desert Regional. These include ER transfers as well as Inpatient transfers. 13 new nurses have been hired and will begin their nurse residency program soon, We have significantly improved our times from decision to admit to patient in bed from 372 minutes in the first quarter of 2024 to 148 minutes currently. Our goal is 100 minutes.
7. Clinical Service and Committee Reports:
 - Hospitalist – Dr. Papp reported that they are working with nursing to increase Telemetry usage. They have lost several physicians so are experiencing some staffing shortages.
 - Medicine – Dr. Krutzik reports no meeting for the Clinical Service.
 - Emergency Medicine – Dr. Nelson had no updates.
 - Surgery/Anesthesia/Pathology – Drs. Whyte and Larra had no updates. Dr. Kay provided quality information and states that there were no discrepancies noted.
 - OB/GYN –No meeting was held.
 - Pediatrics – Dr. Alshareef noted that no meeting was held for the service.



- Medical Imaging – Dr. Rapp stated that they did have a meeting. The traveler nuclear medicine technician is here for 90 days and is open to extending. Discussion with regards to the CT scanner and CT guided procedures utilizing the outside scanner – Master Plan being reviewed.
- Ambulatory Services – Service is doing well. Numbers at the clinics are down a bit. The Lab Analyzer replacement has been approved and is ordered but there could be delays.
- Credentials & Bylaws – Approved information above. In addition, the process continues to review the Medical Staff Bylaws with ad-hoc committee of members of the Medical Staff from both campuses with the help of legal counsel.
- MSQC – No meeting was held.
- Utilization Management – Reported was that the PMH Case Mix Index for October was 1.44 overall and Medicare CMI is 1.41. Readmission is 4.81 with a goal of less than 10. CHF/COPD cases tend to be a bit higher, but we typically only have a handful of these cases.

RECOMMENDATION: That Imperial Valley Healthcare District Board of Directors approves each of the recommendations of the Medical Executive Committee for medical staff membership and clinical privileges as outlined above, policies and procedures as noted and authorize the chief executive officer to sign any documents to implement the same.

Respectfully submitted,
Ramaiah Indudhara, MD, MBA, FACS
Chief of Staff, Pioneers Health Center.
RI/cb

IMPERIAL VALLEY HEALTHCARE DISTRICT

CONSENT AGENDA

BOARD MEETING DATE:

January 2026

SUBJECT:

InterSystems HealthShare Connect Interface Engine

BACKGROUND:

Our organization previously relied on InterSystems Ensemble as the core interface engine for HL7 messaging and system interoperability. Ensemble supported message routing, transformation, and monitoring between Cerner and ancillary systems.

In April 2024, coinciding with our Cerner go-live, we upgraded to InterSystems HealthShare Health Connect. This strategic move provided enhanced scalability, modern interoperability standards (including HL7 and FHIR), and advanced monitoring capabilities. HealthShare strengthened real-time data exchange, improved security, and positioned us for future integration needs such as API-driven workflows and population health initiatives.

This transition ensured continuity of care during the Cerner implementation, streamlined workflows across clinical and financial systems, and aligned with evolving regulatory requirements for interoperability.

KEY ISSUES:

No issues with the current solution.

CONTRACT VALUE:

License \$55,335

CONTRACT TERM:

1 Year

BUDGETED:

Yes

BUDGET CLASSIFICATION:

License

RESPONSIBLE ADMINISTRATOR:

Christopher Bjornberg

REVIEWED BY LEGAL:

☐

Yes

☒

Needs review

RECOMMENDED ACTION:

Approve licensing.

Amended and Restated HealthShare End User License Profile and Order Form

The undersigned End User is ordering the following License from the InterSystems entity identified below ("InterSystems") to use the Licensed Software identified below. The current size, scope and limitations of your License are reflected in this Amended and Restated HealthShare End User License Profile and Order Form. This License Profile and Order Form may be further amended and restated by InterSystems from time to time if the scope of your License changes.

Effective Date: February 1, 2026

End User Customer

Customer Name: *Imperial Valley Healthcare District dba Pioneers Memorial Hospital*

Contact Person: *Carrie Teague*

Email: cteague@iv-hd.org

Address: *Attn: Accounts Payable*
207 West Legion Road

City: *Brawley* State / Province: *CA*

Zip / Post Code: *92227* Country: *USA*

License Agreement

The following Licensed Software is licensed to you by InterSystems Corporation pursuant to the License Agreement dated February 1, 2024 ("License Agreement").

Licensed Software

The End User hereby orders **additional capacity** to the License to use the following Licensed Software in the following size.

	License Size*			
Product	Production Instances	Non-Production Instances**	Health License Units	License Metrics
<i>HealthShare Health Connect</i>	<i>2</i>	<i>3</i>	<i>6 (increased from 4)</i>	<i>Acute Care Beds + Annual Visits + Ambulatory Visits</i>
<p>* As of the effective date of this License Profile and Order</p> <p>** Non-Production Licenses may only be used for system configuration, development, testing and training. They may not be used for mirroring, failover, disaster recovery, sharding, reporting, analytics or any other purpose.</p>				

Product Terms – The Product Terms for the Licensed Software can be found at <https://www.intersystems.com/Product-Terms-HealthShare>

Metric Definitions

The size of your License is determined by the following metrics.

Metric	Metric Definition	Current Value*
<i>Acute Care Beds</i>	Acute Care Beds means the total number of beds available for acute care in facilities that are covered by the HealthShare license. HealthShare Standard Metric: 1 HLU = 150 Acute Care Beds	<i>107 (no change)</i>
<i>Annual Visits</i>	Annual Visits means the total number of emergency or other outpatient visits during a one-year period. Standard Metric: 1 HLU = 500,000 Annual Visits	<i>55,524 (decreased from 90,000)</i>
<i>Ambulatory Visits</i>	Ambulatory Visits means the total number of patient clinical encounters (including encounters that occur electronically) during a one-year period. This metric is applicable for outpatient-only providers. Standard Metric: 1 HLU = 40,000 Ambulatory Visits	<i>138,124 (increased from 50,000)</i>
* As of the effective date of this Profile		

Fees

The following fees are due as a result of this order.

Product	Ordered	Current Subscription Fees*
<i>HealthShare Health Connect</i>	<i>6 HLUs</i>	<i>\$37,944.00</i>
	<i>2 Production Instances</i>	<i>\$12,648.00</i>
	<i>3 Non-Production Instances</i>	<i>\$4,743.00</i>
	Total:	\$55,335.00
* Annual Subscription Fees due for the full License size following this order		

Subscription Fees are subject to periodic adjustment in accordance with the Product Terms.

License Type

Subscription license (Software Update and Technical Assistance services included)

License Size Adjustment

The current size of your License is shown above. If your Licensed Software usage increases, you are required to promptly upgrade your License to an appropriate size. Any such upgrade shall be reflected in an amended and restated License Profile stating your new License size.

InterSystems may periodically send you a statement listing the current metric values used to determine the size of your License. Within 30 days, you shall certify that these values are correct or provide updated values if they are not. InterSystems reserves the right to audit your Licensed Software usage from time to time.

License Scope

Your License enables you to use the Licensed Software internally within your organization to store, exchange and access information. You may use the Licensed Software at or for a facility if (a) such facility is owned by you, (b) such facility is included in the above determination of your license size (i.e., the above metrics cover such facility) and (c) such facility is identified below (each, a "Covered Facility"). You may only use the Licensed Software at your Covered Facilities for storing, exchanging, and accessing data related to healthcare services provided at those Covered Facilities. (If "All" is indicated, then all facilities owned and/or operated by you are covered, as subject to the requirements above.)

Covered Facilities / Organizations

All

You may also use the Licensed Software to exchange data with or provide data access to other (3rd party) organizations, as long as all data stored, exchanged or accessed relates to the delivery of or payment for patient care at your covered facilities / organizations. The Licensed Software may not be used to provide health information exchange, interoperability or other IT services on a commercial basis or to provide services that are independent of your delivery of or payment for patient care.

The Licensed Software may only be configured or extended in accordance with the product specifications and it may not be altered in any other way nor used to create or run other applications.

In placing this order, you confirm that:

- (a) This License Profile and Order Form, when signed by InterSystems, will be governed by and complies with the conditions of the License Agreement and all Licensed Software and Product Support will be provided in accordance with the License Agreement;
- (b) The metric values and/or license size listed above are accurate as of the Effective Date and you will promptly notify InterSystems of any material increase; and
- (c) You will pay all fees in accordance with the Product Terms and this License Profile and Order Form.

**Imperial Valley Healthcare District
dba Pioneers Memorial Hospital**

Accepted By

InterSystems Corporation

Authorized Signatory

Date

Authorized Signatory

Date

Printed Name

Title

Printed Name

Title

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: January 8th, 2026

SUBJECT: Authorization to approve Professional Service Agreement for Ramaiah Indudhara, M.D.

BACKGROUND: This agreement is for Urology services for outpatient and inpatient services for **one** week per month totaling (40) hours. Physician should provide on-call and inpatient consultations on an as needed basis.

KEY ISSUES: Physician shall provide Urology services in the Hospital clinics/Operating rooms and other locations mutually agreed upon. Physician shall be compensated as follows:

- Pure wRVU compensation at Seventy-three dollars and sixty-six cents (\$73.66) per wRVU paid monthly

Emergency On-Call Coverage Services:

- 2 days included per week worked.

CONTRACT VALUE: value varies depending on wRVU incentives and demands and on-call demands.

CONTRACT TERM: 1 year

BUDGETED: yes

BUDGET CLASSIFICATION: Professional Service Agreement

RESPONSIBLE ADMINISTRATOR: Christopher R. Bjornberg/Carly Zamora

DATE SUBMITTED TO LEGAL: _____ **REVIEWED BY LEGAL:** ☒ Yes ☐ No

FIRST OR SECOND SUBMITTAL: ☒ 1st ☐ 2nd

RECOMMENDED ACTION: : Authorization to approve Professional Service

Comp-01, Compliance Officer 8/2018

Agreement for Ramaiah Indudhara, M.D.



PROFESSIONAL SERVICES AGREEMENT (Urology -Indudhara)

THIS PROFESSIONAL SERVICES AGREEMENT (“**Agreement**”) is entered into and executed as of _____ (“**Effective Date**”), by and between Imperial Valley Healthcare District, a Local Healthcare District, organized and existing in the State of California pursuant to the California Health and Safety Code, §§32000 *et seq.* (“**Hospital**”), and Ramaiah Indudhara, M.D., (“**Physician**” or “**Practitioner**”), and Valley Sunshine Medical Associates, Inc. (“**Corporation**”), each may individually be referred to as a “Party” or collectively as “Parties”.

This Professional Services Agreement is entered into with respect to the following facts:

RECITALS

A. WHEREAS, Hospital is owner and operator of Pioneers Memorial Hospital, an acute care hospital located at 207 West Legion Road, Brawley, California and by the Effective Date, may also own and operate a second general acute hospital located in El Centro, California

B. Practitioner is duly licensed and qualified to practice medicine under the laws of the State of California and is experienced and qualified to provide **Urology services** (“**Specialty**”).

C. Hospital has determined that entering into an agreement with the Practitioner is an appropriate way to assure the availability of such Specialty services for its patients and to maintain a high quality of patient care. The Parties furthermore acknowledge that many of the patients of the Hospital and Clinics will be referred there by outside physicians

D. The Parties desire to enter into this Agreement to set forth their respective responsibilities in connection with Hospital’s and Practitioner’s provision of Services for treating patients during the term of this Agreement.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. DUTIES OF PRACTITIONER

a. **Professional Medical Services.** Practitioner shall provide all professional medical services (“**Professional Services**”) as set forth in *Exhibit A*, as reasonably required for coverage and patient care. Practitioner shall provide the Professional Services during regular hours of operation, as mutually agreed upon by the parties, and as more specifically set forth in *Exhibit B*

(“Practitioner Coverage”).

b. Qualifications of Practitioner. Practitioner shall be: (a) duly licensed by the State of California (b) have levels of competence, experience and skill comparable to those prevailing in the community; (c) is not excluded from any governmental healthcare program, (d) is a member in good standing of the Medical Staff of Hospital, and, within one (1) year following commencement of provision of services in the Agreement, become board certified in Specialty.

c. Applicable Standards. Practitioner shall perform all Services under this Agreement in compliance with all applicable standards set forth by law or ordinance or established by the rules and regulations of any federal, state or local agency, department, commission, association or other pertinent governing, accrediting or advisory body, including compliance with the requirements of Det Norske Veritas (DNV), having authority to set standards for health care facilities, and in accordance with all Hospital and Medical Staff bylaws, rules, regulations, policies and procedures.

d. Records and Documentation; For each patient receiving Services, Practitioner shall promptly complete and finalize for Hospital all of the medical record and report documentation required to accurately record the visit in the Hospital’s electronic medical record (EMR) system or on the forms provided by the Hospital. Subject to applicable restrictions on disclosure, Practitioner shall have reasonable access, including the right to make copies, during business hours of all such medical records and reports as they may need from time to time for patient care or responding to any legal, judicial or third party administrative/investigative inquiries.

e. Use of Premises. Practitioner shall not use, or knowingly permit any other person who is under Practitioner’s direction to use, any part of the Hospital’s premises for (i) the private practice of medicine, or (ii) any purpose other than the performance of the services required hereunder.

f. Non-Discrimination. During the performance of this Agreement, Practitioner (including employees and subcontractors) shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, or family care leave. Practitioner shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Practitioner shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990(a-f), set forth in California Code of Regulations, Title 2, Chapter 5, Division 4 are incorporated into this contract by reference as if duly set forth herein. Practitioner shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Practitioner shall include the nondiscrimination and compliance provisions of this Agreement in all subcontracts to perform work under this Agreement.

2. REPRESENTATIONS AND WARRANTIES OF PRACTITIONER. Practitioner

hereby warrants and represents as follows:

a. Review of Compliance Requirements. Practitioner acknowledges that Hospital has a commitment to full compliance with all laws, regulations and guidance relating to its participation in the federal and state healthcare programs, and as a result has implemented a compliance program including, without limitation, mandatory requirements related to ongoing compliance training and education programs for its workforce, medical staff and persons/entities that conduct healthcare business with the Hospital. As a condition to this Agreement, Practitioner shall provide written acknowledgement that Practitioner and Practitioner's employees, subcontractors and/or agents have received (or been provided with electronic or other access to), read and understood and will comply with Hospital's compliance program materials and Code of Conduct of Medical Staff and further agrees to comply with all pertinent provisions.

b. Practitioner Is Not Restricted. Practitioner is not bound by any agreement or arrangement which would preclude Practitioner from entering into, or from fully performing the services required under, this Agreement.

c. Practitioner is Qualified. Practitioner's license to practice medicine in the State of California, or in any other jurisdiction has not ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way. Additionally, Practitioner's medical staff privileges at any health care facility have not ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction.

d. Prohibition from Program Participation. Practitioner and Corporation, including employees, has not been (a) excluded, suspended or debarred from, or otherwise ineligible for, participation in any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid), nor (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid);

e. Notification of Threatened Exclusion From Program Participation. Practitioner and Corporation shall notify Hospital immediately in writing if Practitioner or Corporation becomes the subject of (a) any threatened, proposed or actual exclusion, suspension or debarment, (b) any conviction of a criminal offense related to conduct that would or could trigger an exclusion, of it or any of its agents or employees from any federal or state health care program, (c) any investigatory, disciplinary, or other proceeding by any governmental, professional, licensing board, medical staff, or peer review body, or (d) any event that substantially interrupts all or a portion of Practitioner's professional practice or that materially adversely affects Practitioner's ability to perform Practitioner's obligations hereunder.

f. Non-Solicitation of Hospital Employees. During the term of this Agreement, Practitioner and Corporation shall not solicit the services of or employ or procure on behalf of another the employment of, any individual currently employed by Hospital or under a service contract with Hospital; nor shall Practitioner or Corporation engage in any other activity which would be in conflict with their obligations hereunder.

g. Third-party Payment, Managed Care Programs, and Charity Care. Physician shall participate in all third-party payment or managed care programs in which Hospital participates, render services to patients covered by such programs, and accept the payment amounts for services rendered by Physician under these programs as payment in full for services of the Physician to Clinic and Hospital patients. Hospital will provide to Physician timely notification of new contract negotiations. Hospital will also pay, or provide, for the Physician's credentialing with third-party payment or managed care programs. Physician shall participate in Hospital's Financial Assistance Program including Full Charity Care and Discount Partial Charity Care. Hospital will provide Physician with a copy of its Financial Assistance Program and any amendments thereto.

3. COMPENSATION FOR PRACTITIONER

a. Compensation. Hospital shall pay Practitioner according to the compensation schedule set forth in **Exhibit C** ("**Compensation**"). Hospital shall pay the compensation owed on or before the fifteenth (15th) day of each calendar month, for services provided by Practitioner during the immediately preceding calendar month; provided that Practitioner has delivered a visit record to Hospital in the form attached hereto as **Exhibit D** ("**Time Log**") on or before the fifth (5th) day of each calendar month for the immediately preceding calendar month.

b. Professional Fees from Practitioner's Services. The Parties understand that the Hospital will bill, collect and retain the proceeds from all charges for medical services, and may use the Practitioner's Billing Provider number for such purposes. The parties anticipate that in some cases those who pay for the medical services rendered by Practitioner performing in a directorship capacity will issue to Practitioner an IRC Form 1099 annually for the monies paid for such services. After the end of each calendar year, the Hospital will issue to Practitioner an IRC Form W-2 or similar form to report the appropriate income earned by him. Accordingly, it is anticipated, and Practitioner agrees, that Practitioner will deduct from Practitioner's income tax return all contract payments reported to him that are received by the Hospital and report on Practitioner's income tax return all compensation earned by Practitioner hereunder.

c. Compliance with Health & Safety Code. Any compensation received by Practitioner pursuant to this agreement shall be in compliance with the provisions of California Health and Safety Code Section 32129. Hospital has the obligation and right to adjust compensation to be in compliance with any and all laws and regulations.

4. DUTIES AND OBLIGATIONS OF THE HOSPITAL

a. Duties. Hospital agrees to furnish, at its own cost and expense, for adequate provision of professional services pursuant to this Agreement, the following:

- i. Space.** Space as reasonably necessary to provide service to patients.
- ii. Equipment.** Equipment as may be reasonably required as mutually agreed by the Hospital and Practitioner, subject to any applicable Hospital budget limitations. Practitioner

acknowledges that existing equipment is adequate for Practitioner's purposes.

iii. **Services and Supplies.** Maintenance, repair and replacement of equipment as reasonably required; all utilities, including telephone, power, light, gas and water; all supplies (including, without limitation, film, laundry services and linen); transcription services, and any necessary housekeeping and in-house messenger service that may be reasonably required to provide services.

iv. **Non-Physician Personnel.** Hospital personnel with appropriate education, training and experience which are required to adequately assist Practitioner in performance of the services contemplated herein, as determined according to Hospital's discretion. Hospital shall have the sole right and responsibility for the hiring, discipline and termination of such Hospital employees.

b. **Eligibility.** At all times during the term of this Agreement, Hospital shall remain eligible to participate in the Medicare, Medi-Cal, and TriCare/CHAMPUS programs.

5. BILLING FOR MEDICAL SERVICES

a. **Billing Records Availability.** Each Party, shall, on a monthly basis, make available to the other Party, records and data accurately reflecting a) total billed services in connection with the Services; b) payments received from all sources for medical services provided by the Practitioner, and c) all expenses paid by Hospital or Practitioner in connection with the operation of the Services or the services rendered therein.

b. **Accurate Medical Records and Charts.** Practitioner shall promptly prepare and submit complete and accurate medical records, medical chart notes, and related back-up documentation, and respond and provide such assistance and information as District may reasonably request to facilitate billing and collection of charges for patient services, including, but not limited to, assigning appropriate procedure and diagnosis codes for billing purposes, and dictating or completing appropriate descriptions and notations to be made on the patient chart to support the appropriate billing code, in accordance with the requirements of the Centers for Medicare and Medicaid Services. Practitioner shall be responsible (and Hospital shall not be responsible except with respect to joint and several liability required by law) for errors or liabilities, if any, which may arise from Practitioner's fraudulent designation of inappropriate billing, procedure or diagnosis codes or for the negligent failure of Practitioner to prepare medical chart notes or dictation which corresponds to the services rendered.

c. **Charges for Medical Services.** Hospital shall be responsible for, and solely entitled to, billing, collection, and retention of all charges for all medical services (ancillary and professional); (ii) Practitioner hereby reassigns Practitioner's respective rights to bill such Professional Services to Hospital.

d. **Schedule of Charges.** On an annual basis, Hospital may provide to Practitioner the schedule of charges for the professional component of the medical services provided for Practitioner's review and input. Practitioner may request changes to the schedule of charges as circumstances may warrant. Hospital, in its sole and absolute discretion, shall decide upon changes

to the schedule of charges.

e. **Forwarding Billing to Hospital.** Practitioner shall provide Hospital, on a daily basis, with all information reasonably requested by Hospital to enable Hospital to (i) properly bill for the Professional Services provided by Practitioner to patients. It is understood and agreed that Hospital shall handle at its expense all the administrative work of this billing. All Professional Services shall be billed in Practitioner's or Medical Group's name with all payments forwarded by payors (including, without limitation, Medicare and Medi-Cal) to a "lockbox" account in Practitioner's or Medical Group's name ("Account") established at Wells Fargo bank in Brawley, California. ("Bank"). Upon establishment of the Account, Practitioner shall direct the Bank, in writing, that during the term of this Agreement, on the last day of each calendar month the Bank shall transfer all funds in the Account on each such day to an account in Hospital's name as designated by Hospital in writing to the Bank.

f. **Billing Third-Party Payors.** Practitioner shall not bill, nor cause to be billed, Medicare patients or Medicare (Part B) carriers in violation of 42 C.F.R. §405.550(d)(3), nor any other patients or payors, for administrative, supervisory, medical director or similar services.

g. **Rates for Service.** In the event that Practitioner is responsible for establishing rates charged to patients for any Professional Services rendered pursuant to this Agreement, Practitioner must ensure that such rates are reasonable and customary. In the event that Hospital determines Practitioner's rates are unreasonable, Hospital reserves the right to approve modify rates charged by Practitioner for Services.

6. TERM AND TERMINATION

a. **Term.** The term of this Agreement shall be one (1) year commencing on the Effective Date, unless terminated earlier as provided herein.

b. **Termination Without Cause.** Either party shall have the right to terminate this Agreement without penalty or cause by providing ninety (90) days written notice to the other party.

c. **Termination for Cause.** Either Party may terminate this Agreement upon breach by the other Party of any material provision of this Agreement, provided such breach continues for fifteen (15) days after receipt by the breaching Party of written notice of such breach from the non-breaching Party, except where such breach requires immediate termination as enumerated below.

d. **Immediate Termination.** This Agreement may be terminated immediately and without notice for serious and incurable events, including but not limited to:

i. **Breach.** Hospital or Practitioner is in breach of any material term or condition of this Agreement and such breach has not been cured within thirty (30) days following notice of such breach;

ii. **Sale or Transfer.** Hospital or Practitioner has sold or otherwise transferred all or substantially all of its assets, has merged with another entity or has dissolved;

iii. Insolvency or Bankruptcy. Hospital or Practitioner becomes insolvent or declares bankruptcy;

iv. Practitioner's License. Suspension denial, suspension, revocation, termination, restriction, lapse, or voluntary relinquishment under threat of disciplinary action, of Practitioner's medical staff membership or privileges at Hospital or any other healthcare facility, or of Practitioner's license to practice medicine in the State of California or any other jurisdiction;

v. (a) exclusion, suspension, debarment from, or ineligibility for, participation in any federal or state health care program, or (b) conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, by Practitioner;

vi. Cancellation of Insurance. Either Party fails to carry or reinstate the insurance required in Section 7 hereof or such coverage is cancelled or revoked within ten (10) days following notice thereof from its insurance carrier;

vii. Conduct Jeopardizing Licensure or Other Reimbursements. The performance by either Party of this Agreement which jeopardizes the licensure of Hospital, Hospital's participation in Medicare, Medi-Cal or other reimbursement or payment program, or Hospital's full accreditation by The Joint Commission or any other state or nationally recognized accreditation organization, or the tax-exempt status of Hospital's bonds, or if for any other reason such performance violates any statute, ordinance, or is otherwise deemed illegal, or is deemed unethical by any recognized body, agency, or association in the medical or hospital fields, and the jeopardy or violation has not been or cannot be cured within sixty (60) days from the date notice of such jeopardy or violation has been received by the parties.

viii. Misrepresentations. Any Party's representation or warranty that is false or was false at the time it was originally made, or any Party becomes the subject of any threatened, proposed or actual exclusion, suspension or debarment from, or is otherwise ineligible for participation in, any federal or state health care program including without limitation, Medicare or Medi-Cal, or is the subject of any threatened, proposed or actual criminal prosecution for, or is convicted of, any criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program.

e. One Year Prohibition on New Agreement. If this Agreement is terminated prior to expiration of the initial year of the term hereof, the Parties shall not enter into any new agreement or arrangement during the remainder of such year.

7. INDEPENDENT CONTRACTOR. Practitioner is engaged in an independent contractor relationship with the Hospital in performing all work, duties and obligations hereunder. Hospital shall not have nor exercise any control or direction over the methods by which Practitioner performs work and functions, except that Practitioner shall perform at all times in strict accordance with then currently approved methods and practices of the professional Specialty. Hospital's sole interest is to ensure that Practitioner performs and renders services in a competent, efficient and satisfactory manner in accordance with high medical standards. The Parties expressly agree that no work, act, commission or omission of Practitioner in connection with the terms and conditions

of this Agreement shall be construed to make or render Practitioner, the agent, employee or servant of Hospital. Practitioner shall not be entitled to receive from Hospital vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability or unemployment insurance benefits or any other employee benefit of any kind. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

8. PROFESSIONAL LIABILITY INSURANCE COVERAGE. Practitioner shall secure and maintain at all times during the term, at Practitioner's sole expense, professional liability insurance covering Practitioner, with an admitted carrier (licensed to do business in the State of California) having at least an "A" BEST rating, with limits of one million (\$1,000,000) per claim/and three million (\$3,000,000) for annual aggregate claims. Such insurance shall not be cancelable except upon thirty (30) days' prior written notice to Hospital, and shall be primary and non-contributory. Annually, Practitioner shall provide Hospital with a certificate of insurance evidencing such coverages and coverage extensions upon request by the Hospital. If the coverage is on a claims-made basis, Practitioner hereby agrees that not less than thirty (30) days prior to the effective date of termination of Practitioner's current insurance coverage or termination of this Agreement, Practitioner shall either purchase unlimited tail coverage or provide proof of continuous coverage in the above stated amounts for all claims arising out of incidents occurring prior to termination of Practitioner's current coverage or prior to termination of this Agreement, as applicable, and provide Hospital a certificate of insurance evidencing such coverage.

9. OWNERSHIP OF FILMS AND RECORDS. Unless agreed upon in writing, all records of patients seen at any Hospital facilities shall be maintained by Hospital and shall be the property of the Hospital. Practitioner shall have the right to access such films and records during normal business hours.

10. NOTICES. Any notice to be given to any party hereunder shall be deposited in the United States Mail, duly registered or certified, with return receipt requested, with postage thereon paid, and addressed to the party for which intended, at the following addresses, or to such other address or addresses as the parties may hereafter designate in writing to each other.

Hospital:

Chief Executive Officer
Imperial Valley Healthcare District
West 207 Legion Road
Brawley, CA 92227

Practitioner:

Ramaiah Indudhara, M.D..

11. CONFIDENTIALITY

a. Confidential Information Belongs to its Respective Owner. Each Party recognizes and acknowledges that, by virtue of entering into this Agreement and providing services to the other hereunder, Practitioner and Hospital may have access to certain information of the other Party that is confidential and constitutes valuable, special and unique property. Each Party agrees that it will not at any time, either during or subsequent to the term of this Agreement,

disclose to others, use, copy or permit to be copied, without the other Party's express prior written consent, except pursuant to Practitioner's duties hereunder, any confidential or proprietary information of either Party, including, but not limited to, information which concerns Hospital's patients, costs, or treatment methods developed by Hospital for the Hospital, and which is not otherwise available to the public.

b. This Agreement is Confidential. Except for disclosure to Practitioner's legal counsel, accountant or financial advisors (none of whom shall be associated or affiliated in any way with Hospital or any of its affiliates), Practitioner shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Hospital. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement. Except for disclosure to Hospital's legal counsel, accountant or financial advisors, its Board of Directors and/or any committee concerned with this Agreement, Hospital and its officers, directors, employees, and agents shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Practitioner. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement. Upon the termination or expiration of this Agreement, Hospital all records of the patients seen or treated by Practitioner shall be the property of Hospital. However, upon Hospital's receipt of appropriately executed written request of any such patient therefor, Hospital will provide copies of the requesting patient's records to Practitioner, in paper or electronic form and the delivery of such records shall be in compliance with federal and state law.

c. Medical Records Are Confidential. Neither Party shall disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by the other Party in writing, any patient or medical record information regarding Hospital patients, and the Parties shall comply with all federal and state laws and regulations, and all bylaws, rules, regulations, and policies of Hospital, and Hospital's Medical Staff, regarding the confidentiality of such information. Practitioner acknowledges that in receiving or otherwise dealing with any records or information from Hospital about Hospital's patients receiving treatment for alcohol or drug abuse, Practitioner is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records (42 C.F.R. Part 2, as amended from time to time).

d. HIPAA Compliance is Required. Each Party agrees to comply with the applicable provisions of the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and the requirements of any regulations promulgated thereunder including without limitation the federal privacy regulations (the "Federal Privacy Regulations") and the federal security standards (the "Federal Security Regulations").

12. AGREEMENT INTERPRETATION AND DISPUTE RESOLUTION

a. Entire Agreement; Amendment. This Agreement, its exhibits, and all documents referred to herein constitute the entire agreement between the parties pertaining to the subject matter contained herein. This Agreement supersedes all prior and contemporaneous agreements,

representations and understandings of the parties which relate to the subject matter of this Agreement. No supplement, amendment or modification of this Agreement shall be binding unless executed in writing by all of the Parties.

b. Subject Headings. The subject headings of the Articles and Sections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of the provisions of this Agreement.

c. Parties. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any person other than the Parties to it and their respective successors and assigns; nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party to this Agreement; nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

d. No Assignment. This Agreement shall be binding upon and shall inure to the benefit of the Parties to it and their respective legal representatives, successors and permitted assigns. No Party may assign this Agreement or any rights hereunder, nor may they delegate any of the duties to be performed hereunder without the prior written consent of the other party.

e. Governing Law and Venue. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California. All actions relating to, or arising out of, this Agreement shall be brought in the State Court of California in the County of Imperial. Otherwise, for actions relating to, or arising out of, this Agreement which are subject to federal jurisdiction, such action shall be brought in the Federal District Courts for the Southern District of California in the County of San Diego.

f. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

g. Attorneys' Fees. In the event of any legal action between the Parties to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorneys' fees, from the unsuccessful Party.

h. Arbitration. Any dispute or controversy arising under, out of or in connection with, or in relation to this Agreement, or any amendment hereof, or the breach hereof shall be determined and settled by arbitration before a single arbitrator in Imperial County, California, in accordance with the American Health Lawyers Association Alternative Dispute Resolution Service Rules of Procedure for Arbitration and applying the laws of the State of California. Any award rendered by the arbitrator shall be final and binding upon each of the Parties, and judgment thereon may be entered in any court having jurisdiction thereof. The costs shall be borne equally by both Parties. The prevailing Party in any such arbitration shall be entitled to recover its reasonable attorneys' fees. During the pendency of any such arbitration and until final judgment thereon has been entered, this Agreement shall remain in full force and effect unless otherwise terminated as provided hereunder. The provisions of this Section shall survive expiration or other termination of this Agreement.

i. **Exhibits.** The attached exhibits, inclusive, constitute a material part of this Agreement and are to be construed as incorporated into this Agreement in full and are made a part hereof.

j. **No Waiver.** No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

k. **Enforceability.** In the event that any of the terms and provisions of this Agreement are determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable under the laws, regulations, ordinances, or other guidelines of the federal government or of any state or local government to which this Agreement is subject, such terms or provisions shall remain severed from this Agreement and the remaining terms and provisions shall remain unaffected thereby. If the term of this Agreement cannot be severed without materially affecting the operation of this Agreement, then this Agreement shall automatically terminate as of the date in which the term is held unenforceable.

13. GENERAL PROVISIONS

a. **Effect of Exclusion.** Notwithstanding any other provision of this Agreement to the contrary if Practitioner or any of Practitioner's agents or employees is (a) excluded, suspended, debarred from, or otherwise becomes ineligible for, participation in any federal or state health care program, or (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, at any time during the term of this Agreement, or if at any time after the Effective Date hereof, any Party determines that the other Party has made a false representation or is in violation or breach of this Section, this Agreement shall terminate as of the effective date of such exclusion, suspension, debarment from, or ineligibility for, any federal or state health care program or of such conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, or as of the date of the breach of such Section.

b. **Section 952 of Omnibus Budget Reconciliation Act of 1980.** In accordance with Section 952 of the Omnibus Reconciliation Act of 1980 (PL 96-499), Practitioner agrees that the books and records of Practitioner will be available to the Secretary of Clinic of Health and Human Services and the Comptroller General of the United States, or their duly authorized representatives, for four (4) years after termination of this Agreement. In the event that any of the services to be performed under this Agreement are performed by any subcontractor of Practitioner at a value or cost of \$10,000 or more over a twelve (12) month period, Practitioner shall comply and assure that the such subcontractor complies with the provisions of Section 952 of the Omnibus Reconciliation Act of 1980. If regulations are issued at a later time which would determine that Section 952 of PL 96-499 is not applicable to this Agreement, this paragraph shall automatically be repealed.

c. **Access to Books and Records.** To the extent required by Section 1395(x)(V)(1) of Title 42 of the United States Code, until the expiration of ten (10) years after the termination of this Agreement, Practitioner shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller

General of the United States Department of Health and Human Services, or any of their duly authorized representatives, a copy of this Agreement and such books and documents and records as are necessary to certify the nature and extent of the costs of the services provided by Practitioner under this Agreement. Practitioner further agrees that in the event Practitioner carries out any of Practitioner's duties under this Agreement through a subcontractor, with a value or cost of ten thousand dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such contract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States General Accounting Office, or any of their duly authorized representatives, a copy of such subcontract and such books, documents and records of such organization as are necessary to verify the nature and extent of such costs. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

d. Mutual Indemnity. Practitioner and Hospital shall indemnify and hold harmless each other, including officers, directors, shareholders, members, employees, agents and representatives from any and all liabilities, losses, damages, claims and expenses of any kind, including costs and attorneys' fees, which result from or relate to the indemnifying party's performance or failure to perform under this Agreement. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

e. Jeopardy. Notwithstanding anything to the contrary hereinabove contained, in the event that the performance by either Party hereto of any term, covenant, condition or provision of this Agreement should jeopardize the licensure of either Party, its participation in Medicare, Medicaid, Blue Cross or other major reimbursement or payment programs, or its full accreditation by DNV, or any other state or nationally recognized physician accreditation organization, or the tax-exempt status of interest earned on any of its bonds or other financial obligations, or if for any other reason such performance should be in violation of any statute, ordinance, or be otherwise deemed illegal, or be deemed unethical by any recognized body, agency, or association in the medical or hospital fields (collectively, the "Adverse Action"), then the Parties shall in good faith negotiate amendments to this Agreement necessary or appropriate to resolve the Adverse Action. If after a reasonable period of time, not to exceed sixty (60) calendar days, the Parties are unable to agree on an amendment necessary or appropriate to resolve the Adverse Action, then either Party may terminate this Agreement on ninety (90) days' prior written notice to the other Party.

f. No Financial Obligation. Practitioner shall not incur any financial obligation on behalf of Hospital without the prior written approval of Hospital.

g. Assistance in Litigation. Each Party shall provide information and testimony and otherwise assist the other in defending against litigation brought against the other, its directors, officers or employees based upon a claim of negligence, malpractice or any other cause of action, arising under this Agreement, except where such Party is a named adverse Party.

h. Retention of Professional and Administrative Responsibility. Hospital shall retain professional and administrative responsibility for the services rendered as outlined in this

Agreement.

i. **Other Agreements Between Practitioner and Hospital.** Hospital and Practitioner may enter, or may have entered, into other agreements for services such as Emergency Room On-Call, Directorship, or Supervisory Services agreements. Such agreements are maintained in an online contracts management system, MediTract, and will be made available to any State or Federal entity that require access to such contracts.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date first set forth above.

Imperial Valley Healthcare District

Ramaiah Indudhara, M.D.

Christopher R. Bjornberg
Chief Executive Officer

Ramaiah Indudhara, M.D.

Date _____

Date _____

Corporation:

Valley Sunshine Medical Associates, Inc.

By: _____
Ramaiah Indudhara, M.D.
Owner

Date: _____

EXHIBIT A
Professional Services

Provide urology specialty services for patients at Hospital and rural health clinics, as requested by Hospital, as deemed to be medically necessary by Practitioner using Practitioner's sole professional medical judgment, all of which shall be provided without regard to the patients' payor classification or ability to pay. Such services shall be provided in accordance with medical ethics, the standard of care, and medical staff privileges as requested by Practitioner and granted by the Hospital Medical Staff and Board of Directors.

EXHIBIT B

Practitioner Coverage

Urology Coverage. Practitioner shall provide a minimum of eight (8) hours per day, five consecutive (5) days per month of urology specialty care services in the Hospital and Clinics. In addition, Practitioner shall also provide the extra time necessary for charting and keeping medical records timely, current and accurate.

The specific locations and schedule for Practitioner's services shall be mutually agreed upon 30 days in advance by Practitioner and Hospital, including arrangements for block time in any of Hospital's Operating suites and must be approved prior to opening schedule.

Practitioner shall provide Services at the Clinics during normal Clinics hours.

Emergency On-Call Coverage. Practitioner shall provide a minimum of two (2) days of on-call emergency department coverage per month for every week worked (i.e., when providing urology coverage as described above) in the month. One "day" of emergency department on-call coverage is a period of 24 hours, typically beginning 7am one day and ending 7am the following day. Practitioner shall provide a monthly schedule of his availability for on-call emergency coverage in the Hospital to the Emergency Department Director and the Hospital's Medical Staff Director at least 30 days prior to the commencement of the month for which the schedule applies

EXHIBIT C

Compensation

wRVU-based Compensation. For regularly scheduled urology services provided by Practitioner as outlined in Exhibit B, Practitioner's compensation shall be based on production as calculated by wRVUs produced by Practitioner. The wRVU rate shall be based on the Medical Group Management Association (MGMA) compensation and production survey and may change year to year. Hospital shall provide Practitioner with wRVU rates at least 30 days prior to commencement of the wRVU-based compensation model. Practitioner shall be entitled to seventy-three dollars and sixty-six cents (\$73.66) per wRVU.

Only completed and locked charts will count towards physician-generated wRVU productivity for additional incentive compensation calculations.

No Benefits

Hospital shall not provide, and Practitioner shall not receive any benefits from Hospital including by not limited to health insurance, professional liability insurance, disability insurance, retirement plan benefits, workers compensation insurance, sick leave etc.

EXHIBIT D
Time Log

Imperial Valley Healthcare District
207 West Legion Road
Brawley, California 92227

PRACTITIONER - TIME AND ACTIVITY LOG

Physician's Name: _____

Hospital Department: _____

Month: _____

Date	Services Performed	Time

I certify that I have performed the services set forth above and understand that this Time and Activity Log may be made available to law enforcement or other regulatory agencies to confirm compliance with applicable state and federal law if so requested.

Practitioner's Signature: _____ Date: _____

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: January 8th, 2026

SUBJECT:

Authorize renewal of the Emergency Medical Care On-Call Coverage Agreement for Orthopedic Surgery between Christopher Lai, MD. and Imperial Valley Healthcare District.

BACKGROUND:

IVHD has contracted with Christopher Lai, MD since 2004 for “on-premises” emergency services for Orthopedic patients.

KEY ISSUES: Ensure Orthopedic Services and decrease utilization of locums if needed. Physician will be compensated at a base compensation of (\$3,500) for each twenty-four-hour-on-call period covered during each month. Physician shall be compensated a pro-rated amount for coverage provided that is less than twenty-four hours. Increase in compensation model, additional changes include IVHD shall bear exclusive responsibility for billing and collecting for Physicians professional services.

Physician should be required to provide follow-up care for any patients seen by locums who need follow-up care with an orthopedic surgeon.

CONTRACT VALUE: estimated at \$500,000 annually, varies depending on needs.

CONTRACT TERM: 2 years

BUDGETED: Yes

BUDGET CLASSIFICATION: Professional Fees

RESPONSIBLE ADMINISTRATOR: Christopher R. Bjornberg/Carly Zamora

DATE SUBMITTED TO LEGAL: 12/2025 **REVIEWED BY LEGAL:** ☒ Yes ☐ No

FIRST OR SECOND SUBMITTAL: ☒ 1st ☐ 2nd

RECOMMENDED ACTION:

That the Board authorizes the renewal of the Emergency Medical Care On-Call Coverage Agreement for Orthopedic Surgery between Christopher Lai, MD and Imperial Valley Healthcare District as outlined.



EMERGENCY MEDICAL CARE ON-CALL COVERAGE AGREEMENT (ORTHOPEDIC SURGERY)

This Agreement (“**Agreement**”) shall be effective as of _____ (“**Effective Date**”) and is entered into by and between Imperial Valley Healthcare District dba. Pioneers Memorial Hospital, a local health care district formed under California Health & Safety Code §§ 32000 *et. seq.*, (“**Hospital**”) and **CHRISTOPHER LAI, M.D.** (“**Physician**”). Hospital and Physician are sometimes referred to individually as a “**Party**” and collectively as “**Parties**”.

RECITALS

A. Hospital is owner and operator of Pioneers Memorial Hospital, an acute care hospital located at 207 West Legion Road, Brawley, California and by the start date, may also own and operate a second general acute hospital located in El Centro, California.

B. Hospital operates an emergency department (“**Department**”) on its premises to serve the members of the community and other persons who may require immediate medical or hospital services.

C. In order to maintain “on-premises” emergency services the Hospital recognizes that it must comply with relevant statutory and administrative requirements including those set forth as follows. Pursuant to California Administrative Code Title 22 section 70455, the Department must provide experienced physicians in specialty categories to be available twenty-four hours a day, which specialties include orthopedic surgery. In addition, since the Hospital has an emergency department, the Hospital must comply with the Emergency Medical Treatment and Active Labor Act (“EMTALA”; 42 USC section 1395dd) and the regulations thereunder. Under EMTALA, the Department must provide for appropriate medical screening examinations within the capability of the Department including ancillary services routinely available therein including the services of an orthopedic surgeon.

D. Physician, having the requisite skills and background to provide the services sought herein, desires to enter into this Agreement with Hospital.

NOW THEREFORE, in consideration of the mutual promises made, the receipt and sufficiency of which are acknowledged, Hospital and Physician hereby agree as follows:

AGREEMENT

1 Duties and Obligations of Physician.

1.1 Adequate Coverage. Hospital hereby contracts with Physician to provide on-call emergency medical coverage in the Hospital as required by EMTALA as set forth in the attached Exhibit “A” (“**Coverage Services**”). Physician shall provide a monthly schedule of his availability for on-call emergency coverage in the Hospital to the Emergency Room Director and the Hospital’s Medical Staff Director at least 30 days prior to the commencement of the month for which the schedule applies.

1.2 Patient Billing. Hospital shall bear exclusive responsibility for billing and collection for Physician’s professional services rendered, and Physician shall not be entitled to any collections for services rendered under this Agreement. The physician shall promptly complete and finalize for Hospital all of the medical record and report documentation required to accurately record services rendered in the Hospital’s electronic medical record (EMR) system or on the forms provided by the Hospital. Physician shall provide Hospital with all information reasonably requested by Hospital to enable Hospital to (i) properly bill for the Professional Services provided by Physician to patients. It is understood and agreed that the Hospital shall handle at its expense all the administrative work of this billing.

1.3 Accounting for Services Performed. Physician shall provide a time log (“**Time Log**”) in the format set forth in the attached Exhibit “B”, to the Hospital’s Medical Staff Office each month. This log must be legible, identify the time and date services were performed, and specify the nature of the Physician’s activity. Because either Physician or Hospital may be called upon to provide a detailed summary of services performed for either state or federal government authorities, Physician acknowledges and understands that if Physician does not provide a time log in the manner specified herein, the Hospital will withhold any compensation due Physician from Hospital pursuant to this Agreement until such information is provided.

1.4 Malpractice Insurance. For the term of this agreement, Physician shall provide and maintain current for the term of this agreement, medical malpractice insurance as required by the bylaws, rules and regulations governing Hospital Medical Staff physicians in a minimum amount of one million (1,000,000.00) per occurrence and three million (3,000,000.00) aggregate. If the coverage is on a claims-made basis, Physician hereby agrees that not less than thirty (30) days prior to the effective date of termination of Physician’s current insurance coverage or termination of this Agreement, Physician shall either purchase unlimited tail coverage or provide proof of continuous coverage in the above stated amounts for all claims arising out of incidents occurring prior to termination of Physician’s current coverage or prior to termination of this Agreement, as applicable, and provide Hospital a certificate of insurance evidencing such coverage.

1.5 Reporting Requirements. Physician shall provide the Emergency Room Director and Hospital Administration with the current numbers for his office, residence and cellular telephones and on his mobile pager. Physician further agrees that he will respond to the Emergency Room no later than thirty (30) minutes after he has been contacted and asked to respond.

1.6 Transferring Physician. At any time when the Physician is providing emergency coverage pursuant to the terms of this Agreement and provides care or treatment of a patient in the emergency room and such patient requires transfer to another facility, Physician agrees that he will act as the transferring physician assuring that all matters required for the transfer of such patient are completed expeditiously. If Physician is unable to effect a transfer, then Physician shall contact the Hospital's Chief of Staff to assist in facilitating with such a transfer.

1.7 Follow-Up Locums Care. Physician shall be required to provide follow up care for any patients seen by locums who need follow up care with an orthopedic surgeon.

2 Duties of Hospital.

2.1 Compensation. Hospital will pay Physician three thousand, five hundred dollars (\$3,500.00) for each twenty-four (24) hour on-call period covered during each month. Physician shall be compensated a pro-rated amount for coverage provided that is less than 24 hours.

2.2 Payment. Compensation will be paid within thirty (30) days of receipt of a legible, complete and properly submitted Time Log.

3 Term and Termination.

3.1 Term of Agreement. The term of this Agreement is twenty-four (24) months and shall commence on the Effective Date.

3.2 Termination.

3.2.1 Termination for Cause. Either Party may, for cause ("cause" being defined herein as a material breach of an obligation contained or set forth in this Agreement) terminate this Agreement, provided, however, that the breaching Party has been provided written notice of the breach and has failed to cure said breach within thirty (30) days of the mailing by the non-breaching Party of such notice.

3.2.2 Immediate Termination. In the event that Physician's medical license is revoked or medical staff privileges at Hospital suspended, such action will be considered an incurable breach and this Agreement shall immediately terminate without further notice or cure period.

3.2.3 Jeopardy Event. Should the performance of either Party of any term, covenant, condition, or provision of this Agreement jeopardize the Hospital's license, Hospital's participation in Medicare, MediCal, other reimbursement or payment program (for example Blue Cross), Hospital's full accreditation by DNV Healthcare or any other state or nationally recognized accreditation organization, or the tax-exempt status of the District's bonds or any other District tax-exempt financing, or it is deemed illegal or unethical by any recognized body, agency or association the medical or hospital fields and the jeopardy or violation has not been or cannot be cured in within thirty (30) days from the date of notice of such jeopardy or violation has been communicated to the Parties, the Agreement shall immediately terminate.

3.2.4 No Cause Termination. It is also understood and agreed that either Party may terminate this agreement upon ninety (90) days' written notice to the other without cause, however, the Parties understand and agree if this agreement is terminated without cause prior to the expiration of its term, the Parties may not enter into an agreement for the same or similar services until after the term of this Agreement has expired.

4 General Terms and Conditions.

4.1 Independent Contractor. Physician is engaged as an independent contractor with Hospital in performing all work, duties and obligations hereunder. The Parties expressly agree that no work, act, commission or omission of Physician pursuant to the terms and conditions of this Agreement shall be construed to make or render Physician the agent or servant of Hospital. Physician shall not be entitled to receive vacation pay, sick leave, retirement benefits, social security, workers' compensation, disability, or unemployment insurance or any other employee or pension benefit of any kind, under this agreement.

4.2 Treatment of MediCal and Medicare Patients. Physician shall not refuse treatment to MediCal or Medicare patients and shall participate in managed-care contracts in which Hospital does or will participate.

4.3 No Waiver. Failure by either Party to enforce any provision of this Agreement shall not constitute a waiver of such provision.

4.4 Severability. In the event that any of the terms and provisions of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable under the laws, regulations, ordinances, or other guidelines of the federal government or of any state or local government to which this Agreement is subject, such terms or provisions shall remain severed from this Agreement and the remaining terms and provisions shall continue and remain unaffected. If the term of this Agreement cannot be severed without materially affecting the operation of this Agreement, then this Agreement shall automatically terminate as of the date in which the term is held unenforceable.

4.5 Access to Books and Records. To the extent required by Section 1395(x)(V)(1) of Title 42 of the United States Code, until the expiration of ten (10) years after the termination of this Agreement, Physician shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States Department of Health and Human Services, or any of their duly authorized representatives, a copy of this Agreement and such books and documents and records as are necessary to certify the nature and extent of the costs of the services provided by Physician under this Agreement. Physician further agrees that in the event Physician carries out any of her duties under this Agreement through a subcontractor, with a value or cost of ten thousand dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such contract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States

General Accounting Office, or any of their duly authorized representatives, a copy of such subcontract and such books, documents and records of such organization as are necessary to verify the nature and extent of such costs.

4.6 Compliance with Non-Discrimination Laws.

4.6.1 Non-Discrimination. During the performance of this Agreement, Physician and his subcontractors shall not unlawfully discriminate harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Physician and his subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Physician and his subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Cal. Govt. Code Sections 11135 through 11139.5) and the regulations or standards (if any) adopted by the California Department of Corrections to implement such article. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990(a-f), set forth in California Code of Regulations, Title 2, Chapter 5, Division 4 are incorporated into this contract by reference as if duly set forth herein. Physician and his subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Physician shall include the nondiscrimination and compliance provisions of this Agreement in all subcontracts to perform work under this Agreement.

4.6.2 Access to Determine Compliance. Physician shall permit access by representatives of the Department of Fair Employment and Housing and the Department of Corrections upon reasonable notice at any time during normal business hours, but in no case less than twenty-four (24) hours notice, to such of its books, records, accounts, other sources of information and its facilities as such agencies shall require to ascertain compliance with this clause.

4.7 Notices. Notices and demands required or permitted to be given hereunder shall be in writing and shall be effective when delivered whether by hand delivery, by courier, or by U.S. Mail, certified, return receipt requested, to the following addresses:

Physician:

Christopher Lai, M.D.

Hospital:

Chief Executive Officer
Imperial Valley HealthCare District
207 West Legion Road
Brawley, CA. 92227

4.8 Entire Agreement. This Agreement embodies the entire agreement between the Parties with respect to this subject matter. This agreement supersedes all other previous

agreements and understandings, written or oral, between the Parties with respect to this subject matter. No other agreements between the Parties as to this subject matter other than those set forth in this Agreement shall be considered valid.

4.9 Choice of Law and Venue. This Agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of California. The venue for any legal proceeding relating to, or arising out of, this Agreement shall be in the County of Imperial, State of California. In cases of Federal Jurisdiction, Parties agree that the United States District Courts for the Southern District of California in San Diego shall have sole jurisdiction and venue.

4.10 Confidentiality of Records. Physician and Hospital agree to keep confidential and take all reasonable precautions to prevent the disclosure of records required to be prepared and/or maintained pursuant to this Agreement, unless such disclosure is authorized by patient or by law; provided, however, that to the extent required by section 13095x(v)(1)(I) of Title II of the United States Code and any amendment thereto, revision or subsequent legislative enactment pertaining to the subject matter of said section, the Parties agree to retain such records, and make them available for the appropriate governmental agencies, for a period of seven (7) years after the expiration of the termination of this agreement. Physician will comply with all confidentiality laws and requirements, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and California Civil Code Section 56.10 et. seq. as applicable.

4.11 No Assignment Without Consent. Physician shall not assign, sell or transfer any rights conferred by this Agreement, without prior written consent of Hospital.

4.12 Headings. Headings have been included solely as a convenience to the reader and are not intended nor shall they be construed in the interpretation of this Agreement.

4.13 Retention of Professional and Administrative Responsibility. Hospital shall retain professional and administrative responsibility for the services rendered as outlined in this Agreement.

4.14 Payment of Taxes. Physician acknowledges and agrees that he will pay all applicable federal, state and local taxes in connection with the services provided pursuant to this Agreement. Physician agrees to defend and indemnify and hold the District harmless from any and all liability, claims, damages or losses (including, without limitation, attorneys' fees, costs penalties and fines) which arise against the District as a result of Physician's failure to perform his obligations under this Section.

4.15 Offset. In the event Physician is indebted or financially obligated to Hospital for any reason and has failed to repay as required any such debt or obligation for 60 days or more, then Hospital in its sole discretion may offset the amount of such unpaid debt or obligation owed by Physician from any compensation due and payable under this agreement to Physician. Hospital shall provide Physician a written notice of the exercise of its offset rights under this paragraph at any time before, or at the time of exercise of the offset. Any offset(s) exercised by the Hospital shall not affect or change any other conditions or provisions of contracts or

agreements between Hospital and Physician. Further, Hospital exercise of any offset shall not be considered a waiver of any interest or penalty amount due and payable to Hospital from Physician.

4.16 No Payments after Termination. After termination of this contract, Physician understands that there will be no further payments made for services which are the subject of this agreement until Physician has executed a new agreement.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

HOSPITAL

By _____
Christopher R. Bjornberg
Chief Executive Officer
Imperial Valley Healthcare District

Date _____

PHYSICIAN

By _____
Christopher Lai, M.D.

Date _____

EXHIBIT A COVERED SERVICES

Pursuant to Section 1.1, the following is a non-exclusive list of Covered Services that Physician shall provide under this Agreement, including but not limited to:

- Provide on-call professional medical and surgical services in the specialty of orthopedic surgery to the Hospital's Emergency Department.
- Accept the EMTALA transfer of patients to the Hospital.
- Provide inpatient consultants for Hospital patients at the request of Hospital or a physician on Hospital's medical staff.
- Be available to Hospital's Emergency Department in accordance with the on-call schedule prepared by Hospital.
- Comply with the bylaws, rules, regulations, procedures, and policies of Hospital, and its medical staff, including those related to timely completion of medical records.
- Manage patients up to the time of transfer.
- Only transfer patients only upon the acceptance by receiving hospital and treating physician.
- Be accessible to Hospital by telephone and respond by phone or in-person to the Emergency Department within 30 minutes of receiving an initial contact.
- Physician shall respond promptly on-site and in-person in the event of a request by the emergency department physician to provide assistance in EMTALA medical screening, diagnosis, and treatment of patients. The Hospital Emergency Department physician and Physician shall determine the reasonable period appropriate for the severity of injury and care needed, but generally no later than 3 hours after initial contact.
- Physician shall not be on-call simultaneously at other hospitals when providing Coverage Services under this Agreement.

EXHIBIT B
Imperial Valley Healthcare District
207 West Legion Road
Brawley, California 92227
PHYSICIAN - TIME AND ACTIVITY LOG

Physician's Name: _____

Hospital Department: _____

Month: _____

Date	Services Performed	Time

I certify that I have performed the services set forth above and understand that this Time and Activity Log may be made available to law enforcement or other regulatory agencies to confirm compliance with applicable state and federal law if so requested.

Physician's Signature: _____

Date: _____

IMPERIAL VALLY HEALTHCARE DISTRICT

BOARD MEETING DATE: 1/8/2026

SUBJECT: Authorization to approve Professional Service Agreement for George Fareed, M.D.

BACKGROUND: This agreement is for Primary Care services for Outpatient Services (32) hours per week. This agreement is a renewal agreement due to increase in coverage. Increase in \$80,000 annually due to increase in primary care coverage.

KEY ISSUES: Physician will be compensated on base compensation of \$320,000. In addition to the compensation for coverage, hospital will pay physician wRVU compensation quarterly. wRVU more than 1,524 quarterly will be paid at \$50.00 per wRVU.

CONTRACT VALUE: approximately \$320,000, value varies depending on wRVU

CONTRACT TERM: 4 year

BUDGETED: yes

BUDGET CLASSIFICATION: Professional Service Agreement

RESPONSIBLE ADMINISTRATOR: Carly Zamora/Christopher R. Bjornberg

DATE SUBMITTED TO LEGAL: 12/2025 **REVIEWED BY LEGAL:** ☒ Yes ☐ No

FIRST OR SECOND SUBMITTAL: ☒ 1st ☐ 2nd

RECOMMENDED ACTION: Authorization to approve Professional Service Agreement for George Fareed, M.D.

Comp-01, Compliance Officer 8/2018



PROFESSIONAL SERVICES AGREEMENT (Primary Care – Fareed)

THIS PROFESSIONAL SERVICES AGREEMENT (“**Agreement**”) is entered into and executed as of _____ (“**Effective Date**”), by and between Imperial Valley Healthcare District dba. Pioneers Memorial Hospital, a Local Healthcare District, organized and existing in the State of California pursuant to the California Health and Safety Code, §§32000 *et seq.* (“**Hospital**”), and George Fareed, M.D., a physician licensed to provide medical services in the State of California (“**Practitioner**”). Practitioner and Hospital are sometimes individually referred to hereafter as a “Party,” and collectively as “Parties.”

This Professional Services Agreement is entered into with respect to the following facts:

RECITALS

A. Hospital owns and operates a general acute care hospital located in Brawley, California and rural health clinics (“**Clinics**”), in Calexico, California and Brawley, California, and by the start date, may also own and operate a second general acute hospital located in El Centro, California.

B. Practitioner is duly licensed and qualified to practice medicine under the laws of the State of California and is experienced and qualified to provide **primary care services** (each a “**Specialty**”).

C. Hospital has determined that entering into an agreement with the Practitioner is an appropriate way to assure the availability of such Specialty services for its patients and to maintain a high quality of patient care. The Parties furthermore acknowledge that many of the patients of the Hospital and Clinics will be referred there by outside physicians.

D. The Parties desire to enter into this Agreement to set forth their respective responsibilities in connection with Hospital’s and Practitioner’s provision of Services for treating patients during the term of this Agreement.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. DUTIES OF PRACTITIONER

a. **Professional Medical Services.** Practitioner shall provide all professional medical

services ("**Professional Services**") as set forth in *Exhibit A*, as reasonably required for coverage and patient care. Practitioner shall provide the Professional Services in the during regular hours of operation, as mutually agreed upon by the parties, and as more specifically set forth in *Exhibit B* ("**Practitioner Coverage**").

b. Qualifications of Practitioner. Practitioner shall be: (a) duly licensed by the State of California (b) have levels of competence, experience and skill comparable to those prevailing in the community; (c) are not excluded from any governmental healthcare program, (d) is a member in good standing of the Medical Staff of Hospital, and, within one (1) year following commencement of provision of services in the Agreement, become board certified in Specialty.

c. Applicable Standards. Practitioner shall perform all Specialty services under this Agreement in compliance with all applicable standards set forth by law or ordinance or established by the rules and regulations of any federal, state or local agency, department, commission, association or other pertinent governing, accrediting or advisory body, including compliance with the requirements of Det Norske Veritas (DNV), having authority to set standards for health care facilities, and in accordance with all Hospital and Medical Staff bylaws, rules, regulations, policies and procedures.

d. Records and Documentation; For each patient receiving Services, Practitioner shall promptly complete and finalize for Hospital all of the medical record and report documentation required to accurately record the visit in the Hospital's electronic medical record (EMR) system or on the forms provided by the Hospital. Subject to applicable restrictions on disclosure, Practitioner shall have reasonable access, including the right to make copies, during business hours of all such medical records and reports as they may need from time to time for patient care or responding to any legal, judicial or third party administrative/investigative inquiries.

e. Use of Premises. Practitioner shall not use, or knowingly permit any other person who is under Practitioner's direction to use, any part of the Hospital's premises for (i) the private practice of medicine, or (ii) any purpose other than the performance of the services required hereunder.

f. Non-Discrimination. During the performance of this Agreement, Practitioner (including employees and subcontractors) shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, or family care leave. Practitioner and shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Practitioner shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990(a-f), set forth in California Code of Regulations, Title 2, Chapter 5, Division 4 are incorporated into this contract by reference as if duly set forth herein. Practitioner shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Practitioner shall include the nondiscrimination and compliance provisions of this Agreement in all

subcontracts to perform work under this Agreement.

2. REPRESENTATIONS AND WARRANTIES OF PRACTITIONER. Practitioner hereby warrants and represents as follows:

a. Review of Compliance Requirements. Practitioner acknowledges that Hospital has a commitment to full compliance with all laws, regulations and guidance relating to its participation in the federal and state healthcare programs, and as a result has implemented a compliance program including, without limitation, mandatory requirements related to ongoing compliance training and education programs for its workforce, medical staff and persons/entities that conduct healthcare business with the Hospital. As a condition to this Agreement, Practitioner shall provide written acknowledgement that Practitioner and Practitioner's employees, subcontractors and/or agents have received (or been provided with electronic or other access to), read and understood and will comply with Hospital's compliance program materials and Code of Conduct of Medical Staff and further agrees to comply with all pertinent provisions.

b. Practitioner Is Not Restricted. Practitioner is not bound by any agreement or arrangement which would preclude Practitioner from entering into, or from fully performing the services required under, this Agreement.

c. Practitioner is Qualified. Practitioner's license to practice medicine in the State of California, or in any other jurisdiction has not ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way. Additionally, Practitioner's medical staff privileges at any health care facility have not ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction.

d. Prohibition from Program Participation. Practitioner, including employees, has not been (a) excluded, suspended or debarred from, or otherwise ineligible for, participation in any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid), nor (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid);

e. Notification of Threatened Exclusion From Program Participation. Practitioner shall notify Hospital immediately in writing if Practitioner becomes the subject of (a) any threatened, proposed or actual exclusion, suspension or debarment, (b) any conviction of a criminal offense related to conduct that would or could trigger an exclusion, of it or any of its agents or employees from any federal or state health care program, (c) any investigatory, disciplinary, or other proceeding by any governmental, professional, licensing board, medical staff, or peer review body, or (d) any event that substantially interrupts all or a portion of Practitioner's professional practice or that materially adversely affects Practitioner's ability to perform Practitioner's obligations hereunder.

f. Non-Solicitation of Hospital Employees. During the term of this Agreement, Practitioner shall not solicit the services of, or employ or procure on behalf of another the employment of, any individual currently employed by Hospital or under a service contract with

Hospital; nor shall Practitioner engage in any other activity which would be in conflict with Practitioner's obligations hereunder.

g. Third-party Payment, Managed Care Programs, and Charity Care. Physician shall participate in all third-party payment or managed care programs in which Hospital participates, render services to patients covered by such programs, and accept the payment amounts for services rendered by Physician under these programs as payment in full for services of the Physician to Clinic patients. Hospital will provide to Physician timely notification of new contract negotiations. Hospital will also pay, or provide, for the Physician's credentialing with third-party payment or managed care programs. Physician shall participate in Hospital's Financial Assistance Program including Full Charity Care and Discount Partial Charity Care. Hospital will provide Physician with a copy of its Financial Assistance Program and any amendments thereto.

3. COMPENSATION FOR PRACTITIONER

a. Compensation. Hospital shall pay Practitioner according to the compensation schedule set forth in *Exhibit C* ("**Compensation**"). Hospital shall pay the compensation owed on or before the fifteenth (15th) day of each calendar month, for services provided by Practitioner during the immediately preceding calendar month; provided that Practitioner has delivered a visit record to Hospital in the form attached hereto as *Exhibit D* ("**Time Log**") on or before the fifth (5th) day of each calendar month for the immediately preceding calendar month.

b. Taxation of Income. The Parties understand that the Hospital will bill, collect and retain the proceeds from all charges for medical services, and may use the Practitioner's Billing Provider number for such purposes. The parties anticipate that in some cases those who pay for the medical services rendered by Practitioner performing in a directorship capacity will issue to Practitioner an IRC Form 1099 annually for the monies paid for such services. After the end of each calendar year, the Hospital will issue to Practitioner an IRC Form W-2 or similar form to report the appropriate income earned by him. Accordingly, it is anticipated, and Practitioner agrees, that Practitioner will deduct from Practitioner's income tax return all contract payments reported to him that are received by the Hospital and report on Practitioner's income tax return all compensation earned by Practitioner hereunder.

c. Compliance with Health & Safety Code. Any compensation received by Practitioner pursuant to this agreement shall be in compliance with the provisions of California Health and Safety Code Section 32129. Hospital has the obligation and right to adjust compensation to be in compliance with any and all laws and regulations.

4. DUTIES AND OBLIGATIONS OF THE HOSPITAL

a. Duties. Hospital agrees to furnish, at its own cost and expense, for adequate provision of professional services pursuant to this Agreement, the following:

- i. Space. Space as reasonably necessary to provide service to patients.
- ii. Equipment. Equipment as may be reasonably required as mutually agreed

by the Hospital and Practitioner, subject to any applicable Hospital budget limitations. Practitioner acknowledges that existing equipment is adequate for Practitioner's purposes.

iii. **Services and Supplies.** Maintenance, repair and replacement of equipment as reasonably required; all utilities, including telephone, power, light, gas and water; all supplies (including, without limitation, film, laundry services and linen); transcription services, and any necessary housekeeping and in-house messenger service that may be reasonably required to provide services.

iv. **Non-Physician Personnel.** Hospital personnel with appropriate education, training and experience which are required to adequately assist Practitioner in performance of the services contemplated herein, as determined according to Hospital's discretion. Hospital shall have the sole right and responsibility for the hiring, discipline and termination of such Hospital employees.

b. **Eligibility.** At all times during the term of this Agreement, Hospital shall remain eligible to participate in the Medicare, Medi-Cal, and TriCare/CHAMPUS programs.

5. BILLING FOR MEDICAL SERVICES

a. **Billing Records Availability.** Each Party, shall, on a monthly basis, make available to the other Party, records and data accurately reflecting a) total billed services in connection with the Services; b) payments received from all sources for medical services provided by the Practitioner, and c) all expenses paid by Hospital or Practitioner in connection with the operation of the Services or the services rendered therein.

b. **Accurate Medical Records and Charts.** Practitioner shall promptly prepare and submit complete and accurate medical records, medical chart notes, and related back-up documentation, and respond and provide such assistance and information as District may reasonably request to facilitate billing and collection of charges for patient services, including, but not limited to, assigning appropriate procedure and diagnosis codes for billing purposes, and dictating or completing appropriate descriptions and notations to be made on the patient chart to support the appropriate billing code, in accordance with the requirements of the Centers for Medicare and Medicaid Services. Practitioner shall be responsible (and District shall not be responsible except with respect to joint and several liability required by law) for errors or liabilities, if any, which may arise from Practitioner's fraudulent designation of inappropriate billing, procedure or diagnosis codes or for the negligent failure of Practitioner to prepare medical chart notes or dictation which corresponds to the services rendered.

c. **Charges for Medical Services.** Hospital shall be responsible for, and solely entitled to, billing and collection of all charges for all medical services (ancillary and professional); (ii) Practitioner hereby reassigns Practitioner's respective rights to bill such Professional Services to Hospital.

d. **Schedule of Charges.** On an annual basis, Hospital may provide to Practitioner the schedule of charges for the professional component of the medical services provided for Practitioner's review and input. Practitioner may request changes to the schedule of charges as

circumstances may warrant. Hospital, in its sole and absolute discretion, shall decide upon changes to the schedule of charges.

e. **Forwarding Billing to Hospital.** Practitioner shall provide Hospital, on a daily basis, with all information reasonably requested by Hospital to enable Hospital to (i) properly bill for the Professional Services provided by Practitioner to patients. It is understood and agreed that Hospital shall handle at its expense all the administrative work of this billing. All Professional Services shall be billed in Practitioner's or Medical Group's name with all payments forwarded by payors (including, without limitation, Medicare and Medi-Cal) to a "lockbox" account in Practitioner's or Medical Group's name ("Account") established at Wells Fargo bank in Brawley, California. ("Bank"). Upon establishment of the Account, Practitioner shall direct the Bank, in writing, that during the term of this Agreement, on the last day of each calendar month the Bank shall transfer all funds in the Account on each such day to an account in Hospital's name as designated by Hospital in writing to the Bank.

f. **Billing Third-Party Payors.** Practitioner shall not bill, nor cause to be billed, Medicare patients or Medicare (Part B) carriers in violation of 42 C.F.R. §405.550(d)(3), nor any other patients or payors, for administrative, supervisory, medical director or similar services.

g. **Rates for Service.** In the event that Practitioner is responsible for establishing rates charged to patients for any Professional Services rendered pursuant to this Agreement, Practitioner must ensure that such rates are reasonable and customary. In the event that Hospital determines Practitioner's rates are unreasonable, Hospital reserves the right to approve modify rates charged by Practitioner for Services.

6. TERM AND TERMINATION

a. **Term.** The term of this Agreement shall be for four (4) years commencing on the Effective Date, unless terminated earlier as provided herein.

b. **Termination Without Cause.** Either party may terminate this Agreement without penalty or cause by providing ninety (90) days written notice to the other party.

c. **Termination for Cause.** Either Party may terminate this Agreement upon breach by the other Party of any material provision of this Agreement, provided such breach continues for fifteen (15) days after receipt by the breaching Party of written notice of such breach from the non-breaching Party, except where such breach requires immediate termination as enumerated below.

d. **Immediate Termination.** This Agreement may be terminated immediately and without notice for serious and incurable events, including but not limited to:

i. **Breach.** Hospital or Practitioner is in breach of any material term or condition of this Agreement and such breach has not been cured within thirty (30) days following notice of such breach;

ii. **Sale or Transfer.** Hospital or Practitioner has sold or otherwise transferred all or substantially all of its assets, has merged with another entity or has dissolved;

iii. Insolvency or Bankruptcy. Hospital or Practitioner becomes insolvent or declares bankruptcy;

iv. Practitioner's License Suspension. denial, suspension, revocation, termination, restriction, lapse, or voluntary relinquishment under threat of disciplinary action, of Practitioner's medical staff membership or privileges at Hospital or any other healthcare facility, or of Practitioner's license to practice medicine in the State of California or any other jurisdiction;

v. (a) exclusion, suspension, debarment from, or ineligibility for, participation in any federal or state health care program, or (b) conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, by Practitioner;

vi. Cancellation of Insurance. Either Party fails to carry or reinstate the insurance required in Section 7 hereof or such coverage is cancelled or revoked within ten (10) days following notice thereof from its insurance carrier;

vii. Conduct Jeopardizing Licensure or Other Reimbursements. The performance by either Party of this Agreement which jeopardizes the licensure of Hospital, Hospital's participation in Medicare, Medi-Cal or other reimbursement or payment program, or Hospital's full accreditation by The Joint Commission or any other state or nationally recognized accreditation organization, or the tax-exempt status of Hospital's bonds, or if for any other reason such performance violates any statute, ordinance, or is otherwise deemed illegal, or is deemed unethical by any recognized body, agency, or association in the medical or hospital fields, and the jeopardy or violation has not been or cannot be cured within sixty (60) days from the date notice of such jeopardy or violation has been received by the parties.

viii. Misrepresentations. Any Party's representation or warranty that is false or was false at the time it was originally made, or any Party becomes the subject of any threatened, proposed or actual exclusion, suspension or debarment from, or is otherwise ineligible for participation in, any federal or state health care program including without limitation, Medicare or Medi-Cal, or is the subject of any threatened, proposed or actual criminal prosecution for, or is convicted of, any criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program.

e. One Year Prohibition on New Agreement. If this Agreement is terminated prior to expiration of the initial year of the term hereof, the Parties shall not enter into any new agreement or arrangement during the remainder of such year.

7. INDEPENDENT CONTRACTOR. Practitioner is engaged in an independent contractor relationship with the Hospital in performing all work, duties and obligations hereunder. Hospital shall not have nor exercise any control or direction over the methods by which Practitioner performs work and functions, except that Practitioner shall perform at all times in strict accordance with then currently approved methods and practices of the professional Specialty services. Hospital's sole interest is to ensure that Practitioner performs and renders services in a competent, efficient and satisfactory manner in accordance with high medical standards. The Parties expressly agree that no work, act, commission or omission of Practitioner in connection with the terms and

conditions of this Agreement shall be construed to make or render Practitioner, the agent, employee or servant of Hospital. Practitioner shall not be entitled to receive from Hospital sick leave, retirement benefits, Social Security, workers' compensation, disability or unemployment insurance benefits or any other employee benefit of any kind. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

8. PROFESSIONAL LIABILITY INSURANCE COVERAGE. Practitioner shall secure and maintain at all times during the term, at Practitioner's sole expense, professional liability insurance covering Practitioner, with an admitted carrier (licensed to do business in the State of California) having at least an "A" BEST rating, with limits of one million (\$1,000,000) per claim/and three million (\$3,000,000) for annual aggregate claims. Such insurance shall not be cancelable except upon thirty (30) days' prior written notice to Hospital, and shall be primary and non-contributory. Annually, Practitioner shall provide Hospital with a certificate of insurance evidencing such coverages and coverage extensions upon request by the Hospital. If the coverage is on a claims-made basis, Practitioner hereby agrees that not less than thirty (30) days prior to the effective date of termination of Practitioner's current insurance coverage or termination of this Agreement, Practitioner shall either purchase unlimited tail coverage or provide proof of continuous coverage in the above stated amounts for all claims arising out of incidents occurring prior to termination of Practitioner's current coverage or prior to termination of this Agreement, as applicable, and provide Hospital a certificate of insurance evidencing such coverage.

9. OWNERSHIP OF FILMS AND RECORDS. Unless agreed upon in writing, all records of patients seen at any Hospital facilities shall be maintained by Hospital and shall be the property of the Hospital. Practitioner shall have the right to access such films and records during normal business hours.

10. NOTICES. Any notice to be given to any party hereunder shall be deposited in the United States Mail, duly registered or certified, with return receipt requested, with postage thereon paid, and addressed to the party for which intended, at the following addresses, or to such other address or addresses as the parties may hereafter designate in writing to each other.

Hospital:

Chief Executive Officer
Imperial Valley Healthcare District
West 207 Legion Road
Brawley, CA 92227

Practitioner:

George Fareed, M.D.
150 I Street
Brawley, CA 92227

11. CONFIDENTIALITY

a. Confidential Information Belongs to its Respective Owner. Each Party recognizes and acknowledges that, by virtue of entering into this Agreement and providing services to the other hereunder, Practitioner and Hospital may have access to certain information of the other Party that is confidential and constitutes valuable, special and unique property. Each Party agrees that it will not at any time, either during or subsequent to the term of this Agreement,

disclose to others, use, copy or permit to be copied, without the other Party's express prior written consent, except pursuant to Practitioner's duties hereunder, any confidential or proprietary information of either Party, including, but not limited to, information which concerns Hospital's patients, costs, or treatment methods developed by Hospital for the Hospital, and which is not otherwise available to the public.

b. This Agreement is Confidential. Except for disclosure to Practitioner's legal counsel, accountant or financial advisors (none of whom shall be associated or affiliated in any way with Hospital or any of its affiliates), Practitioner shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Hospital. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement. Except for disclosure to Hospital's legal counsel, accountant or financial advisors, its Board of Directors and/or any committee concerned with this Agreement, Hospital and its officers, directors, employees, and agents shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Practitioner. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement. Upon the termination or expiration of this Agreement, Hospital all records of the patients seen or treated by Practitioner shall be the property of Hospital. However, upon Hospital's receipt of appropriately executed written request of any such patient therefor, Hospital will provide copies of the requesting patient's records to Practitioner, in paper or electronic form and the delivery of such records shall be in compliance with federal and state law.

c. Medical Records Are Confidential. Neither Party shall disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by the other Party in writing, any patient or medical record information regarding Hospital patients, and the Parties shall comply with all federal and state laws and regulations, and all bylaws, rules, regulations, and policies of Hospital, and Hospital's Medical Staff, regarding the confidentiality of such information. Practitioner acknowledges that in receiving or otherwise dealing with any records or information from Hospital about Hospital's patients receiving treatment for alcohol or drug abuse, Practitioner is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records (42 C.F.R. Part 2, as amended from time to time).

d. HIPAA Compliance is Required. Each Party agrees to comply with the applicable provisions of the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and the requirements of any regulations promulgated thereunder including without limitation the federal privacy regulations (the "Federal Privacy Regulations") and the federal security standards (the "Federal Security Regulations").

e. Business Associate Agreement is Required. As a condition to the effectiveness of this Agreement, concurrently with the execution hereof, Practitioner shall execute Hospital's Business Associate Agreement.

12. AGREEMENT INTERPRETATION AND DISPUTE RESOLUTION

a. **Entire Agreement; Amendment.** This Agreement, its exhibits, and all documents referred to herein constitute the entire agreement between the parties pertaining to the subject matter contained herein. This Agreement supersedes all prior and contemporaneous agreements, representations and understandings of the parties which relate to the subject matter of this Agreement. No supplement, amendment or modification of this Agreement shall be binding unless executed in writing by all of the Parties.

b. **Subject Headings.** The subject headings of the Articles and Sections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of the provisions of this Agreement.

c. **Parties.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any person other than the Parties to it and their respective successors and assigns; nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party to this Agreement; nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

d. **No Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the Parties to it and their respective legal representatives, successors and permitted assigns. No Party may assign this Agreement or any rights hereunder, nor may they delegate any of the duties to be performed hereunder without the prior written consent of the other party.

e. **Governing Law and Venue.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California. All actions relating to, or arising out of, this Agreement shall be brought in the State Court of California in the County of Imperial. Otherwise, for actions relating to, or arising out of, this Agreement which are subject to federal jurisdiction, such action shall be brought in the Federal District Courts for the Southern District of California in the County of San Diego.

f. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

g. **Attorneys' Fees.** In the event of any legal action between the Parties to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorneys' fees, from the unsuccessful Party.

h. **Arbitration.** Any dispute or controversy arising under, out of or in connection with, or in relation to this Agreement, or any amendment hereof, or the breach hereof shall be determined and settled by arbitration before a single arbitrator in Imperial County, California, in accordance with the American Health Lawyers Association Alternative Dispute Resolution Service Rules of Procedure for Arbitration and applying the laws of the State of California. Any award rendered by the arbitrator shall be final and binding upon each of the Parties, and judgment thereon may be entered in any court having jurisdiction thereof. The costs shall be borne equally by both Parties. The prevailing Party in any such arbitration shall be entitled to recover its reasonable attorneys' fees. During the pendency of any such arbitration and until final judgment thereon has been entered, this Agreement shall remain in full force and effect unless otherwise

terminated as provided hereunder. The provisions of this Section shall survive expiration or other termination of this Agreement.

i. **Exhibits.** The attached exhibits, inclusive, constitute a material part of this Agreement and are to be construed as incorporated into this Agreement in full and are made a part hereof.

j. **No Waiver.** No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

k. **Enforceability.** In the event that any of the terms and provisions of this Agreement are determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable under the laws, regulations, ordinances, or other guidelines of the federal government or of any state or local government to which this Agreement is subject, such terms or provisions shall remain severed from this Agreement and the remaining terms and provisions shall remain unaffected thereby. If the term of this Agreement cannot be severed without materially affecting the operation of this Agreement, then this Agreement shall automatically terminate as of the date in which the term is held unenforceable.

13. GENERAL PROVISIONS

a. **Effect of Exclusion.** Notwithstanding any other provision of this Agreement to the contrary if Practitioner or any of Practitioner's agents or employees is (a) excluded, suspended, debarred from, or otherwise becomes ineligible for, participation in any federal or state health care program, or (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, at any time during the term of this Agreement, or if at any time after the Effective Date hereof, any Party determines that the other Party has made a false representation or is in violation or breach of this Section, this Agreement shall terminate as of the effective date of such exclusion, suspension, debarment from, or ineligibility for, any federal or state health care program or of such conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, or as of the date of the breach of such Section.

b. **Section 952 of Omnibus Budget Reconciliation Act of 1980.** In accordance with Section 952 of the Omnibus Reconciliation Act of 1980 (PL 96-499), Practitioner agrees that the books and records of Practitioner will be available to the Secretary of Clinic of Health and Human Services and the Comptroller General of the United States, or their duly authorized representatives, for four (4) years after termination of this Agreement. In the event that any of the services to be performed under this Agreement are performed by any subcontractor of Practitioner at a value or cost of \$10,000 or more over a twelve (12) month period, Practitioner shall comply and assure that the such subcontractor complies with the provisions of Section 952 of the Omnibus Reconciliation Act of 1980. If regulations are issued at a later time which would determine that Section 952 of PL 96-499 is not applicable to this Agreement, this paragraph shall automatically be repealed.

c. **Access to Books and Records.** To the extent required by Section 1395(x)(V)(1)

of Title 42 of the United States Code, until the expiration of ten (10) years after the termination of this Agreement, Practitioner shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States Department of Health and Human Services, or any of their duly authorized representatives, a copy of this Agreement and such books and documents and records as are necessary to certify the nature and extent of the costs of the services provided by Practitioner under this Agreement. Practitioner further agrees that in the event Practitioner carries out any of Practitioner's duties under this Agreement through a subcontractor, with a value or cost of ten thousand dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such contract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States General Accounting Office, or any of their duly authorized representatives, a copy of such subcontract and such books, documents and records of such organization as are necessary to verify the nature and extent of such costs. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

d. Mutual Indemnity. Practitioner and Hospital shall indemnify and hold harmless each other, including officers, directors, shareholders, members, employees, agents and representatives from any and all liabilities, losses, damages, claims and expenses of any kind, including costs and attorneys' fees, which result from or relate to the indemnifying party's performance or failure to perform under this Agreement. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

e. Jeopardy. Notwithstanding anything to the contrary hereinabove contained, in the event that the performance by either Party hereto of any term, covenant, condition or provision of this Agreement should jeopardize the licensure of either Party, its participation in Medicare, Medi-Cal, Blue Cross or other major reimbursement or payment programs, or its full accreditation by DNV, or any other state or nationally recognized physician accreditation organization, or the tax-exempt status of interest earned on any of its bonds or other financial obligations, or if for any other reason such performance should be in violation of any statute, ordinance, or be otherwise deemed illegal, or be deemed unethical by any recognized body, agency, or association in the medical or hospital fields (collectively, the "Adverse Action"), then the Parties shall in good faith negotiate amendments to this Agreement necessary or appropriate to resolve the Adverse Action. If after a reasonable period of time, not to exceed sixty (60) calendar days, the Parties are unable to agree on an amendment necessary or appropriate to resolve the Adverse Action, then either Party may terminate this Agreement on ninety (90) days' prior written notice to the other Party.

f. No Financial Obligation. Practitioner shall not incur any financial obligation on behalf of Hospital without the prior written approval of Hospital.

g. Assistance in Litigation. Each Party shall provide information and testimony and otherwise assist the other in defending against litigation brought against the other, its directors, officers or employees based upon a claim of negligence, malpractice or any other cause of action, arising under this Agreement, except where such Party is a named adverse Party.

h. Retention of Professional and Administrative Responsibility. Hospital shall retain professional and administrative responsibility for the services rendered as outlined in this Agreement.

i. Other Agreements Between Practitioner and Hospital. Hospital and Practitioner may enter, or may have entered, into other agreements for services such as Emergency Room On-Call, Directorship, or Supervisory Services agreements. Such agreements are maintained in an online contracts management system, MediTract, and will be made available to any State or Federal entity that require access to such contracts.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date first set forth above.

Imperial Valley Healthcare District

George Fareed, M.D.

Christopher R. Bjornberg
Chief Executive Officer

George Fareed, M.D.

Date _____

Date _____

EXHIBIT A

Professional Services

Provide primary care services for patients at Hospital and rural health clinics, as requested by Hospital, as deemed to be medically necessary by Practitioner using Practitioner's sole professional medical judgment, all of which shall be provided without regard to the patients' payor classification or ability to pay. Such services shall be provided in accordance with medical ethics, the standard of care, and medical staff privileges as requested by Practitioner and granted by the Hospital Medical Staff and Board of Directors.

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EXHIBIT B

Practitioner Coverage

Primary Care Coverage. Practitioner shall provide a minimum of (32) hours per week (4 days per week) of primary care services in the Hospital Clinics.

The specific locations and schedule for primary care services shall be mutually agreed upon by Practitioner and Hospital.

Vacation. Practitioner shall be entitled to a noncumulative time of four (4) work weeks paid time off per year, plus one (1) work week of paid time off for Continuing Medical Education, cumulatively five (5) work weeks (20 days) of paid time off per year.

EXHIBIT C

Compensation

Base Compensation. Practitioner shall be compensated at a rate of three hundred and twenty thousand dollars (\$320,000) per year.

Additional wRVU Incentive Payments. For the duration of this agreement, in each three (3) month period after the Agreement commencement date, the Practitioner may earn additional incentive compensation based upon wRVU productivity for services provided in accordance with this Agreement. If Practitioner generates wRVU's in excess of one thousand five hundred and twenty-four (1524) wRVUs per quarter for primary care services, such excess will be paid at fifty dollars (\$50.00) per wRVU.

Only completed and locked charts will count towards practitioner-generated wRVU productivity for additional incentive compensation calculations.

Annual Reimbursements

Continuing Medical Education Reimbursement. Hospital shall reimburse Practitioner for up to three thousand dollars (\$3,000) per year in expenses incurred for completing required Continuing Medical Education). Practitioner must present receipts and invoices to Hospital to receive such reimbursement.

No Benefits

Hospital shall not provide, and Practitioner shall not receive any benefits from Hospital including by not limited to health insurance, professional liability insurance, disability insurance, retirement plan benefits, workers compensation insurance, sick leave etc.

EXHIBIT D
Time Log

Imperial Valley Healthcare District
207 West Legion Road
Brawley, California 92227

PRACTITIONER - TIME AND ACTIVITY LOG

Physician's Name: _____

Hospital Department: _____

Month: _____

Date	Services Performed	Time

I certify that I have performed the services set forth above and understand that this Time and Activity Log may be made available to law enforcement or other regulatory agencies to confirm compliance with applicable state and federal law if so requested.

Practitioner's Signature: _____ Date: _____