

July 21, 2022

**TO: Members of the Board of Directors**

Victor Rey, Jr. – President  
Regina M. Gage – Vice President  
Juan Cabrera – Secretary  
Richard Turner – Treasurer  
Joel Hernandez Laguna – Assistant Treasurer

**Legal Counsel**

Ottone Leach & Ray LLP

**News Media**

Salinas Californian  
El Sol  
Monterey County Herald  
Monterey County Weekly  
KION-TV  
KSBW-TV/ABC Central Coast  
KSMS/Entravision-TV

The Regular Meeting of the **BOARD OF DIRECTORS OF THE SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM** will be held **WEDNESDAY, JULY 28, 2022, AT 4:00 P.M., IN THE DOWNING RESOURCE CENTER, ROOMS A, B & C AT SALINAS VALLEY MEMORIAL HOSPITAL, 450 E. ROMIE LANE, SALINAS, CALIFORNIA, OR BY PHONE OR VIDEO (Visit [svmh.com/virtualboardmeeting](http://svmh.com/virtualboardmeeting) for Access Information).**

Pursuant to SVMHS Board Resolution No. 2022-10, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.



Pete Delgado  
President/Chief Executive Officer

**REGULAR MEETING OF THE BOARD OF DIRECTORS  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**THURSDAY, JULY 28, 2022  
4:00 P.M. – DOWNING RESOURCE CENTER, ROOMS A, B & C  
SALINAS VALLEY MEMORIAL HOSPITAL  
450 E. ROMIE LANE, SALINAS, CALIFORNIA  
OR VIA TELECONFERENCE**

**(Visit [svmh.com/virtualboardmeeting](http://svmh.com/virtualboardmeeting) for Access Information)**

Pursuant to SVMHS Board Resolution No. 2022-10, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.

**AGENDA**

	<b><u>Presented By</u></b>
<b>I. <u>Call to Order/Roll Call</u></b>	Victor Rey, Jr.
<b>II. <u>Closed Session</u> (See Attached Closed Session Sheet Information)</b>	Victor Rey, Jr.
<b>III. <u>Reconvene Open Session/Closed Session Report</u> (Estimated time 5:00 pm)</b>	Victor Rey, Jr.
<b>IV. <u>Education Program</u></b> Rehab Services	Clement Miller Corina Clark
<b>V. <u>Report from the President/Chief Executive Officer</u></b>	Pete Delgado
<b>VI. <u>Public Input</u></b>  This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board which are not otherwise covered under an item on this agenda.	Victor Rey, Jr.
<b>VII. <u>Board Member Comments</u></b>	Board Members
<b>VIII. <u>Consent Agenda—General Business</u></b> (A Board Member may pull an item from the Consent Agenda for discussion.)	Victor Rey, Jr.
A. Minutes of the Regular Meeting of the Board of Directors, June 22, 2022	
B. Financial Report	
C. Statistical Report	
D. Ratification of Service Agreement Extension with Siemens Medical Solutions USA for SVMC's MRI (sole source)	
E. Policies	
1. Outbreak Investigation	
2. Safe Patient Handling	
3. Scope of Service: Employee Health	
4. Nursing Standardized Procedure: Sepsis Management	
5. Employee Health Services	
6. Chemotherapy Administration of Parental and Oral Antineoplastic Agents	
7. Multiple Gestation Deliveries	
8. NICU Family Centered/Parent Participation	

- Board President Report
- Board Questions to Board President/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

## **IX. Reports on Standing and Special Committees**

- A. **Quality and Efficient Practices Committee** Juan Cabrera  
Minutes from the July 25, 2022 Quality and Efficient Practices Committee Meeting have been provided to the Board. Additional Report from Committee Chair, if any.
- B. **Finance Committee** Richard Turner  
Minutes from the July 25, 2022 Finance Committee Meeting have been provided to the Board. The following recommendations have been made to the Board.
1. Consider Recommendation for Board Approval of the Purchase of
    - (i) the Medtronic O-Arm 02 Surgical Imaging System and the Stealth Station S8 Neurosurgery Navigation Surgery System and
    - (ii) the Medtronic Service Agreement
    - Committee Chair Report
    - Board Questions to Committee Chair/Staff
    - Motion/Second
    - Public Comment
    - Board Discussion/Deliberation
    - Action by Board/Roll Call Vote
  2. Consider Recommendation for Board approval of (i) the lease of an Intuitive Da Vinci Xi Surgical Robotics System over a 60 month term and, (ii) to approve the Capital Purchase of the Hillrom Trumpf Surgical Table
    - Committee Chair Report
    - Board Questions to Committee Chair/Staff
    - Motion/Second
    - Public Comment
    - Board Discussion/Deliberation
    - Action by Board/Roll Call Vote
- C. **Personnel, Pension and Investment Committee** Regina Gage  
Minutes from the July 26 21, 2022 Finance Committee Meeting have been provided to the Board. The following recommendation has been made to the Board.
1. Consider Recommendation for Board Approval to fund the required minimum contribution \$10,076,466 to the Salinas Valley Memorial Healthcare District Employees' Pension Plan for Calendar Year 2022.

- Committee Chair Report
- Board Questions to Committee Chair/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

**D. Transformation, Strategic Planning and Governance Committee**

Richard Turner

Minutes from the July 27, 2022 Transformation, Strategic Planning and Governance Committee Meeting have been provided to the Board.  
Additional Report from Committee Chair, if any.

**X. Report on Behalf of the Medical Executive Committee (MEC) Meeting of July 14, 2022, and Recommendations for Board Approval of the following:**

Theodore  
Kaczmar, MD

- A. Reports
1. Credentials Committee Report
  2. Interdisciplinary Practice Committee Report
- B. Policies/Plans
1. Nursing Standardized Procedure: Sepsis Management
- Board Questions to Chief of Staff
  - Motion/Second
  - Public Comment
  - Board Discussion/Deliberation
  - Action by Board/Roll Call Vote

**XI. Consider Board Resolution No. 2022-11 Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor's State of Emergency Declaration March 4, 2020, and Authorizing Remote Teleconference Meetings for the Period July 31, 2022 to August 30, 2022**

District Legal  
Counsel

- Report by District Legal Counsel
- Board Questions to District Legal Counsel/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

**XII. Consider Approval of Investment in Much Better, Inc. dba Mood Health for an Ownership Interest Not To Exceed 6% of the Company's Valuation**

Gary Ray

- Staff Report
- Board Questions to District Legal Counsel/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

**XIII. Extended Closed Session (if necessary)**

Victor Rey, Jr.

(See Attached Closed Session Sheet Information)

**XIV. Adjournment** – The next Regular Meeting of the Board of Directors is scheduled for **Thursday, August 25, 2022, at 4:00 p.m.**

The complete Board packet including subsequently distributed materials and presentations is available at the Board Meeting and in the Human Resources Department of the District. All items appearing on the agenda are subject to action by the Board. Staff and Committee recommendations are subject to change by the Board.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Executive Assistant during regular business hours at 831-755-0741. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM BOARD OF DIRECTORS  
AGENDA FOR CLOSED SESSION**

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

**CLOSED SESSION AGENDA ITEMS**

**REPORT INVOLVING TRADE SECRET**

(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility): Trade Secret, Strategic Planning, Proposed New Programs and Services

**Estimated date of public disclosure:** (Specify month and year): Unknown

**HEARINGS/REPORTS**

(Government Code §37624.3 & Health and Safety Code §§1461, 32155)

**Subject matter:** (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee):

1. Report of the Medical Staff Quality and Safety Committee
2. Report of the Medical Staff Credentials Committee
3. Report of the Medical Staff Interdisciplinary Practice Committee

**ADJOURN TO OPEN SESSION**

*CALL TO ORDER/ROLL CALL*

*(VICTOR REY, JR.)*

*CLOSED SESSION*

*(Report on Items to be  
Discussed in Closed Session)*

*(VICTOR REY, JR.)*

*RECONVENE OPEN SESSION/  
CLOSED SESSION REPORT  
(ESTIMATED TIME: 5:00 P.M.)*

*(VICTOR REY, JR.)*



*REHAB SERVICES  
PRESENTATION*

*(VERBAL)*

*(MILLER/CLARK)*

*REPORT FROM THE PRESIDENT/  
CHIEF EXECUTIVE OFFICER*

*(VERBAL)*

*(PETE DELGADO)*

# *PUBLIC INPUT*

*BOARD MEMBER COMMENTS*

*(VERBAL)*

**MINUTES OF THE JUNE 2022  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**THURSDAY, JUNE 22, 2022 – 4:00 P.M.  
DOWNING RESOURCE CENTER, ROOMS A, B & C  
SALINAS VALLEY MEMORIAL HOSPITAL  
450 E. ROMIE LANE, SALINAS, CALIFORNIA AND BY TELECONFERENCE**

Approved Pursuant to SVMHS Board Resolution No. 2022-08, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.

Present: In person: Directors: Juan Cabrera, Director Joel Hernandez Laguna, and President Victor Rey, Jr.

Absent: Directors: Regina Gage and Richard Turner.

Also Present: In person: Pete Delgado, President/Chief Executive Officer, Theodore Kaczmar, Jr., MD, Chief of Staff, and Matthew Ottone, Esq., District Legal Counsel.

**CALL TO ORDER/ROLL CALL**

A quorum was present and the meeting was called to order by President Victor Rey, Jr., at 4:06 p.m.

**CLOSED SESSION**

President Victor Rey, Jr., announced that the closed session items to be discussed in Closed Session as listed on the posted Agenda are: (1) Conference with Labor Negotiator concerning the National Union of Healthcare Workers, California Nurses Association, Local 39 and ESC Local 20; (2) Conference regarding 1067 N. Davis Road with Real Property Negotiators; (3) Report Involving Trade Secret: Trade secrets, strategic planning, proposed new programs and services; (4) Hearings/Reports: Reports from the Medical Staff Quality and Safety Committee, Report of the Medical Staff Credentials Committee and Interdisciplinary Practice Committee.

The meeting was recessed into Closed Session under the Closed Session Protocol at 4:08 p.m. The Board completed its business of the Closed Session at 5:02 p.m.

**RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION**

The Board reconvened Open Session at 5:09 p.m.

In Closed Session, the Board received and accepted the Medical Staff Quality and Safety Committee Report, the Report of the Medical Staff Credentials Committee and the Report of the Medical Staff Interdisciplinary Practice Committee. No other action was taken by the Board.

**REQUEST FOR RATIFICATION: SUBSTANTIVE ELEMENTS OF COLLECTIVE BARGAINING AGREEMENT BETWEEN SVMHS AND INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY ENGINEERS LOCAL NO. 39, AFL-CIO (LOCAL 39)**

Human Resources Manager Robert Anderson reported that the Salinas Valley Memorial Healthcare System (SVMHS) and International Union of Operating Engineers, Stationary Engineers Local No. 39, AFL-CIO (Local 39) had tentatively agreed on a contract. The following are the essential terms of the contract.

- |                                  |  |
|----------------------------------|--|
| Term:                            | July 1, 2022 through June 30, 2025   |
| Wages:                           | <ul style="list-style-type: none"><li>• 5% increase effective 7/1/2022; 4.75% increase effective 7/1/2023; 3.75% increase effective 7/1/2024</li></ul> |
| Pension Plan                     | <ul style="list-style-type: none"><li>• 7% increase effective 7/1/2022; 7% increase effective 7/1/2023; 6.5% increase effective 7/1/2024</li></ul>     |
| Training Fund                    | <ul style="list-style-type: none"><li>• \$60 increase effective 1/1/2023; \$40 increase effective 1/1/2024; \$40 increase effective 1/1/2025</li></ul> |
| Uniforms                         | <ul style="list-style-type: none"><li>• Increased boot reimbursement to \$250</li></ul>  |
| PTO                              | <ul style="list-style-type: none"><li>• Added additional PTO accrual level for employees with 29+ years of service.</li></ul>                          |
| Health and Welfare               | <ul style="list-style-type: none"><li>• Increased health insurance contributions by \$339 effective 7/1/2022</li></ul>                                 |
| Sick Duty                        | <ul style="list-style-type: none"><li>• Increased cap on sick leave to 130 days</li></ul>  |
| Certification /Achievement Bonus | <ul style="list-style-type: none"><li>• Increased Certification/education achievement bonus from \$250 to \$375</li></ul>                              |
| Retiree Health Program           | <ul style="list-style-type: none"><li>• Created L39 SVMH retiree health plan reimbursement</li></ul>   |
| Annual Incentive Plan            | <ul style="list-style-type: none"><li>• Brought L39 onto SVMH AIP at 1% target</li></ul>   |

**Board Discussion:** The cost of the substantive changes to the Local 39 contract (wages, pension and incentive) is \$3 Million over the 3-year term.

No public input received.

MOTION Upon motion by Director Cabrera, second by Director Hernandez Laguna, the Board of Directors approved to ratify the bargaining agreement between SVMH and International Union of Operating Engineers, Stationary Engineers Local No. 39, AFL-CIO (Local 39) for a three-year term.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried

## **EDUCATION PROGRAM – Facilities Security**

Elias Gutierrez, Security Manager; James Hively, Environmental Health and Safety Manager; and Earl Strotman, Director Facilities Management & Construction provided the Facilities Security and the June 2022 Enhancement Plan. Security Officers contract through Hospital Security Services (HSS) and are licensed by the State of California of Security & Investigative Services. Officers receive 8-hour “Techniques of Effective Aggression Management (“TEAM”); Advance – TEAM: Physical de-escalation methods; 16-24 hours onsite training (competency, life safety). There is six security officers that cover main hospital block; four officers cover clinics and the Blue lot. Facility entrances can only be accessed with a badge issued from the Security Department. Officers. To ensure the safety of patients, staff, and visitors there is security patrolling, monitoring cameras, de-escalate “Code Grays”, training to SVMH staff and providers, perform code pink drills, and perform annual risk assessment and subsequent improvement actions.

The changes to the June 2022 Enhancement Plan will include relocating security officer podium closer to patient/visitor station; relocate security offer to cover loading dock entrance, 24 hour monitoring, and engaging the Salinas Police Department to evaluate SVMH’s policy. There will be training for staff scheduled for August 16-19, 2022, awareness training for security officers, and department huddle training on Department of Homeland Security Active Shooter Guidelines.

### Technology:

- Everbridge (mass notification system) utilization
  - Will have 100% utilization for staff and physicians
- Lockdown capability
  - Additional training provided to operators services
  - Procedures reviewed and enhanced
  - ED lockdown drill
  - Continue drills on quarterly basis
- Evaluate the following possible technology upgrades:
  - Concierge team exploring Visitor Management Tools
    - Includes ID scans and photo
  - Threat Detection devices
    - Detects aggressive voices, broken glass, audible unusual disturbances
    - Notifies hospital security department and can be set up to notify local law enforcement
  - Expansion of panic buttons
  - Preventing unauthorized access to hospital departments
  - Handheld metal detector for ED high risk patients

**Board Discussion:** Committee member Hernandez Laguna asked whether officers are trained to deescalate situations involving people with mental health issues. The partnership between Physicians, staff, and officers help deescalate these situations.

## **REPORT FROM THE PRESIDENT/CHIEF EXECUTIVE OFFICER**

Mr. Delgado reviewed “*The mission of Salinas Valley Memorial Healthcare System is to provide quality healthcare for our patients and to improve the health and well-being of our community.*”

A summary of key highlights centered on the pillars that are the foundation of the Hospital's vision for the organization, is as follows:

➤ **Service:**

**Patient Experience:** Lisa Paulo presented the HCAHPS Year-Over-Year (YOY) Ranking from FY18-FY22 to date:

- Ambulatory Rating: 46% (rank)/86.9% (Top Box score)
- Emergency Department Rating: 44%/66.08%
- Inpatient Rating: 86%/79.4%

The Patient Experience Balanced Scorecard was presented:

- Ambulatory: 91.2 (actual)/91.6 (target)
- Emergency Department: 60.6/64.8
- Inpatient: 74.4/75.1

**Procedural Unit Clinical Practice Council:** Mercedes Labindalaua, BSN, CCRN, CPC Chair, reported on Patient Care Initiatives:

- **What We've Done:**
  - Cath Lab/Cath Lab Holding: Door-to-Balloon data, lab draw process improvement. Structural Heart Program data for TAVR, MitraClip and Watchman.
  - Diagnostic Imaging: Biopsy approvals, peri-op subcommittee for all general anesthesia cases, vascular access Team/IV assessment.
  - Cardiology: Nurse-directed stress/Lexi scan tests
  - Cardiac Wellness: DASI score (Duke Activity Status Index: functionality), Dartmouth (Quality of Life), PHQ9 (Depression screening, RYP (Rate Your Plate)
  - Tracking pre and post program
- **Where we are:** Conduct ongoing moderate sedation audits, review patient experience data (Press Ganey), Data Display update, Professional Standards of Practice accessibility on STARnet.
- **What is coming:** Cath Lab Holding Area to expand to 10-bed capacity (from 4), SVMH's vascular access improvement efforts to be presented at the Association for Vascular Access (AVA) Scientific Meeting in September 2022 by Megan Lopez, MSN, CNL, VA-BC, Cardiac Wellness-PAD (Peripheral Arterial Disease) is new program covered by Medicare, New performance measure for 2023 will be "12 sessions in 12 weeks." AACVPR is a tracking patient program adherence to a minimum of 12 sessions in 12 weeks. Data will be submitted in February 2023 when we apply for 3-year recertification.
- **Accolades:**
  - American College of Cardiology, NCDR 2022 Platinum Performance Achievement Award for Chest Pain-MI Registry
  - Cath Lab Team awarded the Team STAR award during Hospital & Nurses Week



➤ **Growth**

- Clinical Development Director Lilia Meraz-Gottfried, MSN, RN, provided a program update. The first bariatric surgery is scheduled for July 13, 2022 with nine patients in the queue. Lithotripsy is a state-of-the-art technology for kidney stone removal. High-energy sound waves target kidney stones. The outpatient procedure is not non-invasive and has a shorter recovery period. The first was case performed on June 1, 2022.
- **FY 2022 Growth Pillar Scorecard** is on target for EPIC MyChart adoption, implementing eConsults and patient utilization.

➤ **Quality**

- Received the 2022 Quality Achievement Award from American Heart Association for patient care provided for heart attack patient care during 2021.
- Congratulations to the Marketing Department for receiving accolades from the Healthcare Ad Awards for “Best of Show” for exhibiting the highest standards, creativity and professionalism.
- **FY 2022 Quality Pillar Scorecard** is on target for ER-to-Admit time, OR Turn-Over, Hospital Acquired Conditions and Hand Hygiene. First Case on Time and ER Median Length of Stay is close to target.

➤ **Finance**

- **Government Affairs State Update:** California Hospital Association (CHA) is advocating for 3 bills currently going through legislature:
  - AB 2080 (oppose): would prohibit providers from entering into many forms of care arrangements and allow the attorney general to approve, deny, or impose unlimited conditions on health care providers seeking to partner;
  - SB 213 (oppose): would create a presumption for acute care hospital employees, without any evidence of widespread or wrongful denial of benefits for workers injured on the job.
  - SB 958 (support): would protect medication safety for patients by preventing health plans from mandating the use of third-party vendors for specialty drugs.
- **Government Affairs Federal Update:** In June 20, 2022, a vaccine was approved for infant and toddlers (ages 6 months – 4 years). SVMH continues to advocate for increase MediCare payments (IPPS) and FY 2023 rates. Hospital Price Transparency Rule became effective on January 1, 2021, and requires hospitals to provide rates and an online cost estimator tool. Center for Medicare & Medicaid Services (CMS) announced first monetary penalties under the Hospital Price Transparency Rule.
- Industry News
  - Connecticut health system lays off managers, cuts 21 vacant jobs.
  - Arizona hospital preps for mass layoff.
  - Carbon Health lays off 250 employees.
  - 7 hospitals hit with credit downgrades.

- 13 hospitals scaling back care.
- Anthem launches two new subsidiaries under Elevance Health.
- **FY 2022 Finance Pillar Scorecard** is on target for Income from Operations and Operating Margins.

#### ➤ **People**

- Salinas Valley Memorial Hospital Foundation awarded Vanessa Ramirez the *2022 Kim Kelly Scholarship*. Vanessa Ramirez, a first generation college student graduated from Hartnell College on May 20, 2022 with her degree in Registered Nursing.
- The 1440 Multiversity *Healing Our Healthcare Heroes Program* will be held in the Santa Cruz Mountains, July 29-31, 2022. The healing-focused program is a three-day retreat offered to SVMHS staff.
- The SVMHS Employee Picnic is scheduled for July 9, 11:00 am – 5:00 pm at Rancho Cielo.
- **FY 2022 People Pillar Scorecard** is based on the engagement survey; results coming soon

#### ➤ **Community**

- SVMHS sponsored the Artichoke Festival to raise money for local non-profits. Executive Chef and Nutrition Services Director Jason Giles was a featured guest and took the stage to share his favorite artichoke dish.
- Ask the Experts (ATK): The Opioid Epidemic: Strategies for Combating Opioid Use Disorder (English reach: 7,552 / Spanish reach: 4,021). Upcoming Ask the Experts Topic: Taylor Farms Family Health & Wellness Center: Focusing on Prevention and Disease Management, scheduled to air on July 14, 2022 (English) and Thursday, July 30, 2022 (Spanish).
- Media Highlights: Dr. Radner on child vaccine/KSBW (06/20/2022); Mobile Clinic/Univision (06/14/2022); Memorial Day Flag Tribute/Monterey Weekly (5/30/2022); Sunscreen with Dr. Paik (05/26/2022).
- **FY 2022 Community Pillar Scorecard:** Online appointment scheduling has been implemented in three departments with potentially adding a 4th department.

#### **PUBLIC INPUT**

No public input received.

## **BOARD MEMBER COMMENTS**

Director Cabrera commended staff for negotiating the bargaining agreement with Local 39. It is nice to see the mobile clinics out in the community

Director Hernandez Laguna reported that he attended the Blue Zones Soccer complex clean up, walk with a Doc, and the Leukemia & Lymphoma Society, Grand Finale Celebration. Mobile clinics are out in the community helping residents stay healthy.

Director Rey announced that he had toured Jacob's Heart in Watsonville. He would like to see the hospital leverage some of their resources to help mitigate treatment or bereavement.

## **CONSENT AGENDA – GENERAL BUSINESS**

- A. Minutes of the Regular Meeting of the Board of Directors, May 26, 2022
- B. Financial Report
- C. Statistical Report
- D. Policies
  - 1. Auditing and Monitoring of the EMR System
  - 2. Device and Media Control
  - 3. Scope of Service: Medical Staff Services

No public comment

**MOTION:** Upon motion by Director Cabrera, second by Director Hernandez Laguna, the Board of Directors approved Consent Agenda – General Business, *Items (A) through (D)*, as presented.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

## **REPORTS ON STANDING AND SPECIAL COMMITTEES**

### ***Quality and Efficient Practices Committee***

Committee Chair Juan Cabrera reported the minutes from the Quality and Efficient Practices Committee Meeting of June 20, 2022, were provided to the Board. The Committee received the same excellent Patient Care Services Update.

### ***Finance Committee***

Committee Chair Cabrera reported the minutes from the Finance Committee Meeting of June 20, 2022, was provided to the Board. The Committee received a Balanced Scorecard April 2022 update and a May Financial Statistical Review update. Background information supporting the proposed recommendations made by the Committee was included in the Board packet and summarized by Director Cabrera. The Committee made the following recommendations:

1. **Recommend Board Approval of Project Funding for the SVMHS Starbucks Renovation Project**

No Public Comment.

**MOTION:** Upon motion by Director Hernandez Laguna, second by Director Cabrera, the Board of Directors approved the project budget for the SVMHS Starbucks Renovation Project in the total amount of \$644,000 and (ii) award the capital equipment purchase for furnishings, furniture and equipment purchase of \$172,517.90 to Starbucks for the SVMHS Starbucks Renovation Project.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

2. **Recommend Board Approval of Lease Agreement for 1260 South Main Street, Suite 101, Salinas, CA Between SVMHS and JS & MR Properties LLC**

No public input received.

**MOTION** Upon motion by Cabrera, second by Hernandez Laguna, the Board of Directors approved the Lease Agreement with JS & MR Properties LLC for 1260 South Main Street, Suites 101 & 105, Salinas, CA.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

3. **Recommend Board Approval to continue monthly transfers from Operating General Account to Board Designated Restricted Account**

No public input received.

**MOTION:** Upon motion by Hernandez Laguna, second by Cabrera, the Board of Directors approved the monthly transfer from the Operating General Account to the Board Designated Restricted Account in the amount of \$1,000,000 starting July 1, 2022 through June 30, 2023.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

**Personnel, Pension and Investment Committee**

The minutes from the Personnel, Pension and Investment Committee Meeting of June 21, 2022, were provided to the Board. Background information supporting the proposed recommendation made by the Committee was included in the Board packet. The following recommendations were made by the Committee:

1. **Consider Recommendation for Board Approval of Findings Supporting Recruitment of Physicians to Community Medical Groups and Practices and Approval of Recruitment Incentives**

No public input received.

MOTION: Upon motion by Director Cabrera, second by Director Hernandez Laguna,

(i) The Board makes the following findings supporting the recruitment of the physicians in the specialties of anesthesia and pediatrics:

a. The assistance by SVMHS in the recruitment of physicians in the specialties of anesthesia and pediatrics by community medical groups and practices is in the best interest of the public health of the communities served by the District; and

b. The recruitment incentives requested by the community medical groups and practices and supported by SVMHS for these recruitments are necessary in order to attract and relocate appropriately qualified physicians to practice in the communities served by the District.

(ii) Approve the recruitment support to community medical groups and practices and the recruitment incentives for the medical specialties of anesthesia and pediatrics to be set forth in Recruitment Agreements among SVMHS, the community medical groups and practices, and the physicians.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

**Corporate Compliance and Audit Committee**

Committee Chair Juan Cabrera reported the minutes from the Corporate Compliance and Audit Committee Meeting of June 21, 2022, were provided to the Board. No recommendations were made by the Committee.

**CONSIDER APPROVAL OF FISCAL YEAR 2023 OPERATING AND CAPITAL BUDGET**

The Fiscal Year 2023 Operating Budget and Capital Budget report was included in the Board Packet, for the Board's consideration.

No public input received.

MOTION: Upon motion by Director Hernandez Laguna, second by Director Cabrera, the Board of Directors approved the Fiscal Year 2023 Operating and Capital Budget.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

**REPORT ON BEHALF OF THE MEDICAL EXECUTIVE COMMITTEE (MEC)  
MEETING OF APRIL 14, 2022, AND RECOMMENDATIONS FOR BOARD APPROVAL  
OF THE FOLLOWING:**

The following recommendations from the Medical Executive Committee (MEC) Meeting of June 9, 2022, were reviewed by Rakesh Singh, MD, Vice Chief of Staff and recommended Board approval.

**Recommend Board Approval of the Following:**

- A. From the Medical Staff Executive Committee:
  - 1. Credentials Committee Report
  - 2. Interdisciplinary Practice Committee Report
  
- B. Policies/Procedures/Plans:
  - 1. Nursing Standardized Procedure: COVID Testing Swab Electrocardiogram

Dr. Rakesh Singh, MD, announced three (3) new physicians were approved for initial appointment, one (1) physician requested a leave of absence, one (1) physician resigned from Tele-medicine and one (1) from Orthopedics.

No public input received.

MOTION: Upon motion by Director Cabrera, second by Director Hernandez Laguna, the Board of Directors approves Recommendation (A) through (B) of the June 9, 2022, Medical Executive Committee Meeting, as presented.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

**CONSIDER BOARD RESOLUTION NO. 2022-09 ORDERING 2022 GENERAL ELECTION FOR SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM; REQUESTING THE COUNTY ELECTIONS DEPARTMENT TO CONDUCT THE ELECTION; REQUESTING CONSOLIDATION OF THE ELECTION WITH STATEWIDE GENERAL ELECTION; AND AUTHORIZING PUBLICATION OF NOTICE OF ELECTION**

Matthew Ottone, Esq., District Legal Counsel, reported the resolution was included in the Board Packet, for the Board's consideration. The resolution requests Monterey County Board of Supervisors to direct the Monterey County Elections Department to consolidate the November 8, 2022, Salinas Valley Memorial Healthcare System (SVMHS) District elections with the statewide General Elections. The term of District Zones: 1 (Regina Gage), 4 (Richard Turner), 5 (Joel Hernandez Laguna) are set to expire December 2022.

No public input received.

MOTION: Upon motion by Director Hernandez Laguna, second by Director Cabrera, the Board of Directors adopted Resolution No. 2022-09, ordering the 2022 General Election for Salinas Valley Memorial Healthcare System; requesting the County Elections

Department to conduct the Election; requesting Consolidation of the Election with Statewide General Election; and authorizing publication of Notice of Election.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

**CONSIDER BOARD RESOLUTION NO. 2022-10 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S STATE OF EMERGENCY DECLARATION MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE PERIOD JUNE 29, 2022 THROUGH JULY 30, 2022**

Matthew Ottone, Esq., District Legal Counsel, reported the resolution was included in the Board Packet, for the Board's consideration. The resolution is necessary to continue remote attendance by the District Board at Committee meetings and regular Board Meetings with waiver of certain requirements under The Brown Act. The law has changed allowing remote teleconferencing through 2024. A 30-day resolution is required each month.

No public input received.

**MOTION:** Upon motion by Director Cabrera, second by Director Hernandez Laguna, the Board of Directors adopted Resolution No. 2022-10 proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor's State of Emergency Declaration on March 4, 2020, and Authorizing Remote Teleconference Meetings for the Period June 29, 2022 through July 30, 2022, as presented.

Ayes: Directors: Cabrera, Hernandez Laguna, and President Rey; Noes: None; Abstentions: None; Absent: Directors: Gage and Turner; Motion Carried.

**EXTENDED CLOSED SESSION**

President Rey announced that there would be no Extended Closed Session.

**ADJOURNMENT** The next Regular Meeting of the Board of Directors is scheduled for **Wednesday, July 28, 2022 at 4:00 p.m.** There being no further business, the meeting was adjourned at 6:51 p.m.

**ATTEST:**

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Juan Cabrera  
Secretary, Board of Directors  
/es

SALINAS VALLEY MEMORIAL HOSPITAL  
SUMMARY INCOME STATEMENT  
June 30, 2022

	<u>Month of June,</u>		<u>Twelve months ended June 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 53,474,614	\$ 54,359,716	\$ 590,852,248	\$ 572,018,532
Other operating revenue	520,340	1,647,683	14,029,235	14,591,668
Total operating revenue	<u>53,994,954</u>	<u>56,007,399</u>	<u>604,881,483</u>	<u>586,610,200</u>
Total operating expenses	47,894,131	40,540,947	516,280,437	489,729,350
Total non-operating income	<u>(1,634,827)</u>	<u>(2,834,056)</u>	<u>(40,311,522)</u>	<u>(30,576,180)</u>
Operating and non-operating income	<u>\$ 4,465,996</u>	<u>\$ 12,632,397</u>	<u>\$ 48,289,524</u>	<u>\$ 66,304,670</u>



SALINAS VALLEY MEMORIAL HOSPITAL  
 BALANCE SHEETS  
 June 30, 2022

	<u>Current year</u>	<u>Prior year</u>
<b>ASSETS:</b>		
Current assets	\$ 401,493,408	\$ 425,957,331
Assets whose use is limited or restricted by board	148,632,659	143,257,278
Capital assets	239,012,844	244,922,431
Other assets	229,652,149	186,298,457
Deferred pension outflows	<u>50,119,236</u>	<u>50,119,236</u>
	<u>\$ 1,068,910,296</u>	<u>\$ 1,050,554,733</u>
<b>LIABILITIES AND EQUITY:</b>		
Current liabilities	112,948,685	142,058,540
Long term liabilities	13,732,408	14,556,513
	83,585,120	83,585,120
Net assets	<u>858,644,083</u>	<u>810,354,560</u>
	<u>\$ 1,068,910,296</u>	<u>\$ 1,050,554,733</u>

**SALINAS VALLEY MEMORIAL HOSPITAL  
SCHEDULES OF NET PATIENT REVENUE  
June 30, 2022**

	<u>Month of June,</u>		<u>Twelve months ended June 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Patient days:				
By payer:				
Medicare	1,760	1,585	21,148	20,286
Medi-Cal	1,094	914	11,883	12,355
Commercial insurance	624	695	8,784	8,727
Other patient	46	41	1,256	1,391
Total patient days	<u>3,524</u>	<u>3,235</u>	<u>43,071</u>	<u>42,759</u>
Gross revenue:				
Medicare	\$ 98,016,904	\$ 96,958,945	\$ 1,123,537,736	\$ 1,026,341,867
Medi-Cal	64,194,517	54,054,685	685,828,756	637,505,906
Commercial insurance	50,125,392	50,490,984	593,689,626	568,462,088
Other patient	<u>5,833,628</u>	<u>6,160,119</u>	<u>94,823,167</u>	<u>98,523,566</u>
Gross revenue	<u>218,170,441</u>	<u>207,664,733</u>	<u>2,497,879,285</u>	<u>2,330,833,427</u>
Deductions from revenue:				
Administrative adjustment	(27,209)	131,169	3,260,698	3,502,174
Charity care	554,068	1,193,690	9,592,563	12,808,167
Contractual adjustments:				
Medicare outpatient	30,594,787	30,778,098	334,139,787	306,057,790
Medicare inpatient	40,421,682	42,557,050	491,843,427	454,865,294
Medi-Cal traditional outpatient	3,463,809	2,989,944	36,040,421	26,518,159
Medi-Cal traditional inpatient	(51,505)	2,969,748	65,974,080	76,857,735
Medi-Cal managed care outpatient	24,305,549	22,008,757	266,077,183	225,041,589
Medi-Cal managed care inpatient	25,071,160	17,889,988	236,204,606	219,174,385
Commercial insurance outpatient	18,989,754	17,821,126	201,941,543	193,298,540
Commercial insurance inpatient	17,984,711	12,781,064	208,330,469	189,338,065
Uncollectible accounts expense	4,036,087	4,080,441	45,609,276	43,303,645
Other payors	<u>(647,066)</u>	<u>(1,896,060)</u>	<u>8,012,984</u>	<u>8,049,353</u>
Deductions from revenue	<u>164,695,827</u>	<u>153,305,016</u>	<u>1,907,027,037</u>	<u>1,758,814,896</u>
Net patient revenue	<u>\$ 53,474,614</u>	<u>\$ 54,359,716</u>	<u>\$ 590,852,248</u>	<u>\$ 572,018,532</u>
Gross billed charges by patient type:				
Inpatient	\$ 110,969,167	\$ 103,538,117	\$ 1,330,183,319	\$ 1,267,196,564
Outpatient	78,830,953	77,192,336	846,494,183	802,358,510
Emergency room	<u>28,370,321</u>	<u>26,934,280</u>	<u>321,201,783</u>	<u>261,278,353</u>
Total	<u>\$ 218,170,441</u>	<u>\$ 207,664,733</u>	<u>\$ 2,497,879,285</u>	<u>\$ 2,330,833,427</u>

**SALINAS VALLEY MEMORIAL HOSPITAL  
STATEMENTS OF REVENUE AND EXPENSES  
June 30, 2022**

	<u>Month of June,</u>		<u>Twelve months ended June 30,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 53,474,614	\$ 54,359,716	\$ 590,852,248	\$ 572,018,532
Other operating revenue	520,340	1,647,683	14,029,235	14,591,668
Total operating revenue	<u>53,994,954</u>	<u>56,007,399</u>	<u>604,881,483</u>	<u>586,610,200</u>
Operating expenses:				
Salaries and wages	15,676,788	14,921,572	186,822,026	187,996,067
Compensated absences	2,864,379	2,772,270	33,035,342	32,115,725
Employee benefits	9,948,690	2,523,465	85,360,307	81,793,600
Supplies, food, and linen	6,624,510	5,500,561	76,326,187	72,933,249
Purchased department functions	3,895,742	3,161,164	41,900,412	38,824,093
Medical fees	2,797,519	1,348,122	22,907,667	16,404,867
Other fees	2,560,084	7,063,665	30,152,160	23,298,658
Depreciation	1,683,203	1,819,756	22,245,023	21,553,608
All other expense	1,843,216	1,430,372	17,531,313	14,809,483
Total operating expenses	<u>47,894,131</u>	<u>40,540,947</u>	<u>516,280,437</u>	<u>489,729,350</u>
Income from operations	<u>6,100,823</u>	<u>15,466,452</u>	<u>88,601,046</u>	<u>96,880,850</u>
Non-operating income:				
Donations	166,667	(461,834)	2,075,873	2,168,234
Property taxes	333,333	1,345,713	4,000,000	5,012,380
Investment income	(1,501,313)	(2,492,234)	(13,230,496)	630,140
Taxes and licenses	0	0	0	(29,074)
Income from subsidiaries	(633,514)	(1,225,701)	(33,156,899)	(38,357,860)
Total non-operating income	<u>(1,634,827)</u>	<u>(2,834,056)</u>	<u>(40,311,522)</u>	<u>(30,576,180)</u>
Operating and non-operating income	4,465,996	12,632,397	48,289,524	66,304,670
Net assets to begin	<u>854,178,087</u>	<u>797,722,163</u>	<u>810,354,559</u>	<u>744,049,890</u>
Net assets to end	<u>\$ 858,644,083</u>	<u>\$ 810,354,560</u>	<u>\$ 858,644,083</u>	<u>\$ 810,354,560</u>
Net income excluding non-recurring items	\$ 4,465,996	\$ 8,977,682	\$ 41,997,148	\$ 49,801,337
Non-recurring income (expense) from cost report settlements and re-openings and other non-recurring items	<u>0</u>	<u>3,654,715</u>	<u>6,292,376</u>	<u>16,503,333</u>
Operating and non-operating income	<u>\$ 4,465,996</u>	<u>\$ 12,632,397</u>	<u>\$ 48,289,524</u>	<u>\$ 66,304,670</u>

**SALINAS VALLEY MEMORIAL HOSPITAL  
SCHEDULES OF INVESTMENT INCOME  
June 30, 2022**

	Month of June,		Twelve months ended June 30,	
	current year	prior year	current year	prior year
Detail of other operating income:				
Dietary revenue	\$ 189,840	\$ 115,947	\$ 1,732,370	\$ 1,594,105
Discounts and scrap sale	2,023	2,553	1,336,587	1,008,907
Sale of products and services	50,799	74,720	765,270	407,924
Clinical trial fees	1,210	760	28,910	110,186
Stimulus Funds	0	0	0	0
Rental income	147,618	127,771	1,968,789	1,951,216
Other	128,850	1,325,932	8,197,309	9,519,330
<b>Total</b>	<b>\$ 520,340</b>	<b>\$ 1,647,683</b>	<b>\$ 14,029,235</b>	<b>\$ 14,591,668</b>
Detail of investment income:				
Bank and payor interest	\$ 115,550	\$ 108,124	\$ 1,082,877	\$ 1,356,658
Income from investments	(1,621,863)	(2,201,203)	(16,028,118)	(3,263,480)
Gain or loss on property and equipment	5,000	(399,155)	1,714,745	2,536,962
<b>Total</b>	<b>\$ (1,501,313)</b>	<b>\$ (2,492,234)</b>	<b>\$ (13,230,496)</b>	<b>\$ 630,140</b>
Detail of income from subsidiaries:				
Salinas Valley Medical Center:				
Pulmonary Medicine Center	\$ (131,133)	\$ (127,156)	\$ (2,151,282)	\$ (2,217,968)
Neurological Clinic	4,171	16,697	(605,081)	(901,611)
Palliative Care Clinic	(72,968)	(115,554)	(936,112)	(958,593)
Surgery Clinic	(115,366)	(143,671)	(1,512,574)	(1,912,642)
Infectious Disease Clinic	(11,739)	(46,387)	(299,230)	(345,123)
Endocrinology Clinic	(55,536)	(103,767)	(1,429,937)	(2,041,873)
Early Discharge Clinic	0	0	0	0
Cardiology Clinic	(379,483)	(407,719)	(5,002,447)	(5,475,112)
OB/GYN Clinic	(292,507)	(376,121)	(3,938,510)	(4,356,003)
PrimeCare Medical Group	133,769	374,026	(5,433,042)	(8,780,451)
Oncology Clinic	(411,630)	(228,112)	(2,988,678)	(3,229,355)
Cardiac Surgery	(125,038)	(247,572)	(2,402,980)	(1,986,974)
Sleep Center	(18,315)	(54,494)	(385,208)	(671,425)
Rheumatology	(42,640)	(64,634)	(653,901)	(664,505)
Precision Ortho MDs	(35,986)	(385,407)	(3,278,409)	(2,982,597)
Precision Ortho-MRI	285	0	95	(1,492)
Precision Ortho-PT	(408)	(60,543)	(532,215)	(601,575)
Vaccine Clinic	3,071	0	(55,342)	0
Dermatology	(3,376)	(23,483)	(191,828)	(352,388)
Hospitalists	0	0	0	0
Behavioral Health	(37,592)	(85,874)	(722,529)	(908,171)
Pediatric Diabetes	(33,928)	(37,913)	(506,008)	(417,061)
Neurosurgery	(30,429)	(31,010)	(276,825)	(327,469)
Multi-Specialty-RR	24,350	8,738	113,614	51,672
Radiology	26,641	(204,672)	(2,523,185)	(2,399,939)
Salinas Family Practice	(64,644)	(22,332)	(1,133,531)	(197,523)
Urology	127,272	0	(112,863)	0
Total SVMC	(1,543,159)	(2,366,960)	(36,958,008)	(41,678,178)
Doctors on Duty	634,517	139,520	713,332	962,374
Assisted Living	0	0	0	(65,904)
Salinas Valley Imaging	0	0	0	(19,974)
Vantage Surgery Center	0	11,521	222,007	263,422
LPCH NICU JV	0	878,504	0	878,504
Central Coast Health Connect	0	(96,947)	0	(96,947)
Monterey Peninsula Surgery Center	215,600	140,927	2,455,237	1,309,363
Aspire/CHI/Coastal	(28,581)	5,170	(303,850)	(835,904)
Apex	0	(9,538)	103,759	98,751
21st Century Oncology	35,766	28,933	155,750	(35,543)
Monterey Bay Endoscopy Center	52,344	43,170	454,875	862,176
<b>Total</b>	<b>\$ (633,514)</b>	<b>\$ (1,225,701)</b>	<b>\$ (33,156,899)</b>	<b>\$ (38,357,860)</b>

**SALINAS VALLEY MEMORIAL HOSPITAL  
BALANCE SHEETS  
June 30, 2022**

	<u>Current year</u>	<u>Prior year</u>
<b>A S S E T S</b>		
Current assets:		
Cash and cash equivalents	\$ 292,615,970	\$ 340,058,708
Patient accounts receivable, net of estimated uncollectibles of \$29,007,275	83,765,858	70,975,794
Supplies inventory at cost	7,960,823	8,616,495
Other current assets	<u>17,150,757</u>	<u>6,306,335</u>
Total current assets	<u>401,493,408</u>	<u>425,957,331</u>
Assets whose use is limited or restricted by board	<u>148,632,659</u>	<u>143,257,278</u>
Capital assets:		
Land and construction in process	36,458,903	33,482,774
Other capital assets, net of depreciation	<u>202,553,941</u>	<u>211,439,657</u>
Total capital assets	<u>239,012,844</u>	<u>244,922,431</u>
Other assets:		
Investment in Securities	141,269,337	145,963,160
Investment in SVMC	12,836,308	15,148,978
Investment in Aspire/CHI/Coastal	1,683,517	3,814,849
Investment in other affiliates	21,838,569	20,839,297
Net pension asset	<u>52,024,418</u>	<u>532,173</u>
Total other assets	<u>229,652,149</u>	<u>186,298,457</u>
Deferred pension outflows	<u>50,119,236</u>	<u>50,119,236</u>
	<u>\$ 1,068,910,296</u>	<u>\$ 1,050,554,733</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 61,197,719	\$ 61,333,208
Due to third party payers	34,111,122	63,747,156
Current portion of self-insurance liability	<u>17,639,844</u>	<u>16,978,176</u>
Total current liabilities	112,948,685	142,058,540
Long term portion of workers comp liability	<u>13,732,408</u>	<u>14,556,513</u>
Total liabilities	<u>126,681,093</u>	<u>156,615,053</u>
Pension liability	<u>83,585,120</u>	<u>83,585,120</u>
Net assets:		
Invested in capital assets, net of related debt	239,012,844	244,922,431
Unrestricted	<u>619,631,239</u>	<u>565,432,129</u>
Total net assets	<u>858,644,083</u>	<u>810,354,560</u>
	<u>\$ 1,068,910,296</u>	<u>\$ 1,050,554,733</u>

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**STATEMENTS OF REVENUE AND EXPENSES - BUDGET VS. ACTUAL**  
**June 30, 2022**

	Month of June,				Twelve months ended June 30,			
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var
Operating revenue:								
Gross billed charges	\$ 218,170,441	\$ 193,000,467	25,169,974	13.04%	\$ 2,497,879,285	\$ 2,332,185,515	165,693,770	7.10%
Deductions from revenue	164,695,827	148,121,190	16,574,637	11.19%	1,907,027,037	1,790,772,621	116,254,416	6.49%
Net patient revenue	53,474,614	44,879,278	8,595,336	19.15%	590,852,248	541,412,894	49,439,354	9.13%
Other operating revenue	520,340	944,363	(424,023)	-44.90%	14,029,235	10,198,951	3,830,284	37.56%
<b>Total operating revenue</b>	<b>53,994,954</b>	<b>45,823,641</b>	<b>8,171,313</b>	<b>17.83%</b>	<b>604,881,483</b>	<b>551,611,845</b>	<b>53,269,638</b>	<b>9.66%</b>
Operating expenses:								
Salaries and wages	15,676,788	15,789,447	(112,659)	-0.71%	186,822,026	187,192,967	(370,941)	-0.20%
Compensated absences	2,864,379	2,195,613	668,766	30.46%	33,035,342	30,724,067	2,311,275	7.52%
Employee benefits	9,948,690	7,165,503	2,783,187	38.84%	85,360,307	85,414,503	(54,196)	-0.06%
Supplies, food, and linen	6,624,510	5,845,248	779,262	13.33%	76,326,187	70,427,041	5,899,146	8.38%
Purchased department functions	3,895,742	3,093,373	802,369	25.94%	41,900,412	36,929,115	4,971,297	13.46%
Medical fees	2,797,519	1,830,070	967,449	52.86%	22,907,667	21,929,387	978,280	4.46%
Other fees	2,560,084	902,640	1,657,444	183.62%	30,152,160	11,060,230	19,091,930	172.62%
Depreciation	1,683,203	1,868,901	(185,698)	-9.94%	22,245,023	21,933,270	311,753	1.42%
All other expense	1,843,216	1,415,875	427,341	30.18%	17,531,313	17,148,183	383,130	2.23%
<b>Total operating expenses</b>	<b>47,894,131</b>	<b>40,106,670</b>	<b>7,787,461</b>	<b>19.42%</b>	<b>516,280,437</b>	<b>482,758,762</b>	<b>33,521,675</b>	<b>6.94%</b>
<b>Income from operations</b>	<b>6,100,823</b>	<b>5,716,971</b>	<b>383,852</b>	<b>6.71%</b>	<b>88,601,046</b>	<b>68,853,083</b>	<b>19,747,963</b>	<b>28.68%</b>
Non-operating income:								
Donations	166,667	166,667	0	0.00%	2,075,873	2,000,000	75,873	3.79%
Property taxes	333,333	333,333	(0)	0.00%	4,000,000	4,000,000	0	0.00%
Investment income	(1,501,313)	(63,302)	(1,438,012)	2271.68%	(13,230,496)	(759,619)	(12,470,877)	1641.73%
Income from subsidiaries	(633,514)	(4,138,300)	3,504,786	-84.69%	(33,156,899)	(49,023,377)	15,866,478	-32.37%
<b>Total non-operating income</b>	<b>(1,634,827)</b>	<b>(3,701,602)</b>	<b>2,066,775</b>	<b>-55.83%</b>	<b>(40,311,522)</b>	<b>(43,782,996)</b>	<b>3,471,474</b>	<b>-7.93%</b>
<b>Operating and non-operating income</b>	<b>\$ 4,465,996</b>	<b>\$ 2,015,370</b>	<b>2,450,626</b>	<b>121.60%</b>	<b>\$ 48,289,524</b>	<b>\$ 25,070,087</b>	<b>23,219,437</b>	<b>92.62%</b>

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
For the month of June and twelve months to date

	<u>Month of June</u>		<u>Twelve months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>NEWBORN STATISTICS</u>					
Medi-Cal Admissions	41	33	511	464	(47)
Other Admissions	102	80	1,138	1,132	(6)
Total Admissions	143	113	1,649	1,596	(53)
Medi-Cal Patient Days	65	61	784	732	(52)
Other Patient Days	162	132	1,843	1,853	10
Total Patient Days of Care	227	193	2,627	2,585	(42)
Average Daily Census	7.6	6.4	7.2	7.1	(0.1)
Medi-Cal Average Days	1.6	2.1	1.6	1.6	0.1
Other Average Days	0.7	1.7	1.6	1.6	0.0
Total Average Days Stay	1.5	1.8	1.6	1.6	0.0
<u>ADULTS &amp; PEDIATRICS</u>					
Medicare Admissions	334	378	3,844	4,270	426
Medi-Cal Admissions	265	252	2,789	2,889	100
Other Admissions	398	287	3,325	3,624	299
Total Admissions	997	917	9,958	10,783	825
Medicare Patient Days	1,417	1,466	17,524	18,158	634
Medi-Cal Patient Days	933	1,129	12,770	12,254	(516)
Other Patient Days	765	1,426	10,917	14,915	3,998
Total Patient Days of Care	3,115	4,021	41,211	45,327	4,116
Average Daily Census	103.8	134.0	112.9	124.2	11.3
Medicare Average Length of Stay	4.2	3.8	4.5	4.2	(0.3)
Medi-Cal Average Length of Stay	3.5	4.1	3.8	3.5	(0.3)
Other Average Length of Stay	2.1	4.1	2.5	3.2	0.7
Total Average Length of Stay	3.2	4.0	3.5	3.7	0.1
Deaths	19	19	432	327	(105)
Total Patient Days	3,342	4,214	43,838	47,912	4,074
Medi-Cal Administrative Days	2	0	178	212	34
Medicare SNF Days	0	0	0	0	0
Over-Utilization Days	0	0	0	0	0
Total Non-Acute Days	2	0	178	212	34
Percent Non-Acute	0.06%	0.00%	0.41%	0.44%	0.04%

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
For the month of June and twelve months to date

	<u>Month of June</u>		<u>Twelve months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	276	248	3,166	3,282	116
Heart Center	329	421	4,076	3,790	(286)
Monitored Beds	292	592	8,700	8,820	120
Single Room Maternity/Obstetrics	362	355	4,181	4,294	113
Med/Surg - Cardiovascular	762	877	8,857	9,000	143
Med/Surg - Oncology	281	282	2,218	3,109	891
Med/Surg - Rehab	386	585	5,064	5,767	703
Pediatrics	92	146	1,129	1,302	173
Nursery	227	193	2,627	2,585	(42)
Neonatal Intensive Care	126	114	1,530	1,386	(144)
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	70.77%	63.59%	66.72%	69.17%	
Heart Center	73.11%	93.56%	74.45%	69.22%	
Monitored Beds	36.05%	73.09%	88.28%	89.50%	
Single Room Maternity/Obstetrics	32.61%	31.98%	30.96%	31.80%	
Med/Surg - Cardiovascular	56.44%	64.96%	53.92%	54.79%	
Med/Surg - Oncology	72.05%	72.31%	46.74%	65.52%	
Med/Surg - Rehab	49.49%	75.00%	53.36%	60.77%	
Med/Surg - Observation Care Unit	0.00%	78.63%	0.00%	73.76%	
Pediatrics	17.04%	27.04%	17.18%	19.82%	
Nursery	45.86%	38.99%	21.81%	21.46%	
Neonatal Intensive Care	38.18%	34.55%	38.11%	34.52%	



**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
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	<u>Month of June</u>		<u>Twelve months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>DELIVERY ROOM</u>					
Total deliveries	159	110	1,628	1,522	(106)
C-Section deliveries	47	36	512	495	(17)
Percent of C-section deliveries	29.56%	32.73%	31.45%	32.52%	1.07%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	22,559	24,790	243,618	238,995	(4,623)
Out-Patient Operating Minutes	30,077	27,278	285,341	304,315	18,974
Total	52,636	52,068	528,959	543,310	14,351
Open Heart Surgeries	16	15	147	146	(1)
In-Patient Cases	152	184	1,720	1,762	42
Out-Patient Cases	291	294	3,001	3,082	81
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	27	21	381	376	(5)
High Risk	496	515	5,899	5,729	(170)
More Than One Resource	2,503	2,964	26,240	31,743	5,503
One Resource	1,298	1,970	14,534	20,310	5,776
No Resources	93	83	510	1,006	496
Total	<u>4,417</u>	<u>5,553</u>	<u>47,564</u>	<u>59,164</u>	<u>11,600</u>

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
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	<u>Month of June</u>		<u>Twelve months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<b>CENTRAL SUPPLY</b>					
In-patient requisitions	16,315	15,295	102,118	105,727	3,609
Out-patient requisitions	6,250	6,730	67,967	63,426	-4,541
Emergency room requisitions	1,375	698	11,273	8,349	-2,924
Interdepartmental requisitions	7,849	7,115	49,644	44,398	-5,246
Total requisitions	<u>31,789</u>	<u>29,838</u>	<u>231,002</u>	<u>221,900</u>	<u>-9,102</u>
<b>LABORATORY</b>					
In-patient procedures	42,107	38,721	253,735	241,589	-12,146
Out-patient procedures	9,286	11,597	76,062	80,263	4,201
Emergency room procedures	9,433	11,145	60,934	76,430	15,496
Total patient procedures	<u>60,826</u>	<u>61,463</u>	<u>390,731</u>	<u>398,282</u>	<u>7,551</u>
<b>BLOOD BANK</b>					
Units processed	<u>318</u>	<u>297</u>	<u>1,996</u>	<u>1,965</u>	<u>-31</u>
<b>ELECTROCARDIOLOGY</b>					
In-patient procedures	1,041	1,068	6,566	6,885	319
Out-patient procedures	349	302	2,706	2,668	-38
Emergency room procedures	1,045	1,148	6,142	7,127	985
Total procedures	<u>2,435</u>	<u>2,518</u>	<u>15,414</u>	<u>16,680</u>	<u>1,266</u>
<b>CATH LAB</b>					
In-patient procedures	64	77	512	607	95
Out-patient procedures	51	71	571	625	54
Emergency room procedures	0	0	1	0	-1
Total procedures	<u>115</u>	<u>148</u>	<u>1,084</u>	<u>1,232</u>	<u>148</u>
<b>ECHO-CARDIOLOGY</b>					
In-patient studies	298	371	2,033	2,406	373
Out-patient studies	138	156	1,262	1,520	258
Emergency room studies	2	1	16	5	-11
Total studies	<u>438</u>	<u>528</u>	<u>3,311</u>	<u>3,931</u>	<u>620</u>
<b>NEURODIAGNOSTIC</b>					
In-patient procedures	140	165	1,109	1,090	-19
Out-patient procedures	24	27	169	164	-5
Emergency room procedures	0	0	0	0	0
Total procedures	<u>164</u>	<u>192</u>	<u>1,278</u>	<u>1,254</u>	<u>-24</u>

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
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	<u>Month of June</u>		<u>Twelve months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<b>SLEEP CENTER</b>					
In-patient procedures	0	0	1	0	-1
Out-patient procedures	183	167	1,315	1,153	-162
Emergency room procedures	0	0	0	0	0
Total procedures	<u>183</u>	<u>167</u>	<u>1,316</u>	<u>1,153</u>	<u>-163</u>
<b>RADIOLOGY</b>					
In-patient procedures	1,654	1,429	9,708	8,710	-998
Out-patient procedures	416	356	4,323	2,915	-1,408
Emergency room procedures	1,217	1,382	7,939	8,809	870
Total patient procedures	<u>3,287</u>	<u>3,167</u>	<u>21,970</u>	<u>20,434</u>	<u>-1,536</u>
<b>MAGNETIC RESONANCE IMAGING</b>					
In-patient procedures	105	141	860	890	30
Out-patient procedures	127	77	953	768	-185
Emergency room procedures	14	6	80	49	-31
Total procedures	<u>246</u>	<u>224</u>	<u>1,893</u>	<u>1,707</u>	<u>-186</u>
<b>MAMMOGRAPHY CENTER</b>					
In-patient procedures	2,718	3,550	20,910	24,711	3,801
Out-patient procedures	2,696	3,518	20,790	24,527	3,737
Emergency room procedures	3	0	3	8	5
Total procedures	<u>5,417</u>	<u>7,068</u>	<u>41,703</u>	<u>49,246</u>	<u>7,543</u>
<b>NUCLEAR MEDICINE</b>					
In-patient procedures	12	14	86	94	8
Out-patient procedures	61	78	506	541	35
Emergency room procedures	1	0	4	4	0
Total procedures	<u>74</u>	<u>92</u>	<u>596</u>	<u>639</u>	<u>43</u>
<b>PHARMACY</b>					
In-patient prescriptions	111,491	94,299	636,356	605,331	-31,025
Out-patient prescriptions	10,439	11,319	99,978	104,283	4,305
Emergency room prescriptions	5,342	7,197	36,983	48,996	12,013
Total prescriptions	<u>127,272</u>	<u>112,815</u>	<u>773,317</u>	<u>758,610</u>	<u>-14,707</u>
<b>RESPIRATORY THERAPY</b>					
In-patient treatments	29,606	21,738	156,457	131,478	-24,979
Out-patient treatments	143	981	3,391	7,896	4,505
Emergency room treatments	373	194	1,179	1,583	404
Total patient treatments	<u>30,122</u>	<u>22,913</u>	<u>161,027</u>	<u>140,957</u>	<u>-20,070</u>
<b>PHYSICAL THERAPY</b>					
In-patient treatments	2,256	2,396	16,109	16,284	175
Out-patient treatments	99	170	1,751	2,108	357
Emergency room treatments	0	0	0	0	0
Total treatments	<u>2,355</u>	<u>2,566</u>	<u>17,860</u>	<u>18,392</u>	<u>532</u>

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	<u>Month of June</u>		<u>Twelve months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<b>OCCUPATIONAL THERAPY</b>					
In-patient procedures	1,445	1,660	9,403	10,682	1,279
Out-patient procedures	74	99	797	1,086	289
Emergency room procedures	0	0	0	0	0
Total procedures	<u>1,519</u>	<u>1,759</u>	<u>10,200</u>	<u>11,768</u>	<u>1,568</u>
<b>SPEECH THERAPY</b>					
In-patient treatments	348	525	2,682	3,077	395
Out-patient treatments	23	28	171	200	29
Emergency room treatments	0	0	0	0	0
Total treatments	<u>371</u>	<u>553</u>	<u>2,853</u>	<u>3,277</u>	<u>424</u>
<b>CARDIAC REHABILITATION</b>					
In-patient treatments	0	0	0	0	0
Out-patient treatments	498	401	2,637	4,268	1,631
Emergency room treatments	0	0	1	0	-1
Total treatments	<u>498</u>	<u>401</u>	<u>2,638</u>	<u>4,268</u>	<u>1,630</u>
<b>CRITICAL DECISION UNIT</b>					
Observation hours	<u>378</u>	<u>344</u>	<u>1,866</u>	<u>2,252</u>	<u>386</u>
<b>ENDOSCOPY</b>					
In-patient procedures	85	78	626	636	10
Out-patient procedures	12	29	159	223	64
Emergency room procedures	0	0	0	0	0
Total procedures	<u>97</u>	<u>107</u>	<u>785</u>	<u>859</u>	<u>74</u>
<b>C.T. SCAN</b>					
In-patient procedures	537	596	3,803	4,027	224
Out-patient procedures	445	281	3,598	2,517	-1,081
Emergency room procedures	433	552	3,208	4,164	956
Total procedures	<u>1,415</u>	<u>1,429</u>	<u>10,609</u>	<u>10,708</u>	<u>99</u>
<b>DIETARY</b>					
Routine patient diets	17,554	21,351	113,154	130,102	16,948
Meals to personnel	19,345	21,421	144,216	152,161	7,945
Total diets and meals	<u>36,899</u>	<u>42,772</u>	<u>257,370</u>	<u>282,263</u>	<u>24,893</u>
<b>LAUNDRY AND LINEN</b>					
Total pounds laundered	<u>99,573</u>	<u>100,531</u>	<u>710,088</u>	<u>689,921</u>	<u>-20,167</u>

# Board Paper—Approved Projects: Board of Directors

Agenda Item: **Consider Ratification of Service Agreement Extension with Siemens Medical Solutions USA for SVMC’s MRI (sole source)**

Responsible Executive(s): Allen Radner, MD, Chief Executive Officer, SVMC  
 Gary Ray, Chief Administrative Officer, SVMC

Board Meeting Date: July 28, 2022

## Executive Summary

Salinas Valley Medical Clinic Imaging’s MRI department at the Brunken location supports an average 22-25 patients on a daily basis. The MRI magnet is serviced through Siemens in collaboration with KKT Chillers, which services the chiller for the magnet for temperature regulation. This agreement with Siemens and KKT covers monthly preventative maintenance, IT support, remote support, and down time support for both the magnet and the chiller. The service contract also covers extended hours to minimize disruption in patient care workflows. This is a sole source agreement and pricing was obtained through the SVMHS GPO.

## Contract to be Ratified by Board

Vendor Name:	<b>Siemens Medical Solutions USA</b>
Contract Amount:	\$148,975 per year for 5 years \$11,500 per year for 3 years
Description:	Monthly preventative maintenance, IT support, remote support, and down time support for both the magnet and the chiller at SVMC Imaging

## Summary of Contract Terms & Conditions

The following is a summary of the pertinent terms and conditions of the agreement referenced above:

1. Effective Date	July 1, 2022
2. Term of agreement	Magnet: Five (5) years beginning 5/1/22 Chiller: Three and one-half (3.5) years beginning 5/1/22
3. Termination provision(s)	For Breach or cause
4. Payment Terms	Monthly
5. Budgeted (Yes or No)	Yes

## Recommendation

**Administration requests ratification of the Service Agreement Extension with Siemens Medical Solutions USA for SVMC’s MRI**

## Attachments

- Service Agreement Extension with Siemens Medical Solutions USA for SVMC’s MRI



**District / Sales Office**

SIEMENS MEDICAL SOLUTIONS USA, INC.  
 7711 Center Ave  
 Huntington Beach, CA 92647  
 Attn: Carole Trubilla  
 Phone: (760) 277-5759  
 Email: carole.trubilla@siemens-healthineers.com

**Sold To**

SALINAS VALLEY MEMORIAL  
 626 BRUNKEN AVE  
 SALINAS, CA 93901

**Bill To**

SVMC IMAGING  
 559 ABBOTT ST  
 SALINAS, CA 93901-4029

**Payer**

SALINAS VALLEY MEMORIAL  
 450 E ROMIE LN  
 SALINAS, CA 93901-4029

*Siemens Medical Solutions USA, Inc. is pleased to submit the following proposal for service and maintenance described herein at the stated prices and terms. Subject to your acceptance of the terms and conditions on the face and general terms and conditions Document hereof.*

Item #	System Name	Functional Location	Service Agreement	Contract Duration	Warranty Period Price	Partial Year Price	Annual Price
1	Magnetom Skyra	400-471475	Gold contract	5/1/2022 - 4/30/2027	\$0	\$0	\$148,975
2	Chiller-KKT/ECO	400-471476	OEM contract	5/1/2022 - 12/31/2025	\$0	\$7,667	\$11,500

**Includes:**

Parts and/or Labor to the extent shown in Exhibit A.  
 System Updates.  
 Access to Siemens Customer Care Center for technical telephone support (remote diagnostics, if available to the site and the equipment).

**Excludes:**

Parts defective due to "acts of God", abuse, misuse, neglect, thermal and shock. Specialty components, including, but not limited to: Glassware, Flat Detectors, Consumables, Transducers, MRI coils, SPECT and PET sources (unless purchased as an option). Non-Siemens components and accessories (such as VCR, injector, laser printer, MR surface coils, tables/table tops, chiller, UPS, etc.) unless specifically identified in Exhibit A.

**Notes:**

The chilled water supply is an integral part of the MR Equipment covered by this Agreement and is critical for the proper operation of the Equipment and for minimizing the loss of cryogenes and preventing damage to the MR and its components. Servicing of the chiller by vendors contracted and certified by Siemens is the recommended path for reducing downtime, potential cryogen losses and damage to the MR and its components. Cryogenes lost on the associated MR Equipment and any other damages caused to the MR and any of its components due to issues with chillers not serviced by Siemens under a Siemens service contract or due to other excluded causes (e.g., interruption of power, force majeure occurrences, Customer misuse or negligence, etc.) are not covered under this Agreement and will be replaced and/or repaired at the Customer's sole cost and expense at the current negotiated rate for Siemens "Service By Request" (Time and Materials) customers.

*Terms of payment: Net 30 days from invoice date. Past due payment is subject to 1.5% interest charge per month.*



Proposal # 1-XUPTBH

**Customer's Acceptance**

**Siemens Medical Solutions USA, Inc.**

(By) \_\_\_\_\_ (Signature)  
Pete Delgado Pres/CEO  
 Name and Title

\_\_\_\_\_  
 (By) \_\_\_\_\_ (Signature)  
Carole Trubilla Service Sales Executive  
 Name and Title

Acceptance Date 6-27-2022

**Customer P.O. #** \_\_\_\_\_ (enter P.O. # for contract billing; if not provided, Siemens will invoice without P.O.)  
 \_\_\_\_\_ (Initial if P.O. is required but will be issued prior to warranty expiration)  
**Standing P.O. #** \_\_\_\_\_ (for T&M charges outside of the contract)

*This service agreement proposal is valid for 30 days. Agreement becomes effective upon customer signature and Siemens acceptance. Customer's acceptance acknowledges receipt and agreement to Terms and Conditions set forth on all pages of this proposal.*

## Exhibit A

### Item #1:

<b>Equipment:</b>	<b>Magnetom Skyra</b>		
<b>Equipment Location:</b>	COASTAL VALLEY IMAGING		
<b>Address:</b>	626 BRUNKEN AVE, SALINAS, CA 93901		
<b>Functional Location:</b> 400-471475	<b>Service Quote Nr:</b> 1-XHBLLY Rev 2	<b>Equipment Quote Nr:</b>	<b>Payment Frequency:</b> Monthly
<b>Service Agreement:</b> Gold contract	<b>Contract Start:</b> 5/1/2022	<b>Contract End:</b> 4/30/2027	<b>Annual Price:</b> \$148,975

(See Glossary pages for detailed description of items listed below.)

Coverage applies during the Contract Period as indicated:	Contract Period
Principal Coverage Period	08:00am - 06:00pm M-F
Post-PCP Extension 4 hours	06:00pm - 10:00pm M-F
Uptime Guarantee	97%
Phone Response	30 min
Parts Order Requirement	noon
Parts Delivery	Same Day
syngo Remote Assist Hotline Support	✓
ACR Support Package MR	✓
9130 UPS Coverage	✓
Safety Checks	✓
Planned Maintenance	✓
Quality Assurance	✓
Updates	✓
Technical Phone Support	✓
Labor	✓
Smart Remote Services	✓
Travel	✓
teampay Fleet Access	✓
Application Hotline Phone Support	✓
Accredited Self Study Program	Qty 1
Enhanced Virtual Learning Sub	Qty 1
Remote Response/On-Site 4 Hours during Principle Coverage Period	✓
General Spare Parts Coverage	✓
No Consumable Coverage	✓
Coil Coverage (WF only)	✓
MMA, + Cryocare + Helium	✓
Enterprise SW License	Qty 5

The Options or Alternatives listed below will be included in the contract as indicated, only if initialed:

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Opt/Alt	Option / Alternative	Add to Contract Annual Price	Initial
Opt	Consumable Coverage	\$2,363	
Opt	Coil Coverage with \$5k Deductible (WFD)	\$59,148	

This pricing is only valid if signed prior to the expiration of your existing service contract.

**Note: The proposal for this system has been developed based on VIZIENT SUPPLY LLC national agreement.**



**No further Options or Alternatives are included in the above listed equipment.**

Item #2:

<b>Equipment:</b>	<b>Chiller-KKT/ECO</b>		
<b>Equipment Location:</b>	COASTAL VALLEY IMAGING		
<b>Address:</b>	626 BRUNKEN AVE, SALINAS, CA 93901		
<b>Functional Location:</b> 400-471476	<b>Service Quote Nr:</b> 1-XHBLLY Rev 2	<b>Equipment Quote Nr:</b>	<b>Payment Frequency:</b> Monthly
<b>Service Agreement:</b> OEM contract	<b>Contract Start:</b> 5/1/2022	<b>Contract End:</b> 12/31/2025	<b>Annual Price:</b> \$11,500

(See Glossary pages for detailed description of items listed below.)

Coverage applies during the Contract Period as indicated:	Contract Period
Principal Coverage Period	08:00am - 10:00pm M-F
Labor	✓
General Spare Parts Coverage	✓
Updates	✓
Travel	✓
Technical Phone Support	✓
Remote Response/On-Site 4 Hours during Principle Coverage Period	✓
Chiller Life Expectancy	✓
Chiller Coverage Exclusions	✓
Chiller Planned Maintenance	✓

**This pricing is only valid if signed prior to the expiration of your existing service contract.**

**No further Options or Alternatives are included in the above listed equipment.**

## Glossary

Deliverables	Description
<b>9130 UPS Coverage</b>	If selected, covers the 9130 UPS and extended battery module on all contracts having full parts coverage. For contracts including a parts allowance, the UPS will be applied toward the parts allowance. For contracts without any parts coverage, the replacement UPS will be billed with a 15% discount.
<b>Accredited Self Study Program</b>	This accredited self-study program provides the latest trends in imaging. These hot topic review articles will be mailed directly to your institution and will provide up to 24 Category A Continuing Education Credits fully recognized by ARRT and NMTCB. A comprehensive study guide accompanies each article to help ensure focus on technologist-relevant information.
<b>ACR Support Package MR</b>	This ACR accreditation assistance package includes a remotely executed pre-submission system quality check to evaluate the readiness of one applicable Siemens system to acquire images for ACR accreditation. Supporting deliverables include an accreditation eBook aligned to the applicable Siemens system and Siemens operating system nomenclature, workflow templates and/or phantom acquisition protocols containing imaging acquisition tips relative to the ACR accreditation process. Additionally, unlimited technical and clinical applications phone support pertaining to the system readiness and deliverables described above, performed by the Customer Care Center during normal hours of operation M-F 8-8PM EST during the term of this engagement agreement. Customer is responsible for applying for accreditation, and all tasks and costs related to the application and acquiring the ACR phantom, collecting images, working with and communicating with the ACR. Numerous factors determine whether a site receives ACR accreditation. Therefore, Siemens does not guarantee a site will receive ACR accreditation.
<b>Application Hotline Phone Support</b>	Siemens Customer Care Center Clinical Applications Phone Support is provided with this contract during modality specified hours, call 1-800-888-7436 with your questions and to receive direct access to a Clinical Education Specialist.
<b>Chiller Coverage Exclusions</b>	<ol style="list-style-type: none"> <li>1. Glycol is a consumable and the customer's responsibility to maintain glycol onsite after installation. If the service vendor is not able to identify the specific supplier of glycol in the system, it may become necessary to flush and refill the system to specifications. Flush and refills under these circumstances are <b>not</b> covered in the standard service agreement.</li> <li>2. Rental of cranes</li> <li>3. Scaffolding, along with other trades influencing the proper operation of the chiller.</li> <li>4. Labor and Parts required due to "acts of God", abuse, misuse, neglect, thermal and shock</li> <li>5. The Piping between IFP/SEP cabinet and the Chiller cabinet including the connections at both ends. Any Labor and Parts associated with fluid leaks from this section of piping.</li> <li>6. Labor for return visit to perform or complete service if the technician, on a scheduled visit, is turned away by customer.</li> <li>7. Labor and Parts required due to damage caused by Site Power Supply.</li> </ol>
<b>Chiller Life Expectancy</b>	Note: Chiller systems. The OEM suppliers have implemented a 10 year life expectancy on chiller systems. Siemens Healthineers will provide you an End of Service (EOS) notification no less than twelve (12) months prior to the EOS date. Full-service contracts cannot be approved beyond the 10th year; however, there is an annual, renewable Preventative Maintenance PM option. Replacement of chiller is recommended subsequent to EOS notification.
<b>Chiller Planned Maintenance</b>	Siemens will coordinate Preventive Maintenance in accordance with the manufacturer's recommendations between 8AM and 5PM. If customer cannot accommodate agreed upon PM schedule, on-site T&M charges apply. 2 PM's / Year
<b>Coil Coverage (WF only)</b>	Covers the repair and replacement of Siemens coils (Third Party coils are not covered, i.e. Invivo 4 Channel wrist array, lower extremity, knee array, 7-channel Breast, 4 ch. Small Extremity coil, 8-channel Shoulder).  If a coil needs to be repaired or replaced and is excluded under the Coil Coverage, or if Coil Coverage is not purchased (as designated in Exhibit A) under the Agreement, the cost to repair or replace the coil will be deducted from the parts allowance (if applicable) or billable.
<b>Coil Coverage with \$5k Deductible (WFD) (Optional)</b>	Coil Coverage covers the repair and replacement of Siemens coils with Siemens serial numbers (Third Party coils are not covered) from normal wear and tear. Coils damaged due to "acts of God", abuse, misuse, neglect, or thermal shock will be replaced subject to a \$5,000 deductible per occurrence.  If a coil needs to be repaired or replaced and is excluded under the Coil Coverage, or if Coil Coverage is not purchased (as designated in Exhibit A) under the Agreement, the cost to repair or replace the coil will be deducted from the parts allowance (if applicable) or billable.
<b>Consumable Coverage (Optional)</b>	Siemens will supply at its own expense, consumables; such as but not limited to, batteries, leads, padding, storage media, cassettes, etc. Full list of consumables covered can be found on teamplay Fleet customer portal: <a href="http://fleet.siemens-healthineers.com">fleet.siemens-healthineers.com</a> Excludes parts defective due to "acts of God", abuse, misuse, neglect, thermal and shock. Excludes specialty components, including, but not limited to: Glassware, Flat Detectors, Transducers, MRI coils, SPECT and PET sources (unless purchased as an option). Excludes non-Siemens components and accessories (such as VCR, injector, laser printer, MR surface coils, tables/table tops, chiller, UPS, etc.) unless specifically identified in Exhibit A.

Deliverables	Description
<p><b>Enhanced Virtual Learning Sub</b></p>	<p>This 12 month multi-modality subscription provides access for imaging professionals to receive additional educational content. This high-value content includes step-by-step performance-enhancing videos, a minimum of 6 one-hour on-demand webinars covering current clinical and industry topics, and access for up to 24 CEUs via your PEPconnect Virtual Wallet. The on-demand webinars are recorded and posted on a regular basis over the term of the subscription and are available for unlimited viewing once posted. Imaging professionals must be logged into PEPconnect (Siemens' online learning platform) to be eligible to receive the CEUs. PEPconnect provides access to all online and virtual training with a wide variety of product-specific, clinical and job-relevant courses. This educational offering must be completed 12 months from purchase date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.</p>
<p><b>Enterprise SW License</b></p>	<p>Covers the payments for the software licenses purchased as part of the MR Enterprise SW agreement on the associated and required equipment purchase. A quantity of 1 is added for each software license purchased.</p>
<p><b>General Spare Parts Coverage</b></p>	<p>Includes replacement of standard spare parts. Excludes Consumables (batteries, leads, padding, storage media, cassettes, radioactive sources, etc.), Glassware; MR Surface and specialty coils (knee, head, etc.); MR MMA, cryocare and helium; high-Vacuum components including Magnetron, Klystron and Thyatron, Waveguide; shock wave components, Transducers, TEE's and Specialty Probes, Flat Panel Detectors, MMLC, Van System coverage, PACS related systems and non-Siemens parts such as VCR, injector, laser printer, tables/table tops, chiller etc.) unless specifically identified in Exhibit A. Excludes parts defective due to "acts of God", abuse, misuse, neglect, thermal and shock.</p>
<p><b>Labor</b></p>	<p>Unlimited coverage of on-site labor during the Principal Coverage Period indicated. Preferred labor rates for billable service outside of Principal Coverage Period (at current prevailing tiered rates).</p>
<p><b>MMA, + Cryocare + Helium</b></p>	<p>Covers parts and labor associated with maintaining the magnet refrigeration system (CryoCare) and ancillary magnet parts. Included:</p> <ul style="list-style-type: none"> <li>- Coverage of burst disc, vent kit, valves, MSUP, Adsorber, helium compressor, high pressure gas lines and cold head.</li> <li>- Performance of the Emergency Run Down Unit (ERDU) test in accordance with OEM specifications.</li> <li>- The supply of cryogenes (liquid helium) and labor to maintain magnet levels according to OEM guidelines.</li> </ul> <p>If the magnet refrigeration system shuts down due to issues with power quality, chilled water, or other external factors, then cryogen usage will increase and additional charges may apply for cryogen refills and any resulting damages caused to system components. Cryogen fills to recover from a customer caused quench will be chargeable. Customer initiated helium fills that exceed factory recommended target levels for operation are also excluded, as are any expedited fees for short notice fills if required by the customer.</p> <p>Excluded: Magnet system replacement.</p>
<p><b>No Consumable Coverage</b></p>	<p>Upon selection to not have consumable coverage, customer agrees to supply at his/her own expense consumables, such as but not limited to, batteries, leads, padding, storage media, cassettes, etc. Full list of consumables covered can be found on teamplay Fleet customer portal: <a href="http://fleet.siemens-healthineers.com">fleet.siemens-healthineers.com</a>.</p>
<p><b>Parts Delivery</b></p>	<p>Spare parts arrival for on-site repair of room-down/system-down is typically the Same Day following the time the parts order is submitted.</p>
<p><b>Parts Order Requirement</b></p>	<p>Parts order must be placed with Siemens by noon (Customer's local time) in order to receive Parts Delivery commitment as specified.</p>
<p><b>Phone Response</b></p>	<p>30-minute maximum phone response time by Siemens Customer Care Center personnel or service engineer to provide status of a service call during Principal Coverage Period.</p>
<p><b>Planned Maintenance</b></p>	<p>Preventive services carried out in accordance with the equipment's specific maintenance plan. This includes: tracking and scheduling of required maintenance tasks; exchange of wear and tear parts according to maintenance plan; care measures; adjustments to factory specifications; verification of specified performance and functionality; documentation and detailed protocol of system condition.</p>
<p><b>Post-PCP Extension 4 hours</b></p>	<p>One or more blocks of 4-hours, starting at the end of the Principal Coverage Period, as noted in Exhibit A; on-site labor shall not be between the hours of 2am and 6am Local Time.</p>
<p><b>Principal Coverage Period</b></p>	<p>Hours defined in Exhibit A during which agreed-upon services are provided.</p>
<p><b>Principle Coverage Period 14 HRS. 8AM-10PM</b></p>	<p>Specific 14-hour period during which agreed-upon services are provided, as noted above.</p>

Deliverables	Description																																																
<b>Quality Assurance</b>	Quality Assurance tasks are performed to keep the system within the quality specifications as issued by the relevant Equipment's specifications. They consist of Tracking and scheduling of required quality assurance tasks Check of measuring and image quality parameters Verification of specified quality parameters Adjustments to factory quality specifications Documentation and detailed quality report of system condition																																																
<b>Remote Response/On-Site 4 Hours during Principle Coverage Period</b>	If Siemens provides remote diagnostic support that either provides immediate resolution of the service event or renders it unnecessary to send a service engineer on-site, then communication of these steps within the 4 hours guarantee will be sufficient. If Customer refuses remote support or SRS connection is unavailable, the response time guarantee is voided. Siemens guarantees on-site service engineer arrival within 4 hours after an initial remote diagnostic evaluation, for a service event that requires on-site support to complete the evaluation. If remote support identifies required spare parts as a portion of the maintenance and repair, on-site response will be coordinated with the arrival of the required spare parts. On-site response applies in system/room down situations only, as defined in the General Terms and Conditions under Response Time Guarantee.																																																
<b>Safety Checks</b>	Safety Checks are performed to insure compliance with all local and federal guidelines and regulations. This service consists of Tracking and scheduling of required tests Mechanical Safety Checks (e.g. mechanical movements etc.) Electrical Safety Checks (e.g. leakage currents, insulation etc.) Reporting of findings and results																																																
<b>Smart Remote Services</b>	Smart Remote Services – the efficient and comprehensive infrastructure for medical equipment-related remote services – combines high-tech medical engineering with state-of-the-art information technology. Services, which formerly required on-site visits, are now available via data transfer. SRS enables both Core Services (which are included as part of our standard service agreements), as well as optional services (called Enhanced Productivity Services - EPS). A VPN connection is required.																																																
<b>syngo Remote Assist Hotline Support</b>	Allows Siemens to connect to your Siemens Imaging Console and provides you with direct real time support. Available for Tim Class MRI Systems with software version VB17 or VC13, AND Definition Class CT Systems. Requires a Siemens remote service connection.																																																
<b>teamply Fleet Access</b>	teamply Fleet portal provides most relevant equipment information, including contract duration and service level agreement across your entire institution and multiple locations. Access includes documents, online training courses provided by PEPconnect and smart connection to other teamply applications across any of Siemens Healthineers imaging, laboratory and software solutions.																																																
<b>Technical Phone Support</b>	<p>Access to specialists at the Siemens Customer Care Center for fast diagnosis and technical support is available during Core Modality Hours. Technical support resources will be available outside of Core Modality Hours on an on-call basis during the On-Call Hours specified by modality. Telephone response times cannot be guaranteed outside of Core Modality Hours. All modality hours are listed below (and can also be found on teamply Fleet: <a href="http://fleet.siemens-healthineers.com">fleet.siemens-healthineers.com</a>) and are subject to change.</p> <table border="1" data-bbox="526 1257 1482 1860"> <thead> <tr> <th>Modality</th> <th>Core Modality Hours (CMH)</th> <th>On-Call Hours (EST)</th> <th>On-Call Hours (EST)</th> </tr> </thead> <tbody> <tr> <td>AT AX</td> <td>7:00a - 7:00p M-F</td> <td>24x7 outside CMH</td> <td></td> </tr> <tr> <td>AT SU</td> <td>8:00a - 6:00p M-F</td> <td>N/A</td> <td></td> </tr> <tr> <td>AT ECS</td> <td>8:00a - 6:00p M-F</td> <td>6:00p - 12:00a M-F</td> <td></td> </tr> <tr> <td>CT</td> <td>7:00a - 1:00a M-F</td> <td>7:00a – 5:00p Sat-Sun</td> <td>24x7 outside CMH</td> </tr> <tr> <td>MI PET</td> <td>6:30a - 10:00p M-F</td> <td>7:00a – 3:00p Sat-Sun</td> <td>6:30a –10:00p Holidays</td> </tr> <tr> <td>MI SPECT</td> <td>7:00a - 8:00p M-F</td> <td>8:00p - 12:00a M-F 7:00a – 5:00p Sat-Sun</td> <td>6:00a –12:00a Holidays</td> </tr> <tr> <td>MI PCL</td> <td>8:00a - 6:00p M-F</td> <td>N/A</td> <td></td> </tr> <tr> <td>MR</td> <td>6:30a - 9:00p M-F</td> <td>7:00a – 5:00p Sat</td> <td>24x7 outside CMH</td> </tr> <tr> <td>ULT</td> <td>7:30a - 8:00p M-F</td> <td>8:00a – 11:00p M-F</td> <td>8:00a – 8:00p Sat-Sun</td> </tr> <tr> <td>XPRF</td> <td>8:00a - 7:00p M-F</td> <td>7:00a – 12:00a M-F</td> <td>8:00a – 8:00p Sat-Sun</td> </tr> <tr> <td>XPWH, XPU, XPSu</td> <td>8:00a – 5:30p M-F</td> <td>5:30a – 12:00a M-F</td> <td>8:00a – 8:00p Sat-Sun</td> </tr> </tbody> </table>	Modality	Core Modality Hours (CMH)	On-Call Hours (EST)	On-Call Hours (EST)	AT AX	7:00a - 7:00p M-F	24x7 outside CMH		AT SU	8:00a - 6:00p M-F	N/A		AT ECS	8:00a - 6:00p M-F	6:00p - 12:00a M-F		CT	7:00a - 1:00a M-F	7:00a – 5:00p Sat-Sun	24x7 outside CMH	MI PET	6:30a - 10:00p M-F	7:00a – 3:00p Sat-Sun	6:30a –10:00p Holidays	MI SPECT	7:00a - 8:00p M-F	8:00p - 12:00a M-F 7:00a – 5:00p Sat-Sun	6:00a –12:00a Holidays	MI PCL	8:00a - 6:00p M-F	N/A		MR	6:30a - 9:00p M-F	7:00a – 5:00p Sat	24x7 outside CMH	ULT	7:30a - 8:00p M-F	8:00a – 11:00p M-F	8:00a – 8:00p Sat-Sun	XPRF	8:00a - 7:00p M-F	7:00a – 12:00a M-F	8:00a – 8:00p Sat-Sun	XPWH, XPU, XPSu	8:00a – 5:30p M-F	5:30a – 12:00a M-F	8:00a – 8:00p Sat-Sun
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Deliverables	Description
Travel	Includes travel time for Customer Service Engineer to and from Customer's site. Subject to change to reflect currently prevailing rates, if occurring outside of the Principal Coverage Period indicated.
Updates	Modifications or reliability enhancements to equipment includes two types: Mandatory (safety and performance-related update instructions) and Non-mandatory (reliability-related service instructions). Labor is included during the hours of PCP. Does not include enhancements to the operating systems or additional functionality.
Uptime Guarantee	Guarantee that the Equipment will function at the minimum Uptime Performance level set forth in Exhibit A of this Agreement. A SRS connection via VPN broadband is mandatory.

## Siemens Medical Solutions USA, Inc. General Terms and Conditions

### 1. Scope

For the term set forth on the first page hereof under the heading "Contract Duration", Siemens will provide (i) remedial maintenance service on the equipment described on the preceding pages hereof (the "Equipment") when requested by the Customer, as well as planned maintenance inspections, when scheduled, as further described in the Glossary section attached hereto, in order to keep the Equipment operating in accordance with the manufacturer's specifications, and (ii) any training courses and/or other educational offerings described in Exhibit A and the Glossary. Siemens will make every effort to respond to service calls at a mutually agreed upon arrival time consistent with the provisions cited in Section 2. In connection with the provision of Equipment maintenance services, Siemens may take photographs or other images of the Equipment or components thereof in order to expedite the completion of repairs, provided that any such photographs shall not include any patients, employees or agents of the Customer and further provided that such photographs and images will only be used in order for Siemens to carry out its duties and responsibilities hereunder.

In the event that (i) the term of this Agreement does not include the Equipment warranty period (as indicated on the first page hereof under the heading "Contract Duration"), or (ii) the term of this Agreement does not commence immediately upon the expiration of the Siemens warranty, or (iii) the Equipment was serviced prior to commencement of the term by anyone other than Siemens or an authorized Siemens dealer or service provider, or (iv) the Equipment was moved from its original location or is not connected to its original power supply (other than portable or mobile Equipment), then the Equipment is subject to inspection by Siemens to determine if it is in good operating condition prior to the commencement of services under this Agreement. Any inspection as well as any repairs or adjustments deemed necessary by Siemens during such inspection may be made at Siemens' per-call rates and terms then in effect and may include charges for parts, with all such repairs or adjustments to be completed prior to the commencement of service under this Agreement.

### 2. Principal Coverage Period (PCP)

Service and maintenance will be provided during the principal coverage period ("PCP") as defined on Exhibit A, excluding the following holidays: New Years Day, Memorial Day (observed), Independence Day, Labor Day, Thanksgiving Day, Christmas Day. If one of the foregoing holidays falls on a Saturday, then the holiday will be observed on the previous Friday, and if the holiday falls on a Sunday, the holiday will be observed on the following Monday. Unless an extended hours coverage option has been selected, labor and travel required outside the PCP will be charged at Siemens' per-call rates and terms then in effect.

### 3. Replacement Parts and Labor

Siemens will supply at its own expense, necessary parts and labor, except as indicated in the Glossary section, provided replacement of the parts and necessary labor is required because of normal wear and tear or otherwise deemed necessary by Siemens and further provided that the Siemens-manufactured parts are available from the factory. For all parts and labor excluded from coverage under this Agreement, Customer must purchase all necessary replacement parts and labor from Siemens under Siemens' Standard Terms and Conditions of Sale for Spare Parts and promptly return to Siemens all used, unused or defective parts. All Parts will be new, standard parts, or used, reworked or refurbished parts that comply with applicable performance and reliability specifications. Exchange parts removed from the Equipment shall become the property of Siemens unless such exchange parts constitute "hazardous wastes", "hazardous substances", "special wastes" or other similar materials, as such terms are defined by any federal, state or local laws, rules or regulations, in which case, at the option of Siemens, the exchange parts shall remain the property of the Customer and shall be disposed of by the Customer in strict compliance with all applicable laws, rules and regulations.

### 4. Planned Maintenance (PM)

Planned maintenance will be carried out according to the manufacturer's recommended schedule. Planned maintenance generally includes checking mechanical and electrical safety, lubrication, functional testing and adjusting for optimum performance as specified in the detailed planned maintenance work plan.

### 5. Software Maintenance

Whenever the Equipment covered by this Agreement utilizes Siemens' operating system software, Siemens will provide all maintenance and commercially available updates for such operating system software as part of this Agreement. Such updates will solely enhance previously purchased capacities of the Equipment. Operating system software upgrades that provide new features or capabilities or that require hardware changes will be offered to Customer when commercially available and at purchase prices established by Siemens. In addition, some upgrades may require applications training performed by Siemens' personnel that will be offered at Siemens' rates and terms then in effect. Siemens retains the sole right to determine whether an upgrade requires such training.

Nothing in this Agreement shall in any way grant to Customer any right to or license in any diagnostic service software utilized by Siemens in servicing the Equipment. Such service software is and remains the property of Siemens and is available to Customer pursuant to the terms and conditions of a separate diagnostic materials

license agreement, which may require payment of a license fee. This service software shall be disabled by Siemens upon cancellation or termination of this Agreement.

### 6. Equipment; Location; Remote Access

The Equipment covered under this Agreement is limited to the Siemens furnished Equipment described on the face sheet(s). Customer is required to maintain the Equipment in accordance with the manufacturer's written specifications. The Equipment shall not be moved to another location unless Customer obtains the prior written consent of Siemens, except that Customer shall be entitled to move: portable Equipment (e.g., Ultrasound equipment so long as it remains inside the Customer's same facility to which it was originally delivered). Siemens Equipment that is housed in a mobile vehicle, van or trailer may be moved to other locations within the same facility, so long as the Customer informs Siemens of the location of the Equipment when Siemens is scheduled to provide on-site service. If Equipment is located in a trailer, van or other form of mobile vehicle, the Equipment may be moved from the Equipment Location identified on Exhibit A, provided, however, that Siemens shall not be required to service such Equipment, and the Response Time and Uptime Performance Guarantees (if any) or Availability Commitment (if applicable) shall not apply, if either (a) the Customer does not notify Siemens at least one (1) month in advance of the Equipment's mobile route, or (b) the Equipment is moved more than 25 miles from the original Equipment Location. If fixed Equipment is moved to any other location within the Customer's facility, then either (a) the Customer will engage Siemens to relocate the Equipment, at Siemens' then current rates and charges, or (b) if Siemens does not perform the services necessary to relocate the Equipment, then Siemens may suspend services with respect to such Equipment until Siemens performs an inspection of the Equipment, at the Customer's cost, to determine if any repairs are necessitated as a result of any such relocation (in which case the Customer shall be separately charged for such repairs, including parts and labor, at Siemens' rates and charges then in effect). Customer shall, at its expense, provide all proper and necessary labor and materials for plumbing service, carpentry work, electrical and conduit wiring, water supply, ventilation and other preparations required for such installation and connection services and all the permitting relating to the foregoing. All such labor and materials shall be completed by Customer and available prior to the time Siemens is scheduled to perform the services.

Siemens service personnel will be given full and safe access to the Equipment to perform inspections and service/maintenance on the Customer's premises, and will make specific appointments for such maintenance. If the Equipment is not made available at the appointed time, waiting time beyond a reasonable allowance will be charged at Siemens' per-call rates and terms then in effect.

Customer shall arrange for the Equipment to be cleaned and decontaminated after contact with blood or other potentially infectious material. However, Customer shall have no obligation to open closed Equipment to clean or decontaminate internal components.

Customer shall provide Siemens with both on-site and remote access to the Equipment. Customer shall provide on-site access at premises free of hazardous, concealed or dangerous conditions, including safe and unobstructed means of ingress and egress. The remote access shall be provided through the Customer network as is reasonably necessary for Siemens to provide services under this Agreement. Remote access will be established through a broadband internet based connection to either a Customer owned or Siemens provided secure end-point. The method of connection will be a Peer-to-Peer VPN IPsec tunnel (non-client based) or another technology specified by Siemens which provides a comparable level of protection, in either case with specific inbound and outbound port requirements.

In the event the Customer fails to provide or maintain the remote access connection for any Proactive Service Agreement (e.g., Pinnacle, Select, Essential, as identified in Exhibit A), or any Signature, Benchmark, or Balance Service Agreement with a volume-based deliverable as defined in Exhibit A, then Siemens shall have the option to terminate this Agreement. In addition, in accordance with the terms of Section 22 hereof, any Uptime Performance Guarantee or Availability Commitment (if applicable) shall be void if the remote access connection is not provided and available 24 hours per day, 7 days a week.

### 7. Agreement Term; Price; Payment Terms

This Agreement shall be in effect for the period stated on the first page of this Agreement. Page 47 of 252

Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party's notice or such longer time as the non-breaching party may specify in the notice. If this Agreement is terminated for breach, a prorated refund will be issued for any advance payments made by the Customer for the period after the effective date of termination.

For the basic services to be provided by Siemens under the terms of this Agreement, Siemens shall send invoices to the Customer and payments shall be made in advance based on the payment frequency shown in Exhibit A under "Payment Frequency".

Invoices for all amounts due under this Agreement shall be sent to the Customer by regular U.S. mail, postage prepaid, at the address set forth on the first page hereof under "Bill To".

After the first year of the term of the Equipment coverage period set forth in the Agreement, Siemens may increase the Annual Agreement Price no more than once every twelve (12) months based upon the percentage increase in the Consumer Price Index for All Urban Consumers, U.S. City Average, All Items ("CPI"), as published by the United States Department of Labor, Bureau of Labor Statistics. The percentage increase in the CPI shall be measured over the period since the commencement of the Agreement (in the case of the first price increase) or since the effective date of the last price increase (in the case of any subsequent price increases). Siemens shall provide the Customer with no less than thirty (30) days written notice of any price increase.

All payments to be made by Customer under this Agreement are due net thirty (30) days from the invoice date. Past due payments shall bear interest at the rate of 0.5% per month.

**8. Causes for Exclusion/Separate Charges**

This Agreement specifically excludes labor, parts and expenses necessary to repair Equipment:

- damaged by fire, accident, misuse, abuse, negligence, improper application or alteration or by a force majeure occurrence as described in Section 17 hereof, or by the Customer's failure to operate the Equipment in accordance with the manufacturer's instructions, including without limitation Customer's failure to maintain the recommended operating environment and line conditions or intentional delay in requesting service for Equipment;
- defective due to unauthorized attempts to repair, relocate, maintain, service, add to or modify the Equipment by the Customer or any third party or due to the attachment and/or use of non-Siemens supplied parts, equipment or software without Siemens' prior written approval (and if the Customer or a third party modifies the Equipment, then Siemens may remove such Equipment from coverage under this Agreement unless the Customer restores the Equipment to the manufacturer's published specifications);
- defective due to any repair or service of the Equipment by the Customer or any third party prior to the commencement of the term of this Agreement;
- due to Customer not providing full access to the Equipment, on a safe site free of hazardous, concealed or dangerous conditions;
- which failed due to causes from within non-Siemens supplied equipment, parts or software including, but not limited to, problems with the Customer's network;
- which is worn out and cannot be reasonably repaired due to the unavailability of spare parts from the original equipment manufacturer; or
- which is a transducer or probe and which is damaged or defective, or which failed, due to any of the foregoing causes or due to improper cleaning, disinfecting or TEE bite marks.

If Siemens is called upon to service or repair Equipment which falls under this Section 8, a separate invoice will be issued for labor, parts and expenses at Siemens' rates and terms then in effect.

This Agreement does not entitle the Customer to services related to information technology, patient and imaging workflow design and analysis, or problem diagnosis. Siemens' responsibility under this Agreement does not extend beyond the outbound or inbound sockets of the Equipment. In addition, changes, adjustments, additions or repairs required to or with respect to the Equipment resulting from issues, matters, items or concerns that are the responsibility of the Customer, such as changes related to Customer's network infrastructure, are not covered by this Agreement. This may include, but is not limited to, network IP address changes. Although the Equipment may have limited short term storage capacity, the storage of images, both patient and QA images, is the responsibility of the Customer.

If Siemens offers a Network Assistance option for the Equipment and the Customer purchases this option as indicated on Exhibit A, then Siemens shall assist the Customer in its efforts to identify the cause of any network or connectivity problems which may affect the operation of the Equipment; provided, however, that the price for this option does not include the cost of any repairs (labor, parts, etc.) to remedy such problems, which shall be the sole responsibility of the Customer. If the Customer does not purchase this option, or if this option is not offered by Siemens, then any assistance provided by Siemens to the Customer with respect to any network or connectivity issues shall require a P.O. from the Customer and shall be separately billed to the Customer at Siemens' then current rates and charges.

**9. Default**

Customer shall be in default under this Agreement upon: (i) a failure by Customer to make any payment due Siemens within ten (10) days of receipt of notice from Siemens that the payment was not made within the applicable payment period; (ii) a failure by Customer to perform any other obligation under this Agreement within thirty (30) days of receipt of notice from Siemens; (iii) a failure by Customer to grant Siemens access to the Equipment as set forth in Section 6 of this Agreement; (iv) a failure by Customer to notify Siemens the Equipment is in need of remedial

maintenance or to permit Siemens to inspect, repair or adjust the Equipment as deemed necessary by Siemens (a) as set forth in Section 1 of this Agreement; or (b) at any time during the term of this Agreement in order to keep the Equipment operating in material compliance with the written specifications; (v) a failure by Customer to maintain the Equipment in accordance with the manufacturer's written specifications; (vi) a failure by Customer to purchase from Siemens all necessary replacement parts and labor that are excluded from coverage under this Agreement; (vii) a default by Customer or any affiliate of the Customer under any other obligation to or agreement with Siemens or Siemens Financial Services, Inc. or any assignee of the foregoing (including but not limited to, a promissory note, lease, rental agreement, license agreement or purchase contract); or (viii) the commencement of any insolvency, bankruptcy or similar proceedings by or against the Customer (including any assignment by Customer for the benefit of creditors). Upon the occurrence of any event of default hereunder, Siemens may, in addition to any and all other remedies available under law, elect to: (i) immediately cease providing services under this Agreement and any and all other agreements between the parties, or suspend any training courses or educational offerings provided under this Agreement, until the default is cured or corrected, (ii) terminate this Agreement, in which case Customer shall pay to Siemens (a) all amounts due under this Agreement through the effective date of termination, (b) as liquidated damages and not as a penalty, an amount equal to 25% of the remaining payments due under this Agreement from the date of termination through the scheduled expiration of the term of this Agreement, and (c) all costs and expenses of collection, including without limitation reasonable attorneys' fees and court costs incurred by Siemens as a result of the Customer's default, (iii) void any and all warranties for the Equipment that has been affected by the use of unauthorized replacement parts and/or Customer or third-party labor; and/or (iv) commence collection actions (including court actions) for all sums due under this Agreement. All rights and remedies available to Siemens hereunder, by law or equity, shall be cumulative and there shall be no obligation for Siemens to exercise a particular remedy.

In the event that Customer cures all defaults hereunder, then prior to resumption of the Equipment maintenance services under this Agreement, Siemens may inspect the Equipment to determine if it is in good operating condition. Such inspection shall be charged to the Customer at Siemens' per-call rates and terms then in effect. Any repairs or adjustments which Siemens determines are required due to (i) the use of any non-Siemens parts, (ii) the repair or service of the Equipment by the Customer or any third party during the suspension of services by Siemens, or (iii) any of the exclusions from coverage set forth in Section 8 of this Agreement, shall be charged to the Customer at Siemens' rates and terms then in effect and shall include charges for parts, with all such repairs or adjustments to be completed prior to the resumption of service under this Agreement.

**10. Limitation of Liability**

Siemens' entire liability and Customer's exclusive remedy for any direct damages incurred by the Customer from any cause whatsoever, and regardless of the form of action, whether liability in contract or in tort, arising under this Agreement or related hereto, shall not exceed, as applicable: (i) an amount equal to two (2) times the Annual Agreement Price (in effect when the cause of action arose) for the specific item of Equipment under this Agreement that caused the damage or is the subject matter of, or is directly related to, the cause of action, or (ii) two (2) times the amount paid by Customer to Siemens under this Agreement for the particular training course or educational offering that is the subject matter of the claim. The foregoing limitation of liability shall not apply to claims by Customer or third parties for bodily injury or damage to real property or tangible personal property (including damage to the Equipment covered by this Agreement) caused solely and directly by the gross negligence or willful misconduct of Siemens. In addition, Siemens shall have no liability hereunder to Customer to the extent that Customer's or any third party's acts or omissions contributed in any way to any loss it sustained or to the extent that the loss or damage is due to a force majeure occurrence as described in Section 17 hereof or any other cause beyond the reasonable control of Siemens.

THIS IS A SERVICE AGREEMENT. WITHOUT LIMITING THE LIMITATION OF LIABILITY SET FORTH IN THE PRECEDING PARAGRAPH, SIEMENS EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL SIEMENS BE LIABLE FOR ANY LOST PROFITS, LOST SAVINGS, LOST REVENUES, LOSS OF USE OR DOWNTIME (EXCEPT AS OTHERWISE PROVIDED HEREIN), LOST DATA, OR FOR ANY INDIRECT, INCIDENTAL, UNFORESEEN, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR ANY OTHER THEORY OR FORM OF ACTION, EVEN IF SIEMENS HAS BEEN ADVISED OF THE POSSIBILITY THEREOF, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE USE OR PERFORMANCE OF THE EQUIPMENT.

**11. Notices**

Except for the issuance of invoices as set forth in Section 7 hereof, all notices required to be provided hereunder shall be in writing and shall be sent by overnight delivery via a nationally recognized delivery service or by certified or registered mail, postage prepaid, to Siemens at the address set forth on the first page of this Agreement and to the Customer at the address set forth under "Bill To" on the first page of this Agreement. Notice given in compliance with this Section 11 shall be sufficient for all purposes under this Agreement, and such notice shall be effective when sent. Either party may change its notice address only if notification is sent in writing pursuant to this Section 11.



**12. Governing Law; Waiver of Jury Trial**

This Agreement shall be governed by the laws of the state of California. TO THE EXTENT NOT PROHIBITED BY LAW, THE PARTIES WAIVE ALL RIGHTS TO A JURY TRIAL IN ANY LITIGATION ARISING FROM OR RELATED IN ANY WAY TO THIS AGREEMENT OR THE TRANSACTION CONTEMPLATED HEREBY.

**13. Government Access Clause**

Until the expiration of four (4) years after the furnishing of any services under this Agreement, Siemens shall make available upon written request of the Secretary of the Department of Health and Human Services, the Comptroller General, or any of their duly authorized representatives, this Agreement and the books, documents and records of Siemens which are necessary to certify the nature and extent of costs incurred under this Agreement. If Siemens carries out any of the duties of this Agreement through a subcontract with a value of \$10,000 or more over a 12 month period with a related organization, such subcontract shall include a clause to the effect that until the expiration of four (4) years after the furnishing of any services under the subcontract, the related organization shall make available upon written request of the Secretary of the Department of Health and Human Services, the Comptroller General, or any of their duly authorized representatives, the subcontract and the books, documents and records of the related organization that are necessary to certify the nature and extent of costs incurred under that subcontract.

This provision shall apply if and solely to the extent that Section 1861 (v) (1) (I) of the Social Security Act applies to this Agreement.

**14. Damages, Costs, And Fees**

No provision of this Agreement which may be deemed invalid, illegal or unenforceable will in any way invalidate any other portion or provision of this Agreement. Paragraph headings are for convenience only and will have no substantive effect.

No failure, and no delay in exercising, on the part of any party, any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right preclude the further exercise of any other right.

No provision of this Agreement which may be deemed invalid, illegal or unenforceable will in any way invalidate any other portion or provision of this Agreement. Paragraph headings are for convenience only and will have no substantive effect.

**15. Severability; Headings**

No provision of this Agreement which may be deemed invalid, illegal or unenforceable will in any way invalidate any other portion or provision of this Agreement. Paragraph headings are for convenience only and will have no substantive effect.

**16. Waiver**

No failure, and no delay in exercising, on the part of any party, any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right preclude the further exercise of any other right.

**17. Force Majeure**

Siemens will not be liable to Customer for any failure to fulfill its obligations under this Agreement due to causes beyond its reasonable control and without its fault or negligence including, but not limited to, governmental laws and regulations, acts of God or the public, war or other violence, civil commotion, blockades, embargoes, calamities, floods, fires, earthquakes, explosions, accidents, storms, strikes, lockouts, work stoppages, labor disputes, or unavailability of labor, raw materials, power or supplies. In addition, in the event of any determination pursuant to the provisions of a collective bargaining agreement between the Customer and any labor union representing any employees of the Customer preventing or hindering the performance of any of the obligations of Siemens under this Agreement, or determining that the performance of any such obligations violates provisions of that collective bargaining agreement, or in the event a trade union, or unions, representing any of the employees of the Customer otherwise prevents Siemens from performing any such obligations, then Siemens shall be excused from the performance of such obligations unless the Customer makes all required arrangements with the trade union, or unions, to permit Siemens to perform the work. The Customer shall pay any additional costs incurred by Siemens that are related to any labor dispute(s) that involve the Customer.

**18. Confidentiality**

Siemens and the Customer shall maintain the confidentiality of any information provided or disclosed to the other party, its employees or agents (a "receiving party") relating to the business, customers and/or patients of the disclosing party, including but not limited to know-how, technical data, processes, software, techniques, developments, inventions, research products and plans for future developments, proprietary matters of a business or technical nature, as well as this Agreement and its terms (including the pricing and other financial terms under which the Customer will be obtaining the services hereunder). Confidential Information shall also include all written materials (including correspondence, memoranda, manuals, training materials, notes and notebooks) and all computer software, models, mechanisms, devices, drawings or plans which may be disclosed or made available embodying Confidential Information. All Confidential Information shall be and remain the sole and exclusive property of the disclosing party. Each party shall use reasonable care to protect the confidentiality of the information disclosed, but no less than the degree of care it would use to protect its own confidential information, and shall only disclose the other party's confidential information to its employees and agents having a need to know this information. Confidential Information shall not include any information or data which (i) is or becomes public knowledge (through no fault of the receiving party or any of its employees or agents), (ii) is made available to the receiving party by an independent third party without any obligation of confidentiality, (iii) is already in the receiving party's possession at the time of receipt from the disclosing party (as such prior possession can be properly demonstrated by it), or (iv) is required by law to be

disclosed, provided that the receiving party gives the disclosing party advance notice of the requirement for disclosure so that the disclosing party can take whatever action it deems necessary to protect the disclosure of its Confidential Information. In addition, this confidentiality provision shall not apply to any action brought by either party to enforce the terms of this Agreement against the other party.

Any unauthorized use, disclosure or misappropriation of any Confidential Information by the receiving party in violation of the foregoing may result in irreparable and continuing damage to the disclosing party; in the event of such breach, the disclosing party shall be entitled to obtain immediate injunctive relief and any other relief or remedies to which it may be entitled. The receiving party waives any requirement that the disclosing party post a bond or other security in connection with any petition filed by the disclosing party for injunctive relief. In the event that a court of competent jurisdiction determines that the receiving party has breached this provision, then the receiving party shall reimburse the disclosing party for the costs of any court proceedings and all reasonable attorneys' fees.

**19. End of Support Announcement**

Notwithstanding anything to the contrary contained herein, in the event that Siemens makes a general announcement that it will no longer offer service agreements for an item of Equipment or components thereof, or provide a particular service agreement option or feature, whether due to the unavailability of spare parts or otherwise (an "EOS Announcement"), then upon no less than twelve (12) months prior written notice to the Customer, Siemens may remove any affected Equipment, components, options or features from coverage under this Agreement, with a corresponding adjustment of the Annual Agreement Price. In addition, at the end of this twelve (12) month period, the Customer may either remove the affected Equipment, components, options or features from coverage under this Agreement on or after the EOS date and with no less than thirty (30) days written notice; or request that Siemens provide service or parts on a time and materials basis only, at Siemens' rates and terms then in effect, for any Equipment, components, options or features subject to an EOS Announcement.

**20. Removal of Equipment from Coverage**

The Customer may remove Equipment from coverage under this Agreement at any time upon no less than thirty (30) days prior written notice to Siemens if the use of the Equipment is permanently discontinued and the Equipment is removed from service. There is no fee for this cancellation. Prorated credit will be issued for any advance payments made by the Customer for the period after the effective date of removal (based on the notice requirement). In addition, if the Customer sells or otherwise transfers any of the Equipment to a third party and the Equipment remains installed and in use at the same location, but such third party does not assume the obligations of the Customer under this Agreement or enter into a new service agreement with Siemens with a term at least equal to the unexpired term of this Agreement, then the Customer may terminate this Agreement with respect to such Equipment upon no less than thirty (30) days prior written notice to Siemens, in which case the Customer shall pay to Siemens (i) all amounts due under this Agreement through the effective date of termination (based on the notice requirement) and (ii) as liquidated damages and not as a penalty, an amount equal to 25% of the remaining payments due under this Agreement for such Equipment from the date of termination through the scheduled expiration of the term of this Agreement.

**21. HIPAA**

To the extent required by the provisions of the Health Insurance Portability and Accountability Act ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and any regulations promulgated thereunder, Siemens does hereby assure Customer that it will appropriately safeguard Protected Health Information (as defined under HIPAA) made available to or obtained by Siemens pursuant to this Agreement or any Service Schedule ("PHI"). Without limiting the obligations of Siemens otherwise set forth in this Agreement or imposed by applicable law, Siemens agrees to comply with applicable requirements of law relating to PHI and with respect to any task or other activity Siemens performs on behalf of Customer. Specifically, Siemens shall:

(a) not use or disclose PHI other than as permitted or required by this Agreement or as required by law, and limit any use or disclosure of PHI to a limited data set or the minimum necessary to accomplish the intended purpose of such use or disclosure;

(b) implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of any electronic PHI that it creates, receives, maintains or transmits on behalf of the Customer, and comply, where applicable, with the HIPAA Security Rule with respect to such electronic PHI, and otherwise use appropriate safeguards to prevent use or disclosure of PHI, other than as provided for by this Agreement;

(c) report to Customer any use or disclosure of PHI not provided for by this Agreement, and report any security incident, of which Siemens becomes aware;

(d) in accordance with applicable HIPAA and HITECH requirements, ensure that any subcontractors or agents to whom Siemens provides PHI received from, or created or received by Siemens on behalf of, Customer agree to essentially the same restrictions and conditions that apply to Siemens with respect to PHI and implement reasonable and appropriate safeguards with respect to PHI;

(e) upon Customer's written request, make PHI available to the Customer as necessary for Customer to respond to individuals' requests for access to PHI about them, provided that the PHI in Siemens' possession constitutes a Designated Record Set and Siemens has been specifically engaged by Customer to so maintain and service such PHI on behalf of Customer;

(f) upon Customer's written request, make PHI available to Customer for amendment and incorporate any amendments to the PHI in accordance with

applicable law, provided that the PHI in Siemens' possession constitutes a Designated Record Set and Siemens has been specifically engaged by Customer to so maintain and service such PHI on behalf of Customer;

(g) make available to Customer the information in its possession required to provide an accounting of disclosures of PHI as required by applicable law;

(h) mitigate, to the extent practicable, any harmful effect that is known to Siemens of a use or disclosure of PHI by Siemens in violation of the requirements of this Agreement or of law;

(i) provide notice of a breach of unsecured PHI to Customer without unreasonable delay, and in no case later than thirty (30) days after discovery of a breach. The notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by Siemens to have been, accessed, acquired, used, or disclosed. Siemens shall provide Customer with any other available information that Customer is required to include in notification to the individual under applicable law;

(j) make Siemens' internal practices, books, and records relating to the use and disclosure of PHI received from Customer available to the Secretary of the United States Health & Human Services for purposes of determining Customer's compliance with applicable law; and

(k) upon expiration or termination of this Agreement, return to Customer or destroy all PHI in its possession as a result of this Agreement and retain no copies of PHI, if it is feasible to do so. If return or destruction is not feasible, Siemens agrees to extend all protections contained in this Agreement to Siemens' use and/or disclosure of any retained PHI, and to limit further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible.

Siemens may use and disclose PHI as necessary for Siemens to perform its obligations hereunder, and may (i) use the PHI for its proper management and administration and to carry out its legal responsibilities, (ii) disclose the PHI to a third party for Siemens' proper management and administration or to carry out Siemens' legal responsibilities, provided that the disclosures are required by law or Siemens obtains reasonable assurances from the third party regarding the confidential handling of such PHI as required under HIPAA and/or HITECH, and the third party agrees to notify Siemens of any instances in which the confidentiality of the information has been breached, (iii) provide data aggregation services related to the healthcare operations of Customer, and (iv) de-identify the PHI, and use such de-identified data, in accordance with the de-identification requirements under HIPAA.

Siemens agrees that it will negotiate in good faith an amendment to this Agreement if, and to the extent required by, the provisions of HIPAA and regulations promulgated thereunder, in order to assure that this Agreement is consistent therewith.

**22. Uptime Performance Guarantee [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]**

For any Equipment that includes an Uptime Guarantee as specified in Exhibit A, Siemens guarantees that the Equipment will function at the minimum Uptime Performance (defined below) level set forth in Exhibit A (computed as described below).

"Uptime Performance" is defined as the capability of the Equipment to be utilized to treat or diagnose patients. The Equipment will be considered to be operational (i.e., it will not be considered to be "down"): (a) unless it cannot be utilized to treat or diagnose patients (room down); (b) if Siemens is prepared to perform maintenance services to make the Equipment operational but such service is refused by the Customer or is deferred by the Customer until a later time or date; (c) if the Equipment is not otherwise made available to Siemens' service engineers; (d) if the Equipment is down is due to, associated with, or caused by (i) misuse, negligence, or operator error, (ii) inadequate environmental conditions (not conforming with the environmental specifications provided by Siemens), including temperature and humidity, line power exceeding Siemens' requirements of voltage, frequency, impulses or transients, (iii) any of the exclusions set forth in Section 8 hereof, or (iv) acts of God or other force majeure events described in Section 17 hereof; or (e) during periods in which Siemens is performing scheduled or planned maintenance, changing high-vacuum components, and installing updates and/or upgrades. If the Equipment is not operational, then the Customer must immediately notify the Siemens Customer Care Center (24-hour Service Call Dispatch Center). Downtime will not commence until such notification is given to Siemens.

For purposes of calculating the Uptime Performance level percentage, such computation shall be made over the PCP, to include any extended coverage hours as indicated on Exhibit A. The Equipment's Uptime Performance shall be calculated to comply with the above guidelines on an annual basis. If the Equipment's Uptime Performance level is found to be less than the guaranteed percentage, as computed in accordance with the above guidelines, Siemens will extend the term of this Agreement by seven (7) calendar days (30 calendar days for Oncology Care Systems) for every percentage point (rounded to the nearest percent) below the guaranteed percentage. These days will be added at the end of the term of this Agreement. For example, if the guaranteed percentage is 97%, then 96% Uptime Performance would result in an extension of seven (7) calendar days and 95% Uptime Performance would result in an extension of fourteen (14) calendar days. The foregoing states Siemens' entire obligation and liability, and the Customer's sole remedy, for Siemens' failure to meet the Uptime Performance Guarantee.

In order for the Uptime Performance Guarantee to be effective, the Customer must place all calls for service through the Siemens Customer Care Center and must accept all Technical Assistance that is offered by Siemens, including, but not limited to, telephone support and remote diagnostics. For any period of time that the

Customer does not seek and accept Technical Assistance from Siemens, then the Equipment shall be considered to be operational.

The Customer agrees to allow connection to Smart Remote Service diagnostic equipment, where available, for the Equipment covered by this Agreement. Smart Remote Service (SRS) is required for SRS-capable systems. The Uptime Performance Guarantee shall be void if the SRS connection is not provided and available 24 hours per day, 7 days a week.

**23. Response Time Guarantee [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]**

Siemens guarantees that it shall meet any on-site response time as specified in Exhibit A for system "down" situations. Response time is measured from the time that the Customer notifies the Siemens Customer Care Center that a system is down. The response time only applies during the PCP, to include any extended coverage hours (if selected by the Customer), as indicated on Exhibit A. For example, a request for on-site service made at noon on a Monday (where the PCP is 8:00 a.m. through 5:00 p.m., Mondays through Fridays) will have a guaranteed arrival time of 4:00 p.m. on the same day for customers with a four (4) hour response time and a guaranteed arrival time of 11:00 a.m. on the next day for customers with an eight (8) hour response time guarantee. A request for on-site service made at 9:00 a.m. on a Saturday will have a guaranteed arrival time of noon on the next Monday for customers with a four (4) hour response time and 4:00 p.m. on that Monday for customers with an eight (8) hour response time guarantee. If a request for on-site service is made outside the PCP (to include extended coverage hours, if selected by the Customer), Siemens will use its best efforts to have a CSE on-site as soon as possible.

If Siemens responds to a request for on-site service during the PCP but its work to repair or service the Equipment continues after the expiration of the PCP (to include any extended coverage hours, if applicable), then any work outside the PCP will be billed to the Customer, unless any optional Continuous Effort coverage that is available for the Equipment has been purchased as part of this Agreement. Continuous Effort coverage ensures that in room/system down situations, work will continue past the contracted PCP (including any extended coverage hours, if applicable, and/or core modality specific hours, as defined in the Glossary, if applicable) at no additional charge until the system is repaired or 1:00 a.m., whichever comes first, as long as the CSE has been on-site for one hour or more before the end of the contracted PCP (including any extended coverage hours and/or core modality specific hours, if applicable).

The remedy provided by Siemens for its failure to meet the on-site response time guarantee is as follows: for each one (1) hour or portion thereof that Siemens fails to meet the on-site response time guarantee, the Customer will receive one (1) free hour of overtime after the PCP for that service event. The foregoing states Siemens' entire obligation and liability, and the Customer's sole remedy, for Siemens' failure to meet the Response Time Guarantee.

**24. Tool and Test Access [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]**

Siemens agrees to rent to the Customer, certain tools and test equipment as determined by Siemens ("Tools") to enable Customer to service the Equipment during the Contract Duration on the terms set forth herein. Siemens shall provide Tools after verifying to its sole satisfaction that Customer's In-House Biomedical Engineers are properly trained on the Equipment and Tools.

Siemens shall notify Customer of the rental fee for the Tools at the time of the order. Customer will be charged the rental fee after shipment of the Tools to Customer. Customer agrees to pay full list price of Tools (less rental fees paid) if Customer fails to return the Tools as required herein.

Customer may use the Tools for up to two (2) weeks ("Rental Period") from the date of receipt of the Tools. Customer may, with Siemens' consent, extend the Rental Period for an additional rental fee. Customer must return the Tools within five (5) business days of the conclusion of the Rental Period ("Return Period"). If the Tools are not received by Siemens before the conclusion of the Return Period, Customer will be charged the then-current list price for the Tools. Customer may, at the conclusion of the Return Period, purchase the Tools at the then-current list price, subject to the Terms and Conditions of Sale for Spare Parts and Service. The delivery of the Tools to the Customer and return of the Tools to Siemens shall be completed by Siemens at its own expense.

Title to the Tools shall be and at all times remain with Siemens and Customer shall keep the same free and clear of any and all liens and claims. Customer (i) authorizes Siemens to execute in Customer's name and file (and Customer shall promptly execute, if requested by Siemens) and (ii) irrevocably appoints Siemens its agent and attorney-in-fact to execute in the name of Customer and file, with such authorities and at such locations as Siemens may deem appropriate, any Uniform Commercial Code financing statements evidencing Siemens' ownership of the Tools. Risk of loss shall pass to Customer upon delivery. Customer shall maintain at its expense adequate liability insurance with respect to its possession and use of the Tools and against all common risks (i.e., fire, flood, theft, Acts of God, etc.) for the full replacement value of the Tools. At the request of Siemens, Customer shall provide Siemens with an insurance certificate evidencing such insurance coverage.

Customer shall only use the Tools for their intended purpose, in the proper manner and with appropriate care, pursuant to any instructions, training and manuals

provided to Customer by Siemens, Customer shall immediately report to Siemens or its designee any malfunction or defect, whatever the nature or cause.

Customer shall ensure that any necessary repair, modification or service to any Tool is carried out by Siemens or Siemens' designee. Siemens agrees to use its best efforts to repair the Tools as needed in a prompt and timely fashion, following a reported malfunction or defect. Customer shall not move the Tools from the Customer's facilities identified on the front page of this Agreement. Customer shall return the Tools to Siemens in the same condition as when delivered to Customer (ordinary wear and tear excepted). Customer acknowledges the Tools constitute Confidential Information, and Customer will maintain the Tools in accordance with the Confidentiality provisions of this Agreement.

#### 25. Centralized Depot Repair Procedures [DOES NOT APPLY TO EVERY SERVICE AGREEMENT]

For any Equipment that includes Centralized Depot Repair and Loaner Program as specified in Exhibit A, Siemens may provide the Customer a comparable system ("Loaned System") while Siemens attempts to repair the non-complying system. Purchaser's use of the Loaned System commences upon receipt of the Loaned System and continues until receipt of the repaired or replaced system (the "Loan Period"). The Loaned System must be returned to Siemens within two (2) business days of receiving the repaired or replaced system, and in accordance with the Siemens' written instructions. The Loaned System shall be returned in the same condition as when delivered, ordinary wear and tear excepted. Title to the Loaned System shall at all times remain with Siemens, but Customer will be responsible for equipment that is lost, stolen, or damaged during the Loan Period. Customer is also responsible for any personal injuries or property damages caused by the negligent acts or omissions of Customer, its officers, directors, employees or agents. Customer agrees to use the Loaned System in accordance with all instructions and manuals, and to immediately report to Siemens any malfunction or defect in the Loaned System. If the Loaned System is not returned to Siemens per requirements herein then Purchaser will be charged, and agrees to pay Siemens, a monthly rental fee of 3.5% of the fair market value of the Loaned System as determined by Siemens for each full month (or any portion thereof) until Siemens receives the Loaned System.

#### 26. Non-Assignment

Customer may not assign this Agreement unless it obtains the prior written consent of Siemens, which consent shall not be unreasonably withheld or delayed. Siemens may not assign this Agreement unless it obtains the prior written consent of the Customer, which consent shall not be unreasonably withheld or delayed, except that Siemens may assign without Customer approval to any subsidiary or affiliated company or any of its authorized dealers.

#### 27. Reimbursement for Training Courses and Educational Services Upon Early Termination; Cancellation

If this Agreement includes any training courses or other educational offerings and this Agreement is terminated or Equipment is removed from coverage as provided hereunder prior to the expiration of the term, then Siemens may bill the Customer for any balance due and owing with respect to those training courses or other educational offerings that have been completed by the Customer, and Customer agrees to pay the same.

Customer shall notify the Siemens training and education coordinator, in advance, of the cancellation, in whole or in part, of any training or other educational offering, or any request to reschedule the same. The cancellation or rescheduling of any training courses and other educational offerings may be subject to the payment of a cancellation fee. A copy of Siemens' cancellation policy is available upon request or can be found at:

<https://usa.healthcare.siemens.com/education/personalized-education-by-solution/solution/imaging-and-therapy/cancellation-policy>

#### 28. Cost Reporting

Customer agrees that it must fully and accurately report prices paid under this Agreement, net of all discounts, as required by applicable law and contract, including without limitation 42 CFR §1001.952(h), in all applicable Medicare, Medicaid and state

agency cost reports. Customer shall retain a copy of this Agreement and all other communications regarding this Agreement, together with the invoices for purchase and permit agents of the U.S. Department of Health and Human Services or any state agency access to such records upon request.

#### 29. Execution; Counterparts

If the Customer is a corporation or partnership, the person signing this Agreement on its behalf certifies that such person is an officer or partner thereof, that his or her action was duly authorized by appropriate corporate or partnership action, that such action does not conflict with the corporate charter or bylaws or the partnership agreement, as the case may be, or any contractual provision binding on such corporation or partnership, and that no consent of any stockholders to his or her action is required.

This Agreement may be executed in two (2) or more counterparts, each of which shall constitute an original document but all of which together shall constitute one and the same agreement.

#### 30. Entire Agreement

This Agreement, including all exhibits and addenda attached hereto, constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes all prior and contemporaneous oral or written representations or communications between the parties. This Agreement may not be modified or amended, except in writing executed by the appropriate designated officers of the parties hereto. Any variation in the terms and conditions contained in this Agreement (including, but not limited to, the inclusion of Customer's own terms and conditions in any purchase order or other document issued by Customer in response to and/or referencing Siemens' quotation for service or this Agreement) shall not be deemed to be a part of this Agreement and shall not be binding upon Siemens unless set forth in writing and executed by the appropriate designated officer of Siemens. Subject to the limitations expressed herein, this Agreement will be binding upon and inure to the benefit of the parties hereto, their successors, legal representatives, and permitted assigns. Notwithstanding anything to the contrary contained herein, the provisions of Sections 9, 10, 12, 13, 14, 15, 16, 18, 21 and 27 shall survive the expiration or termination of this Agreement.

#### 31. Indemnification.

Each party shall indemnify and hold harmless the other party, its officers, directors, agents, and employees from and against any and all claims, liabilities, and losses occurring or resulting to any person or entity for damage, injury, or death, to the extent such claims, liabilities, or losses are caused by the wrongful, willful or negligent act or omission of the indemnifying party or its agents in the performance of this Agreement.

#### 32. Not Excluded.

Siemens warrants that, to its knowledge, neither Siemens nor its employees or agents performing services under this Agreement have been excluded from participation in federal or state healthcare programs. If an employee/agent performing services under this Agreement is excluded, Siemens will replace that employee/agent within a reasonable time. If Siemens is excluded, Customer may terminate this Agreement, without penalty and with applicable refund, upon written notice to Siemens.

#### 33. Insurance.

Siemens shall maintain in effect throughout the term of this Agreement general liability insurance in the amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate; and comprehensive automobile liability insurance in the amounts of \$100,000 per occurrence and \$300,000 annual aggregate covering all motor vehicles, including owned, leased, non-owned, and hired vehicles that are or will be used in providing services under this Agreement.

## Memorandum

To: Board of Directors  
 From: Clement Miller  
 Date: July 18, 2022  
 Re: Policies Requiring Approval

As required under Title 22, CMS, and The Joint Commission (TJC), please find below a list of regulatory required policies with summary of changes that require your approval.

	<b>Policy Title</b>	<b>Summary of Changes</b>	<b>Responsible VP</b>
1.	Outbreak Investigation	Template was corrected. Education statement updated. Minor language clean-up.	Allen Radner, MD
2.	Safe Patient Handling	Minor verbiage clean-up.	Michelle Childs
3.	Scope of Service: Employee Health	Minor verbiage clean-up. Clarification to current process.	Michelle Childs
4.	Sepsis Management Standardized Procedure	Evaluation requirements expanded upon. Review schedule clarified.	Lisa Paulo
5.	Employee Health Services	Minor wording changes. Annual health assessment clarified in depth. Added department education and skills days as acceptable education for Infection Prevention.	Michelle Childs
6.	Chemotherapy administration of Parental and Oral Antineoplastic Agents: (Inpatient and Outpatient)	Added oral agents to title. Corrected template. Added immunotherapy. Procedure clarified to current process. References updated.	Clement Miller
7.	Multiple Gestation Deliveries	Updated template. Addition of fetal monitoring details and identification of umbilical cord letter. Education statement corrected to template. References updated.	Lisa Paulo

8.	NICU Family Centered/Parent Participation	Updated policy statement. Updated education statement and references.	Lisa Paulo
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## OUTBREAK INVESTIGATION

<i>Reference Number</i>	5582
<i>Effective Date</i>	Not Set
<i>Applies To</i>	All Departments
<i>Attachments/Forms</i>	California Reportable Diseases and Conditions (2020)

**I. POLICY STATEMENT:**

- A. Outbreak Investigation is to determine and confirm the existence of an epidemic. The investigation is to be performed by those individuals that are epidemiologically trained and educated as defined by the Association for Professions in Infection Control and Epidemiology (APIC).

**II. PURPOSE:**

- A. To define the process that the Infection Prevention Manager, in conjunction with the Employee Health Manager, Infection Prevention Medical Director, and /or Chief Medical Officer will conduct epidemiological surveillance, investigation and reporting to appropriate authorities, hospital units, clinics and Committees.

**III. DEFINITIONS:**

**A. Outbreak**

An outbreak is the occurrence of more cases of a disease or event than expected during a specified period of time in a given area or among a specific group of people. In a health care facility, an outbreak may be suspected when routine surveillance activities detect an unusual microbial isolate, a cluster of case, or an apparent increase in the usual number or incidence of cases; when a clinician diagnoses an uncommon disease; or when an alert physician, nurse, or laboratory worker notices a cluster of cases.

**B. Cluster**

A cluster is a group of cases of a disease or other health-related event that occurs closely related in time and place. In a cluster, the number of cases may or may not exceed the expected number—frequently the expected number is not known.

**IV. GENERAL INFORMATION:**

- A. N/A

**V. PROCEDURE:**

- A. Many steps in an outbreak investigation will occur simultaneously; however, whenever an outbreak or cluster is suspected, the investigator must first conduct an initial evaluation of the reported cases to confirm that a potential epidemic exists, and then decide whether to initiate a basic or a full-scale investigation.

### **1. Initial Evaluation**

The purpose of the initial evaluation is to provide a quick analysis of the likelihood that an important excess of cases has occurred and to determine if a potential problem exist. The steps are as follows:

- a. Verify the diagnosis of the reported cases. The diagnosis will be verified by reviewing laboratory reports and medical records. In addition, clinical findings can be discussed with physician and or the Infection Prevention Medical Director, especially when there appears to be a discrepancy between the clinical findings and the laboratory findings. If the clinical findings do not support the laboratory finding then a pseudo infection or misdiagnosis will be suspected.
- b. Evaluate the severity of the problem. If the condition is severe, a full-scale investigation may be needed. If it is mild or only affects a few people, then a basic investigation may be all that is needed with appropriate units and Directors notified.
- c. Conduct a retrospective review of surveillance records, laboratory reports, and clinical records to identify if there are other cases.
- d. Develop a line listing of cases per APIC protocols.
- e. Review the existing information and determine if a potential problem exists (i.e., does the incidence rate appear to be greater than expected).
- f. If a potential outbreak exists, decide whether to begin a basic or a full-scale investigation. Because the initial steps for both investigations are similar, no time will be lost if started with a basic investigation and subsequently finds that a full-scale study is warranted.

### **2. Outbreak Investigation**

- a. To identify and verify the diagnosis of newly reported cases. The IP Manager will conduct prospective surveillance for new cases by monitoring laboratory results, clinical records and reports from attending healthcare providers. All new suspected cases will be added to the line listing.
- b. Develop a case definition that will be used to identify affected persons. A case definition utilizes epidemiologic, clinical, and laboratory criteria to define and classify cases and usually restricts

cases to a specific time, place and person. The definition may categorize cases as possible, probably, and definite. The case definition may initially be broad to ensure that all those who have the disease or condition are included in the study. Salinas Valley Memorial Hospital Infection Prevention Department will utilize the Centers for Disease Control (CDC) definitions for infectious conditions that are reportable to the California Department of Public Health and / or Monterey County Health Department (See attachment A: CDPH / MCDH Reportable Diseases)

- c. Review clinical and laboratory findings. If the outbreak is of infectious etiology, clinical and laboratory findings will be reviewed early in the investigation to determine if the cases are infected or colonized or if they represent pseudo infection.
- d. Confirm the existence of an epidemic. This is done by determining if the incidence rate or the number of cases is above the endemic or expected rate if the rate is known. It is important during this phase to rule out the possibility of surveillance techniques; equipment, new ways of specimen collection, etc. can all lead to an increase number of reported infections.
- e. The IP Department will conduct a literature search as needed to assist with identifying risk factors, sources, reservoirs, modes of transmission, and effective control measures.
- f. If the outbreak is of infectious etiology, the IP Department will notify the microbiologist of the likelihood of an outbreak and will be instructed to save all isolates of the suspected agent as appropriate.
- g. Essential personnel will be notified (per CAL OSHA & CDPH requirements) as soon as the likelihood of an outbreak has been determined by the IP Manager and IP Medical Director / Chief Medical Officer. Salinas Valley Memorial Hospital VP/COO, VP/CNO, Manager of Risk, Manager of Quality, affected units, clinics or departments and affected staff will be alerted as well. The CDPH / MCDH will be notified as determined by the Manager of Risk Management.
- h. Institute early control measures. Personnel in the affected areas will be notified of the appropriate infection prevention and control measures to utilize including appropriate personal protective equipment to be utilized.
- i. An investigation team will be assembled by the IP Manager and a member will be appointed primary contact person to answer questions and communicate findings and recommendations. (Usually the IP Manager or IP Medical Director). The team will



be composed of the IP Manager, Employee Health, Quality Manager, Risk Manager, Laboratory, Pharmacy and CNO and /or COO. Spokesperson for any outside reporters will be determined by the Communications Director (Public Information Officer).

- j. The IP Manager will record all actions taken for final reporting once outbreak has resolved. Line listing will be completed on all cases suspected or confirmed. Data collection will be collected in a uniform manner and data elements will be determined and epidemic curve will be graphed.
- k. During the outbreak interim reports will be prepared as needed. When the outbreak has resolved the IP Manager will prepare a formal report that will be submitted to the Pharmacy & Therapeutics / Infection Control Committee..

## VI. EDUCATION/TRAINING:

- A. Education and/or training is provided as needed.

## VII. REFERENCES:

- A. Association for Professionals in Infection Control and Epidemiology (2014). *APIC text of infection control & epidemiology* (4th Ed). Outbreak Investigation. 12: 1-10. Washington DC: APIC publishing.
- B. Outbreak Investigation: A Cheat Sheet. CDC, 09/07/2011. <https://blogs.cdc.gov/publichealthmatters/2011/09/outbreak-investigation-a-cheat-sheet/>
- C. Principles of Epidemiology in Public Health Practice (October 2006, updated May 2012). An Introduction to Applied Epidemiology and Biostatistics (Third Edition). Lesson Six: Investigating an Outbreak. 6-1-75. Atlanta, GA., U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, Centers for Disease Control and Prevention (CDC), Office of Workforce and Career Development

## SAFE PATIENT HANDLING

<b>Reference Number</b>	5689
<b>Effective Date</b>	Not Set
<b>Applies To</b>	ALL SVMH AREAS
<b>Attachments/Forms</b>	<a href="#">Attachment A – Lift Equipment, Locations, Intended Uses &amp; Supply List</a> <a href="#">Attachment B: 5 areas of exposure with definitions</a> <a href="#">Attachment C: Mobility Algorithms</a>

### I. POLICY STATEMENT:

- A. SVMH Lift Team will be comprised of all patient handling staff and will be trained to lift, transfer, mobilize, and reposition using proper body mechanics and assistive devices upon hire.
- B. In the Acute Care Hospital the direct care RN will assess high risk patient handling tasks to determine the safest way to accomplish mobilization of their patients requiring greater than minimal assistance.
- C. Assistive devices in conjunction with good body mechanics and/or techniques should be used to prevent employee injuries and manual lifting of patients.
- D. Employees take reasonable care of their own health and safety, as well as that of their co-workers and their patients during patient handling activities by following this policy. Safe practice is an expectation at SVMH.
- E. Safety concerns should be reported immediately to your supervisor.
- F. In the event that a caregiver believes, that a particular patient handling or movement task may expose the patient or caregiver to risk of injury, the caregiver shall request additional support from his/her department manager or nursing supervisor to assure patient and staff safety.
- G. Offsite clinics will utilize appropriate body mechanics/techniques as described under procedure for the outpatient clinic population.

### II. PURPOSE:

- A. Provide guidelines for safe patient handling and mobility within Salinas Valley Memorial Hospital (SVMH) to prevent back and musculoskeletal injury. Provide a safe work environment and reduce the risk for injury to patients.

## SAFE PATIENT HANDLING

### III. DEFINITIONS:

- A. **Lift Team Members:** Staff members who have direct patient contact and are trained in lifting, transferring, mobilizing and repositioning patients upon hire and with yearly competencies.
- B. **Super Users/Champions:** Lift team members who have participated in additional training to be a reference for staff in regards to Safe Patient Handling.
- C. **Mighty Movers:** Class for hands-on training with mobility equipment used at SVMH which is offered during new hire orientation and as needed per employee request through the Department of Education.
- D. **High Risk Patient Handling Tasks:** Tasks that have a high risk of musculoskeletal injury for staff performing the tasks. These include but are not limited to lifting, transferring, mobilization and repositioning a patient with greater than minimal assistance.
- E. **Patient Care areas:** Inpatient and outpatient hospital units including MRI, Wound Care, Sleep Center, Mammography Centers, and off site departments under the hospitals license.
- F. **Manual Lifting:** Lifting, transferring, mobilizing and repositioning patients using a caregiver's body strength without the use of lifting equipment/aids.
- G. **Mechanical Patient Lifting Equipment:** Equipment used in the Acute Care Hospital to lift, transfer, mobilize and reposition patients. Examples include portable base full body sling lifts. ([Attachment A & B](#)).
- H. **Assistive Devices:** Equipment used to assist lifting, transferring, mobilizing and repositioning patients.
  - 1. Examples include: (Refer to [Attachment A](#))
    - a. Portable free standing lift devices
    - b. Overhead Ceiling lifts
    - c. Stand Assist Aids
    - d. Gait Belts
    - e. Lateral Transfer Aids
    - f. Surface friction-reducing devices
- I. **Culture of Safety:** Describes the collective approach of staff and leadership taking shared responsibility for safety in the work environment.
- J. **Emergency:** Unanticipated circumstances that can be life-threatening or cause significant injuries to the patient, staff or public requiring immediate action.

### IV. GENERAL INFORMATION:

## SAFE PATIENT HANDLING

A. N/A

### V. **PROCEDURE:**

#### A. **Safe Patient Handling and Movements Requirements:**

1. Assess the patient's needs for lifting, transferring, mobilizing and repositioning.
  - a. Minimal Assist: Caregiver provides a single point of contact to support a patient to perform an activity safely. Patient is able to provide 75% or more of the activity.
  - b. High risk patient handling and movement tasks: Any task that require greater than minimal assistance. Use assistance of other trained personnel, including the use of mechanical lifting and assistive devices. ([Attachment C](#))
2. Ensure equipment is in proper working order before use. Examples include but not limited to: Battery charged in lift equipment and appropriate sling size available.
3. Communication with the patient prior to the activity, regarding the mobility task.
4. Ask the patient to assist in patient handling tasks whenever possible, and encourage patient independence.
5. Return equipment to their assigned locations after use and immediately plug in to be charged. Switch out batteries as needed to ready for immediate use.
6. Immediately contact department manager or designee and complete an occurrence report for any safety concerns involving lifting, transferring, mobilizing or repositioning.

#### B. **Equipment**

1. To ensure easy access, the patient care units will monitor to ensure the equipment is stored safely in their assigned locations, plugged in if applicable, and ready for use.
2. Storage Locations: (See attachment – [Attachments A & B](#)). Notify engineering of any problems with mechanical lifting devices, tag and remove from service.
3. Mobility equipment will be trackable through the electronic tracking system.

#### C. **Delegation of Authority and Responsibility:**

##### 1. **Leadership:**

- a. Collaborate with staff to promote a safe working environment and “Culture of Safety”.
- b. Ensure mechanical lifting devices and other equipment/aids are readily available, regularly maintained and plugged in, and stored in designated locations.

## SAFE PATIENT HANDLING

- c. Ensure staff is trained as outlined in this policy.
  - d. Follow up on injuries to staff related to patient mobility, to ensure that remedial actions are implemented immediately and ensure any safety hazards are removed and additional training is completed if warranted.
  - e. All staff injuries in the acute care hospital will be reported to their immediate supervisor and Employee Health
  - f. All staff injuries in off-site clinics or buildings will be reported immediately to their supervisor/ designated safety person. Collaborate with Safe Patient Handling committee to assess areas for patient handling risks to include but not limited to ([Attachment C](#)):
    - i. Lateral
    - ii. Vertical
    - iii. Bariatric
    - iv. Repositioning
    - v. Ambulation
2. **Staff:**
- a. Comply with all parameters of this policy.
  - b. Educate and communicate with the patient and appropriate family members of mobility needs for the patient.
  - c. Assess the patient's physical and psychosocial care needs to ensure safe mobility to protect the staff and the patient.
  - d. Use proper body mechanics/techniques, including the use of mechanical lifting devices/mobility aides as indicated.
  - e. Use patient handling equipment and other approved patient handling aids in accordance with instruction and training.
  - f. Department Director /Designee will assess the need for re-training in the use of mechanical lifting devices, other equipment aids and lifting, body mechanics/techniques as needed.
  - g. Label and remove from services mechanical lifting devices in need of repair. Notify engineering via the reporting system and your department supervisor.
  - h. Support a "Culture of Safety".
  - i. Should an injury occur, notify you supervisor immediately.
  - j. After use ensure that equipment is cleaned, turned off, plugged in and then stored in its designated area.
3. **Engineering:** Maintain mechanical lifting devices in proper working order.

## SAFE PATIENT HANDLING

### V. **EDUCATION/TRAINING:**





- A. Education and/or training is provided as needed.






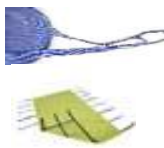
### VI. **REFERENCES:**

- A. California Law AB1136
- B. California Occupational Safety and Health Standards, Title 8, Chapter 4, Section 5120
- C. Division of Occupational Safety and Health, California (CA/OSHA)
- D. US Department of Veterans Affairs, VA Hospital Safe Patient Handling and Movement Guidelines



Approved

**ATTACHMENT A  
Hospital Departments**

	<b>Product Name</b>	<b>Product Use</b>	<b>Storage</b>	<b>Sling Type &amp; Ordering Information</b>	<b>Weight Capacity Slings</b>
	<b>Maxi Slide (Purple)&amp; Maxi Slide XL (Blue)</b>	Lateral transfers Repositioning	Clean linen carts/closets	<b>Re-Order through Environmental Services</b>	Maxi Slide: Maxi Slide XL: 1000 LBS/454 KG
	<b>Prevalon Wedge</b>	Repositioning and pressure relieving system	ICU and Materials Management	<b>PAR of ICU As ordered by the Wound Care RN through Materials Management</b>	
	<b>Steady Mobility promoting standing aid</b>	Use for more mobile patients to stand up independently	Sleep Center 2 <sup>nd</sup> Floor Between HC and 1 Main 3 <sup>rd</sup> in alcove near RM 317 3 <sup>rd</sup> , 4 <sup>th</sup> , 5 <sup>th</sup> in alcove near high speed elevators 3 <sup>rd</sup> , 4 <sup>th</sup> , 5 <sup>th</sup> Tower: Clean storage area Education Dept. (for training)	<b>Gait belt if necessary</b>	<b>(original model) 264 LBS/120 KGS (New model) 400 LBS/182 KGS</b> Weight limits are indicated on base of Steady
	<b>Golvo Patient Lift</b>	Lifting and repositioning patients Bed to chair transfers	ED Hallway of ED ICU inside double doors by waiting room 1 Main/HC Hallway between departments 3 <sup>rd</sup> 4 <sup>th</sup> 5 <sup>th</sup> Floor in alcove by high speed elevator 3 <sup>rd</sup> alcove near RM 317 3 <sup>rd</sup> , 4 <sup>th</sup> , 5 <sup>th</sup> Towers near double doors between towers and floor OR/DI alcove near high speed elevators Education Dept. (for training)	<b>Disposable slings are located in Par Levels in each clean utility room (Or if out order through Materials Management)</b> Medium Sling: Order #027822 Large Sling: Order #027825 Extra Large Sling: Order #027826 Reposition Sling: Order #027830 <b>Reusable amputee slings &amp; Bariatric slings are located in SSPD and are to be requested through Order Entry when need for a patient. Once the patient has been discharged, place used sling into mesh bag for</b>	<b>Lift: 440 LBS/220 KGS</b>

				<p>laundry and place order for pick-up from SSPD.</p>	
	<p><b>Tenor Patient Lift</b></p>	<p>Lifting and repositioning patients Bed to chair transfers</p>	<p>3rd, 4th and 5<sup>th</sup> floor/tower near double doors between towers and floor ICU/CCU inside double doors by waiting room <b>(can be used by OR/DI/HC/ED)</b>  Education Dept. (for training)</p>	 <p><b>Disposable slings are located in Par Levels in each clean utility room (Or if out order through Materials Management)</b> Medium Sling: Order #027822 Large Sling: Order #027825 Extra Large Sling: Order #027826 Reposition Sling: Order #027830 <b>Reusable bariatric slings are located and maintained on 1 Main, ER, 3<sup>rd</sup> Main, 4<sup>th</sup> Main, 5<sup>th</sup> Main and Education Department. Slings are to be wiped down in between uses and if soiled, placed in the yellow mesh bag to be left in dirty utility room to be laundered. Slings will be returned to designated areas after laundering.</b></p>	<p><b>Lift: 704 LBS/ 320KGS</b> <b>Sling: 600LBS/272 KG</b> <b>Example:</b></p> 
	<p><b>Maxi Sky Ceiling Lift</b></p>	<p>Lifting and repositioning patients Gurney to chair transfers Gurney to bed transfers</p>	<p>Emergency Department Wound Care center x 2</p>	 <p><b>On ED &amp; Wound Care Pars</b> Medium Sling: Order #027822 Large Sling: Order #027825 Extra Large Sling: Order #027826 Reposition Sling: Order #027830</p>	<p><b>600 LBS/ 272KG</b> <b>Example:</b></p> 



	<p><b>KCI Barimax</b></p>	<p>For patients weighing greater than 450 lbs. or patients that are short with a wide girth (usually a BMI &gt; 50)</p>	<p>One is kept on standby, additional rental units are available as needed: <b><i>If bed needed: Order through SSPD</i></b></p>	 <p>Reposition Slings: Order #027830</p>	<p><b>Patients up to 1000 LBS/454 KGS</b></p>
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Approval

## Five Areas of Exposure (Attachment B)

### Lateral

- Use of the slide sheets.
- Using two sheets, one on top of the other, place them under the patient by rolling the patient to the side and tucking them under.
- Pull on the top slide sheet to position the patient up, down, or side to side.
- Remove the slide sheets once the patient is positioned by starting at the corner and pulling it out from under them allowing it to slide on itself. Remove one at a time.

### Vertical

- Use of the lift device – Golvo: up to 440 lbs.; Tenor: up to 704 lbs.
- Using a loop attachment sling
- Slide the sling behind the patient if seated in a chair or place under the patients back if lying on the bed. Positioning the bottom of the sling at the base of the coccyx.
- Bring the long ends of the sling up between the legs. They may be crossed to bring the legs together or kept straight to pull the legs apart.
- Secure two shoulder straps and two leg straps using the loops to the lift bar on the patient lift device, ensuring the plastic safety clips are engaged. (follow full operating instructions for the lift device to ensure patient safety)
- Using the control on the lift device, raise and lower the patient as needed for the task at hand.
- Once the task is completed, the sling may be left behind the patient for future use or removed by requesting the patient lean forward.
- Each sling is designed for single patient use only and is to travel with the patient if the patient transfers rooms. Slings need to be labeled with the patients name and date of birth. (our two unique patient identifiers)

### Bariatric

- Use of the lift device – Tenor up to 704 lbs.
- Using a loop attachment sling follow the guide as above for vertical exposure.

### Repositioning

- Use of either of the patient lift devices
- Using the repositioning sheet with loop attachment
- Place it on the bed, under the sheet, prior to placing the patient on the bed. If the patient is already on the bed, carefully logroll the patient and tuck the repositioning sheet under the patient.
- Positioning the patient lift device with the lift bar directly over the patient, attach the loops of the positioning sling evenly starting at one end and working down.
  - Attaching loops from one side of the sling will enable the user to roll the patient to the side, and then place pillows to provide support and stability.
  - Attaching all loops will allow a full lift in a supine (or prone) position. Movement of the patient forward or back in the bed or to replace the surface can occur at this time. Recommend replacing the surface under the patient rather than moving lift with the patient, while in the repositioning sling, from one surface to another.

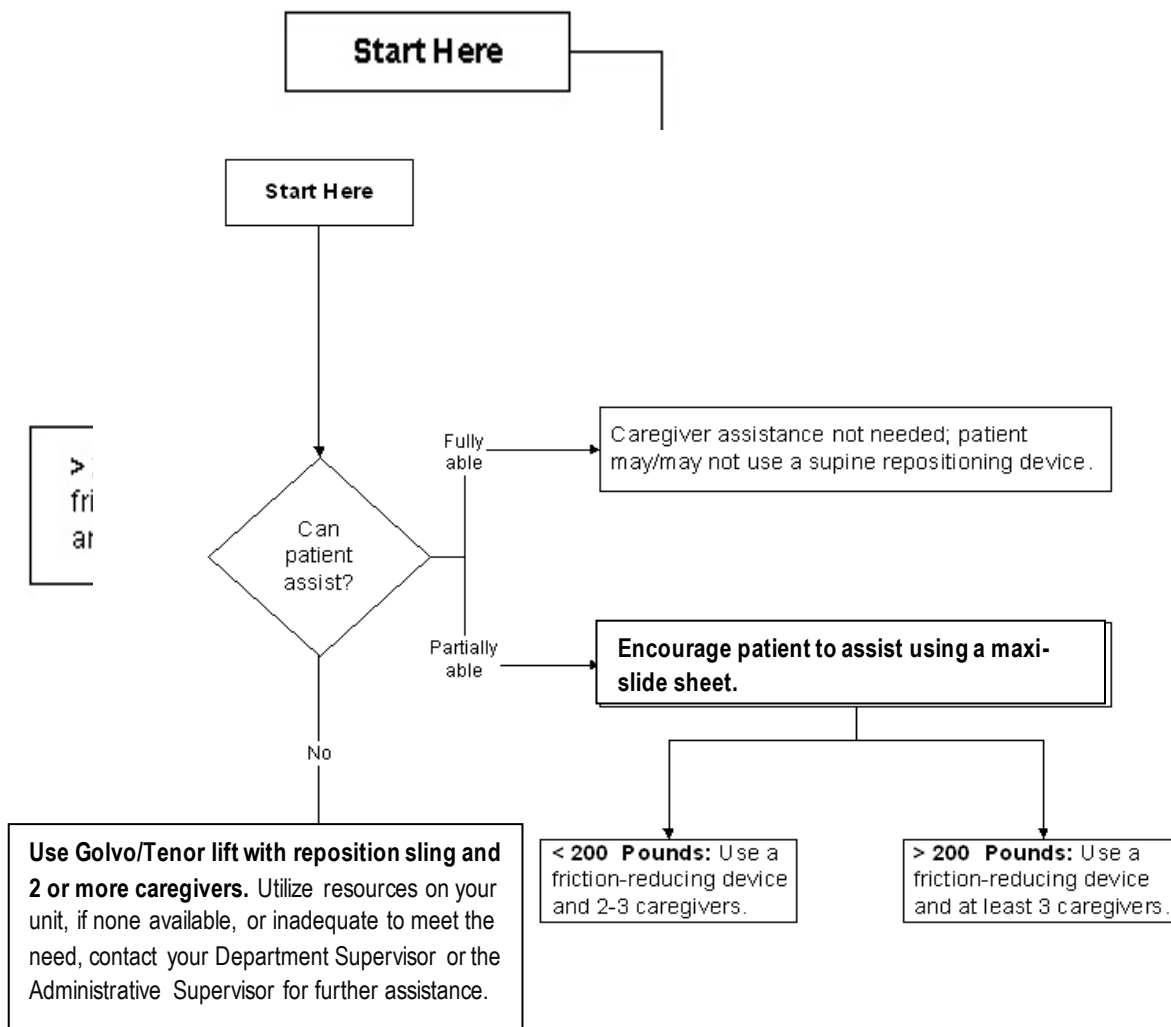
### Ambulation: (also applies to off-site clinic)

- Use of gait belts
- Use of walkers

### Attachment C

## Safe Patient Handling

### Algorithm 1



- This is not a one person task: DO NOT PULL FROM HEAD OF BED.
- When pulling a patient up in bed, the bed should be flat or in a Trendelenburg position (when tolerated) to aid in gravity, with the side rail down.
- For patients with Stage III or IV pressure ulcers, care should be taken to avoid shearing force.
- The height of the bed should be appropriate for staff safety (at the elbows).
- If the patient can assist when repositioning "up in bed," ask the patient to flex the knees and push on the count of three.
- During any patient handling task, if the caregiver is required to lift more than 35 lbs of a patient's weight, then the patient should be considered to be fully dependent and assistive devices should be used. (Waters, T. [2007]. When is it safe to manually lift a patient? *American Journal of Nursing*, 107[8], 53-59.)

**Safe Patient Handling  
Algorithm 2  
Reposition in Bed: Side to Side up in Bed**

Approved

**Safe Patient Handling  
Algorithm 3  
Transfer Patient up From the Floor**

Start Here

Depends on type and severity of injury (refer to [FALLS, MANAGEMENT OF THE PATIENT POLICY](#) or [RAPID RESPONSE TEAM](#) )

Approved

**Safe Patient Handling  
Algorithm 4  
Transfer To and From:  
Bed to Chair, Chair to Toilet, Chair to Chair, or Car to Chair**

Start Here

- For seated transfer, must have a chair with arms that recess or are removable.
- If patient has partial weight bearing capacity, transfer towards stronger side.
- During any patient transfer task, if any caregiver is required to lift greater than 35 pounds of patient weight, then the patient should be considered fully dependent and an assistive device should be used for the transfer.

Approved

## SCOPE OF SERVICE: EMPLOYEE HEALTH

<i>Reference Number</i>	5729
<i>Effective Date</i>	<del>08/28/2020</del> <u>Not Set</u>
<i>Applies To</i>	EMPLOYEE HEALTH, HUMAN RESOURCES
<i>Attachments/Forms</i>	

### I. SCOPE OF SERVICE

Employee Health supports the Mission, Vision, Values and Strategic Plan of Salinas Valley Memorial ~~Healthcare System (SVMHS) and has designed services to meet the needs and expectations of patients, families and the community.~~

The purpose of Employee Health is to enhance patient services and health programs that help Salinas Valley Memorial Healthcare System remain a leading provider of medical care. The goal of Employee Health is to ensure that all customers will receive high quality care / service in the most expedient and professional manner possible.

### II. GOALS

In addition to the overall SVMHS goals and objectives, Employee Health develops goals to direct short term projects and address opportunities evolving out of quality management activities. These goals will have input from other staff and leaders as appropriate and reflect commitment to annual hospital goals.

The goal(s) of Employee Health is to:

- A. Provide ~~a comprehensive Occupational/Employee Health program while confidentially ensuring that all staff of SVMHS are able to perform the essential functions of the job, and are free from communicable disease that could endanger the health of the patients or any other employees~~ services to support the health and well-being of our staff.

### III. DEPARTMENT OBJECTIVES

- A. To support Salinas Valley Memorial Healthcare System objectives.
- B. To support the delivery of safe, effective, and appropriate care / service in a cost effective manner.
- C. To plan for the allocation of human/material resources.
- D. To support the provision of high quality service with a focus on a collaborative, multi-disciplinary approach to minimize the negative physical and psychological

## SCOPE OF SERVICE: EMPLOYEE HEALTH

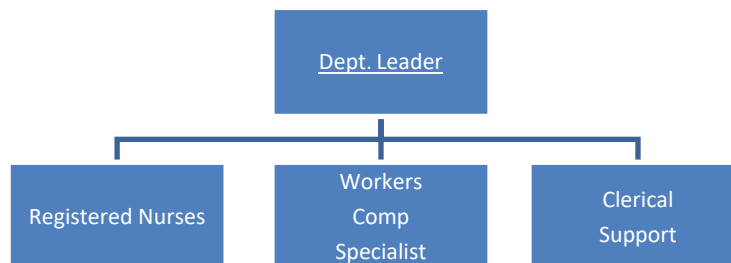
effects of disease processes and surgical interventions though patient/significant other education and to restore the patient to the highest level of wellness as possible.

- E. To support the provision of a therapeutic environment appropriate for the population in order to promote healing of the whole person.
- F. To evaluate staff performance on an ongoing basis.
- G. To provide appropriate staff orientation and development.
- H. To monitor Employee Health function, staff performance, and care / service for quality management and continuous quality improvement.

### IV. POPULATION SERVED at SVMH

1. All Departments
2. Active Medical Staff/LIP's
3. Active Volunteers
4. Active Travelers/Contractors
5. Students actively working within the hospital for training purposes during their training period.

### V. ORGANIZATION OF THE DEPARTMENT



#### A. Hours of Operation

Occupational/Employee Health Services is open Monday through Friday 07:30 to 16:30. Open clinic hours are:

Monday, Wednesday, Thursday: 0730 – 1630

Tuesday and Friday: 0730-1200

Hospital Administrative Supervisors are available to serve the needs of employees after hours and on week-ends and holidays. EHS manager leadership is available as needed through the hospital operator



## SCOPE OF SERVICE: EMPLOYEE HEALTH

B. Location of department (s) 440 East Romie Lane, Salinas, CA 93950

### VI. DEFINITION OF PRACTICE AND ROLE IN MULTIDISCIPLINARY CARE /SERVICE

A. The Occupational/Employee Health Services Department provides access to all staff, and volunteers for the initiation and maintenance of wellness and safety.

Primary services include:

- First aid and triage for injury and illness
- Post offer Pre-~~hire physical placement~~ assessment
- Physical tasks evaluation
- Initial and Annual TB screening
- ~~Compliance~~ Immunization program
- Annual health assessment/screening
- Medical Clearance for fit testing
- Annual fit testing and training for N95 Respirator and Portable Air Purifying Respirator (PAPR)
- Temporary/Transitional Return to work programs
- Ergonomic program including work place and work task assessments, recommendations and education.
- Job shadowing and recommendations to department leadership to support a culture of safety.
- Case Management for both industrial and non-industrial injuries and illness
- Management of on the job injuries-Industrial injury management of employees of SVMH
- Worker Compensation benefits coordination
- Tracking of illness and injury trends and report out to The Worker Safety Committee.
- Staff exposure follow up. This done in collaboration with Infection Prevention and under the Employee Health Medical Director's guidance.
- Safe Patient Handling collaboration with the Safe Patient Handling Committee including evaluation and implementation of patient mobility equipment.

### VII. REQUIREMENTS FOR STAFF

## SCOPE OF SERVICE: EMPLOYEE HEALTH

Occupational/Employee Health Services follows guidelines of national, state and local regulatory bodies. Standards of practices are consistent with standards of practice.

### A. Licensure / Certifications:

The basic requirements for *Registered Nurse* include:

1. Current state licensure
2. BLS
3. Completion of competency-based orientation
- 3.4. COHN, COHN-S strongly recommended
- 4.5. Completion of annual competencies

The basic requirements for *Workers Comp Specialist* include:

1. 3-5 years' experience in workers' compensation or a course of completion in workers compensations or RN with Workers Compensation/Case Management experience
2. Knowledge of OSHA, Cal OSHA and Ergonomics

The basic requirements for *Clerical Support Department Coordinators* include:

1. Ability to perform administrative duties and support the Manager of Employee Health Department.
2. Strong Computer skills
3. Strong and professional phone skills
4. Proficient in Excel
5. Ability to handle fast pace, high stress situation

### B. Competency:

Staff are required to have routine competence assessments in concert with the unit's ages of the population and annual performance appraisals. The assessment could be in a written, demonstrated, observed or verbal form. The required competency for staff depends primarily on their work areas and duties. Once a year staff are required to complete the online education modules that have been defined by the organization.

Department personnel who attend educational conferences ~~are strongly encouraged to share pertinent~~ will in-service other EHS staff regarding the information ~~from learned~~ at the conferences ~~with other staff members at in-services~~. Other internal and external continuing education opportunities are communicated to staff members.

Staff are encouraged to participate in organizations that support the work done in Employee Health.

## SCOPE OF SERVICE: EMPLOYEE HEALTH

### C. Identification of Educational Needs

Staff educational needs are identified utilizing a variety of input:

- Employee educational needs assessment at the time of hire and annually as part of developmental planning
- Performance improvement planning, data collections and activities
- Staff input
- Evaluation of patient population needs
- New services/programs/technology implemented
- Change in the standard of practice/care
- Change in regulations and licensing requirements
- Needs assessment completed by ~~Nursing~~ Education

The educational needs of the department are assessed through a variety of means, including:

- STAR Values
- Quality Assessment and Improvement Initiatives
- Strategic Planning (Goals & Objectives)
- New / emerging products and/or technologies
- Changes in Practice
- Regulatory Compliance

Feedback and requests for future topics are regularly solicited from staff via e-mail, surveys, in-service evaluation forms, and in person.

### D. Continuing Education

Continuing education is required to maintain licensure / certifications. Additional in-services and continuing education programs are provided to staff in cooperation with the Department of Education.

## VIII. STAFFING PLAN

Staffing is adequate to service the customer population. The unit is staffed with a ~~sufficient~~an appropriate number of professional, technical and clerical personnel to permit coverage of established hours of care / service, to provide a safe standard of practice and meet regulatory requirements. General Staffing Plan:

## SCOPE OF SERVICE: EMPLOYEE HEALTH

Assignments made by the **Managerleadership** of Employee Health Services are based on hospital needs, competencies of the staff, the degree of supervision required, and the level of supervision available.

In the event of a severe emergency, the minimum amount of staff required to safely operate this unit will be determined and staffed accordingly.

### **IX. EVIDENCED BASED STANDARDS**

The SVMHS staff will correctly and competently provide the right service, do the right procedures, treatments, interventions, and care by following evidenced based policies and practice standards that have been established to ensure patient safety. Efficacy and appropriateness of procedures, treatments, interventions, and care provided will be demonstrated based on patient assessments/reassessments, state of the art practice, desired outcomes and with respect to patient rights and confidentiality.

The SVMHS staff will design, implement and evaluate systems and services for care / service delivery which are consistent with a “Patient First” philosophy and which will be delivered:

- With compassion, respect and dignity for each individual without bias.
- In a manner that best meets the individualized needs of the patient.
- In a timely manner.
- Coordinated through multidisciplinary team collaboration.
- In a manner that maximizes the efficient use of financial and human resources.

### **X. CONTRACTED SERVICES**

Contracted services under this Scope of Service are maintained in the electronic contract management system.

### **XI. PERFORMANCE IMPROVEMENT AND PATIENT SAFETY**

Employee Health supports the SVMHS’s commitment to continuously improving the quality of patient care to the patients we serve and to an environment which encourages performance improvement within all levels of the organization. Performance improvement activities are planned in a collaborative and interdisciplinary manner, involving teams/committees that include representatives from other hospital departments as necessary. Participation in activities that support ongoing improvement and quality care is the responsibility of all staff members. Improvement activities involve

## SCOPE OF SERVICE: EMPLOYEE HEALTH

department specific quality improvement activities, interdisciplinary performance improvement activities and quality control activities.

Systems and services are evaluated to determine their timeliness, appropriateness, necessity and the extent to which the care / service(s) provided meet the customers' needs through any one or all of the quality improvement practices / processes determined by this organizational unit.

In addition to the overall SVMHS Strategic initiatives and in concert with the Quality Improvement Plan and the Quality Oversight Structure, Employee Health Department will develop measures to direct short-term projects and deal with problem issues evolving out of quality management activities.

Unit based measurement indicators are found within the Quality dashboard folder.

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

<b>Reference Number</b>	2796
<b>Effective Date</b>	<del>05/12/2017</del> Not Set
<b>Applies To</b>	Emergency Department
<b>Attachments/Forms</b>	

### I. POLICY

#### A. Function (s)

- This Standardized Procedure outlines circumstances for which the Emergency Department RN, prior to the patient being examined by a Physician, may:
  1. Insert an IV
  2. Order and obtain urine and blood specimens
  3. Order and obtain a chest x-ray
  4. Expedite medication administration

#### B. Circumstances

- Setting
  1. IV Insertion x2
    - a. Patients 18 years of age or older presenting to the ED that meet screening criteria for Systemic Inflammatory Response Syndrome prior to Physician evaluation IF: the ED Physician is not immediately available
  2. Specimens to obtain
    - a. Patients 18 years of age or older presenting to the ED that meet screening criteria for Systemic Inflammatory Response Syndrome prior to Physician evaluation IF: the ED Physician is not immediately available.
      - i. UA and Culture if indicated
      - ii. CBC, with Automated Diff
      - iii. Comprehensive Metabolic Panel
      - iv. Prothrombin Time
      - v. Partial Thromboplastin Time
      - vi. Lactate
      - vii. Human Chorionic Gonadotropin for females under 50 years
      - viii. Blood cultures X 2 and hold
      - ix. Procalcitonin

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

x. POC I-stat as needed

3. Chest X-ray
  - a. Patients 18 years of age or older presenting to the ED that meet screening criteria for Systemic Inflammatory Response Syndrome prior to Physician evaluation IF: the ED Physician is not immediately available.
  - b. For females (possible pregnancy) use abdominal shields when getting the chest x-rays.
4. Medication Administration
  - a. Patients over the age of 18 presenting to the ED that meet screening criteria for Systemic Inflammatory Response Syndrome who do not have any of the following exclusion criteria:
    - i. Allergy to ondansetron, Acetaminophen
    - ii. Liver or Renal disease, GI bleeding or bleeding abnormality
  - b. Registered Nurses in the ED may administer the following medications:
    - i. Ondansetron 4mg ODT once
    - ii. Acetaminophen 650mg by mouth or per rectum if temperature is >38.3C
- Supervision
  1. Registered Nurses who have successfully completed the following competencies are qualified to perform this standardized procedure for patients who meet the above criteria IF: the ED Physician is not immediately available.
    - a. Ordering IV Insertion using the Sepsis (ED RN) order set
    - b. Ordering specimens using the Sepsis (ED RN) order set
    - c. Ordering a chest x-ray using the Sepsis (ED RN) order set
    - d. Ordering medications using the Sepsis (ED RN) order set
- Patient Conditions
  1. Any patient 18 years or older, presenting to the Emergency Department that meet screening criteria for Systemic Inflammatory Response Syndrome who is not in extremis
  2. Emergency Department patients 18 years or older that meet the following criteria may receive acetaminophen:
  3. Have not received acetaminophen within the past four (4) hours prior to arrival in the Emergency Department, with exceptions discussed below.

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

4. Patients with no known contraindications to acetaminophen
5. Contraindications to acetaminophen administration include:
  - a. Patients with G6PD deficiency
  - b. Patients with severe liver impairment
6. Emergency Department patients who are 18 years and older that meet the following criteria may receive ondansetron:
  - a. Have not received ondansetron within the past four (4) hours prior to arrival in the Emergency Department, with exceptions discussed below.
  - b. Patients with no known contraindications to ondansetron.

### II. DEFINITIONS

- A. ED- Emergency Department
- B. RN- Registered Nurse
- C. SIRS- Systemic Inflammatory Response Syndrome

### III. PROTOCOL

- A. Database
  - Subjective
    1. Prioritization and Severity of Illness
      - a. Patients 18 years or older that meet SIRS criteria will be triaged (prioritized) according to accepted triage policy based on the severity of their condition and incorporating other medical conditions and/or additional features of their illness using the Emergency Severity Index (ESI) 5 level triage (See [TRIAGE ASSESSMENT](#))
      - b. History of present illness/injury/chief complaint
  - Objective
    1. Physical Examination: ED RN's assessment will consist of the following:
      - a. Vital signs, chief complaint, suspicion of infection, assessment for altered mental status
- B. Diagnosis
  - Meets SIRS criteria and suspicion of infection
- C. Plan



## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

- Treatment
  1. Patient must have an accurate name-band in place before leaving the ED for diagnostic imaging (DI) department.
  2. The ED RN initiating this standardized procedure will select the Sepsis (ED RN) Order Set, using the name of the supervising ED physician. If a different provider is later assigned to the patient, the orders will be transferred to the provider assigned.
  3. Medications
    - a. Acetaminophen administration/dosing:
      - i. Acetaminophen 650mg PO or PR once if temperature is  $> 38.3C^{\circ}$
      - ii. Ondansetron 4mg ODT once
      - ~~iii.~~ **Note: if the patient appears unstable and/or a life threatening condition is identified: the ED RN will notify the ED physician IMMEDIATELY**
      - iii.
- Patient conditions requiring consultation/reportable conditions:
  1. **Immediately notify an Emergency Department physicians of the following:**
    - a. Changes in airway, breathing, circulation or altered level of consciousness.
    - b. Changes in triage acuity
- Education-Patient/Family
  1. Educate patient family on medications including side effects
  2. Explain procedure to patient of x-ray ordered, awaiting transport will take patient to Diagnostic Imaging at earliest opportunity.
  3. Explain specimens to be collected from patient.
  4. Instruct patient and family to remain NPO until ED physician discontinues NPO status.
  5. Instruct patient and family to notify nurse of any changes in the patient condition.
- Follow-up
  1. Reassessment and reevaluation of the patient's clinical status, vital signs and response to treatment in accordance with the Emergency Department Policy and Procedure on Assessment/Reassessment Policy (see [STANDARDS OF CARE- EMERGENCY DEPARTMENT](#) )

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

### ~~2.~~ Documentation of Patient Treatment

~~3.1.~~ Document all patient procedures and care on the appropriate nursing clinical documents along with any patient responses from the interventions

~~4.2.~~ -The ED RN initiating the standardized procedure will document the following:

- a. Enters “supervising ED physician” as ordering provider per policy.
- b. Navigates to Emergency Department Nursing Order Sets.
- c. Selects “Sepsis (ED RN)” order set.
- d. Documentation of care in MAR/Patient Note as applicable
- e. Document any interventions and outcomes in the electronic health care record.

### ~~• Documentation of Patient Treatment~~

## IV. REQUIREMENTS FOR THE REGISTERED NURSE

### A. Education

- A registered nurse who has completed orientation has demonstrated clinical competency may perform the procedures listed in this protocol. Education will be given upon hire with a RN preceptor/designee.

### B. Training

- Clinical Competency must be demonstrated and approved by supervising personnel or preceptor.

### C. Experience

- ~~Current California RN license and designated to work in ED~~

### ~~D. Evaluation~~

#### ~~D. Initial Evaluation~~

- ~~: at 3 months, 6 months, and 12 months by the nurse manager through feedback from colleagues, physicians, and chart review during performance period being evaluated.~~ Competency will be verified and documented upon hire.

- ~~Ongoing Evaluation Routine: annually after the first year by the nurse manager through feedback from colleagues, physicians and chart review.~~

~~E.~~ ~~Follow up: areas requiring increased proficiency as determined by the initial or routine evaluation will be re-evaluated by the nurse manager at appropriate intervals until acceptable skill level is achieved, e.g. direct supervision.~~

**Commented [CP1]:** Standard wording from latest template inserted

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

- Ongoing evaluation of competency to perform this procedure will be evaluated by the department supervising personnel and/or designee through clinical performance.

### V. DEVELOPMENT AND APPROVAL OF THE STANDARDIZED PROCEDURE

#### A. Method

A.         

- 

#### B. Review Schedule

- Every three years
- ~~Signatures of authorized personnel approving the standardized procedure and dates are found on the procedure as well as in the policy management software application.~~

#### B. Review Schedule

- Every three years

#### C. ~~Signatures of Authorized Personnel Approving the Standardized Procedure and Dates~~ Authorized Personnel Approving the Standardized Procedure and Dates

~~C. Approval of the standardized procedure is outlined in the electronic policy and procedure system.~~

- Nursing – Director of Emergency Services
- Medicine – Medical Director Emergency Department
- Administration – Chief Nursing Officer

**Commented [CP2]:** List individuals, groups and/or committees involved in developing and approving the SP.

**Commented [CP3]:** standard wording from latest template inserted

### VI. REGISTERED NURSES AUTHORIZED TO PERFORM PROCEDURE AND DATES

- All Registered Nurses who have completed orientation and education regarding this standardized procedure.
- The list of qualified individuals who may perform this standardized procedure is available in the department and available upon request.

### VII. REFERENCES

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

- A. Board of Registered Nursing, Title 16, California Code of Regulations (CCR) Section 1474; Medical Board of California, Title 16 CCR, Section 1379. Fosnocht DE, Swantson ER.

## EMPLOYEE HEALTH SERVICES

<b>Reference Number</b>	843
<b>Effective Date</b>	Not Set
<b>Applies To</b>	EMPLOYEE HEALTH
<b>Attachments/Forms</b>	

**I. POLICY STATEMENT:**

A. In accordance with Division 5, Title 22, and General Acute Regulations Section 70723: Employees Health Examinations and Health Records, and the Center for Disease Control Guidelines for Infection Control in Hospital Personnel, the following procedures apply.

**II. PURPOSE:**

A. To ensure that all employees are able to meet the essential functions of the position and be free of signs and symptoms of communicable illness.

**III. DEFINITIONS:**

- A. AHA – Annual Health Assessment
- B. EHS – Employee Health Service Department
- C. EAP – Employee Assistance Program
- D. Hep A, B, C – Hepatitis A, B&C
- E. Influenza –Flu
- F. IZ – Immunizations
- G. MMR – Measles, Mumps, Rubella
- H. PAPR – Powered Air Purifying Respirator
- I. Td – Adult Tetanus Diphtheria
- J. Tdap – Adult Tetanus, Diphtheria, Pertussis
- K. TB – Tuberculosis
- L. TST – TB skin test
- M. TB S/S – Tuberculosis Signs & Symptoms
- N. VZ – Varicella Zoster

**IV. PROCEDURE:**

## EMPLOYEE HEALTH SERVICES

### A. POST OFFER PRE-PLACEMENT HEALTH ASSESSMENT

- The post offer pre-placement health assessment is to determine the individual's ability to perform the essential functions of the job and assess fitness for duty, including free from communicable disease.
  1. A health assessment will be performed by Employee Health Services (EHS) under the direction of the EHS Medical Director. Successful completion shall be required as a prerequisite for employment. The health assessment performed in EHS will be performed at no cost to the employee candidates.
- Scope of health assessment.
  1. Health assessment by the EHS Clinician may include, but not limited to:
    - a. Review of drug screen results.
    - b. Review of immunization records for compliance Refer to Immunization Policy: [HEALTHCARE WORKER IMMUNIZATIONS & IMMUNITY REQUIREMENTS](#)
    - c. Influenza Vaccination Compliance. [INFLUENZA VACCINATION PLAN - HEALTHCARE WORKERS](#)
    - d. Tuberculosis screening
    - e. Assess presence of communicable disease to prevent transmission to patients and employees.
    - f. Health history and assessment review.
    - g. Physical Assessment.
    - h. Physical job assessment/essential function clearance.
    - i. Review of medical clearance for respiratory training.
    - j. Review of laboratory, x-ray and specialized testing as may be required for the person's job.
    - k. Injury Prevention review.

### B. ANNUAL HEALTH ASSESSMENT (AHA)

- AHA will be performed to determine that employees are free from symptoms indicating the presence of infectious disease and are able to perform their assigned duties. The health assessment performed in EHS, will be performed at no cost to the employee.
- It is the professional responsibility of the employee to have the required Annual Health Assessment completed within of the timeframe of which the review is due. The AHA must be completed as indicated on notifications sent through the

## EMPLOYEE HEALTH SERVICES

Employee Health EMR notifications, otherwise, compliance is required by 12:00pm on the last business day of the month. Employees who fail to complete all requirements of the AHA within the allotted time frame will be subject to removal from the work schedule and discipline. [DISCIPLINARY POLICY](#)

1. A Director may keep the employee on the schedule if the employee is needed for a critical job assignment. The Director must arrange with EHS to have the employee complete screening as soon as possible.
- The Annual Health Assessment consists of the following:
    1. Mandatory TB screening or bi-annual TB screening for employees working in high-risk departments.
    2. Review of Health Assessment
    3. Immunization and immunity review and update.
    4. Specialized testing as needed for respirator fit test, and PAPR training. It is the employee's responsibility to provide documentation of screening done at another facility to the EHS Department prior to the annual due date.
    5. Update any other health requirements for their position.
  - EHS Clinician, based on the results of the Annual Health Assessment may also recommend a medical referral.

### C. INJURY PREVENTION PROGRAM

- The Injury Prevention Program is designed to educate and assure that hospital employees have the knowledge and physical ability to safely execute the physical tasks of their position. Information and training is provided to reduce any potential risk of injury. Training encompasses body mechanics, ergonomics and patient mobilization techniques. Education is completed through one or more of the following: E-Learning, department education, Educations skills assessment, and during the Annual Health Assessment.

### D. RETURN TO WORK SCREENING

- Physical assessment, health appraisal and drug screen may be required for employees who have been absent from work due to illness or injury to ascertain that the employee is free from symptoms indicating infectious disease, drug free and is able to perform his/her assigned job duties.

### E. DEPARTMENT TRANSFER

- Employees transferring to another department or position may require an evaluation by an EHS Clinician which will include a Work Screen Assessment and review of IZ records to determine the employee's ability to perform the essential functions of the new position.

## EMPLOYEE HEALTH SERVICES

- Human Resources will notify EHS in advance of employees being transferred to another department or job classification change.

### F. MANAGEMENT REFERRAL PROGRAM

- Salinas Valley Memorial Hospital (SVMH) has a commitment to provide assistance through our EAP (Employee Assistance Program), and health insurance program to its employees who may be experiencing personal, family, alcohol, drug, and/or emotional problems.

### G. INFECTIOUS ILLNESS PREVENTION AND REPORTING

- [INFLUENZA VACCINATION PLAN - HEALTHCARE WORKERS](#)
- [AEROSOL TRANSMITTED DISEASES EXPOSURE CONTROL PLAN](#)
- [REPORTABLE DISEASE AND CONDITIONS](#)
- Personnel evidencing signs or symptoms indicating the presence of an infectious disease shall be medically screened prior to having direct patient contact. Those employees determined to have potential infectious disease as defined by the Infection Control Committee shall be denied or revoked from patient contact until it has been determined that the individual is no longer infectious.
- Employees with potential infectious conditions should be evaluated by the EHS Clinician or the Administrative Supervisor for appropriateness of job assignment.
- Information about employee illness is kept confidential; however, reporting a communicable illness is mandatory for the protection of both patients and staff and for treatment, of the infected employee. Workers may be required to be cleared to return to work by their physician (in writing) and should be evaluated by the EHS or IP RN or Administrative Nursing Supervisors after hours before resuming duty.



## EMPLOYEE HEALTH SERVICES

### Employee Health Quick Guide

#### POST-EXPOSURE RECOMMENDED WORK RESTRICTIONS FOR COMMUNICABLE DISEASES

POST-EXPOSURE	WORK RESTRICTIONS	DURATION
<b>Ebola Virus (and other hemorrhagic fever viruses)</b>	Determine whether physical exposure has actually occurred. Follow CDC guidelines. Monitor to assess the presence of fever or other symptomatology.	Through day 21 post-exposure
<b>Measles (Rubeola): Susceptible employees</b>	Exclude from work	From day 5 through day 21 post-exposure and 4 days after onset of rash.
<b>Meningitis, Bacterial:</b> <i>Neisseria meningitidis</i> & <i>Haemophilus influenzae</i> strains only  <ul style="list-style-type: none"> <li>▪ <b>Asymptomatic employees</b></li> <li>▪ <b>Symptomatic employees:</b> fever, stiff neck, intense headache, lethargy, and/or rash that does not blanch under pressure.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Asymptomatic:</b> no restriction. Prophylaxis is recommended.</li> <li>▪ <b>Symptomatic:</b> exclude from work. Close contacts and family members should be monitored.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Symptomatic:</b> until 24 hours after effective antimicrobial therapy.</li> </ul>
<b>Mumps: susceptible employees</b>	Exclude from work	From day 12 through day 26 post-exposure, or until after onset of parotitis.

## EMPLOYEE HEALTH SERVICES

<p><b>Pertussis</b></p> <ul style="list-style-type: none"> <li>▪ <b>Asymptomatic</b></li> <li>▪ <b>Symptomatic</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Asymptomatic:</b> No restriction. Prophylaxis is recommended.</li> <li>▪ <b>Symptomatic:</b> Exclude from work</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Symptomatic:</b> until day 5 after initiation of effective antimicrobial therapy.</li> </ul>
<p><b>Rubella: susceptible employees</b></p>	<p>Exclude from work</p>	<p>From day 7 through day 21 post-exposure</p>
<p><b>Varicella (chicken pox or shingles)</b></p> <ul style="list-style-type: none"> <li>▪ <b>Non-immune employee:</b> exposed to varicella zoster (chicken pox) or uncovered herpes zoster (shingles)</li> <li>▪ <b>Vaccinated employees:</b> those who have received 2 doses of vaccine</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Non-immune:</b> exclude from work</li> <li>▪ <b>Vaccinated:</b> monitor daily during days 8-21 post-exposure. Exclude from work immediately if symptoms develop; fever headache, skin lesions</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Non-immune:</b> from days 8-21 post-exposure.</li> <li>▪ <b>Vaccinated:</b> until varicella is ruled out or lesions are dry &amp; crusted.</li> </ul>

## EMPLOYEE HEALTH SERVICES

### Employee Health Quick Guide

#### RECOMMENDED WORK RESTRICTIONS FOR EMPLOYEES WITH AN ACTIVE COMMUNICABLE DISEASE

ACTIVE DISEASE	WORK RESTRICTION	DURATION
<b>Acute febrile respiratory illness/influenza-like illness</b> (Temperature > 38 C or > 100 F)	Exclude from work	Until acute symptoms resolve and temperature < 100 F for at least 24 hours without the use of antipyretic medications.
<b>Conjunctivitis, Bacterial</b>	Exclude from work	Until discharge (constant tearing) ceases and for 24 hours after effective antimicrobial therapy is initiated.
<b>Conjunctivitis, Viral</b>	Exclude from work if experiencing tenderness in front of ears (preauricular lymphadenopathy), temp > 38 C, restrictions recommended by physician, or eye drainage.	If adenovirus conjunctivitis is diagnosed, may RTW only when medically cleared by a physician (may remain infectious for 7 or more days).
<b>Cytomegalovirus (CMV)</b>	No restrictions	
<b>Diarrheal Diseases:</b>		
<ul style="list-style-type: none"> <li><b>Acute Stage (diarrhea with other symptoms)</b></li> </ul>	Restrict from patient contact, contact with the patient's environment, or food handling	Until symptoms resolve
<ul style="list-style-type: none"> <li><b>Clostridium difficile (C.diff)</b></li> </ul>	Exclude from work	Until free from diarrhea stools for 72 hours, i.e. 2-3 formed stools. If diarrhea persists, completion of antibiotic regimen.

## EMPLOYEE HEALTH SERVICES

<ul style="list-style-type: none"> <li>▪ <b>E.coli 0157</b></li> </ul>	Exclude from work	<p>Until symptoms resolve. Consultation id needed to verify the employee is asymptomatic and is educated on hand hygiene. <b>Food handlers require 2 negative stool cultures.</b></p>
<ul style="list-style-type: none"> <li>▪ <b>Salmonella</b></li> </ul>	Exclude from work	<p>Until symptoms resolve. Consultation id needed to verify the employee is asymptomatic and is educated on hand hygiene. <b>Food handlers require 2 negative stool cultures.</b></p>
<ul style="list-style-type: none"> <li>▪ <b>Shigella</b></li> </ul>	Exclude from work	<p>Until symptoms resolve. Consultation id needed to verify the employee is asymptomatic and is educated on hand hygiene. <b>Food handlers and direct care providers are required to be asymptomatic and have 2 negative stool cultures, 24 hours apart; including 48 hours from last dose of antibiotics.</b></p>
<b>Diphtheria</b>	Exclude from work.	<p>Until symptoms resolve, including antimicrobial therapy completed and 2 cultures obtained <math>\geq</math> 24 hours apart are negative.</p>
<b>Enterovirus (Hand, Foot &amp; Mouth Disease)</b>	Exclude from work.	<p>Until symptoms resolve.</p>
<b>Hepatitis A</b>	Exclude from patient care, contact with patient's environment and food handling.	<p>Until 7 days after onset of jaundice or 14 days after diagnosis if no jaundice.</p>
<b>Hepatitis B</b>	May not perform exposure-prone invasive procedures until cleared by Employee Health. Infection	<p>Until Hepatitis B serology indicates immunity to infection.</p>

## EMPLOYEE HEALTH SERVICES

	Prevention and Employee Health will review and recommend procedures the employee can perform.	
<b>Hepatitis C</b>	May not perform exposure-prone invasive procedures until cleared by Employee Health. Infection Prevention and Employee Health will review and recommend procedures the employee can perform.	Indefinitely (the majority of infected individuals become chronically infected).
<b>Herpes Simplex</b>		
▪ <b>Genital</b>	No restriction	
▪ <b>Hands (herpetic whitlow)</b>	Exclude from patient contact and contact with patient environment.	Until lesions are healed, i.e. dry and crusted.
▪ <b>Orofacial</b>	Infection Prevention and Employee Health must evaluate each employee (according to location and severity of lesions) to assess the need to restrict from care of high-risk patients.	Until lesions are healed, i.e. dry and crusted.
<b>HIV</b>	May not perform exposure-prone invasive procedures until cleared by Employee Health. Infection Prevention and Employee Health will review and recommend procedures the employee can perform.	Indefinitely
<b>Influenza</b>	Exclude from work.	Until afebrile (< 38 C/ 100 F) for 24 hours without the use of antipyretic medications.
<b>Measles (active or suspected)</b>	Exclude from work.	Until 4 days, through day 21 after the onset of rash and temperature < 100 F without the

## EMPLOYEE HEALTH SERVICES

		use of antipyretic medications.
<b>Meningitis, Bacterial</b>	Exclude from work.	Until 24 hours after start of effective antimicrobial therapy.
<b>Mononucleosis (Epstein-Barr Virus)</b>	May work, <i>avoid mouth to mouth resuscitation.</i>	
<b>Norovirus</b>	Exclude from work.	Until 48 hours after symptoms resolve.
<b>Pediculosis (Lice)</b>	Exclude from work.	Until 24 hours after treatment and observed to be free from adult and immature lice.
<b>Pertussis</b>	Exclude from work.	<p>From beginning on the 6th day after the 1st day of employee exposure to pertussis through the 20th day following the last day of exposure:</p> <p><b>Symptomatic Employees</b>, meeting definition of a valid exposure and have symptoms consistent with pertussis will:</p> <ul style="list-style-type: none"> <li>▪ Have a nasal aspirate or nasopharyngeal swab for pertussis culture or PCR.</li> <li>▪ Be treated with appropriate antibiotics; Remain off work for the first 5-7 days of treatment.</li> </ul>
<b>Rubella</b>	Exclude from work.	Until 7 to 21 days after onset of rash and < 100 F without the use of antipyretic medications.
<b>SARS</b>	Exclude from work.	Until 10 days after onset of fever and temperature < 100 F without

## EMPLOYEE HEALTH SERVICES

		the use of antipyretic medication.
<b>Scabies</b>	Exclude from work.	Until 24 hours after application of effective treatment.
<b>Staphylococcus aureus ( Active Infection)</b> <ul style="list-style-type: none"><li>▪ <b>Active draining skin lesions</b></li></ul>	May work if lesions can be adequately dressed and covered. If unable to completely dress and cover lesions, restrict from patient care, contact with patient's environment, and good handling.	Until lesions have resolved
<b>Streptococcus, group A</b>	Restrict from patient care, contact with patient's environment, and good handling.	Until 24 hours after adequate treatment started and no draining lesions.
<b>Syphilis</b>	No restriction	At the time of exposure, employees exposed to blood/body fluids of patient with untreated Syphilis, have the option of receiving oral or parenteral prophylactic treatment, or receiving nothing. Syphilis serology test will be done initially and at 6 weeks post exposure on the employee.
<b>Tuberculosis</b> <ul style="list-style-type: none"><li>▪ <b>Positive TB skin test (TST or PPD) or IGRA (T-spot or Quantiferon) test</b></li></ul>	All employees with a new positive TB test need to be evaluated by Employee Health to verify that they do not have active disease.	Once active disease is ruled out, employee may return to work with no restrictions.
<b>Tuberculosis</b> <ul style="list-style-type: none"><li>• <b>Active</b></li></ul>	Exclude from work.	Until proven non-infectious. Need to have minimum of 3 AFB smears and/or cultures negative. In addition, need to be cleared by Infectious Disease Physician to return to work.

## EMPLOYEE HEALTH SERVICES

<b>Varicella (chicken pox)</b>	Exclude from work.	Until lesions are dry and crusted
<b>Zoster (Shingles)</b>	Exclude from work if lesions cannot be covered with clothing. Infection Prevention and Employee Health will evaluate the potential for communicability.	Until lesions are dry and crusted
<b>COVID-19</b>	Follow MCHD, CDC & CDPH guidelines	Follow MCHD, CDC & CDPH guidelines

### H. WORK-RELATED ILLNESS, INJURY AND EXPOSURE

- First Aid will be provided on site and triaged accordingly. Provision is made for medical services for occupational injury, illness or exposure within the Worker's Compensation laws. It is required that occupational illness, injury, or exposure be reported promptly.
- The EHS Clinician, in conjunction with the Infection Prevention Practitioner, investigates job related infections, communicable disease exposures, TST converters, assists in policy formation, and offers services in health awareness. Illnesses or exposures that require reporting to the MCPH Department and/or CDPH are reported by the Infection Prevention Practitioner.

### I. NON WORK-RELATED (PERSONAL) ILLNESS, INJURY AND EXPOSURE

- The EHS Clinician will evaluate, assist and refer all employees who have any medical or psychological health problems related needs to the appropriate resource.

### J. AMERICAN DISABILITY ACT (ADA)

- EHS Clinician will collaborate with employees determined to be eligible for accommodation under the ADA law.

### K. ERGONOMIC PROGRAM

- EHS provide ergonomic evaluations, work task assessments and make recommendations. Education will be provided as well as adjunctive modalities to accommodate worksite issues.

### L. EMPLOYEE HEALTH RECORDS PROCEDURE



## EMPLOYEE HEALTH SERVICES

- Employee health records are confidential and shall be maintained by EHS and shall include the records of all required health examinations. These records shall be maintained separately from the personnel record kept in Human Resources. Such records shall be kept for the duration of employment plus thirty (30) years.

M. Documentation:

N/A

V. **EDUCATION/TRAINING:**

- A. All employees will receive information pertaining to immunizations, Injury/ Illness/ Exposure Prevention during the pre-employment assessment, annual health assessment and general orientation.

VI. **REFERENCES:**

- A. Access to Employee Exposure and Medical Records; General Industry Safety Orders, Title 8, California Administrative Code, Section 3204;
- B. Employee Health Examinations and Health Records., Licensing and Certification of Health Facilities and Referral Agencies, Division 5, Title 22, Section 70723. Acute Hospitals;
- C. Injury and Illness Prevention Program. (SB198) General Industry Safety Orders, Title 8, California Code of regulations, Section 3203;
- D. Reportable Disease and Conditions. State Department of Health Services; title 17, California Code of Regulations, Chapter 4, Section 2500;
- E. Respiratory Protective Equipment. General Industry Safety Orders, Title 8, California Code of Regulations, Section 5144

**CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL  
ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)**

	39
<b>Effective Date</b>	Not Set
<b>Applies To</b>	1MAIN, 4TH TOWERS, CCC, FLOAT POOL, HEART CENTER, ICU/CCU, MS CV3, ONS, PEDIATRICS, PHARMACY
<b>Attachments/Forms</b>	<a href="#">Attachment A: Guidelines For Continuous Chemotherapy Infusion</a> <a href="#">Attachment B: Micromedex Dosing And Therapeutic Tools</a> <a href="#">Attachment C: Chemotherapy And Biotherapy Guidelines And Recommendations For Practice</a> <a href="#">Appendix D: List of References</a>

**I. POLICY STATEMENT:**

- A. Only qualified physicians or nurses certified on chemotherapy immunotherapy administration will administer parenteral chemotherapy/biotherapy agents for the purpose of cancer treatment. [CHEMOTHERAPY CERTIFICATION AND RECERTIFICATION](#) policy.

**II. PURPOSE:**

- A. To guide clinical staff in the safe administration of antineoplastic agents based on information from the Occupational Safety and Health Administration (OSHA), the American Society of Clinical Oncologists (ASCO), and the Oncology Nursing Society (ONS).

**III. DEFINITIONS:**

- A. Antineoplastic agents: a group of specialized drugs used primarily to treat cancer.

**IV. GENERAL INFORMATION:**

- A. Oral chemotherapy may be administered by nurses who have been educated in proper handling and safe disposal of these medications per [CHEMOTHERAPY CERTIFICATION AND RECERTIFICATION](#).
- B. The first dose of oral chemotherapy/biotherapy/immunotherapy for oncology diagnosis is administered by a chemo-certified nurse. Subsequent doses of oral anti-neoplastic agents may be administered by the assigned nurse.
- C. Personnel who are pregnant, breast feeding, attempting to get pregnant, or involved in in-vitro process should not be involved in the handling or administration of chemotherapeutic agents.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

- D. Chemotherapy/Biotherapy/Immunotherapy drug orders are electronic or written. ~~Verbal~~Telephone orders are only acceptable to hold or stop chemotherapy/biotherapy/immunotherapy cycles and/or treatments administration are acceptable (communicate with pharmacy via MD to Pharmacy communication order). New orders or changes to orders are made in writing or electronically and sign with date and time.
- E. During downtime, Chemotherapy/Biotherapy/Immunotherapy regimens are ordered on a pre-printed standard chemotherapy orders sheet or electronic forms.
- F. Oral drugs classified as antineoplastic agents ordered for reasons other than cancer treatment, will require the indication for use. Examples include: cytoxan, hydroxyurea, mercaptopurine, methotrexate. These medications should be handled as hazardous drugs and disposed in accordance with: [CHEMOTHERAPY: SAFE HANDLING AND DISPOSAL OF ANTI-NEOPLASTIC AGENTS # 17](#).
- G. Avoid use of abbreviations, acronyms, coined names, and other ambiguous methods of communicating drug information.
- H. All vinca alkaloids (e.g. vincristine, vinblastine, vinorelbine) are to be prepared in mini-bags by pharmacy when ordered to be administered by IV push. Vincristine administration will require independent double check of the drug, dose, and route at bedside with two (2) RN's immediately prior to administration. See page 9 for more Vinca Alkaloid Administration guidelines.
- I. Chemotherapy regimens are standardized and evidence-based by diagnosis, with references readily available to clinical staff. See [Appendix D](#) for list of recommended references.
- J. For orders that vary from standard regimens, practitioners provide a supporting reference. Reasons for dose modification or exception orders are documented.

### V. PROCEDURE:

#### A. Equipment and Set-up.

- Set up the patient's room with the following:
  1. Chemo Kit
  2. Nitrile gloves or Latex gloves if sterile procedure
  3. Chemotherapy waste receptacle (chemogator)
  4. Verify hypersensitivity medications are ordered, active and acknowledge on MAR.
  5. Signage (place a "Caution: Chemotherapy" sign on the door of the patient's room and bathroom).

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

6. Spill Kit (maintain at bedside for a period up to forty-eight (48) hours after infusion or duration of the infusion).

### B. Nursing Assessment Phase

- Pretreatment assessment phase
  1. Review patient and family history: Medical and surgical history. Previous treatment, including chemotherapy/biotherapy/immunotherapy, radiation therapy, and hormonal therapy.
  2. Signs and symptoms of underlying disease process. Symptom screening is “crucial” to successful symptom management.
  3. Drug, food, and environmental allergies.
  4. Obtain an accurate list of all medications that the patient takes including prescription, over-the-counter, herbs, and vitamins. (*\*Age-specific concerns:* The elderly often have multiple comorbidities for which they may take multiple medications. Be aware of the potential drug-interactions with chemotherapy agents.)
  5. Assess pain using an appropriate scale.
  6. Assessment regarding psychosocial concerns
  7. Referral to a social worker, spiritual care provider, palliative care, nurse navigators, dietitian, physical therapist, and other member of the multidisciplinary team based upon nursing assessment.
  8. Review of current laboratory data, including but not limited to:
    - a. Complete blood count with differential
    - b. Liver and renal function tests
    - c. Complete Metabolic Panel
  9. Review Nursing Orders including but not limited to
    - a. High Dose Methotrexate
    - b. TIP (PACLitaxel/Ifosfamide/Mesna/CISplatin)
  10. Review Criteria to treat in the orders/worklist.
  11. Assess primary or preferred language, speaking fluency, reading literacy, level of understanding, preferred learning style, and readiness to learn.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

12. Identify patient's cultural and religious background; anxiety and other potential barriers to learning as well as capability level of decision-making and participation in care.
13. Provide patient and family education. Address various education topics:
  - a. Treatment plan or protocol
  - b. Treatment goals
  - c. Drug Information (\*Print from CareNotes or Chemocare and give to the patient).
  - d. Laboratory work and rationale for frequency of test
  - e. Strategies to manage side effects in the hospital and at home
  - f. When to call nurse/physician (provide names and phone numbers for the family to call)

### C. Chemotherapy administration

- Pretreatment phase
  1. Assess physician's order for completeness: Ensure that the physician's order and approved protocols for chemotherapy, extravasation, and other hypersensitivity reactions are readily available (i.e., chemotherapy drug, hydration, premedication, antidotes laboratory work, electrolyte. supplementation, supportive medications). Compare electronic or written orders to chemotherapy protocol.
  2. Drug dose determination
    - a. Calculate according to milligrams per kilogram (mg/kg) of body weight or milligrams per meter squared (mg/M<sup>2</sup>) by body surface area (BSA).
    - b. Calculate Body Surface Area (BSA). Obtain patient's current height and weight.
  3. Use MICROMEDEX dosing Tools. (see [Attachment B](#)) \*Note: Use of nomogram is not recommended because of inaccuracy from copy machine distortion of the chart and inability to accurately read the BSA value on the chart. Multiply the BSA obtained by unit dose of the chemotherapy drug (BSA x unit dose) according to the approved reference.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

- a. Exceptions: Standard recommended doses may require modification in certain situations.
  - i. Dose reduction may be required for patients with preexisting hepatic dysfunction, renal impairment, poor performance status, toxicity related to prior chemotherapy, or other comorbid conditions.
  - ii. Area under the curve (AUC) is more frequently for used carboplatin dosing. [See Attachment C: Carboplatin Dose Calculator](#)
4. Identify appropriate drugs, and list expected side effects or toxicities.
5. Check current lab values as directed (e.g. complete blood count, blood urea nitrogen (BUN), creatinine, liver-functions tests, **urine tests**, and hepatitis panel test).
6. Check associated procedures such as echocardiogram (ECHO), pulmonary function test (PFT), or electrocardiogram (EKG).
7. Assess the patient's previous experience with chemotherapy.
8. Assess the patient's understanding and readiness to proceed with treatment.
9. Explain the procedures for the administration of pre-medications or other medications, hydration, and chemotherapy.
10. Identify a plan for antiemetic management, including hydration and electrolyte supplementation, if indicated, before, during, and after chemotherapy administration.
11. Have a chemotherapy spill kit and chemotherapy waste receptacle readily available.
12. Have a disposable, absorbent, plastic-backed pad ready to use for underneath the work area to absorb droplets of the drug that inadvertently may spill onto the work surface.
13. Check the chemotherapy/biotherapy/immunotherapy agent syringe, bag, or bottle against the physician's order, MAR, and pharmacy label for accuracy of patient's name, hospital identification number, route, dose, volume, and date.
14. Verify the following with another chemo certified RN:
  - a. Patient's name, hospital ID number, date, chemotherapy/biotherapy/immunotherapy drug and its dose, volume, and route of administration.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

- b. Calculated BSA in  $m^2$
        - c. Recommended drug dose per reference.
15. Administering RN scans medication for documentation on Medication Administration Record (MAR); verifying RN will co-sign the MAR.
16. Personal Protective Equipment – to be worn for activities associated with drug administration and take down
  - a. Gown :
    - i. Dispose of gown after each use.
    - ii. Discard gown if visibly contaminated
  - b. Nitrile gloves.
    - i. Use double gloves for all activities involving hazardous drugs. The inner glove is worn under the gown cuff and the outer glove is worn over the gown cuff.
    - ii. Inspect gloves for physical defects before each use.
    - iii. Change gloves after each use, tear, puncture, or medication spill or after 30 minutes of wear.
  - c. Eye and face protection
    - i. Whenever splashes, sprays, or aerosols of hazardous drugs may be generated, chemical-barrier eye and face protection is worn.
17. Use needles, syringes, and tubing with luer-lock connectors.
18. Administer pre-hydration and antiemetic pre-medications and as ordered.
19. Ensure that the physician's order and approved protocols for the management of extravasation or hypersensitivity reactions are readily available before administering chemotherapy/biotherapy/immunotherapy
20. Obtain and record baseline vital signs.
- Treatment phase
  1. Oral Chemotherapy:
    - a. Inpatient:
      - i. An oncology certified RN administers first dose of oral chemotherapy prescribed for a cancer diagnosis

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

as per the Nursing Assessment Phase in [Procedure B](#) and Chemotherapy Administration in [Procedure C](#):

- ii. The first dose is defined as:
    - 1) The initial time the medication is given each admission
    - 2) Includes new and current medications
  - iii. Units with no available chemotherapy certified staff will call the oncology unit to make arrangements for first dose administration. [CHEMOTHERAPY ADMINISTRATION OUTSIDE COMPREHENSIVE CANCER CENTER ; # 20.](#)
  - iv. Subsequent doses of oral chemotherapy may be administered by the patient's assigned RN who is responsible for:
    - 1) Observing proper handling and disposal of hazardous drugs including:  
[CHEMOTHERAPY: SAFE HANDLING AND DISPOSAL OF ANTI-NEOPLASTIC AGENTS # 17.](#)
    - 2) Wearing gloves and appropriate PPE
    - 3) Disposing of packaging material, medication cup, and gloves into yellow chemotherapy waste receptacle
    - 4) Ensuring proper disposal of patient bodily fluids – flushing twice
  - v. No cutting, splitting, crushing, opening capsules, or otherwise altering oral chemotherapy
    - 1) Contact Pharmacy if alteration needed.
  - vi. Verifying the drug dosage with the physician order and cosigning administration with another RN.
  - vii. Monitoring lab values
    - 1) Consult physician for WBC, ANC, platelets, and hemoglobin abnormal lab values.
  - viii. Reinforcing patient teaching started by the oncology nurse.
- b. Outpatient:



## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

- i. Review oral chemotherapy and other oral medications associated with their treatment plans. Educate patients the importance of staying in compliance.
    - ii. Educate patients the importance of staying in compliance.
    - iii. Encourage patient to report new symptoms.
  2. Peripheral IV
    - a. If the patient has an established peripheral IV site, assess the site for erythema, pain, or tenderness. Check blood and fluid flow by aspirating at a Y-site close to the IV catheter. Do not pinch the catheter tubing.
    - b. A new IV site for administration of vesicants is preferred but may not be possible.
    - c. If no IV catheter is in place, assess the patient's hands and arms distally to proximally for possible IV insertion sites. Avoid areas of hematoma, edema, impaired lymphatic drainage, sites distal to previous IV catheters or venipuncture sites less than 24 hours old, phlebitis, inflammation, induration, or obvious infection. Other sites to be avoided, if possible, include fragile, low-flow or small veins; sites of previous irradiation; the dorsal aspect of the wrist; and the antecubital fossa (heat packs may be helpful in dilating vessels if visualization is difficult).
    - d. Insert the IV catheter device
    - e. Prior to administering any chemotherapy, flush the line with sterile IV solution, and observe for any signs or symptoms of infiltration. Once patency is established, tape and dress the line in a manner that allows visualization of the insertion site.
  3. Central lines (i.e., PICC, Implanted Ports and tunneled catheters):
    - a. Verify the type of catheter and placement of catheter tip after the initial insertion and prior to chemotherapy administration.
    - b. Refer to [CENTRAL VASCULAR ACCESS DEVICES](#) :# 455 for access, de-access, use, and care.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

- c. Inspect the catheter, exit site, and dressing for evident of leakage of IV fluid. Examine the ipsilateral chest for signs of venous thrombosis.
  - d. Inspect the exit site for evidence of dislodgement, erythema or swelling, and note any complaints of pain.
  - e. Aspirate for blood return prior to chemotherapy administration. In the absence of blood return, flush the catheter with saline, gently using the push-pull method in an attempt to obtain blood return. Always use a 10 ml syringe (smaller syringes generates high pressure and may result in catheter fracture and embolus). If blood return cannot be demonstrated after flushing or repositioning the patient, obtain a physician order for TPA and proceed with de-clotting per the Policy [CENTRAL VASCULAR ACCESS DEVICES](#) # 455, prior to administering chemotherapy. If unsuccessful, confirmation of line placement through x-rays or dye studies should be established. Chemotherapy administration should be prohibited unless catheter placement and patency can be confirmed.
  - f. If catheter is patent, proceed with chemotherapy administration.
  - g. Stop the infusion if patient reports unusual sensation, pain, burning, stinging or discomfort occurs during administration, and follow extravasation guidelines. [EXTRAVASATION MANAGEMENT CLINICAL PROCEDURE](#) : # 51.
  - h. When the infusion is complete, flush the line with sterile IV solution.
4. Drug administration: Follow Guidelines on Use of Guard Rails (See [MEDICATION USE](#) policy)
- a. Piggy-back infusion: insert the connecting tubing into the appropriate primary tubing y-site, and initiate the flow rate according to the physician's order.
    - i. Check patency of IV line by assessing blood return.
    - ii. Confirm pump settings with another RN prior to drug administration. Make sure that solution is infusing before leaving the room.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

- iii. Monitor the patient, particularly during the first fifteen (15) minutes, for any signs of hypersensitivity or anaphylaxis.
  - iv. Vesicants should be administered one (1) at a time unless the protocol stipulates that they be given simultaneously.
  - v. Administer vesicants only through luer-lock or other locking connection points to prevent disconnection and possible spillage.
  - vi. Upon completion of the infusion, flush the line with a sterile IV solution.
5. Continuous infusion: Vesicant agents that are infused by continuous infusion must be administered through a central access catheter. ([Attachment A](#) – Guidelines for Continuous Chemotherapy Infusion.)
- a. Confirm elastomeric pump container and tubing does not have any leakage with another RN prior to drug administration.
  - b. Connect the pump catheter to patient central line: open all clamps.
  - c. Tape the flow controller to skin to ensure flow rate accuracy; do not tape over the filter.
  - d. Instruct patient to:
    - i. Avoid placing ice, heat, or cold therapy on the flow controller
    - ii. Check tubing for kinks
    - iii. Place the pump as close as possible to the same level as catheter/access device by using carrying case, pocket, or on the bed.
    - iv. Not to place the pump on the floor or hanging on a bed post
    - v. Call Infusion Center or provider for any leakage or dislodgment of catheter or tubing.
    - vi. Make sure all clamps are open and flow controller is securely attached to skin.
    - vii. When the infusion is complete, flush the line per hospital policy.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

6. Vinca Alkaloid (e.g. vincristine, vinblastine, vinorelbine)  
Administration via mini-bag
  - a. Patient with peripheral line: **Do not use infusion pump!**
    - i. Verify blood return
    - ii. Attach mini-bag to free flowing primary IV solution at port closest to patient
    - iii. Raise mini-bag above the primary and administer over 10-20 minutes
    - iv. Check for blood return every 5 minutes by gravity check
  - b. Patient with central line:
    - i. Verify blood return
    - ii. May use infusion pump only with central line access
    - iii. Program mini-bag to be administered over 10-20 minutes
    - iv. RN to stay with patient throughout infusion.
  
7. IV Push
  - a. Check the IV patency. Once patency is established, attach the syringe to the y-site closest to the patient and proceed with administration. When an IV maintenance solution is used, it should be free-flowing during the infusion of chemotherapy.
  - b. Assess patency every 2-3 ml during the administration with gentle aspiration, check for ease of flow, lack of subcutaneous swelling, absence of pain and burning, and blood return.
  - c. Stop infusion if a change in sensation, pain, burning, stinging, or swelling occurs at the IV site or if unable to obtain blood return. Follow the procedure for extravasation if infiltration is suspected. **EXTRAVASATION MANAGEMENT CLINICAL PROCEDURE :# 51.**
  - Post Procedure Clean-up

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

1. Dispose of all chemo administration supplies (i.e., IV bag, syringes, tubing, nitrile gloves, gown and absorbent pad) in the chemotherapy waste container. **CHEMOTHERAPY: SAFE HANDLING AND DISPOSAL OF ANTI-NEOPLASTIC AGENTS # 17.**
2. Dispose of non-contaminated supplies in the regular trash bin.

### D. DOCUMENTATION:

- The following is documented in the patient electronic medical record:
  1. Patient name, date, and time of chemotherapy administration (MAR).
  2. Site assessment before infusion.
  3. Vein selection, gauge and length of needle inserted, or type of central line.
  4. Establishment of blood return before, during, and after chemotherapy administration.
  5. Type of flushing solution.
  6. Drug name, route, dose, BSA/M<sup>2</sup> calculation, verifying RN, and pump settings.
  7. Description of site during and after infusion.
  8. Post-treatment site assessment.
  9. Patient education related to drugs received, toxicities, toxicity managements, and follow-up care.
  10. Discharge instructions.

### VI. EDUCATION/TRAINING:

- A. Education and/or training is provided as needed.

### VII. REFERENCES:

- A. NIOSH list of antineoplastic and other hazardous drugs in healthcare settings 2016 (Publication No. 2016-161). Retrieved from, <https://www.cdc.gov/niosh/docs/2016-161/default.html> on 03/23/2021.
- B. Polovich, M., Lefebvre, K. & Olsen, M. (2014). *ONS Chemotherapy And Biotherapy Guidelines and Recommendations for Practice (4<sup>th</sup> Ed.)* Pittsburg: Oncology Nursing Society.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

- C. Polovich, M., Olsen, M. (2018), *ONS Safe Handling of Hazardous Drugs.* (3<sup>rd</sup> Ed) Pittsburgh: Oncology Nursing Society.
- D. Neuss, M. et al, 2016 Updated American society of clinical Oncology/Oncology Nursing Society Chemotherapy Administration Safety Standards, Including Standards for Pediatric Oncology. Oncology Nursing Forum. 2017 January (44). Retrieved from [https://onf.ons.org/onf/44/1/2016-updated-american-society-clinical-oncologyoncology-nursing-society-chemotherapy\\_03/23/2021](https://onf.ons.org/onf/44/1/2016-updated-american-society-clinical-oncologyoncology-nursing-society-chemotherapy_03/23/2021).
- E. Neuss, M. et al, 2013 Updated American Society of Clinical Oncology/Oncology Nursing Society Chemotherapy Administration Safety Standards Including Standards for the Safe Administration and Management of Oral Chemotherapy. Journal of Oncology Practice. 2013 March (9,2s). Retrieved from <https://www.ons.org/sites/default/files/2013chemostandards.pdf> 03/23/2021.

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

### ATTACHMENT A

#### GUIDELINES FOR CONTINUOUS CHEMOTHERAPY INFUSION

##### **PURPOSE**

- A. To infuse the chemotherapy solution in a timely manner for maximum cell kill and to attain optimum therapeutic benefit from the chemotherapeutic agent.

##### **PROCEDURE**

- A. Verify that the pharmacy drug label information, specifically the start and end date of chemotherapy and total dose, is reflective of the information on the Meditech Oncology Chemo Orders panel.
- B. Ensure that the rate on the drug label is consistent with the rate on the Q pump filter.
- C. Confirm that the Q pump has been primed by removing the end cap from the pump tubing, opening the clamp and waiting to see if a drop of liquid appears at the end of the tubing. The tubing is primed with NS. When there is a drop at the end of the tubing, close the clamp. Attach the luer lock connector at the end of pump tubing to the patient's access site.
- D. Tape flow restrictor to the skin and open clamp to start the infusion. Instruct the patient to monitor the deflation of the Q-pump and call infusion center if there are leakage or pump is not deflating.
- E. If the pump is still inflated on the day it is scheduled to be taken off, inform the provider and await further instructions.
- F. Flush central line per policy on the last day of the continuous infusion.

# CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

## APPENDIX B

### BODY SURFACE AREA (BSA) CALCULATOR IN MICROMEDEX

#### Calculating the BSA-

Access from Meditech (Globe)-→Micromedex Calculators

**IBM Micromedex®**

My Subscription | Gateway | Training Center | Help | Mobile Application Access | Logout

Keyword search

Home | Drug Interactions | IV Compatibility | Drug ID | Drug Comparison | CareNotes | NeoFax® Pediatrics | **Other Tools**

**Calculators**

View: by category | by alphabetical list

**ANTIDOTE DOSING AND NOMOGRAMS**

- Alcohol/Ethylene Glycol Blood Level
- Ethanol - IV Dosing for Methanol/Ethylene Glycol Overdose
- NAC Dosing for Acetaminophen Overdose
- Toxicity Nomograms

**DOSING TOOLS**

- ACLS/PALS Guidelines
- Dobutamine Dosing Calculator
- Dopamine Dosing Calculator
- Epinephrine Dosing Calculator - Adult
- Epinephrine Dosing Calculator - Pediatric
- Heparin Dosing Calculator

**CLINICAL CALCULATORS**

- Arterial-Oxygen Gradient

**MEASUREMENT CALCULATORS**

- Body Mass Index Calculator**
- BSA and Lean/Ideal Body Weight Calculator
- Metric Conversions Calculator
- SIU Conversion Calculator

**LABORATORY VALUES**

- Anion
- Creatin
- Phenyl

**BSA and Lean/Ideal Body Weight Calculator** [PRINT] [CLOSE]

Age: 61  Years  Months  
 Patient Weight: 212  kg  lb  
 Height: 68  cm  in  
 Gender:  M  F

Results: [ Tue Mar 23 15:01:27 EDT 2021 ]

Entered Values: Age: 61 years, Patient Weight: 96.36 kg (212 lb), Height: 172.72 cm (68 in), Gender: M

**Body Surface Area = 2.1 square meters**

Lean Body Weight = 66.16 kg (145.55 lb)

Ideal Body Weight = 68.4 kg (150.48 lb)

Notes:  
If the patient's weight is very disproportionate to height, the calculated lean body weight may be inaccurate and should not be used to determine drug dosages.



CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL  
ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

ATTACHMENT C

CARBOPLATIN DOSE CALCULATOR

<https://globalrph.com/medcalcs/carboplatin-auc-calculator/>

Calculating the AUC

Enter:

1. Age
2. Height
3. Weight
4. Sex
5. Target AUC
6. Choose: Calculated
7. Modified Cockcroft- Gault
8. Serum creatinine
9. GOG Protocol: No
10. Click to calculate

[https://hccapps.musc.edu/hemo/nc/carboplatin\\_dose\\_calculator.htm](https://hccapps.musc.edu/hemo/nc/carboplatin_dose_calculator.htm)

AUC calculator link located on all 6 desktop computers in CCC Nurse's Station

Carboplatin Dose Calculator			
Do NOT use this calculator for dialysis patients!!! (see NOTE below)			
Patient Name: Jon Dough MRN#: H000111		Ordering Physician: Aziz Patient Location: 515	
Age: 61	Height: 68 in / Weight: 212.0 lb	Sex: Male	Target AUC: 5.0
Real Function Estimation Method:	Serum creatinine:	Measured creatinine clearance:	GOG Protocol?
Calculated	1.0 mg/dl	(Not used)	No
Body Surface Area (BSA):	Ideal Body Weight (IBW):	Calculated Creatinine Clearance (CrCl):	
2.15 m <sup>2</sup>	68.4 kg (standard formula)	105.7 ml/min (for the modified Cockcroft-Gault formula (SEE NOTES BELOW))	
<b>Carboplatin Dose = 654 mg</b>			
If you are submitting an order, please attach this calculator printout to your order.			

## CHEMOTHERAPY ADMINISTRATION OF PARENTERAL AND ORAL ANTINEOPLASTIC AGENTS: (INPATIENT AND OUTPATIENT)

### APPENDIX D

#### LIST OF REFERENCES

- MICROMEDEX: Patient Education CareNotes, BSA calculator, Trissel's drug compatibility
- UpToDate: ANC calculator <https://www.uptodate.com/contents/calculator-absolute-eosinophil-count>
- Alternative Carboplatin Dose Calculator: <http://www.globalrph.com/carboplatin.htm>
- Cancer Care Ontario Link: <http://www.cancercare.on.ca/cms/One.aspx?portalId=1377&pageId=10767#>
- National Comprehensive Cancer Network (NCCN): <http://www.nccn.org>
- Chemocare: <https://www.nccn.org/professionals/OrderTemplates/Default.aspx>

## MULTIPLE GESTATION DELIVERIES

<b>Reference Number</b>	332
<b>Effective Date</b>	Not Set
<b>Applies To</b>	L & D
<b>Attachments/Forms</b>	

**I. POLICY STATEMENT:**

A. N/A

**II. PURPOSE:**

A. To outline the nursing management for the delivery of patients with multiple gestation to ensure optimal outcome for both the mother and fetuses.

**III. DEFINITIONS:**

A. FSE – Fetal scalp electrode.

**IV. GENERAL INFORMATION:**

- A. The vaginal delivery of multiple gestation deliveries should occur in the operating room.
- B. IV access should be obtained on all patients delivering multiple fetuses.
- C. Multiple gestation deliveries require additional staffing and equipment availability to minimize risk to mother and fetuses.

**V. PROCEDURE:**

- A. Electronic fetal monitoring should be continuous throughout labor
- B. Each of the newborn infants should be identified according to designations assigned to each fetus by the obstetric provider, or according to birth order. In the latter case, birth order may or may not correlate with the identification assigned in utero. In either case, fetal and neonatal identifiers must be explicitly correlated.
- C. The corresponding umbilical cords should be identified by designated letter i.e. baby “a”, baby “b”.

## MULTIPLE GESTATION DELIVERIES

- D. When possible, an FSE should be placed on the presenting fetus.
- E. An obstetrical assistant and anesthesiologist should be immediately available
  - 1. The delivering physician is responsible for notification or delegation of notification of the anesthesiologist and obstetrical assistant.
- F. A neonatal team comprised of a nurse, respiratory therapist, and pediatrician/neonatologist (if indicated) should be available for each infant.
- G. Sterile instruments will be available in the operating room and the OB technician/scrub nurse will be available in the event a cesarean section becomes necessary.
- H. Portable ultrasound should be available for use after delivery of the first fetus to evaluate the heart rate and position of the second fetus.
- I. Documentation:
  - 1. Documentation will occur in accordance with the [LABOR AND DELIVERY OBSTETRICAL STANDARDS: ASSESSMENT AND DOCUMENTATION](#) and [FETAL HEART RATE MONITORING](#)

### VI. EDUCATION/TRAINING:

- A. Education and/or training is provided as needed.

### VII. REFERENCES:

- A. American Academy of Pediatrics & American College of Obstetricians and Gynecologists (2017). Guidelines for Perinatal Care.(8th ed). Washington, D.C: Authors.
- B. Bowers, N.A. (2021). Multiple gestation. In K.R. Simpson , P.A. Creehan, O'Brien-Abel, N., Roth, C., & Rohan, A.(Eds.), Perinatal Nursing (5th ed, pp. 249-295). Philadelphia: Wolters Kluwer/Lippincott Williams & Wilkins.

## NICU FAMILY CENTERED CARE/PARENT PARTICIPATION

<b>Reference Number</b>	278
<b>Effective Date</b>	Not Set
<b>Applies To</b>	NICU, REHAB SERVICES, SOCIAL SERVICES
<b>Attachments/Forms</b>	

**I. POLICY STATEMENT:**

- A. Patient-centered care is crucial in the prevention of medical errors. Families are the core to delivering patient-centered care in the NICU, making family-center care vital to promoting patient safety.

**II. PURPOSE:**

- A. To encourage parent/guardian participation and to foster a family centered care environment.
- B. To incorporate the family’s cultural values and perspectives into an individualized plan of care for each infant.
- C. To promote the development of partnerships between healthcare professionals and families that capitalizes on the expertise of both.

**III. DEFINITIONS:**

- A.

**IV. GENERAL INFORMATION:**

- A. Family Centered Care (FCC) is a philosophy of care in which the pivotal role of the family in the lives of infants is recognized and respected.
- B. The Core concepts of FCC include the following:
- Dignity and Respect
  - Information sharing
  - Collaboration
  - Participation

**V. PROCEDURE:**

## NICU FAMILY CENTERED CARE/PARENT PARTICIPATION

- A. The multidisciplinary healthcare team will collaborate with parents/guardians about the care of their infant, respecting their choices and decisions.
- B. All members of the healthcare team are responsible for assessing the parents'/guardians' understanding of their infants' illness and the skills required to care for them.
- C. All healthcare providers will participate in teaching needed skills, evaluate the teaching provided, and make appropriate referrals when necessary.
- D. Families are invited to participate in patient discharge rounds.
- E. Parent education and return demonstration may include but are not limited to:
  - Diapering
  - Bathing
  - Feeding
  - Auxiliary temperature
  - Comfort/Calming techniques
  - Medication administration
  - CPR instructions
  - Suctioning
  - Assessing their infants stress cues
  - Home care equipment or oxygen needs
  - Any special procedure that will be a part of care giving
  - Infant safety (i.e. car seat, bulb syringe)
- F. As parents/guardians learn required care-giving skills they are encouraged to participate in infant's day-to-day care.
- G. The multidisciplinary plan of care is developed, reviewed and revised in collaboration with parents/guardians. Interdisciplinary decision making regarding the plan of care takes place at least once a week during multidisciplinary discharge rounds.
- H. Documentation:
  1. Family education and family conferences are documented in the electronic health record.

## VI. EDUCATION/TRAINING:

- A. Education and/or training is provided as needed.

## NICU FAMILY CENTERED CARE/PARENT PARTICIPATION

### VII. REFERENCES:

- A. American Academy of Pediatrics & American College of Obstetricians and Gynecologists. (2018). Guidelines for Perinatal Care (8<sup>th</sup> edition). American Academy of Pediatrics; Washington, DC: American College of Obstetricians and Gynecologists.
- B. Institute for Patient-and Family-Centered Care. (2014). Changing the Concept of Families as Visitors. Downloaded from <http://www.ipfcc.org/advance/topics/family-presence.html>
- C. Verklan, M.T. & Walden, M. (2015) Core Curriculum for Neonatal Intensive Care Nursing (5<sup>th</sup> Ed.) – a joint publication of the Association of Women’s Health, Obstetric and Neonatal Nursing, American Association of Critical Care Nurses, & the National Association of Neonatal Nurses

*QUALITY AND EFFICIENT  
PRACTICES COMMITTEE*

*Minutes from the July 25, 2022 meeting of  
the Quality and Efficient Practices Committee  
will be distributed at the Board Meeting*

*(JUAN CABRERA)*



## *FINANCE COMMITTEE*

*Minutes from the July 25, 2022 meeting  
of the Finance Committee will be  
distributed at the Board Meeting*

*Background information supporting the  
proposed recommendations from the  
Committee is included in the Board Packet*

*(RICHARD TURNER)*

- Committee Chair Report*
- Board Questions to Committee Chair/Staff*
- Motion/Second*
- Public Comment*
- Board Discussion/Deliberation*
- Action by Board/Roll Call Vote*

## Board Paper: Finance Committee

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Agenda Item: Consider Recommendation for Board Approval (i) the capital purchase of the Medtronic O-Arm O2 Surgical Imaging System and Stealth Station S8 Neurosurgical Navigation Surgery System and (ii) Medtronic Service Agreement

Executive Sponsor: Clement Miller, Chief Operating Officer

Date: July 18, 2022

### Executive Summary

This memorandum serves to justify the approval to upgrade our existing O-Arm and Stealth Station S7 Neurosurgery Navigation System, to the current O-Arm O2 and Stealth Station S8 system. The O-Arm and Stealth Station is a surgical imaging and neurosurgery navigational system that is utilized in greater than 120 surgeries per year. The upgraded O-Arm and Stealth Station is needed to sustain and grow multiple surgical programs at SVMHS.

### Background/Situation/Rationale

Upon learning that our current O-arm and Stealth Station have reached serviceable end of life, in early 2021, the surgical services department determined it was necessary to upgrade the system. During FY22 capital budget planning, our surgical services team, in coordination with our physician stakeholders made the decision to push the replacement of these systems to the FY23 capital plan. The O-Arm O2 neurosurgical imaging system is a mobile x-ray system designed for 2D fluoroscopic and 3D imaging for adult and pediatric patients that works in concert with the Stealth Station S8 to provide advanced visualization allowing our surgeons to navigate neurosurgery and select Ears, Nose, and Throat (ENT) surgeries. Both systems are frequently used simultaneously but can also be utilized autonomously. In fiscal year 2022, the unit was utilized in 138 surgeries. In fiscal year 2021, the unit was utilized in 123 surgeries. Medtronic is offering a \$130,000.00 discount if we process the purchase before 7/29/2022. The quote includes all components and instrumentation required to implement the upgrade.

### Timeline/Review Process to Date:

[January 2021] SVMHS receives end of guaranteed service letter from Medtronic

[Spring 2021] Capital quote received and submitted for FY22 Capital Budget

[December 2021] O-Arm and Stealth Station S7 system reaches end of guaranteed service. Medtronic agrees to a one-time service extension through July 15 2022.

[Spring 2022] Capital quote received and submitted to FY23 Capital Budget

[July 2022] Updated capital quote received. Quote includes a \$130,000.00 discount if we purchase the system before 7/29/2022.

### Meeting our Mission, Vision, Goals Strategic Plan Alignment:

The purchase of the O-Arm O2 and Stealth Station S8 system will allow Salinas Valley Memorial Healthcare System to continue providing high intensity neurosurgical and ENT care to our community, utilizing state-of-the-art technology.

**Pillar/Goal Alignment:**

Service     People     Quality     Finance     Growth     Community

**Financial/Quality/Safety/Regulatory Implications:**

Vendor: Medtronic USA		
Key Contract Terms	Capital	Service
1. Proposed effective date	7/30/2022	Effective upon delivery.
2. Term of agreement	One time transaction	3 year term effective post 1 year warranty.
3. Renewal terms	N/A	To Be Determined
4. Termination provision(s)	N/A	30 days prior notice.
5. Payment Terms	To Be Determined	Net 30. Invoiced annually
6. Annual cost	One-time payment	\$153,300.00 starting 1 year after date of capital purchase.
<b>7. Cost over life of agreement**</b>	Estimated <b>\$1,210,195.36</b> (=\$1,120,916.80 + \$89,278.56 (tax)) <i>Pending final pricing negotiations</i>	<b>\$459,900.00</b> for 3 year term (\$79,100 + \$74,200 = \$153,300 annually) <i>Pending final pricing negotiations</i>
8. Budgeted (indicate y/n)	Y – FY23 Capital Budget	<u>Old Device is not fully depreciated and will have an (unbudgeted) write off for \$204k.</u>

**Recommendation**

Consider Recommendation for Board Approval (i) the purchase of the Medtronic O-Arm O2 Surgical Imaging System and the Stealth Station S8 Neurosurgical Navigation Surgery System at the cost of \$1,210,195.36 and (ii) Medtronic Service Agreement at the cost of \$459,900 for a total cost of **\$1,670,095.36**, subject to final negotiation and legal review.

**Attachments**

- (1) Medtronic O-Arm O2 and Stealth Station S8 System Capital Quote
- (2) Medtronic Service and Support Agreement Proposal
- (3) Medtronic End of Guaranteed Service Life Letter
- (4) ECRI Proposal Analysis Report
- (5) ECRI Market Intelligence Report
- (6) Justification of Sole Source



Medtronic USA, Inc  
826 Coal Creek Circle  
Louisville, CO 80027  
www.medtronic.com

## EXECUTIVE SUMMARY

### PREPARED FOR:

Salinas Valley Memorial Hosp, Salinas, CA

Quotation Number: 77167-0001109381-1-2

July 01, 2022

All Prices in \$USD

Item Number	Item Description	QTY	Ext. List Price	Ext. Net Price
BI70002000	O-ARM O2 BASE UNIT	1	\$ 656,000.00	\$ 524,800.00
BI75000027	CONFIG BI75000027 O2 SYSTEM NAVIGATION INTERFACE	1	\$ 39,655.00	\$ 31,724.00
BI75000034	CONFIG BI75000034 O2 MULTIPLE FIELD OF VIEW	1	\$ 39,655.00	\$ 31,724.00
BI75000030	CONFIG BI75000030 O2 ADVANCED VIEWING	1	\$ 22,660.00	\$ 18,128.00
BI75000031	CONFIG BI75000031 O2 ISO-WAG™ ROTATION	1	\$ 14,729.00	\$ 11,783.20
BI75000029	CONFIG BI75000029 O2 HIGH DEFINITION 3D – HD3D	1	\$ 28,325.00	\$ 22,660.00
BI75000045	CONFIG BI75000045 O2 2D LONG FILM	1	\$ 39,655.00	\$ 31,724.00
M072707M014	STEALTHSTATION™ S7 to S8 System Trade In	1	\$ 272,500.00	\$ 218,000.00
9735955	STEALTHSTATION™ EM KIT S8 CRANIAL ACCESSORIES	1	\$ 51,500.00	\$ 41,200.00
9735740	STEALTHSTATION™ SPINE SOFTWARE	1	\$ 92,443.00	\$ 73,954.40
9735502	UPGRADE SET 9735502 PERC PIN	1	\$ 9,500.00	\$ 7,600.00
9734833	NAVLOCK™ NAVIGATION INSTRUMENT SET	1	\$ 18,540.00	\$ 14,832.00
9735737	STEALTHSTATION™ CRANIAL SOFTWARE	1	\$ 92,443.00	\$ 73,954.40
9735743	STEALTHSTATION™ 3D SOFTWARE	1	\$ 36,050.00	\$ 28,840.00
9735736	STEALTHSTATION™ ENT SOFTWARE	1	\$ 76,000.00	\$ 60,800.00
9735745	STEALTHSTATION™ MERGE SOFTWARE	1	\$ 36,050.00	\$ 28,840.00
9735959	STEALTHSTATION™ EM KIT S8 FLAT EMITTER	1	\$ 16,892.00	\$ 13,513.60
9736325	Monitor Cover 9736325 Stealth S8 SVC	2	\$ 386.00	\$ 308.80
9736326	Camera Cover 9736326 Stealth S8 SVC	1	\$ 167.00	\$ 133.60
9734495	STEALTHSTATION® REFERENCING TRAY	1	\$ 11,578.00	\$ 9,262.40
9735129	INST KIT 9735129 SPINE CLAMP	2	\$ 4,636.00	\$ 3,708.80
9730027	INST 9730027 DRIVER, OPEN SPINE CLAMP	2	\$ 310.00	\$ 248.00
9735132	INST KIT 9735132 CLAMP THORACIC	2	\$ 7,210.00	\$ 5,768.00
EM800N	MOTOR MR8 ELECTRIC NAVIGATED S8	2	\$ 49,210.00	\$ 38,977.60
MR8-AVS14	ATT MR8 14CM VARIABLE STRAIGHT 3.2MM	2	\$ 6,590.00	\$ 5,144.00

Prices and Terms Valid until July 29, 2022

Requested By: Liz McClelland, Regional Capital Sales Manager (510) 590-6503  
Prepared By: Vincent Walker, Principal Sales Administrator (720) 890-2452

Fax No: 720-890-3699  
Quote #: 77167-0001109381-1-2

All Prices in \$USD

Item Number	Item Description	QTY	Ext. List Price	Ext. Net Price
MR8-AVS15	ATT MR8 15CM VARIABLE STRAIGHT 2.4MM	2	\$ 6,590.00	\$ 5,144.00
MR8-AVS10	ATT MR8 10CM VARIABLE STRAIGHT 2.4MM	2	\$ 6,590.00	\$ 5,144.00
<b>Line Item Sub Total</b>			<b>\$ 1,635,864.00</b>	<b>\$ 1,307,916.80</b>
<b>O-arm System Trade in Discount</b>				<b>(\$ 40,000.00)</b>
<b>StealthStation S7 Trade in Discount</b>				<b>(\$ 25,000.00)</b>
<b>P.O. Deadline Discount (expires 7/29/2022)</b>				<b>(\$ 130,000.00)</b>
<b>Discounted Subtotal</b>				<b>\$ 1,112,916.80</b>
<b>Shipping, Installation and Handling</b>				<b>\$ 8,000.00</b>
<b>Grand Total</b>				<b>\$ 1,120,916.80</b>

Prices and Terms Valid until July 29, 2022

Requested By: Liz McClelland, Regional Capital Sales Manager (510) 590-6503  
Prepared By: Vincent Walker, Principal Sales Administrator (720) 890-2452

Fax No: 720-890-3699  
Quote #: 77167-0001109381-1-2

**CONFIDENTIAL**

## PREPARED FOR:

Salinas Valley Memorial Hosp, Salinas, CA

Quotation Number: 77167-0001109381-1-2

July 01, 2022

All Prices in \$USD

Item Number	Item Description	QTY	Ext. List Price	Ext. Net Price
BI70002000	O-ARM O2 BASE UNIT	1	\$ 656,000.00	\$ 524,800.00
	<ul style="list-style-type: none"> <li>• Complete Multidimensional Surgical Imaging System</li> <li>• 3D, multi-plane Fluoro imaging capability</li> <li>• Lateral patient access without compromising mobility</li> <li>• Faster imaging, reduced does with automated real-time, and pre-set positioning               <ul style="list-style-type: none"> <li>• 2K x 1.5K digital flat detector enables higher dynamic range and resolution</li> <li>• Automated multi-plane imaging eliminates manual repositioning or need for a second system (bi-planar Fluoro)                   <ul style="list-style-type: none"> <li>• System includes the O-arm Imaging Stand, Mobile View Station (MVS)</li> <li>• DICOM 3.0 Compliant. The system supports sending locally created images across the network to another system. It also supports saving images to CD</li> </ul> </li> <li>• Includes VGA</li> <li>• Includes new 12: 1 X-Ray Grid - Achieves improvement in contrast with higher grid ratio and carbon cover</li> <li>• High Definition 3D - HD3D enabled</li> </ul> </li> </ul>			
BI75000027	CONFIG BI75000027 O2 SYSTEM NAVIGATION INTERFACE	1	\$ 39,655.00	\$ 31,724.00
	<ul style="list-style-type: none"> <li>• Unique iso-centric rotation relative to the lateral image in fluoroscopy mode.</li> <li>• Rotation around the vertical axis while keeping the anatomy of interest in the imaging field.</li> </ul>			
BI75000034	CONFIG BI75000034 O2 MULTIPLE FIELD OF VIEW	1	\$ 39,655.00	\$ 31,724.00
BI75000030	CONFIG BI75000030 O2 ADVANCED VIEWING	1	\$ 22,660.00	\$ 18,128.00
BI75000031	CONFIG BI75000031 O2 ISO-WAG™ ROTATION	1	\$ 14,729.00	\$ 11,783.20
BI75000029	CONFIG BI75000029 O2 HIGH DEFINITION 3D – HD3D	1	\$ 28,325.00	\$ 22,660.00
BI75000045	CONFIG BI75000045 O2 2D LONG FILM	1	\$ 39,655.00	\$ 31,724.00
M072707M014	STEALTHSTATION™ S7 to S8 System Trade In	1	\$ 272,500.00	\$ 218,000.00

**Includes:**

- MAIN CART 9735665 STEALTH S8 PREMIUM
- CAMERA CART 9735670 STEALTH S8 BASIC
- POWER PACK 9735943 STEALTH S8 ENG ONLY

Item Number	Item Description	QTY	Ext. List Price	Ext. Net Price
9735955	STEALTHSTATION™ EM KIT S8 CRANIAL ACCESSORIES	1	\$ 51,500.00	\$ 41,200.00
	<ul style="list-style-type: none"> <li>• Latest EM side emitter with large tracking volume</li> <li>• Adjustable instrument interface box that adapts to various workflows in the OR</li> <li>• Vertek™ arm for flexibility of placing the emitter</li> <li>• Bed rail adapter</li> </ul>			
9735740	STEALTHSTATION™ SPINE SOFTWARE	1	\$ 92,443.00	\$ 73,954.40
	<ul style="list-style-type: none"> <li>• Customizable procedure settings for each surgeon</li> <li>• Supports broad portfolio of integrated navigated instruments</li> <li>• Streamlined instrument management interface</li> <li>• Supports auto-registration with O-arm™ Imaging System</li> </ul>			
9735502	UPGRADE SET 9735502 PERC PIN	1	\$ 9,500.00	\$ 7,600.00
9734833	NAVLOCK™ NAVIGATION INSTRUMENT SET	1	\$ 18,540.00	\$ 14,832.00
	STEALTHSTATION® NAVLOCK™ INSTRUMENT SET			
	<ul style="list-style-type: none"> <li>• NavLock™ Gray Tracker 9734590</li> <li>• NavLock™ Orange Tracker 9734683</li> <li>• NavLock™ Violet Tracker 9734682</li> <li>• NavLock™ Green Tracker 9734734</li> <li>• NavLock™ Container 9734692</li> <li>• Ratcheting Small Straight Handle (2 each) 9733734</li> <li>• Awl Tip 9734678</li> <li>• Lumbar Probe 9734679</li> <li>• Thoracic Probe Tip 9734680</li> </ul>			
9735737	STEALTHSTATION™ CRANIAL SOFTWARE	1	\$ 92,443.00	\$ 73,954.40
	<ul style="list-style-type: none"> <li>• Supports tumor resection, biopsy, and catheter placement procedures</li> <li>• Intuitive software workflows designed for ease of use</li> <li>• Flexible registration techniques for use with or without fiducials</li> <li>• Supports auto-registration with O-arm™ Imaging System</li> </ul>			
9735743	STEALTHSTATION™ 3D SOFTWARE	1	\$ 36,050.00	\$ 28,840.00
	<ul style="list-style-type: none"> <li>• Enables automatic and semi-automatic segmentation of structures such as tumor, cortex, bone</li> <li>• Allows for advanced visualization of structures and seamless import of StealthViz™ objects</li> <li>• Provides additional color maps for anatomic visualization</li> </ul>			
9735736	STEALTHSTATION™ ENT SOFTWARE	1	\$ 76,000.00	\$ 60,800.00
	<ul style="list-style-type: none"> <li>• Supports FESS, lateral, and anterior skull base procedures</li> <li>• Intuitive software workflows designed for ease of use</li> <li>• Flexible registration techniques for use with pointer and Touch-n-Go probes</li> </ul>			
9735745	STEALTHSTATION™ MERGE SOFTWARE	1	\$ 36,050.00	\$ 28,840.00

Item Number	Item Description	QTY	Ext. List Price	Ext. Net Price
	<ul style="list-style-type: none"> <li>Advanced image correlation algorithms and tools that provide automatic and manual image fusion of different imaging modalities such as MR, CT, O-arm™, fMRI, and PET</li> </ul>			
9735959	STEALTHSTATION™ EM KIT S8 FLAT EMITTER	1	\$ 16,892.00	\$ 13,513.60
	<ul style="list-style-type: none"> <li>New flat emitter with large tracking volume</li> <li>Pelican case to hold the emitter</li> </ul>			
9736325	Monitor Cover 9736325 Stealth S8 SVC	2	\$ 386.00	\$ 308.80
9736326	Camera Cover 9736326 Stealth S8 SVC	1	\$ 167.00	\$ 133.60
9734495	STEALTHSTATION ® REFERENCING TRAY	1	\$ 11,578.00	\$ 9,262.40
9735129	INST KIT 9735129 SPINE CLAMP	2	\$ 4,636.00	\$ 3,708.80
9730027	INST 9730027 DRIVER, OPEN SPINE CLAMP	2	\$ 310.00	\$ 248.00
9735132	INST KIT 9735132 CLAMP THORACIC	2	\$ 7,210.00	\$ 5,768.00
EM800N	MOTOR MR8 ELECTRIC NAVIGATED S8	2	\$ 49,210.00	\$ 38,977.60
MR8-AVS14	ATT MR8 14CM VARIABLE STRAIGHT 3.2MM	2	\$ 6,590.00	\$ 5,144.00
MR8-AVS15	ATT MR8 15CM VARIABLE STRAIGHT 2.4MM	2	\$ 6,590.00	\$ 5,144.00
MR8-AVS10	ATT MR8 10CM VARIABLE STRAIGHT 2.4MM	2	\$ 6,590.00	\$ 5,144.00



## SALES AND SUPPORT PROPOSAL

**Purchase Orders and Signed Proposals can be faxed to: 720-890-3699**

This is a Sales & Support Proposal ("Proposal") by and between Medtronic USA, Inc. for its ENT Products and Navigation Products (collectively, "MEDTRONIC") located at 826 Coal Creek Circle, Louisville, Colorado 80027 and Salinas Valley Memorial Hosp ("CUSTOMER"), located in Salinas CA. The date of the proposal is the date on the first page of this Proposal ('Proposal Date').

Thank you for requesting this Proposal for the O-arm® System and StealthStation® System ("Product"). MEDTRONIC looks forward to partnering with you and the staff at Salinas Valley Memorial Hosp to provide for your image guidance needs.

**The pricing contained in this proposal is valid until 07/29/2022**

### I. OFFER AND ACCEPTANCE

This Proposal is an offer by MEDTRONIC to sell the Product described above to the CUSTOMER on the terms of this Proposal and the Medtronic Master Terms and Conditions which are incorporated into this Proposal by reference in their entirety. CUSTOMER accepts this Proposal and places an order for the Product described herein by signing the Proposal at the signature block by an individual authorized to bind the CUSTOMER and returning the Proposal with an appropriate Purchase Order to MEDTRONIC. Upon receipt by MEDTRONIC of the appropriately signed Proposal and Purchase Order, an authorized representative of MEDTRONIC will sign the Proposal on behalf of MEDTRONIC whereupon the Proposal will become a binding Agreement between the parties ("Agreement").

### II. PAYMENT TERMS

- Payment to MEDTRONIC by Buyer on invoices from MEDTRONIC under this agreement shall be due within 30 days of the date of the invoice unless otherwise noted in the Additional Terms section.
- FOB Origin. Freight charges are prepaid by MEDTRONIC and added to the CUSTOMER's invoice.

### III. INSTALLATION AND IN-SERVICE

The price of the Product includes: installation, complete on-site Product testing and run through.

All site modifications and preparations are the CUSTOMER's responsibility and are to be completed to the specifications given by MEDTRONIC, prior to the date of the installation.

MEDTRONIC is committed to providing CUSTOMER with ongoing technical service and software support on the Product for the Term of this agreement. Details of MEDTRONIC's Customer Support Program are set out in the accompanying Terms and Conditions. However, highlights of this Program are: Software support and maintenance, 24-hour telephone technical assistance, and Software enhancement upgrades to currently owned software packages. The cost of parts associated with the repair of equipment that is out of stated warranty period will be billed to the CUSTOMER.

### IV. TRAINING

**O-arm® System** - MEDTRONIC is committed to providing the necessary training to ensure your staff is capable of operating the O-ARM® System autonomously. All OR Staff, Surgeons, Radiologic Technologists, etc. who will be utilizing the O-ARM® System must be trained by an authorized MEDTRONIC representative. Upon installation of the O-ARM® System, a MEDTRONIC representative will schedule training for up to five (5) business days at a mutually agreed upon date and time at the hospital site. MEDTRONIC may, at its discretion, provide additional on-site training it deems necessary during the warranty period at its expense.

**StealthStation® System and Accessories** - MEDTRONIC is committed to providing the necessary training to the Trainees on the StealthStation® Navigation System. All employees of CUSTOMER who will be utilizing the StealthStation Navigation System, including OR Staff, Surgeons, Radiologic Technologists, and surgical staff members ("Trainees"), should be trained by an authorized MEDTRONIC representative prior to using the System. Upon installation of the StealthStation® Navigation System, a MEDTRONIC representative will schedule training for Trainees at CUSTOMER's

site for no charge on a mutually agreeable date and time. MEDTRONIC may, at its discretion, provide additional on-site training it deems necessary during the warranty period at its expense.

Upon request by CUSTOMER, MEDTRONIC may also offer additional training for Trainees at MEDTRONIC's StealthStation® University in Louisville, Colorado ("Initial MEDTRONIC Site Training"). For Initial MEDTRONIC Site Training, MEDTRONIC will pre-arrange and pay hotel room fees for up to 10 nights of lodging at MEDTRONIC's designated hotel per CUSTOMER. CUSTOMER shall be responsible for all other fees and costs, including without limitation, travel arrangements, transportation, meals and incidental costs for Trainees.

MEDTRONIC may provide Trainees access to courses at StealthStation® University beyond the Initial MEDTRONIC Site Training at CUSTOMER's sole cost and expense.

\*Additional training may involve CE credits for nurses governed by California Board of Nursing. An individual nurse may obtain CEs for a specific course only once per rolling 12 month period.

## **V. SURGERY SUPPORT**

**StealthStation® System** - Upon request by the CUSTOMER, MEDTRONIC will provide up to six (6) surgical support visits during the warranty period. MEDTRONIC may, at its discretion and depending on the CUSTOMER circumstance (new hospital staff, new surgical procedure introduced, new accessories or equipment), provide additional surgical support at no charge. The CUSTOMER has the option at any time to purchase surgical coverage visits through MEDTRONIC.

**O-arm® System** - Upon request by the CUSTOMER, MEDTRONIC may provide surgical support visits by a MEDTRONIC authorized representative for training purposes, during the warranty period.

## **VI. LIMITED WARRANTY**

The Product shall be subject to the MEDTRONIC Standard Limited Warranty, applicable to this Product as contained in the Terms and Conditions, for the Term of the agreement. MEDTRONIC SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING, WITHOUT LIMITATION, THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

## **VII. SOFTWARE LICENSE**

MEDTRONIC hereby grants to CUSTOMER, and CUSTOMER hereby accepts, a non-transferable, non-exclusive license ("License") to use Licensed Materials in perpetuity if and for so long as CUSTOMER agrees to and abides by the terms and conditions of this Agreement. CUSTOMER may not copy, modify or transfer the Licensed Materials, in whole or in part, except as provided by MEDTRONIC. CUSTOMER may only use the Licensed Materials in connection with the proper usage and operation of the Products.

## **VIII. TERM OF AGREEMENT**

This agreement shall become effective on the date of the last signature in the signature block below ("Execution Date") and shall have a term of one (1) calendar year from the Acceptance Date of the Product ("Term").

## **IX. CONFIDENTIALITY**

All portions of this Proposal are to be considered confidential and are not to be shared with anyone other than an employee or authorized agent of MEDTRONIC, or personnel of CUSTOMER or their representative, unless approved by MEDTRONIC.

## **X. DELIVERY AND TRANSFER OF OWNERSHIP**

Transfer of ownership from MEDTRONIC to CUSTOMER of the Product shall take place immediately upon shipment. The warranty period will commence seven (7) business days following the delivery date, unless otherwise specified in the additional terms section. Installation and training will be scheduled at a mutually agreed upon date.

## **XI. ADDITIONAL TERMS**

- All prices are quoted in US Dollars.
- Please make the Purchase Order (PO) out to Medtronic USA, Inc. (TAX ID# 41-1493213) and reference quotation number on the purchase order. Please return this page signed with the purchase order.
- CUSTOMER hereby grants permission to MEDTRONIC to use its name and identity in its marketing material for the limited purpose of stating only the existence of the agreement.

- The pricing terms and conditions included in this quotation are contingent on CUSTOMER returning their existing O-arm O1 and StealthStation S7 to MEDTRONIC upon receipt of the O-arm O2 and StealthStation S8. CUSTOMER is responsible for removing all Protected Health Information (PHI) prior to the pick up of the existing O-arm O1 and StealthStation S7.

## **XII. COMPLETE AGREEMENT**

When executed as prescribed herein, this Sales and Support Proposal constitutes a legally binding agreement between the parties. It is the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous proposals, negotiations, representations or commitments between the parties, both written and oral. The terms of this Sales and Support Proposal may be amended only by a writing signed by both parties hereto and shall prevail in the event that there is a conflict or variance with the terms and conditions of any purchase order form or other document submitted by CUSTOMER or with any invoice or other document submitted by MEDTRONIC.

**ACCEPTANCE**

This agreement sets forth the entire understanding between the parties and supersedes any prior or oral agreements with respect to the matters covered by this agreement. An authorized representative of Salinas Valley Memorial Hosp and MEDTRONIC have signed and executed the agreement below.

**Salinas Valley Memorial Hosp**

Signature: \_\_\_\_\_

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

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

Date: \_\_\_\_\_

**Medtronic USA, Inc. for its ENT Products  
and Navigation Products**

Signature: \_\_\_\_\_

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

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

Date: \_\_\_\_\_



## SERVICE AND SUPPORT AGREEMENT PROPOSAL

**PREPARED FOR:  
Salinas Valley Memorial Hosp**

**Date: 07/05/2022**

**Quote #: SSA-210860-0001109381-2-0**

This SERVICE AND SUPPORT AGREEMENT PROPOSAL ("SSA Proposal") is entered into by Medtronic USA, Inc. for its ENT and Navigation Products ("MEDTRONIC") with a business address of 826 Coal Creek Circle, Louisville, Colorado 80027 and Salinas Valley Memorial Hosp, ("Customer"), with a business address of 450 East Romie Lane, Salinas CA, 93901-4098, UNITED STATES. This SSA Proposal, together with the following attachments (collectively, "Agreement"), constitutes the entire Agreement between MEDTRONIC and Customer for the provision of services:

- Exhibit A (Standard Terms and Conditions)
- Exhibit B (Supplemental Terms)
- Additional exhibits or addenda agreed upon by Customer and MEDTRONIC

The following proposal for service has been prepared in conjunction with current system(s) quote 77167-0001109381-1-1 for:

- One (1) O-arm® Imaging system with software and product integration to the StealthStation® S8 surgical system.
- One (1) StealthStation® S8® surgical system with EM including software and product integration.

MEDTRONIC offers to sell the Services (as described below and defined in the Agreement) to Customer. Please indicate the option below ("Term"):

**Option 1: Three (3) year term effective post warranty. Pricing secured at point-of-sale capital purchase.**

System Type	Current Expire Date	Part Number	Current List Price	QTY	Year 1 Price	Year 2 Price	Year 3 Price
O-Arm O2	TBD	SERVICEC1 - O2MCT10	\$86,500.00	1	\$79,100.00	\$79,100.00	\$79,100.00
S8 with EM	TBD	SERVICEC1 - S8MCT21	\$81,800.00	1	\$74,200.00	\$74,200.00	\$74,200.00
<b>Invoiced annually, as follows:</b>					\$153,300.00	\$153,300.00	\$153,300.00

**Total Price of Option: \$459,900.00 (\$153,300.00 invoiced annually)**



Further, Together

The offer contained in this SSA Proposal is valid through 07/29/2022. If Customer's acceptance is not received by MEDTRONIC within such time, this offer will expire. MEDTRONIC may charge Time & Materials at the current standard rates for any services provided to Customer beyond the expiration date which are not covered by warranty or an existing service and support agreement.

**MEDTRONIC USA, INC. FOR ITS ENT AND NAVIGATION PRODUCTS**

**Salinas Valley Memorial Hosp**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: Brad Emms

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

Title: Vice President, Surgical Synergy Sales

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT A STANDARD TERMS AND CONDITIONS

### DEFINITIONS.

- a. **“Corrective Maintenance”** means maintenance required other than Planned Maintenance and Software Maintenance, including but not limited to, maintenance required due to unauthorized relocation, modification, lapse of warranty or service and support agreement, or for other exclusions. Corrective Maintenance shall be at MEDTRONIC’s sole discretion and subject to replacement parts availability.
- b. **“Covered Product(s)”** means any Product or System covered by a valid warranty or, if the warranty has expired or becomes void, any such Product which has been subsequently inspected and approved for service and support coverage by MEDTRONIC in writing. Covered Products are identified by serial number (if available) in the SSA Proposal.
- c. **“Location”** means the site where the Covered Products were originally installed or where they were relocated with the prior approval of MEDTRONIC, which is identified in this Agreement.
- d. **“Licensed Material”** means any Software placed on or provided with Products by MEDTRONIC at the time of System acquisition or at any other time, including any accompanying documentation related thereto.
- e. **“MEDTRONIC Technical Services”** means MEDTRONIC’s customer support department. MEDTRONIC will provide telephone support 24/7/365 through MEDTRONIC Technical Services, unless otherwise provided in the Supplemental Terms set forth in Exhibit B. If applicable, MEDTRONIC may troubleshoot reported problems and/or provide basic data transfers remotely through the Customer’s secure network on both an inbound and outbound basis.
- f. **“Normal Coverage Hours”** means that Services will be performed by MEDTRONIC at the Location, Monday through Friday from 7:00 a.m. to 4:00 p.m. local time, excluding holidays observed by MEDTRONIC. Services performed outside Normal Coverage Hours are considered Optional Services.
- g. **“Notice”** means providing written notice that includes facts sufficient to describe the issue to the other party by certified mail, facsimile, or standard overnight delivery service at the address identified in the Agreement.
- h. **“Optional Services”** means services performed or provided by MEDTRONIC that are outside the scope of this Agreement, including but not limited to: services performed outside the Normal Coverage Hours, relocation of Covered Products, Surgical Support visits provided by MEDTRONIC, additional system Planned Maintenance, system inspections or Corrective Maintenance required, due to unauthorized relocation, modification, lapse of warranty, or for other exclusions, which will be billed as set forth in the Payment Terms.
- i. **“Planned Maintenance”** means a pre-scheduled maintenance of the System performed by MEDTRONIC which may include one or all of the following, as determined by MEDTRONIC: a performance evaluation of all covered Products, System inspection, cleaning, lubrication, adjustments, and/or other Corrective Maintenance of a non-emergency nature.
- j. **“Remote Support”** means a digital service that allows MEDTRONIC to provide features such as; remote diagnostics, predictive part failure reporting, remote troubleshooting support, and remote software install. Remote Support requires an active, secured Internet connection between the Covered Product and MEDTRONIC for connectivity. Upon execution of this Agreement Medtronic will enable Remote Support. Remote Support is not available on all systems and features may vary by product.
- k. **“Services”** means the services set forth in the Supplemental Terms set forth in Exhibit B.
- l. **“Software Application”** means a separate software program that integrates with, but is not part of, the operating system. Software Applications are designed to perform specific functions that enable the Customer to perform specific procedures.
- m. **“Software Feature”** means modifications to or development of software that may include new features, modules or products which enable the software to perform new or different functions or increases the capacity or capability of the software and are NOT designated by MEDTRONIC as either a Software Application or a Software Upgrade.
- n. **“Software”** means the operating system, Software Applications, and Software Features that reside on the System.
- o. **“Software Maintenance Release”** means the release of software that MEDTRONIC deems required or available to all customers and all Systems regardless of software coverage of a service and support agreement.
- p. **“Software Upgrade Release”** means the release of an existing Software Application containing one or more Software Enhancements and/ or Software Features. Software Upgrade Releases are included as part of the software coverage of a service and support agreement.
- q. **“Surgical Support”** means attendance by a qualified MEDTRONIC representative during a surgical case at the Location using Covered Products.
- r. **“System”** means the capital equipment, hardware or platform on which the Software resides.

## 1. PAYMENT TERMS.

- a. Fees are billed and payable in US Dollars and payable net thirty (30) days after the invoice date.
- b. Fees for Optional Services will be billed at the current standard rate.
- c. Prices in the Agreement and invoices do not include sales, use or other similar taxes, which Customer will pay unless a tax exemption certificate is provided to MEDTRONIC.
- d. The initial payment for Services or Optional Services will be accompanied by a purchase order or equivalent Customer purchase record. All invoices paid after the due date will be subject to a late payment charge of the lesser of 1.5% per month or the maximum rate permitted by law.

## 2. TERMINATION.

- a. Termination without Cause. Either party may terminate this Agreement for any reason or no reason, with thirty (30) days prior Notice to the other party.
- b. Termination for Cause. Either party may terminate this Agreement immediately, without Notice to the other party, if the other party: 1) makes an assignment for the benefit of creditors, or a receiver, trustee in bankruptcy or similar officer is appointed to take charge of all or any material part of the other party's property or business; or 2) MEDTRONIC may terminate this Agreement immediately, without prior Notice to Customer if Customer misuses the Licensed Material and/or uses the Licensed Material in violation of any license provided under this Agreement (referred to herein as "Cause").
- c. Result of Termination: 1) If MEDTRONIC terminates this Agreement for any reason other than for Cause, MEDTRONIC will pay Customer a pro-rata refund of the fees that Customer paid for the year in which the Agreement is terminated based on the remaining period in such year; 2) If Customer terminates this Agreement for any reason other than for Cause, Customer shall not be entitled to a refund of any portion of any fees paid by Customer under the Agreement. However, Customer shall be excused from any obligation to pay any future fees beyond the year in which the Agreement was terminated; or 3) If Customer terminates this Agreement for Cause, MEDTRONIC will pay Customer a pro-rata refund of the fees that Customer paid for the year in which the Agreement is terminated based on the remaining period in such year.

## 3. QUALIFICATION. To qualify for this Agreement, the following conditions must be met, and Customer represents:

- a. The Covered Products must be used in accordance with any product labeling or any product documentation provided and as solely determined by MEDTRONIC;
- b. As of the effective date of this Agreement, Covered Products must be in good working condition and not have been altered or subjected to misuse, modification, abuse, accident or improper handling, and MEDTRONIC reserves the right to inspect the Covered Products to ensure they are in good working condition and in compliance with MEDTRONIC's specifications for the Covered Products; Prior to being covered under this Agreement, or any service and support agreement, Covered Products not in good working condition must first be repaired by MEDTRONIC at the current per-incident repair price, subject to any existing and applicable warranty terms. If replacement is necessary, Customer will be notified and current product pricing will apply. Customer acknowledges that all of Customer's similar Medtronic products listed in this SSA Proposal are applicable included for coverage under this Agreement;
- c. The Covered Products must not have been repaired or altered outside of MEDTRONIC's supervision or by non-MEDTRONIC personnel in any way which, in the judgement of MEDTRONIC, may affect its stability or reliability;
- d. MEDTRONIC must be notified within thirty (30) days following discovery of the problem, malfunction or defect; and
- e. The Covered Products must be returned to MEDTRONIC without shipping damage within thirty (30) days of MEDTRONIC receiving Notice as provided above.

## 4. CUSTOMER RESPONSIBILITIES. During the Agreement Term, Customer agrees to comply with the following obligations, failure of which will be considered a breach and, where noted, will void this Agreement:

- a. Ensure the Location is maintained in a condition reasonably suitable for the Covered Products, including but not limited to temperature and humidity control, incoming power supply, and fire protection system.
- b. Ensure the Covered Products are used in accordance with relevant specifications by personnel who are properly trained on the operation and use of the Covered Products.
- c. Contact MEDTRONIC prior to relocation of Covered Products. Although Covered Products that are mobile may be moved within the Location during use, relocation to another site within the Location that would result in the Covered Product being lifted, dropped, tilted or jarred and any relocation outside the Location will void this Agreement if undertaken by Customer or by a third party without prior Notice to MEDTRONIC Technical Services or failure to adhere to MEDTRONIC shipping requirements and proper crating. Relocation by Customer or a third party requires post-relocation system inspection and any



necessary Corrective Maintenance by MEDTRONIC, which will be billed to Customer at the current standard rates. Alternatively, MEDTRONIC will relocate Covered Products for Customer as an Optional Service.

d. Promptly notify MEDTRONIC of any problem, failure or malfunction of Covered Products which result in the inability of the Covered Product to perform in accordance with its specifications. Provide full and safe access to Covered Products, at no cost to MEDTRONIC, for any period when on-site Services are required or requested by Customer.

e. Customer acknowledges that the Covered Products are medical devices subject to federal regulations and agrees not to tamper with, alter, service, or modify any Covered Product (including the loading of additional software) without prior written consent from MEDTRONIC, as unauthorized modifications could render the device unsafe or ineffective for its intended use. Customer agrees not to use non-Medtronic or reprocessed tools not provided and inspected by MEDTRONIC with the Covered Products. Any such unauthorized modification or use of reprocessed products will void this Agreement. Customer shall indemnify and hold MEDTRONIC harmless against any damages, costs and expenses resulting from such unauthorized modifications or use of reprocessed products. This provision shall survive termination, expiration or lapse of this Agreement.

**5. EXCLUSIONS.** The following items shall be considered exclusions and are not included as or part of the Services under this Agreement:

- a. Providing any service or replacement part specifically excluded under the Agreement;
- b. Maintenance or repair of third-party or non-MEDTRONIC products or Software, even if packaged or sold with MEDTRONIC Products and recommended by MEDTRONIC;
- c. Problems caused by unauthorized modifications, maintenance or repairs of the Products or any other modification, maintenance or repair of the Covered Product(s) not performed by MEDTRONIC;
- d. Problems caused by external power sources, including the incoming power supply;
- e. Repair of damage caused by accident, negligence or any cause other than ordinary use, including Customer's failure to follow operation instructions, failure to provide a reasonably suitable environment for Covered Products, or use of the Covered Products for purposes other than those for which they were designed;
- f. Damage to the Covered Products caused by disaster, such as, fire, flood, wind, earthquake, terrorism, lightning or natural disaster;
- g. Movement of the Covered Product from the Location unless performed by MEDTRONIC as an Optional Service;
- h. Expendable materials and accessories, such as straps, fabric, as well as Corrective Maintenance necessary to repair accessories;
- i. Future Software Upgrades, Software Features and Software Applications or any other Software that was not originally part of this Agreement, except as otherwise provided in the Agreement; and
- j. Optional Services. Upon Customer's request, any service, support or maintenance for the foregoing exclusions may be performed at the sole discretion of MEDTRONIC as Optional Services.

## **6. TECHNICAL SERVICES SUPPORT.**

a. Phone Support: MEDTRONIC shall provide technical telephone support for the Covered Product(s), 24/7/365 through the MEDTRONIC Technical Services support line (800-595-9709). MEDTRONIC Technical Services can be reached by either phone or email as follows: (i) for Medtronic Navigation and ENT Products: (800) 595-9709 or rs.navtechsupport@medtronic.com; (ii) for Medtronic Neurologic Technologies products (Midas Rex): Technical Support (800) 643-2773, Repair Services (800) 335-9557, Product Order Entry (800) 433-7080; or (iii) for Medtronic Advanced Energy products: (866) 777-9400, prompt #3. Customer agrees to provide the appropriate information to MEDTRONIC, in an effort to ensure prompt issue resolution, and accurate medical device reporting.

b. Remote Support: If applicable, MEDTRONIC may troubleshoot reported problems and/or provide basic data transfers remotely through the hospital's secure network on both an inbound and outbound basis, or as indicated in the respective Supplemental Terms for the Covered Product(s).

**7. RETROFITS.** MEDTRONIC reserves the right to make changes in the design or construction of MEDTRONIC Products without incurring any obligation to make any changes whatsoever in the Covered Products described in this Agreement. Customer agrees to allow MEDTRONIC, at MEDTRONIC's expense, to make retrofits or design changes to Covered Products, which improve equipment reliability but do not change equipment performance characteristics.

**8. WARRANTY.** EXCEPT AS IS EXPRESSLY SET FORTH ABOVE, MEDTRONIC EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WHETHER AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER MATTER. THE REMEDIES SET FORTH IN THIS

WARRANTY ARE THE EXCLUSIVE REMEDIES AVAILABLE FOR BREACH OF WARRANTY.

**9. LIMITATION OF LIABILITY.** EXCEPT AS EXPRESSLY PROVIDED BY THIS AGREEMENT, IN NO EVENT SHALL MEDTRONIC BE LIABLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES BASED ON ANY DEFECT, FAILURE OR MALFUNCTION OF THE COVERED PRODUCT TO FUNCTION WITHIN NORMAL TOLERANCES WHETHER THE CLAIM IS BASED ON WARRANTY, CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR OTHER TORT OR ANY OTHER LEGAL THEORY. THIS AGREEMENT IS MADE ONLY TO THE CUSTOMER. AS TO ALL OTHERS, MEDTRONIC MAKES NO WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHETHER ARISING FROM STATUTE, COMMON LAW, CUSTOM OR OTHERWISE. NO SUCH EXPRESS OR IMPLIED WARRANTY TO THE CUSTOMER SHALL EXTEND BEYOND THE PERIOD SPECIFIED ABOVE. THIS AGREEMENT SHALL BE THE EXCLUSIVE REMEDY AVAILABLE TO ANY PERSON.

**10. ASSIGNMENT.** Customer may not assign its rights under this Agreement to any third party without the prior written consent of MEDTRONIC. Any purported assignment in violation of this clause is void.

**11. FORCE MAJEURE.** Neither Customer nor MEDTRONIC shall be liable to the other for any delay or failure to perform that results from any event or cause that is beyond the reasonable control of the party obligated to perform.

**12. CONFIDENTIAL INFORMATION.** Customer and MEDTRONIC agree that this Agreement represents and contains confidential information, including but not limited to pricing, that shall not be disclosed to any third party or otherwise be made public, without prior written authorization of the other party, except where such disclosure is required by law and then only after Notice to the other party to allow for an objection to such disclosure.

**13. COMPLIANCE WITH LAWS.** Customer and MEDTRONIC agree to comply with obligations under federal, state or other applicable laws or regulations with respect to the performance of this Agreement. The parties acknowledge that it is their intent to establish a business relationship in which rebates, discounts, payments and credits provided to Customer comply with the exceptions to the Medicare and Medicaid Anti-Kickback statute set forth at 42 U.S.C. § 1320a-7b(b)(3) and the “Safe Harbor” regulations regarding discounts set forth in 42 C.F.R. § 1001.952(h); and the parties believe that the relationship contemplated by this Agreement is in compliance with those requirements.

**14. STATEMENT REGARDING DEBARMENT/SUSPENSION/ EXCLUSION ISSUES.** MEDTRONIC certifies that it has not been excluded, debarred or suspended from and is not, in any other way, ineligible to participate in any state or federal governmental program. Prior to hiring any applicant for employment, MEDTRONIC: (1) conducts a criminal background check (since 1996); (2) requires a pre-employment mandatory drug screening test (since 2000); (3) determines whether the applicant appears on the list of excluded individuals and entities maintained by the Office of Inspector General for the United States Department of Health and Human Services (“excluded list”); and (4) determines whether the applicant is ineligible to participate in Federal procurement and non-procurement programs, in the list maintained by the United States government ([www.SAM.gov](http://www.SAM.gov)). In addition, at least once annually, Medtronic screens all employees against the “excluded list” and [www.SAM.gov](http://www.SAM.gov). MEDTRONIC terminates the employment of any current employee who is found to be in either system.

As a public company, MEDTRONIC is required on an annual basis to make a disclosure to the United States Securities and Exchange Commission regarding any director, person nominated to become a director or executive officer who was, during the preceding five years, convicted in a criminal proceeding or the named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses). MEDTRONIC makes inquiry of each such persons on an annual basis and has not, during the previous five years, made any disclosure responsive to this requirement. MEDTRONIC’s most recent quarterly report on Form 10-Q or annual report on Form 10-K disclosed material pending legal proceedings as of that date, including material legal proceedings known to be contemplated by governmental authorities.

**15. ACCESS TO RECORDS.** Notwithstanding the confidentiality provision herein, to the extent required by the Social Security Act, as amended, MEDTRONIC will, upon request, allow the United States Department of Health and Human Services, the Comptroller General of the United States, the State Department of Health, the State Department of Finance, and their duly authorized representatives access to this Agreement and to all books, documents, and records necessary to verify the nature and

extent of the costs of Services provided by it under this Agreement at any time during the Term of this Agreement and for an additional period of four (4) years following the last date Services are provided under this Agreement.

**16. ENTIRE AGREEMENT/PRECEDENCE.** This Agreement contains the entire agreement between the parties and supersedes all prior or concurrent agreements between the parties, whether oral or written, relating to its subject matter. The provisions of this Agreement may not be modified except in a writing signed by authorized representatives of both parties; therefore any different or additional terms in any Customer purchase order or other document are objected to and will not be binding. If any terms conflict, the terms of this Agreement will apply in the following order of precedence: (i) Exhibit B (Supplemental Terms), (ii) Exhibit A (Standard Terms and Conditions), and (iii) any other exhibit, addendum or schedule attached to this Agreement.

**17. GOVERNING LAW.** The validity, construction and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

## EXHIBIT B SUPPLEMENTAL TERMS

### SUPPLEMENTAL TERMS FOR MEDTRONIC O-ARM O2 SERVICE & SUPPORT

The following Supplemental Terms, which shall amend or modify and take precedence over the Standard Terms and Conditions (Exhibit A), are applicable to the Services being provided under the Agreement for the System(s) listed in this SSA Proposal.

#### **HARDWARE COVERAGE**

a. Replacement Parts: MEDTRONIC agrees to provide, at no additional cost to Customer, all replacement parts necessary to return the Covered Product to good working condition: 1) As determined by MEDTRONIC in its sole discretion, replacement parts may be refurbished parts or functionally comparable parts, provided in either case that they are qualified pursuant to MEDTRONIC'S validation and verification process; 2) Replaced parts will become the property of MEDTRONIC. Customer agrees to return all replaced parts to MEDTRONIC. In the event that Customer does not return the replaced part(s) to MEDTRONIC, Customer agrees to pay the full retail price of the replaced part(s); 3) The warranty term on replacement parts expires with the expiration of the Term of this Agreement; and 4) Standard Overnight shipping will be used for replacement parts, when available.

#### **SOFTWARE COVERAGE**

a. Software Maintenance Releases: As deemed necessary by MEDTRONIC, Software Maintenance Releases will be provided at no charge to Customer, for the Covered Products.  
b. Software Upgrade Releases: When available, Software Upgrade Releases will be provided at no charge to Customer, for the Covered Products.

#### **ON-GOING PRODUCT MAINTENANCE**

Planned Maintenance: At a mutually agreeable date and time, during Normal Coverage Hours, MEDTRONIC will provide all necessary Planned Maintenance as defined in the System manual.

#### **SOFTWARE LICENSE**

a. MEDTRONIC hereby grants to Customer, and Customer hereby accepts, a non-transferable, non-exclusive license ("License") to use the Licensed Materials in perpetuity if and for so long as Customer agrees to and abides by the terms and conditions of this Agreement. Customer may not copy, modify or transfer the Licensed Materials, in whole or in part, except as provided by MEDTRONIC. Customer may only use the Licensed Materials in connection with the operation of the Covered Product(s).  
b. Customer agrees to take all reasonable steps to safeguard the Licensed Materials to ensure that no unauthorized person shall have access thereto, and that no copy, publication, disclosure or distribution, in whole or in part, in any form shall be made. Customer acknowledges that the Licensed Materials contain valuable, confidential information and trade secrets of MEDTRONIC and that copying of or allowing unauthorized access to the Licensed Material is harmful and damaging to MEDTRONIC.

#### **REMOTE SUPPORT**

a. MEDTRONIC will provide Remote Support on Covered Product.

### SUPPLEMENTAL TERMS FOR MEDTRONIC STEALTHSTATION S8 W/ EM SERVICE & SUPPORT

The following Supplemental Terms, which shall amend or modify and take precedence over the Standard Terms and Conditions (Exhibit A), are applicable to the Services being provided under the Agreement for the System(s) listed in this SSA Proposal.

#### **HARDWARE COVERAGE**

a. Replacement Parts: MEDTRONIC agrees to provide, at no additional cost to Customer, all replacement parts necessary to return the Covered Product to good working condition: 1) As determined by MEDTRONIC in its sole discretion, replacement

parts may be refurbished parts or functionally comparable parts, provided in either case that they are qualified pursuant to MEDTRONIC'S validation and verification process; 2) Replaced parts will become the property of MEDTRONIC. Customer agrees to return all replaced parts to MEDTRONIC. In the event that Customer does not return the replaced part(s) to MEDTRONIC, Customer agrees to pay the full retail price of the replaced part(s); 3) The warranty term on replacement parts expires with the expiration of the Term of this Agreement; and 4) Standard Overnight shipping will be used for replacement parts, when available.

## SOFTWARE COVERAGE

- a. Software Maintenance Releases: As deemed necessary by MEDTRONIC, Software Maintenance Releases will be provided at no charge to Customer, for the Covered Products.
- b. Software Upgrade Releases: When available, Software Upgrade Releases will be provided at no charge to Customer, for the Covered Products.

## CLINICAL AND PROFESSIONAL SERVICES

- a. Upon request by Customer, MEDTRONIC will provide up to six (6) Surgical Support visits per System, per year of the Agreement Term. The MEDTRONIC representative providing Surgical Support will provide support and training for the Covered Product, but will not run the Covered Product, provide medical advice, or participate in any way in delivering medical or surgical care to a patient. Surgical Support visits must be scheduled in advance and are based on MEDTRONIC personnel availability. MEDTRONIC reserves the right to charge a fee for any Surgical Support visit that is longer than eight (8) hours in duration, or that occurs outside Normal Coverage Hours.
- b. MEDTRONIC may at its discretion and depending on the Customer circumstance (e.g., new hospital staff, new surgical procedure introduced, new accessories or equipment) provide additional Surgical Support visits at no charge.
- c. Customer has the option to purchase additional Surgical Support visits, through MEDTRONIC.
- d. Customer agrees to (a) designate and make known to MEDTRONIC a system products coordinator (if applicable) who has received training from MEDTRONIC and is qualified to act as Customer's primary contact for MEDTRONIC Technical Support personnel; and (b) designate Customer personnel who are trained by MEDTRONIC Technical Support with sufficient system issue description, technical information and/or modem access as deemed necessary by MEDTRONIC Technical Support personnel to diagnose and attempt to resolve the technical issue or issues.

## ON-GOING PRODUCT MAINTENANCE

Planned Maintenance: At a mutually agreeable date and time, during Normal Coverage Hours, MEDTRONIC will provide all necessary Planned Maintenance as defined in the System manual.

## EDUCATION AND TRAINING

- a. StealthStation® University (MEDTRONIC Education Center)
  - (1) Education: Additional training courses on the Covered Product are available through MEDTRONIC's StealthStation® University in Louisville, Colorado. Upon request by Customer for its surgeons, surgical staff, and radiologic technologists ("Trainees") to attend StealthStation® University training courses, MEDTRONIC will pre-arrange and pay hotel room fees for up to ten (10) nights lodging at MEDTRONIC's designated hotel. The ten (10) nights lodging are allocated per Location, per year of the Agreement Term, regardless of the number of Covered Products owned or operated by Customer. Customer is solely responsible for all other costs, including without limitation, travel arrangements, transportation, meals and incidental costs for Trainees.
  - (2) Select courses may include continuing education ("CE") credits (as governed by California Board of Nursing) for nursing staff. A nurse may obtain CE credits for a specific MEDTRONIC course only once annually.
- b. MEDTRONIC may at its discretion provide on-site training on the Covered Product during the Agreement Term, at MEDTRONIC's expense.
- c. Customer may arrange to purchase additional training from MEDTRONIC at an agreeable date and time.

## **SOFTWARE LICENSE**

**a.** MEDTRONIC hereby grants to Customer, and Customer hereby accepts, a non-transferable, non-exclusive license (“License”) to use the Licensed Materials in perpetuity if and for so long as Customer agrees to and abides by the terms and conditions of this Agreement. Customer may not copy, modify or transfer the Licensed Materials, in whole or in part, except as provided by MEDTRONIC. Customer may only use the Licensed Materials in connection with the operation of the Covered Product(s).

**b.** Customer agrees to take all reasonable steps to safeguard the Licensed Materials to ensure that no unauthorized person shall have access thereto, and that no copy, publication, disclosure or distribution, in whole or in part, in any form shall be made. Customer acknowledges that the Licensed Materials contain valuable, confidential information and trade secrets of MEDTRONIC and that copying of or allowing unauthorized access to the Licensed Material is harmful and damaging to MEDTRONIC.

## **REMOTE SUPPORT**

**a.** MEDTRONIC will provide Remote Support on Covered Product.



Medtronic  
Restorative Therapies Group  
826 Coal Creek Circle  
Louisville, Colorado 80027  
[www.medtronic.com](http://www.medtronic.com)

January 26, 2021

Salinas Valley Memorial Hospital  
450 East Romie Lane,  
Salinas, CA 93901-4098

SUBJECT: StealthStation™ S7™, StealthStation™ S7™ Planning Station, Fusion™ and O-arm™ 1000 Imaging System  
End of Guaranteed Service Notification

Dear Valued Customer,

Due to continued improvements in technology and limited availability of replacement parts, the StealthStation™ S7™, StealthStation™ S7™ Planning Station, Fusion™ and O-Arm™ 1000 systems are entering the final stages of serviceability. As a result of these restraints, Medtronic will no longer be able to guarantee service for the StealthStation™ S7™, StealthStation™ S7™ Planning Station, Fusion™ and O-Arm™ 1000 after the following dates:

System Type	Install Date	End of Guaranteed Service Date
StealthStation™ S7	Before December 31, 2012	<b>December 31, 2019</b>
StealthStation™ S7™ Planning Station	Between January 1, 2013 and December 31, 2014	<b>December 31, 2021</b>
Fusion™		
O-Arm™ 1000	After January 1, 2015	<b>December 31, 2024</b>

**YOUR SYSTEM INFORMATION:**

System Name	System #	Install Date	End of Guaranteed Service Date
O-arm™ 1000	B14090881	11/24/2014	12/31/2021
StealthStation™ S7	N05890123	10/24/2014	12/31/2021

After your system's respective End of Guaranteed Service date, replacement parts will be sold on a commercial reasonable basis. Critical replacement parts will become unavailable over time, as well as field technical training/support for these systems. Technical Phone Support, In-Service training, Planned Maintenance (excluding part replacements) and Case Support will continue to be available for a limited period of time after these dates.

If you're interested in learning more about our next generation platforms, the StealthStation™ S8™, StealthStation™ ENT or O-Arm™ O2 imaging system, please visit [Medtronic.com](http://Medtronic.com) or see the brief overview below. In addition, for qualifying legacy systems, we are offering a trade-in credit to help facilitate your transition to our newer technology.

- StealthStation™ S8™ system was introduced in April 2017, and offers neurosurgeons an advanced solution with enhanced workflows, efficiencies, and more comprehensive data integration, providing useful surgical navigation information.
- StealthStation™ ENT system was introduced in June 2017, and offers otolaryngologists an advanced solution with enhanced workflows, efficiencies, and more comprehensive data integration, providing useful surgical navigation information.
- O-arm™ O2 Imaging System was introduced in October 2015, and has several new hardware and software updates that combine to create an imaging system that maximizes features, functionally, service and reliability. New features include; Enhanced Low Dose Mode, Multiple Fields of View and Field of View Preview.

Thank you for your continued support of Medtronic Restorative Therapies Group and our surgical navigation and imaging solutions. To discuss your options for upgrading to the StealthStation™ S8™ system, StealthStation™ ENT or O-Arm™ O2 imaging system, please contact your local Medtronic Navigation, Neurosurgery Area Sales Manager or ENT Area Sales Manager.

We appreciate your business and look forward to serving your surgical navigation and imaging needs now and into the future.

Sincerely,

Matthew Boyd | Medtronic Restorative Therapies Group | 720.890.3267 | [matthew.k.boyd@medtronic.com](mailto:matthew.k.boyd@medtronic.com)

## Capital Guide

# Proposal Analysis

## Potential Savings

**\$112,970.00 capital**

**\$56,100.00 service**

## Configuration

Vendor

**Medtronic Surgical Technologies Div Medtronic Inc**

Device

**Stereotactic Systems, Image-Guided, Surgical, Multiprocedure;  
Radiographic/Fluoroscopic Units, Mobile; Hand Drills**

Model

**StealthStation S8, O-Arm O2, Midas Rex MR8 Motor**

### Prepared For

**Salinas Valley Memorial Healthcare System**

Tim Eckert

Salinas - CA

Phone: 831 771-3865

Email: teckert@svmh.com

### Prepared By

**Michael Green**

Phone: (800) 998-3274 ext 5323

Email: mgreen@ecri.org

Wednesday, July 06, 2022

If you have any questions or require additional information, please do not hesitate to call the analyst.

**Work Order: 1201232 Revision #1**

**User Label: O-Arm\_Medtronic**



**ECRI**

The Most Trusted  
Voice in Healthcare



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## The Bottom Line

Recommendations	
<b>Pricing</b>	Negotiating for a 34.9% overall discount prior to trade-in, reported in similar proposals for the StealthStation S8 and O-Arm O2 systems from Medtronic in our records, will potentially save \$112,970.
<b>Terms &amp; Conditions</b>	
<ul style="list-style-type: none"> <li>• <b>Shipping</b></li> </ul>	We recommend negotiating for FOB Destination with all costs absorbed.
<ul style="list-style-type: none"> <li>• <b>Warranty</b></li> </ul>	We recommend negotiating for one year parts & labor.
<b>Service Contract</b>	Negotiating for a 20% service discount off the purchase of SSA coverage for the S8 and O2 systems from Medtronic will potentially save \$56,100 across the three-year term.
<b>Hazards &amp; Recalls</b>	A search of ECRI's Alerts database did not find any recent hazards, recalls, or problems with this equipment.

## Price Analysis

Proposal Number: 77167-0001109381-1-2			
<b>Total Quantity</b>	4	<b>Discount Reasons</b>	Bottom Line, Trade in
<b>Total List Price</b>	\$1,635,864.00		
<b>Total Quoted Price</b>	\$1,177,916.80	<b>Trade-in Amount</b>	\$65,000.00
<b>Total Quoted Discount</b>	28.0%	<b>Discount After Trade-in</b>	32.0%
<b>Excluded Costs</b>	Shipping, installation, and handling		

In Medtronic quotation # 77167-0001109381-1-2, Salinas Valley Memorial Hospital has been quoted a 28% overall discount prior to trade-in credit off the purchase of the StealthStation S8 navigation system and O-Arm O2 imaging system, plus two (2) navigated Midas Rex MR8 high-speed drills. This is based in part on a \$130,000 PO deadline discount. Our PricePaid database indicates similar proposals for the StealthStation S8 and O-Arm O2 systems submitted for analysis in the last 13 months have reflected discounts from 20% to 34.9%. Negotiating for a 34.9% overall discount prior to trade-in credit will potentially save \$112,970.



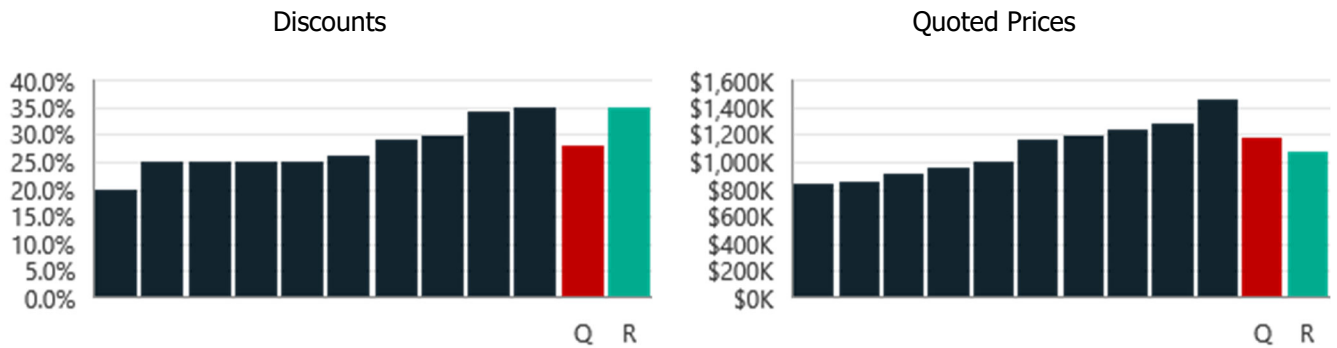
## Service Price Analysis – ResponseCare

Proposal Number: SSA-210860-0001109381-2-0			
<b>Total Quantity</b>	2	<b>Discount Reasons</b>	None Indicated
<b>Total List Price</b>	\$504,900.00		
<b>Total Quoted Price</b>	\$459,900.00	<b>Service Company</b>	Medtronic Surgical Technologies Div Medtronic Inc
<b>Total Quoted Discount</b>	8.9%		
<b>List Price/Year</b>	\$168,300.00	<b>Level of Service</b>	
<b>Quoted Price/Year</b>	\$153,300.00	<b>Capital List</b>	
<b>List Price/Unit/Year</b>	\$168,300.00	<b>Capital List Source</b>	
<b>Quoted Price/Unit/Year</b>	\$153,300.00	<b>% of Capital List/Year</b>	
<b>Point-Of-Sale</b>	Yes	<b>Term Length</b>	3 Years

In Medtronic quotation # SSA-210860-0001109381-2-0, your facility has also been quoted an 8.9% overall discount off the purchase of a three-year Service and Support Agreement (SSA) for the StealthStation S8 and O-Arm O2 systems. Our service contract database indicates similar SSA proposals for the S8 and O2 systems submitted for analysis in the last two years have reflected discounts from 11.1% to 20%. Negotiating for a 20% service discount will potentially save \$56,100 across the three-year term.

## Historical Purchases - S8 & O2

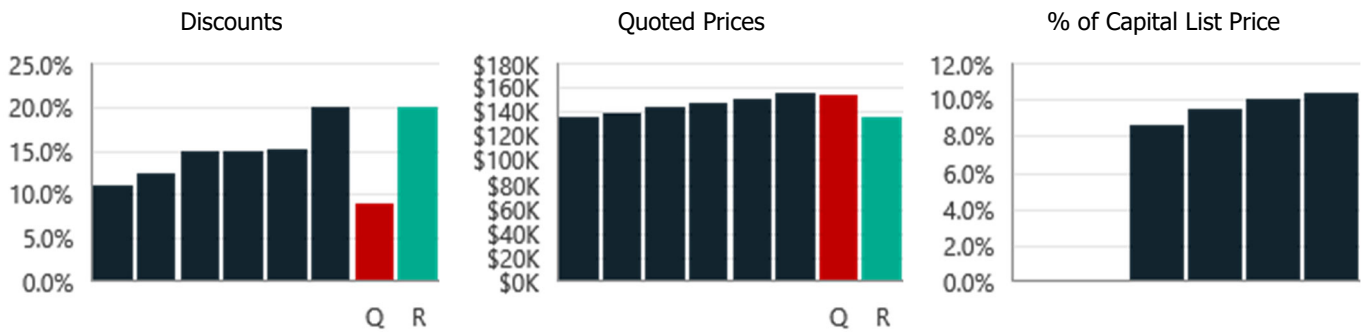
<b>Total Records: 10 Total Units:10</b>					<b>Potential Savings:</b>	
<b>Pricing Type : Pre Trade-in Pricing</b>					<b>\$112,970.00</b>	
	Average	High	Low	Std Dev	Quoted	Recommended
Discount:	27.4%	34.9%	20.0%	4.6%	28.0%	34.9%
Quoted Price:	\$1,085,241.75	\$1,458,255.20	\$830,418.25	\$207,322.56	\$1,177,916.80	\$1,064,946.80
List Price:	\$1,487,581.70	\$1,822,819.00	\$1,222,617.00	\$222,340.98	—	—



\* The records we have selected for the historical data set were chosen from the most recent records in our PricePaid Database. The equipment in these records matches your hospital's configuration as closely as possible and any significant differences have been noted below the individual records. The summary reflects the total price of each record.

## Historical Service Contracts – S8 & O2

<b>Total Records: 6 Total Units: 6</b>				<b>Potential Savings/Term: \$56,100.00</b>		
<b>Pricing Type : Grand Total Pricing</b>				<b>Potential Savings/Year: \$18,700.00</b>		
	Average	High	Low	Std Dev	Quoted	Recommended
Discount:	14.8%	20.0%	11.1%	3.1%	8.9%	20.0%
Quoted Price:	\$144,974.17	\$155,975.00	\$134,600.00	\$7,688.85	\$153,300.00	\$134,600.00
% of Capital Price:	9.6%	10.4%	8.6%	0.8%	—	—



\* The records we have selected for the historical data set were chosen from the most recent records in our PricePaid Database. The equipment in these records matches your hospital's configuration as closely as possible and any significant differences have been noted below the individual records.

# Line Item Analysis

Configuration			Proposed Pricing					Historical Pricing					
Catalog Number	Item Name	Qty	List Price	List Price Per Unit	Quoted Price	Quoted Price Per Unit	Quoted Discount %	Quote Amount		Savings @ Low	Discount %		Savings @ High
								Avg.	Low		Avg.	High	
BI70002000	O-Arm O2	1	\$656,000.00	\$656,000.00	\$524,800.00	\$524,800.00	20.0%	\$488,663.24	\$452,640.00	\$72,160.00	25.5%	31.0%	\$72,160.00
BI75000027	O2 System Navigation Interface	1	\$39,655.00	\$39,655.00	\$31,724.00	\$31,724.00	20.0%	\$29,619.43	\$27,361.95	\$4,362.05	25.3%	31.0%	\$4,362.05
BI75000034	O2 Multiple Field of View	1	\$39,655.00	\$39,655.00	\$31,724.00	\$31,724.00	20.0%	\$29,678.11	\$27,361.95	\$4,362.05	25.2%	31.0%	\$4,362.05
BI75000030	O2 Advanced Viewing	1	\$22,660.00	\$22,660.00	\$18,128.00	\$18,128.00	20.0%	\$16,749.12	\$14,762.78	\$3,365.22	26.1%	34.9%	\$3,376.34
BI75000031	O2 Iso-Wag Rotation	1	\$14,729.00	\$14,729.00	\$11,783.20	\$11,783.20	20.0%	\$10,886.93	\$9,595.81	\$2,187.39	26.1%	34.9%	\$2,194.62
BI75000029	O2 High Definition 3D-HD3D	1	\$28,325.00	\$28,325.00	\$22,660.00	\$22,660.00	20.0%	\$20,936.40	\$18,453.48	\$4,206.52	26.1%	34.9%	\$4,220.43
BI75000045	2D Long Film	1	\$39,655.00	\$39,655.00	\$31,724.00	\$31,724.00	20.0%	\$29,344.70	\$27,361.95	\$4,362.05	26.0%	31.0%	\$4,362.05
M072707M014	StealthStation S8	1	\$272,500.00	\$272,500.00	\$218,000.00	\$218,000.00	20.0%	\$204,375.00	\$204,375.00	\$13,625.00	25.0%	25.0%	\$13,625.00
9735955	EM Kit S8 Cranial Accessories	1	\$51,500.00	\$51,500.00	\$41,200.00	\$41,200.00	20.0%	\$39,140.00	\$38,625.00	\$2,575.00	24.0%	25.0%	\$2,575.00
9735740	StealthStation Spine Software	1	\$92,443.00	\$92,443.00	\$73,954.40	\$73,954.40	20.0%	\$68,374.27	\$60,676.88	\$13,277.52	26.0%	34.4%	\$13,311.79
9735502	Perc Pin Upgrade	1	\$9,500.00	\$9,500.00	\$7,600.00	\$7,600.00	20.0%	\$7,113.13	\$6,555.00	\$1,045.00	25.1%	31.0%	\$1,045.00
9734833	Navlock Navigation Instrument Set	1	\$18,540.00	\$18,540.00	\$14,832.00	\$14,832.00	20.0%	\$13,671.45	\$12,222.00	\$2,610.00	26.3%	34.1%	\$2,614.14
9735737	StealthStation Cranial Software	1	\$92,443.00	\$92,443.00	\$73,954.40	\$73,954.40	20.0%	\$68,057.73	\$58,337.50	\$15,616.90	26.4%	36.9%	\$15,622.87
9735743	StealthStation 3D Software	1	\$36,050.00	\$36,050.00	\$28,840.00	\$28,840.00	20.0%	\$27,398.00	\$27,037.50	\$1,802.50	24.0%	25.0%	\$1,802.50
9735736	StealthStation ENT Software	1	\$76,000.00	\$76,000.00	\$60,800.00	\$60,800.00	20.0%	\$57,000.00	\$57,000.00	\$3,800.00	25.0%	25.0%	\$3,800.00
9735745	StealthMerge Software	1	\$36,050.00	\$36,050.00	\$28,840.00	\$28,840.00	20.0%	\$27,398.00	\$27,037.50	\$1,802.50	24.0%	25.0%	\$1,802.50



9735959	StealthStation EM Kit S8 Flat Emitter	1	\$16,892.00	\$16,892.00	\$13,513.60	\$13,513.60	20.0%	\$13,091.30	\$12,669.00	\$844.60	22.5%	25.0%	\$844.60
9736325	Monitor Cover 9736325 Stealth S8 SVC	2	\$386.00	\$193.00	\$308.80	\$154.40	20.0%	\$140.89	\$133.17	\$42.46	27.0%	31.0%	\$42.46
9736326	Camera Cover 9736326 Stealth S8 SVC	1	\$167.00	\$167.00	\$133.60	\$133.60	20.0%	\$121.91	\$115.23	\$18.37	27.0%	31.0%	\$18.37
9734495	Referencing Tray	1	\$11,578.00	\$11,578.00	\$9,262.40	\$9,262.40	20.0%			\$0.00			\$0.00
9735129	Instrument Kit, Spine Clamp	2	\$4,636.00	\$2,318.00	\$3,708.80	\$1,854.40	20.0%	\$1,751.25	\$1,738.50	\$231.80	24.5%	25.0%	\$231.80
9730027	Driver, Open Spine Clamp	2	\$310.00	\$155.00	\$248.00	\$124.00	20.0%			\$0.00			\$0.00
9735132	Thoracic Clamp	2	\$7,210.00	\$3,605.00	\$5,768.00	\$2,884.00	20.0%	\$2,723.88	\$2,703.75	\$360.50	24.5%	25.0%	\$360.50
	Shipping, Installation, and Handling	1	\$8,000.00	\$8,000.00	\$8,000.00	\$8,000.00	0.0%	\$3,444.44	\$0.00	\$8,000.00	44.4%	100.0%	\$8,000.00
EM800N	Midas Rex MR8 Motor	2	\$49,210.00	\$24,605.00	\$38,977.60	\$19,488.80	20.8%			\$0.00			\$0.00
MR8- AVS14	14cm Variable Straight 3.2mm	2	\$6,590.00	\$3,295.00	\$5,144.00	\$2,572.00	21.9%	\$2,012.49	\$1,302.85	\$2,538.30	37.4%	59.5%	\$2,475.05
MR8- AVS15	15cm Variable Straight 2.4mm	2	\$6,590.00	\$3,295.00	\$5,144.00	\$2,572.00	21.9%	\$2,249.03	\$1,763.85	\$1,616.30	30.0%	45.1%	\$1,526.09
MR8- AVS10	ATT MR8 10CM VARIABLE STRAIGHT 2.4MM	2	\$6,590.00	\$3,295.00	\$5,144.00	\$2,572.00	21.9%			\$0.00			\$0.00
<b>Total</b>										<b>\$164,812.03</b>			<b>\$164,735.21</b>

The above table compares each of the line items in your quoted configuration to similar occurrences of that line item. Negotiating for an overall discount is not the only option. Using the data above provides a different approach to finding savings by identifying the best pricing for each line item in your quotation. All historical pricing is based upon the records included within this report.

The savings @low represents the extended potential savings for the quoted quantity of each item based upon the lowest unit list price. The savings @high represents the extended potential savings for the quoted quantity of each item based upon the highest line item discount. These figures do not always match because manufacturers increase their list prices from time to time.



# Configuration Analysis

Configuration		▼	Detail					
Catalog Number	Item Name	Typical Config						
The Proposed Configuration			List/Unit	Quote/Unit	Discount	Config List	Config Quote	Config Discount
BI70002000	O-Arm O2	- 137 -	\$656,000.00	\$524,800.00	20.0%	\$840,679.00	\$672,543.20	20.0%
BI75000027	O2 System Navigation Interface	129/137	\$39,655.00	\$31,724.00	20.0%			
BI75000034	O2 Multiple Field of View	122/137	\$39,655.00	\$31,724.00	20.0%			
BI75000030	O2 Advanced Viewing	129/137	\$22,660.00	\$18,128.00	20.0%			
BI75000031	O2 Iso-Wag Rotation	122/137	\$14,729.00	\$11,783.20	20.0%			
BI75000029	O2 High Definition 3D-HD3D	131/137	\$28,325.00	\$22,660.00	20.0%			
BI75000045	2D Long Film	78/137	\$39,655.00	\$31,724.00	20.0%			
Additional Items Purchased by Other Facilities			Quote Amount			Discount %		
			High	Low	Avg.	High	Low	Avg.
BI75000032	* O2 Collimated Axial 3D	110/137	\$16,995.00	\$10,536.90	\$12,802.24	38.0%	0.0%	24.7%
BI75000024	* MVS Printer	56/137	\$9,064.00	\$5,619.68	\$6,888.49	38.0%	0.0%	24.0%
	* Shipping, Installation, and Handling	46/137	\$15,500.00	\$0.00	\$5,076.09	100.0%	0.0%	17.4%
BI75000033	* O2 Enhanced Cranial 3D	45/137	\$28,325.00	\$17,561.50	\$20,867.17	38.0%	0.0%	26.3%
BI75000035	* O2 Stereotaxy	42/137	\$10,300.00	\$6,386.00	\$7,633.03	38.0%	0.0%	25.9%

Configuration		▼	Detail					
Catalog Number	Item Name	Typical Config						
The Proposed Configuration			List/Unit	Quote/Unit	Discount	Config List	Config Quote	Config Discount
M072707M014	StealthStation S8	- 94 -	\$272,500.00	\$218,000.00	20.0%	\$726,205.00	\$580,964.00	20.0%
9735955	EM Kit S8 Cranial Accessories	67/94	\$51,500.00	\$41,200.00	20.0%			
9735740	StealthStation Spine Software	87/94	\$92,443.00	\$73,954.40	20.0%			
9735502	Perc Pin Upgrade	12/94	\$9,500.00	\$7,600.00	20.0%			
9734833	Navlock Navigation Instrument	26/94	\$18,540.00	\$14,832.00	20.0%			





Set					
9735737	StealthStation Cranial Software	75/94	\$92,443.00	\$73,954.40	20.0%
9735743	StealthStation 3D Software	74/94	\$36,050.00	\$28,840.00	20.0%
9735736	StealthStation ENT Software	34/94	\$76,000.00	\$60,800.00	20.0%
9735745	StealthMerge Software	75/94	\$36,050.00	\$28,840.00	20.0%
9735959	StealthStation EM Kit S8 Flat Emitter	28/94	\$16,892.00	\$13,513.60	20.0%
9736325	Monitor Cover 9736325 Stealth S8 SVC	6/94	\$193.00	\$154.40	20.0%
9736326	Camera Cover 9736326 Stealth S8 SVC	5/94	\$167.00	\$133.60	20.0%
9734495	Referencing Tray	1/94	\$11,578.00	\$9,262.40	20.0%
9735129	Instrument Kit, Spine Clamp	8/94	\$2,318.00	\$1,854.40	20.0%
9730027	Driver, Open Spine Clamp	1/94	\$155.00	\$124.00	20.0%
9735132	Thoracic Clamp	7/94	\$3,605.00	\$2,884.00	20.0%
	Shipping, Installation, and Handling	53/94	\$8,000.00	\$8,000.00	0.0%

Additional Items Purchased by Other Facilities			Quote Amount			Discount %		
			High	Low	Avg.	High	Low	Avg.
9735500	* Basic Spine Referencing	24/94	\$12,257.00	\$7,210.00	\$10,376.77	50.0%	15.0%	28.0%
9735921	* StealthStation DBS and Stereotaxy Software	20/94	\$55,234.14	\$27,156.79	\$48,284.81	61.6%	22.0%	31.8%
9735469	* CD Horizon Solera Taps	13/94	\$5,165.45	\$3,646.20	\$4,387.63	40.0%	15.0%	27.7%
9734752K	* Adapter Perc Pin	12/94	\$824.00	\$515.00	\$709.50	50.0%	20.0%	31.0%
9734501	* Percutaneous Pin Upgrade	12/94	\$6,800.00	\$4,250.00	\$5,903.96	50.0%	20.0%	30.5%
9735465	* CD Horizon Solera Awl-Tip Taps	10/94	\$9,888.00	\$8,652.00	\$9,096.96	30.0%	20.0%	26.4%
9734507	* StealthStation Universal Drill Guide	10/94	\$6,219.45	\$3,658.50	\$5,173.84	50.0%	15.0%	29.1%
9732176	* Touch-N-Go Kit	10/94	\$3,889.60	\$2,917.20	\$3,452.02	40.0%	20.0%	29.0%
9735747	* Schaltenbrand Wharen Atlas	10/94	\$4,017.00	\$3,350.00	\$3,615.41	35.0%	22.0%	29.8%
9733935	* Cranial Instrument Set, Passive	9/94	\$18,428.80	\$13,821.60	\$16,235.34	40.0%	20.0%	29.5%
9734494	* Tactile Probes Instrument Set	8/94	\$16,124.00	\$10,077.50	\$13,821.38	50.0%	20.0%	31.2%
9735283	* Solera 5.5/6.0 Drivers	8/94	\$9,192.75	\$6,825.00	\$7,916.67	36.5%	15.0%	26.6%
9735173	* 2.25mm Ped Probe	7/94	\$4,932.00	\$3,082.50	\$4,096.22	50.0%	20.0%	33.3%
9735738	* StealthStation DBS Software	6/94	\$40,788.00	\$33,990.00	\$38,994.08	40.0%	28.0%	31.2%
NAV2024K	* Driver NAV2024 Solera 4.75 Standard MAS	6/94	\$1,982.75	\$1,776.75	\$1,866.88	31.0%	23.0%	27.5%



9735130	* Instrument Kit; Drivers Spine Clamp	6/94	\$131.75	\$96.10	\$115.03	38.0%	15.0%	25.8%
9730269	* Cranial Instrument, Microscope Probe	5/94	\$1,350.30	\$1,259.69	\$1,320.60	34.7%	30.0%	31.5%
9735501	* Revision Referencing Tray	5/94	\$6,128.50	\$5,191.20	\$5,761.14	30.0%	15.0%	22.6%
9735742	* Stealth 3D ENT Software	5/94	\$25,900.00	\$22,750.00	\$24,616.67	35.0%	26.0%	29.7%
9736149	* Zeiss KINEVO Interface Kit	5/94	\$41,600.00	\$33,800.00	\$38,332.09	35.0%	20.0%	26.3%

Configuration		▼	Detail					
Catalog Number	Item Name	Typical Config						
The Proposed Configuration			List/Unit	Quote/Unit	Discount	Config List	Config Quote	Config Discount
EM800N	Midas Rex MR8 Motor	- 32 -	\$24,605.00	\$19,488.80	20.8%	\$68,980.00	\$54,409.60	21.1%
MR8-AVS14	14cm Variable Straight 3.2mm	14/32	\$3,295.00	\$2,572.00	21.9%			
MR8-AVS15	15cm Variable Straight 2.4mm	13/32	\$3,295.00	\$2,572.00	21.9%			
MR8-AVS10	ATT MR8 10CM VARIABLE STRAIGHT 2.4MM	3/32	\$3,295.00	\$2,572.00	21.9%			
Additional Items Purchased by Other Facilities			Quote Amount			Discount %		
			High	Low	Avg.	High	Low	Avg.
CA875	* MR8 Navigated Instrument Case, 3/4 DIN	22/32	\$1,796.00	\$535.50	\$1,188.34	70.2%	0.0%	34.1%
CA850S	* Case MR8 Sterilization 3/4 DIN	17/32	\$927.00	\$463.50	\$674.99	50.0%	0.0%	27.4%
MR8-AS14	* ATT MR8 14CM STRAIGHT 3.2MM	13/32	\$1,628.90	\$620.02	\$1,274.10	65.6%	9.6%	29.4%
MR8-AS09	* ATT MR8 9CM STRAIGHT 3.2MM	5/32	\$1,531.80	\$938.00	\$1,243.36	45.0%	12.4%	27.5%
MR8-AS10	* MR8 10cm Straight 2.4mm	5/32	\$1,204.45	\$487.55	\$898.44	65.5%	15.0%	36.5%
MR8-AF02	* ATT MR8 FOOTED F2 B-1 2.4MM	5/32	\$1,624.35	\$659.25	\$1,182.78	65.6%	15.0%	38.1%
MR8-AA14	* ATT MR8 14CM ANGLED 3.2MM	4/32	\$3,631.20	\$2,349.60	\$3,045.86	45.1%	15.0%	28.8%
MR8-AF03	* ATT MR8 FOOTED F3 S-1 3.2MM	4/32	\$1,674.50	\$1,087.00	\$1,356.06	45.0%	15.0%	31.3%
CA800	* CASE MR8 Instrument 1/2 DIN	4/32	\$785.40	\$535.50	\$665.18	42.0%	15.0%	28.0%
MR8-AS07	* ATT MR8 7CM STRAIGHT 2.4MM	4/32	\$1,080.35	\$701.40	\$874.89	44.9%	15.0%	31.2%
CA800S	* Sterilization Case	4/32	\$832.50	\$535.50	\$689.63	42.2%	12.4%	26.2%
MR8-AT10	* ATT MR8 TELESCOPING BASE	3/32	\$1,966.50	\$1,423.50	\$1,750.50	35.0%	12.4%	20.8%
MR8-AA09	* ATT MR8 09CM ANGLED 3.2MMMR8	3/32	\$3,574.25	\$2,319.10	\$2,945.62	44.8%	15.0%	29.9%



MR8-ASMC09	* ATT MR8 9CM METAL CUTTER 3.2MM	2/32	\$2,226.60	\$1,364.30	\$1,795.45	45.0%	12.4%	28.7%
MR8-AD03	* ATT MR8 PERFORATOR DRIVER 1000 RPM	2/32	\$3,910.40	\$3,309.60	\$3,610.00	45.0%	35.0%	40.0%
MR8-TT12CMIS	* TUBE MR8 12CM TELESCOPING CURVE	2/32	\$1,064.70	\$770.90	\$917.80	35.0%	12.4%	23.7%
	* Shipping, Installation, and Handling	2/32	\$10,500.00	\$3,000.00	\$6,750.00	0.0%	0.0%	0.0%
MR8-AA10	* ATT MR8 10cm Angled 2.4mm	2/32	\$2,922.00	\$2,137.30	\$2,529.65	45.1%	25.0%	35.1%
CA850	* Instrument Case	2/32	\$1,351.50	\$468.56	\$910.03	74.0%	25.0%	49.5%

The above table shows your quoted configuration as compared to the configurations previously purchased by other members. The "Typical Config" column is a ratio of how many times the component was purchased with this model compared to how many purchases of the model are on record. For example, "2/8" indicates that 2 out of the 8 most recent purchases of this model include this component. The line items with a "\*" are not currently included in your purchase but occurred in previous purchases.



# Appendix

## Historical Purchases - S8 & O2

Record ID# 1198457

Date: Q2 2022	List Price: \$1,822,819.00	Quoted Price: \$1,458,255.20			Discount: 20.0%
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	Midas Rex MR8 Motor and Components	1	\$35,087.20	\$35,087.20	20.0%
EK800N	Midas Rex MR8 Motor	1	\$21,959.20	\$21,959.20	20.0%
MR8-AVA14	ATT MR8 14cm Variable Angle, 3.2mm	1	\$3,992.00	\$3,992.00	20.0%
MR8-AVA15	ATT MR8 15CM VARIABLE ANGLE 2.4MM	1	\$3,992.00	\$3,992.00	20.0%
MR8-AVS14	14cm Variable Straight 3.2mm	1	\$2,572.00	\$2,572.00	20.0%
MR8-AVS15	15cm Variable Straight 2.4mm	1	\$2,572.00	\$2,572.00	20.0%
Subtotal	O-Arm O2 and Components	1	\$692,566.40	\$692,566.40	20.0%
BI70002000	O-Arm O2	1	\$524,800.00	\$524,800.00	20.0%
BI75000027	O2 System Navigation Interface	1	\$31,724.00	\$31,724.00	20.0%
BI75000024	MVS Printer	1	\$7,251.20	\$7,251.20	20.0%
BI75000034	O2 Multiple Field of View	1	\$31,724.00	\$31,724.00	20.0%
BI75000030	O2 Advanced Viewing	1	\$18,128.00	\$18,128.00	20.0%
BI75000031	O2 Iso-Wag Rotation	1	\$11,783.20	\$11,783.20	20.0%
BI75000032	O2 Collimated Axial 3D	1	\$13,596.00	\$13,596.00	20.0%
BI75000033	O2 Enhanced Cranial 3D	1	\$22,660.00	\$22,660.00	20.0%
BI75000029	O2 High Definition 3D-HD3D	1	\$22,660.00	\$22,660.00	20.0%
BI75000035	O2 Stereotaxy	1	\$8,240.00	\$8,240.00	20.0%
Subtotal	StealthStation S8 and Components	1	\$730,601.60	\$730,601.60	20.0%



M072707M01 5	StealthStation S8	1	\$218,000.00	\$218,000.00	20.0%
9735955	EM Kit S8 Cranial Accessories	1	\$41,200.00	\$41,200.00	20.0%
9735740	StealthStation Spine Software	1	\$73,954.40	\$73,954.40	20.0%
9735500	Basic Spine Referencing	1	\$11,536.00	\$11,536.00	20.0%
9735502	Perc Pin Upgrade	1	\$7,600.00	\$7,600.00	20.0%
9735501	Revision Referencing Tray	1	\$5,768.00	\$5,768.00	20.0%
9735522	Revision Referencing Tray Upgrade	1	\$4,944.00	\$4,944.00	20.0%
NAV2024K	Driver NAV2024 Solera 4.75 Standard MAS	1	\$2,060.00	\$2,060.00	20.0%
NAV2025K	Driver NAV2025 Solera 4.75 Reduct MAS	1	\$2,060.00	\$2,060.00	20.0%
9735465	CD Horizon Solera Awl-Tip Taps	1	\$9,888.00	\$9,888.00	20.0%
9735469	CD Horizon Solera Taps	1	\$4,861.60	\$4,861.60	20.0%
9735283	Solera 5.5/6.0 Drivers	1	\$8,652.00	\$8,652.00	20.0%
9734494	Tactile Probes Instrument Set	1	\$16,124.00	\$16,124.00	20.0%
9735173	2.25mm Ped Probe	1	\$4,932.00	\$4,932.00	20.0%
9734833	Navlock Navigation Instrument Set	1	\$14,832.00	\$14,832.00	20.0%
9734507	StealthStation Universal Drill Guide	1	\$5,853.60	\$5,853.60	20.0%
NAV2001K	TAP NAV2001 SOLERA AWLTIPTAP 4.0 MM	1	\$1,236.00	\$1,236.00	20.0%
NAV2003K	TAP NAV2003 SOLERA AWLTIPTAP 5MM	1	\$1,236.00	\$1,236.00	20.0%
9735607	Vertex Select Instrument Set	1	\$9,393.60	\$9,393.60	20.0%
9735032	Powerease Adapter	1	\$2,472.00	\$2,472.00	20.0%
9735737	StealthStation Cranial Software	1	\$73,954.40	\$73,954.40	20.0%
9735743	StealthStation 3D Software	1	\$28,840.00	\$28,840.00	20.0%
9735921	StealthStation DBS and Stereotaxy Software	1	\$56,650.40	\$56,650.40	20.0%
9733935	Cranial Instrument Set, Passive	1	\$18,428.80	\$18,428.80	20.0%
9732176	Touch-N-Go Kit	1	\$3,889.60	\$3,889.60	20.0%
9730269	Cranial Instrument, Microscope Probe	1	\$1,543.20	\$1,543.20	20.0%
9733265	Passive Biopsy Navigus Kit	1	\$1,238.40	\$1,238.40	20.0%
9733936	Cranial Instrument Set - Vertek Passive Biopsy Kit	1	\$17,300.00	\$17,300.00	20.0%
9736027	Leica HUD S8 Interface Kit	1	\$33,310.40	\$33,310.40	20.0%
9735745	StealthMerge Software	1	\$28,840.00	\$28,840.00	20.0%
961-574	Suretrak2, passive system	1	\$6,489.60	\$6,489.60	20.0%
9735959	StealthStation EM Kit S8 Flat Emitter	1	\$13,513.60	\$13,513.60	20.0%
	Shipping, Installation, and Handling	1	\$8,000.00	\$8,000.00	0.0%



Total	All Models and Components	---		\$1,458,255.20	20.0%
	None Indicated	---		---	
Grand Total	All Models and Components After Discounts	3		\$1,458,255.20	20.0%
Notes:	S8 cranial, spine and O2 Not included in pricing: shipping				
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				None Indicated	---	---

## Record ID# 1191871

Date:	List Price:	Quoted Price:			Discount:
Q2 2022	\$1,403,390.00	\$994,906.80			29.1%
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	Integrated Power Console NT and Components	1	\$18,485.36	\$18,485.36	51.5%
EK001	Integrated Power Console NT	1	\$14,653.70	\$14,653.70	48.8%
MR8-AS15	ATT MR8 15cm Straight 2.4mm	2	\$612.98	\$1,225.96	59.5%
MR8-AVS14	14cm Variable Straight 3.2mm	2	\$1,302.85	\$2,605.70	59.5%
Subtotal	Midas Rex MR8 Motor and Components	2	\$21,244.53	\$42,489.06	36.6%
EK800N	Midas Rex MR8 Motor	2	\$16,618.93	\$33,237.86	39.5%
9735132	Thoracic Clamp	2	\$2,744.00	\$5,488.00	23.9%
9735130	Instrument Kit; Drivers Spine Clamp	2	\$117.60	\$235.20	24.1%
9735129	Instrument Kit, Spine Clamp	2	\$1,764.00	\$3,528.00	23.9%
Subtotal	O-Arm O2 and Components	1	\$566,430.45	\$566,430.45	29.3%
BI70002000	O-Arm O2	1	\$465,192.35	\$465,192.35	29.1%
BI75000027	O2 System Navigation Interface	1	\$28,919.63	\$28,919.63	27.1%
BI75000034	O2 Multiple Field of View	1	\$29,506.40	\$29,506.40	25.6%
BI75000030	O2 Advanced Viewing	1	\$14,762.78	\$14,762.78	34.9%
BI75000031	O2 Iso-Wag Rotation	1	\$9,595.81	\$9,595.81	34.9%
BI75000029	O2 High Definition 3D-HD3D	1	\$18,453.48	\$18,453.48	34.9%
Subtotal	StealthStation S8 and Components	1	\$367,501.93	\$367,501.93	26.1%



M072707M01 5	StealthStation S8	1	\$204,800.00	\$204,800.00	24.8%
9735740	StealthStation Spine Software	1	\$60,676.88	\$60,676.88	34.4%
9735500	Basic Spine Referencing	2	\$10,815.00	\$21,630.00	25.0%
9735502	Perc Pin Upgrade	2	\$7,125.00	\$14,250.00	25.0%
9735501	Revision Referencing Tray	1	\$5,407.50	\$5,407.50	25.0%
9735465	CD Horizon Solera Awl-Tip Taps	2	\$12,360.00	\$24,720.00	0.0%
9734833	Navlock Navigation Instrument Set	2	\$12,222.00	\$24,444.00	34.1%
9734507	StealthStation Universal Drill Guide	1	\$5,487.75	\$5,487.75	25.0%
961-574	Suretrak2, passive system	1	\$6,085.80	\$6,085.80	25.0%
<b>Total</b>	<b>All Models and Components</b>	---		<b>\$994,906.80</b>	<b>29.1%</b>
	None Indicated	---		---	
<b>Grand Total</b>	<b>All Models and Components After Discounts</b>	<b>5</b>		<b>\$994,906.80</b>	<b>29.1%</b>
Notes:					
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				None Indicated	---	---

## Record ID# 1188911

Date:	List Price:	Quoted Price:			Discount:
Q2 2022	\$1,275,691.00	\$830,418.25			34.9%
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	O-Arm O2 and Components	1	\$613,514.25	\$613,514.25	25.0%
BI70002000	O-Arm O2	1	\$492,000.00	\$492,000.00	25.0%
BI75000027	O2 System Navigation Interface	1	\$29,741.25	\$29,741.25	25.0%
BI75000034	O2 Multiple Field of View	1	\$29,741.25	\$29,741.25	25.0%
BI75000030	O2 Advanced Viewing	1	\$16,995.00	\$16,995.00	25.0%
BI75000031	O2 Iso-Wag Rotation	1	\$11,046.75	\$11,046.75	25.0%
BI75000032	O2 Collimated Axial 3D	1	\$12,746.25	\$12,746.25	25.0%
BI75000029	O2 High Definition 3D-HD3D	1	\$21,243.75	\$21,243.75	25.0%
Subtotal	StealthStation S8 and Components	1	\$343,254.00	\$343,254.00	25.0%



M072707M01 4	StealthStation S8	1	\$204,375.00	\$204,375.00	25.0%
9735740	StealthStation Spine Software	1	\$69,332.25	\$69,332.25	25.0%
9735500	Basic Spine Referencing	1	\$10,815.00	\$10,815.00	25.0%
9735502	Perc Pin Upgrade	1	\$7,125.00	\$7,125.00	25.0%
9735465	CD Horizon Solera Awl-Tip Taps	2	\$9,270.00	\$18,540.00	25.0%
9735469	CD Horizon Solera Taps	2	\$4,557.75	\$9,115.50	25.0%
9734833	Navlock Navigation Instrument Set	1	\$13,905.00	\$13,905.00	25.0%
9734507	StealthStation Universal Drill Guide	1	\$5,487.75	\$5,487.75	25.0%
9735132	Thoracic Clamp	1	\$2,703.75	\$2,703.75	25.0%
9735130	Instrument Kit; Drivers Spine Clamp	1	\$116.25	\$116.25	25.0%
9735129	Instrument Kit, Spine Clamp	1	\$1,738.50	\$1,738.50	25.0%
	Shipping, Installation, and Handling	1	\$0.00	\$0.00	100.0%
<b>Total</b>	<b>All Models and Components</b>	---		<b>\$956,768.25</b>	<b>25.0%</b>
	Bottom Line	---		-\$126,350.00	
	Trade in	---		-\$65,000.00	
<b>Grand Total</b>	<b>All Models and Components After Discounts</b>	<b>2</b>		<b>\$765,418.25</b>	<b>40.0%</b>
Notes:	S8 spine and O-Arm O2 Trade-in credit for (1) StealthStation S7= \$45,000 (excluded) Trade-in credit for (1) O-Arm 1000= \$20,000 (excluded) PO deadline discount= \$126,350  Not included in pricing: shipping				
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				Bottom Line	---	\$126,350.00
				Trade in	---	\$65,000.00

## Record ID# 1173317

Date:	List Price:	Quoted Price:		Discount:	
Q1 2022	\$1,222,617.00	\$916,962.75		25.0%	
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	O-Arm O2 and Components	1	\$643,255.50	\$643,255.50	25.0%
BI70002000	O-Arm O2	1	\$492,000.00	\$492,000.00	25.0%
BI75000027	O2 System Navigation Interface	1	\$29,741.25	\$29,741.25	25.0%
BI75000034	O2 Multiple Field of View	1	\$29,741.25	\$29,741.25	25.0%





BI75000030	O2 Advanced Viewing	1	\$16,995.00	\$16,995.00	25.0%
BI75000031	O2 Iso-Wag Rotation	1	\$11,046.75	\$11,046.75	25.0%
BI75000032	O2 Collimated Axial 3D	1	\$12,746.25	\$12,746.25	25.0%
BI75000029	O2 High Definition 3D-HD3D	1	\$21,243.75	\$21,243.75	25.0%
BI75000045	2D Long Film	1	\$29,741.25	\$29,741.25	25.0%
	Shipping, Installation, and Handling	1	\$7,500.00	\$7,500.00	0.0%
Subtotal	StealthStation S8 and Components	1	\$273,707.25	\$273,707.25	25.0%
M072707M014	StealthStation S8	1	\$204,375.00	\$204,375.00	25.0%
9735740	StealthStation Spine Software	1	\$69,332.25	\$69,332.25	25.0%
Total	All Models and Components	---		\$916,962.75	25.0%
	Trade in	---		-\$65,000.00	
Grand Total	All Models and Components After Discounts	2		\$851,962.75	30.3%
Notes:	S8 spine and O-Arm O2 not included in pricing: shipping				
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				Trade in	---	\$65,000.00

## Record ID# 1158914

Date:	List Price:	Quoted Price:			Discount:
Q2 2021	\$1,584,506.00	\$1,188,379.50			25.0%
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	O-Arm O2 and Components	1	\$672,224.25	\$672,224.25	25.0%
BI70002000	O-Arm O2	1	\$492,000.00	\$492,000.00	25.0%
BI75000027	O2 System Navigation Interface	1	\$29,741.25	\$29,741.25	25.0%
BI75000034	O2 Multiple Field of View	1	\$29,741.25	\$29,741.25	25.0%
BI75000030	O2 Advanced Viewing	1	\$16,995.00	\$16,995.00	25.0%
BI75000031	O2 Iso-Wag Rotation	1	\$11,046.75	\$11,046.75	25.0%



BI75000032	O2 Collimated Axial 3D	1	\$12,746.25	\$12,746.25	25.0%
BI75000033	O2 Enhanced Cranial 3D	1	\$21,243.75	\$21,243.75	25.0%
BI75000029	O2 High Definition 3D-HD3D	1	\$21,243.75	\$21,243.75	25.0%
BI75000035	O2 Stereotaxy	1	\$7,725.00	\$7,725.00	25.0%
BI75000045	2D Long Film	1	\$29,741.25	\$29,741.25	25.0%
	Shipping, Installation, and Handling	1	\$5,000.00	\$5,000.00	0.0%
<b>Subtotal</b>	<b>Midas Rex MR8 Motor and Components</b>	<b>1</b>	<b>\$23,001.00</b>	<b>\$23,001.00</b>	<b>25.0%</b>
EK800N	Midas Rex MR8 Motor	1	\$20,586.75	\$20,586.75	25.0%
MR8-AS14	ATT MR8 14CM STRAIGHT 3.2MM	1	\$1,351.50	\$1,351.50	25.0%
MR8-AS10	MR8 10cm Straight 2.4mm	1	\$1,062.75	\$1,062.75	25.0%
<b>Subtotal</b>	<b>StealthStation S8 and Components</b>	<b>1</b>	<b>\$493,154.25</b>	<b>\$493,154.25</b>	<b>25.0%</b>
M072707M01 4	StealthStation S8	1	\$204,375.00	\$204,375.00	25.0%
9735955	EM Kit S8 Cranial Accessories	1	\$38,625.00	\$38,625.00	25.0%
9735740	StealthStation Spine Software	1	\$69,332.25	\$69,332.25	25.0%
9735737	StealthStation Cranial Software	1	\$69,332.25	\$69,332.25	25.0%
9735743	StealthStation 3D Software	1	\$27,037.50	\$27,037.50	25.0%
9735736	StealthStation ENT Software	1	\$57,000.00	\$57,000.00	25.0%
9735745	StealthMerge Software	1	\$27,037.50	\$27,037.50	25.0%
9736325	Monitor Cover 9736325 Stealth S8 SVC	2	\$144.75	\$289.50	25.0%
9736326	Camera Cover 9736326 Stealth S8 SVC	1	\$125.25	\$125.25	25.0%
	Shipping, Installation, and Handling	1	\$2,500.00	\$2,500.00	0.0%
<b>Total</b>	<b>All Models and Components</b>	<b>---</b>		<b>\$1,188,379.50</b>	<b>25.0%</b>
	Trade in	---		-\$105,000.00	
<b>Grand Total</b>	<b>All Models and Components After Discounts</b>	<b>3</b>		<b>\$1,083,379.50</b>	<b>31.6%</b>
Notes:	O2 and S8 cranial/spine/ENT Not included in pricing: shipping				
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				Trade in	---	\$105,000.00



**Record ID# 1153715**

<b>Date: Q3 2021</b>		<b>List Price: \$1,543,499.00</b>		<b>Quoted Price: \$1,157,624.25</b>		<b>Discount: 25.0%</b>	
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %		
Subtotal	O-Arm O2 and Components	1	\$650,053.50	\$650,053.50	25.0%		
BI70002000	O-Arm O2	1	\$492,000.00	\$492,000.00	25.0%		
BI75000027	O2 System Navigation Interface	1	\$29,741.25	\$29,741.25	25.0%		
BI75000024	MVS Printer	1	\$6,798.00	\$6,798.00	25.0%		
BI75000034	O2 Multiple Field of View	1	\$29,741.25	\$29,741.25	25.0%		
BI75000030	O2 Advanced Viewing	1	\$16,995.00	\$16,995.00	25.0%		
BI75000031	O2 Iso-Wag Rotation	1	\$11,046.75	\$11,046.75	25.0%		
BI75000032	O2 Collimated Axial 3D	1	\$12,746.25	\$12,746.25	25.0%		
BI75000029	O2 High Definition 3D-HD3D	1	\$21,243.75	\$21,243.75	25.0%		
BI75000045	2D Long Film	1	\$29,741.25	\$29,741.25	25.0%		
	Shipping, Installation, and Handling	1	\$0.00	\$0.00	100.0%		
Subtotal	Midas Rex MR8 Motor and Components	1	\$25,308.75	\$25,308.75	25.0%		
EK800N	Midas Rex MR8 Motor	1	\$20,586.75	\$20,586.75	25.0%		
MR8-AS07	ATT MR8 7CM STRAIGHT 2.4MM	1	\$955.50	\$955.50	25.0%		
MR8-AS09	ATT MR8 9CM STRAIGHT 3.2MM	1	\$1,279.50	\$1,279.50	25.0%		
MR8-AS14	ATT MR8 14CM STRAIGHT 3.2MM	1	\$1,351.50	\$1,351.50	25.0%		
MR8-AS15	ATT MR8 15cm Straight 2.4mm	1	\$1,135.50	\$1,135.50	25.0%		
Subtotal	StealthStation S8 and Components	1	\$482,262.00	\$482,262.00	25.0%		
M072707M014	StealthStation S8	1	\$204,375.00	\$204,375.00	25.0%		
9735955	EM Kit S8 Cranial Accessories	1	\$38,625.00	\$38,625.00	25.0%		
9735740	StealthStation Spine Software	1	\$69,332.25	\$69,332.25	25.0%		
9735500	Basic Spine Referencing	1	\$10,815.00	\$10,815.00	25.0%		
9735502	Perc Pin Upgrade	1	\$7,125.00	\$7,125.00	25.0%		
9734723K	Clamp, Double Standard	1	\$2,703.75	\$2,703.75	25.0%		
9734724K	Clamp, Double Short	1	\$2,703.75	\$2,703.75	25.0%		
9735465	CD Horizon Solera Awl-Tip Taps	1	\$9,270.00	\$9,270.00	25.0%		



9734833	Navlock Navigation Instrument Set	1	\$13,905.00	\$13,905.00	25.0%
9735737	StealthStation Cranial Software	1	\$69,332.25	\$69,332.25	25.0%
9735743	StealthStation 3D Software	1	\$27,037.50	\$27,037.50	25.0%
9735745	StealthMerge Software	1	\$27,037.50	\$27,037.50	25.0%
	Shipping, Installation, and Handling	1	\$0.00	\$0.00	100.0%
<b>Total</b>	<b>All Models and Components</b>	<b>---</b>		<b>\$1,157,624.25</b>	<b>25.0%</b>
	Trade in	---		-\$105,000.00	
<b>Grand Total</b>	<b>All Models and Components After Discounts</b>	<b>3</b>		<b>\$1,052,624.25</b>	<b>31.8%</b>
Notes:	O2 and S8 cranial/spine Not included: shipping at no charge Trade-in= \$\$60,000 for O-Arm and \$45,000 for S7				
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				Trade in	---	\$105,000.00

### Record ID# 1150819

Date:	List Price:	Quoted Price:			Discount:
Q3 2021	\$1,288,843.00	\$850,636.38			34.0%
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	O-Arm O2 and Components	1	\$607,430.46	\$607,430.46	31.0%
BI70002000	O-Arm O2	1	\$452,640.00	\$452,640.00	31.0%
BI75000027	O2 System Navigation Interface	1	\$27,361.95	\$27,361.95	31.0%
BI75000034	O2 Multiple Field of View	1	\$27,361.95	\$27,361.95	31.0%
BI75000030	O2 Advanced Viewing	1	\$15,635.40	\$15,635.40	31.0%
BI75000031	O2 Iso-Wag Rotation	1	\$10,163.01	\$10,163.01	31.0%
BI75000029	O2 High Definition 3D-HD3D	1	\$19,544.25	\$19,544.25	31.0%
BI75000045	2D Long Film	1	\$27,361.95	\$27,361.95	31.0%
BI71000875	4.2 Lng Flm Upgrade Kit	1	\$27,361.95	\$27,361.95	31.0%
Subtotal	StealthStation S8 and Components	1	\$281,871.21	\$281,871.21	31.0%
M072707M015	StealthStation S8	1	\$188,025.00	\$188,025.00	31.0%



9735740	StealthStation Spine Software	1	\$63,785.67	\$63,785.67	31.0%
9735500	Basic Spine Referencing	1	\$9,949.80	\$9,949.80	31.0%
9735502	Perc Pin Upgrade	1	\$6,555.00	\$6,555.00	31.0%
9734833	Navlock Navigation Instrument Set	1	\$12,792.60	\$12,792.60	31.0%
9736325	Monitor Cover 9736325 Stealth S8 SVC	4	\$133.17	\$532.68	31.0%
9736326	Camera Cover 9736326 Stealth S8 SVC	2	\$115.23	\$230.46	31.0%
	Shipping, Installation, and Handling	1	\$0.00	\$0.00	100.0%
<b>Total</b>	<b>All Models and Components</b>	<b>---</b>		<b>\$889,301.67</b>	<b>31.0%</b>
	Bottom Line	---		-\$38,665.29	
<b>Grand Total</b>	<b>All Models and Components After Discounts</b>	<b>2</b>		<b>\$850,636.38</b>	<b>34.0%</b>
Notes:	S8 spine and O-Arm O2 PO deadline discount= \$38,665.29  Not included in pricing: shipping				
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				Bottom Line	---	\$38,665.29

## Record ID# 1148647

Date:	List Price:	Quoted Price:			Discount:
Q4 2021	\$1,281,496.00	\$949,591.00			25.9%
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	O-Arm O2 and Components	1	\$600,768.00	\$600,768.00	25.0%
BI70002000	O-Arm O2	1	\$492,000.00	\$492,000.00	25.0%
BI75000027	O2 System Navigation Interface	1	\$29,741.25	\$29,741.25	25.0%
BI75000034	O2 Multiple Field of View	1	\$29,741.25	\$29,741.25	25.0%
BI75000030	O2 Advanced Viewing	1	\$16,995.00	\$16,995.00	25.0%
BI75000031	O2 Iso-Wag Rotation	1	\$11,046.75	\$11,046.75	25.0%
BI75000029	O2 High Definition 3D-HD3D	1	\$21,243.75	\$21,243.75	25.0%
Subtotal	Midas Rex MR8 Motor and Components	1	\$14,384.50	\$14,384.50	44.3%
EM800	Midas Rex MR8 Motor	1	\$11,490.00	\$11,490.00	41.9%
CA875	MR8 Navigated Instrument Case, 3/4 DIN	1	\$535.50	\$535.50	70.2%



CA850S	Case MR8 Sterilization 3/4 DIN	1	\$535.50	\$535.50	42.2%
MR8-AS14	ATT MR8 14CM STRAIGHT 3.2MM	1	\$991.20	\$991.20	45.0%
MR8-AS15	ATT MR8 15cm Straight 2.4mm	1	\$832.30	\$832.30	45.0%
Subtotal	StealthStation S8 and Components	1	\$334,438.50	\$334,438.50	26.4%
M072707M015	StealthStation S8	1	\$197,819.25	\$197,819.25	27.4%
9735740	StealthStation Spine Software	1	\$69,332.25	\$69,332.25	25.0%
9735500	Basic Spine Referencing	1	\$10,815.00	\$10,815.00	25.0%
9735502	Perc Pin Upgrade	1	\$7,125.00	\$7,125.00	25.0%
NAV2024K	Driver NAV2024 Solera 4.75 Standard MAS	1	\$1,931.25	\$1,931.25	25.0%
9735465	CD Horizon Solera Awl-Tip Taps	1	\$9,270.00	\$9,270.00	25.0%
9735469	CD Horizon Solera Taps	1	\$4,557.75	\$4,557.75	25.0%
9735283	Solera 5.5/6.0 Drivers	1	\$8,111.25	\$8,111.25	25.0%
9734833	Navlock Navigation Instrument Set	1	\$13,905.00	\$13,905.00	25.0%
9734507	StealthStation Universal Drill Guide	1	\$5,487.75	\$5,487.75	25.0%
961-574	Suretrak2, passive system	1	\$6,084.00	\$6,084.00	25.0%
Total	All Models and Components	---		\$949,591.00	25.9%
	None Indicated	---		---	
Grand Total	All Models and Components After Discounts	3		\$949,591.00	25.9%
Notes:					
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				None Indicated	---	---

### Record ID# 1134389

Date:	List Price:	Quoted Price:			Discount:
Q3 2021	\$1,755,727.00	\$1,232,721.62			29.8%
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	O-Arm O2 and Components	1	\$630,509.25	\$630,509.25	25.0%
BI70002000	O-Arm O2	1	\$492,000.00	\$492,000.00	25.0%
BI75000027	O2 System Navigation Interface	1	\$29,741.25	\$29,741.25	25.0%
BI75000034	O2 Multiple Field of View	1	\$29,741.25	\$29,741.25	25.0%
BI75000030	O2 Advanced Viewing	1	\$16,995.00	\$16,995.00	25.0%



BI75000031	O2 Iso-Wag Rotation	1	\$11,046.75	\$11,046.75	25.0%
BI75000029	O2 High Definition 3D-HD3D	1	\$21,243.75	\$21,243.75	25.0%
BI75000045	2D Long Film	1	\$29,741.25	\$29,741.25	25.0%
Subtotal	Midas Rex MR8 Motor and Components	2	\$21,309.85	\$42,619.70	37.1%
EK800N	Midas Rex MR8 Motor	2	\$17,782.15	\$35,564.30	35.2%
MR8-AVS15	15cm Variable Straight 2.4mm	2	\$1,763.85	\$3,527.70	45.1%
MR8-AVS14	14cm Variable Straight 3.2mm	2	\$1,763.85	\$3,527.70	45.1%
Subtotal	StealthStation S8 and Components	1	\$624,472.75	\$624,472.75	26.3%
M072707M015	StealthStation S8	1	\$204,375.00	\$204,375.00	25.0%
9735740	StealthStation Spine Software	1	\$69,332.25	\$69,332.25	25.0%
9735500	Basic Spine Referencing	2	\$10,815.00	\$21,630.00	25.0%
9735502	Perc Pin Upgrade	2	\$7,125.00	\$14,250.00	25.0%
NAV2024K	Driver NAV2024 Solera 4.75 Standard MAS	2	\$1,931.25	\$3,862.50	25.0%
NAV2025K	Driver NAV2025 Solera 4.75 Reduct MAS	1	\$1,931.25	\$1,931.25	25.0%
9735465	CD Horizon Solera Awl-Tip Taps	1	\$9,270.00	\$9,270.00	25.0%
9735469	CD Horizon Solera Taps	2	\$4,557.75	\$9,115.50	25.0%
9734492	Solara Deformity Taps Upgrade	1	\$4,500.00	\$4,500.00	25.0%
9735283	Solera 5.5/6.0 Drivers	2	\$8,111.25	\$16,222.50	25.0%
9735285	Solera Iliac Taps	1	\$5,407.50	\$5,407.50	25.0%
9734494	Tactile Probes Instrument Set	2	\$15,116.25	\$30,232.50	25.0%
9735173	2.25mm Ped Probe	2	\$4,623.75	\$9,247.50	25.0%
9734833	Navlock Navigation Instrument Set	2	\$13,905.00	\$27,810.00	25.0%
961-574	Suretrak2, passive system	1	\$6,084.00	\$6,084.00	25.0%
9736325	Monitor Cover 9736325 Stealth S8 SVC	2	\$144.75	\$289.50	25.0%
9736326	Camera Cover 9736326 Stealth S8 SVC	1	\$125.25	\$125.25	25.0%
9735737	StealthStation Cranial Software	1	\$58,337.50	\$58,337.50	36.9%
9735743	StealthStation 3D Software	1	\$27,037.50	\$27,037.50	25.0%
9732176	Touch-N-Go Kit	1	\$3,646.50	\$3,646.50	25.0%
9733935	Cranial Instrument Set, Passive	1	\$17,277.00	\$17,277.00	25.0%
9730269	Cranial Instrument, Microscope Probe	1	\$1,446.75	\$1,446.75	25.0%
9733265	Passive Biopsy Navigus Kit	1	\$1,161.00	\$1,161.00	25.0%



9733936	Cranial Instrument Set - Vertek Passive Biopsy Kit	1	\$16,218.75	\$16,218.75	25.0%
9735955	EM Kit S8 Cranial Accessories	1	\$38,625.00	\$38,625.00	25.0%
9735745	StealthMerge Software	1	\$27,037.50	\$27,037.50	25.0%
<b>Total</b>	<b>All Models and Components</b>	<b>---</b>		<b>\$1,297,601.70</b>	<b>26.1%</b>
	<b>Bottom Line</b>	<b>---</b>		<b>-\$64,880.08</b>	
<b>Grand Total</b>	<b>All Models and Components After Discounts</b>	<b>4</b>		<b>\$1,232,721.62</b>	<b>29.8%</b>
Notes:	PO Deadline Discount (\$64,880.08)				
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				Bottom Line	---	\$64,880.08

### Record ID# 1118808

Date:	List Price:	Quoted Price:			Discount:
Q2 2021	\$1,697,229.00	\$1,272,921.75			25.0%
Catalog No.	Description	Qty	Unit Quoted Price	Quoted Price	Discount %
Subtotal	O-Arm O2 and Components	1	\$650,053.50	\$650,053.50	25.0%
BI70002000	O-Arm O2	1	\$492,000.00	\$492,000.00	25.0%
BI75000027	O2 System Navigation Interface	1	\$29,741.25	\$29,741.25	25.0%
BI75000024	MVS Printer	1	\$6,798.00	\$6,798.00	25.0%
BI75000034	O2 Multiple Field of View	1	\$29,741.25	\$29,741.25	25.0%
BI75000030	O2 Advanced Viewing	1	\$16,995.00	\$16,995.00	25.0%
BI75000031	O2 Iso-Wag Rotation	1	\$11,046.75	\$11,046.75	25.0%
BI75000032	O2 Collimated Axial 3D	1	\$12,746.25	\$12,746.25	25.0%
BI75000029	O2 High Definition 3D-HD3D	1	\$21,243.75	\$21,243.75	25.0%
BI75000045	2D Long Film	1	\$29,741.25	\$29,741.25	25.0%
Subtotal	Midas Rex MR8 Motor and Components	1	\$25,409.25	\$25,409.25	25.0%
EK800N	Midas Rex MR8 Motor	1	\$20,586.75	\$20,586.75	25.0%
MR8-AVS14	14cm Variable Straight 3.2mm	1	\$2,411.25	\$2,411.25	25.0%





MR8-AVS15	15cm Variable Straight 2.4mm	1	\$2,411.25	\$2,411.25	25.0%
Subtotal	StealthStation S8 and Components	1	\$597,459.00	\$597,459.00	25.0%
M072707M015	StealthStation S8	1	\$204,375.00	\$204,375.00	25.0%
9735955	EM Kit S8 Cranial Accessories	1	\$38,625.00	\$38,625.00	25.0%
9735740	StealthStation Spine Software	1	\$69,332.25	\$69,332.25	25.0%
9735500	Basic Spine Referencing	1	\$10,815.00	\$10,815.00	25.0%
9735502	Perc Pin Upgrade	1	\$7,125.00	\$7,125.00	25.0%
9735469	CD Horizon Solera Taps	1	\$4,557.75	\$4,557.75	25.0%
9734494	Tactile Probes Instrument Set	1	\$15,116.25	\$15,116.25	25.0%
9735173	2.25mm Ped Probe	1	\$4,623.75	\$4,623.75	25.0%
9734833	Navlock Navigation Instrument Set	1	\$13,905.00	\$13,905.00	25.0%
9734507	StealthStation Universal Drill Guide	1	\$5,487.75	\$5,487.75	25.0%
9735737	StealthStation Cranial Software	1	\$69,332.25	\$69,332.25	25.0%
9733935	Cranial Instrument Set, Passive	1	\$17,277.00	\$17,277.00	25.0%
9735736	StealthStation ENT Software	1	\$57,000.00	\$57,000.00	25.0%
9733452XOM	ENT Navigation Instrument Set	1	\$13,143.00	\$13,143.00	25.0%
9735959	StealthStation EM Kit S8 Flat Emitter	1	\$12,669.00	\$12,669.00	25.0%
	Shipping, Installation, and Handling	1	\$8,000.00	\$8,000.00	0.0%
9735745	StealthMerge Software	1	\$27,037.50	\$27,037.50	25.0%
9735743	StealthStation 3D Software	1	\$27,037.50	\$27,037.50	25.0%
Total	All Models and Components	---		\$1,272,921.75	25.0%
	None Indicated	---		---	
Grand Total	All Models and Components After Discounts	3		\$1,272,921.75	25.0%
Notes:	S8 cranial, spine, ENT and O-Arm O2				
	Not included in pricing: shipping				
Vendor:	Medtronic Surgical Technologies Div Medtronic Inc				

Discount Categories	Items	Qty	Amount %	Discount Reasons	Amount %	Amount \$
No Data				None Indicated	---	---



# Historical Service Contracts - S8 & O2

Record ID# 1177902

Date: Q1 2022

<b>Totals for Term</b>		<b>Term</b>	3 Years
<b>List Price</b>	\$504,900.00	<b>Payment Interval</b>	1 Year
<b>Quoted Price</b>	\$403,800.00	<b>Level of Coverage</b>	
<b>Discount</b>	20.0%	<b>Point-of-Sale</b>	No
<b>Totals per Year</b>		<b>Discount Amount</b>	
<b>List Price</b>	\$168,300.00	<b>Discount Reasons</b>	None Indicated
<b>Quoted Price</b>	\$134,600.00		

## Service Contract

Catalog No.	Item Name	Service Company	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	ResponseCare	Medtronic Surgical Technologies Div Medtronic Inc	\$168,300.00	\$168,300.00	\$134,600.00	\$134,600.00	20.0%		

## Capital Items

Catalog No.	Description	Qty	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	O-Arm O2	1	\$86,500.00	\$86,500.00	\$69,200.00	\$69,200.00	20.0%		
	StealthStation S8	1	\$81,800.00	\$81,800.00	\$65,400.00	\$65,400.00	20.0%		

## Coverage

Service Type	Rate Type	Response Time	Coverage Time	Rate	Limit
Notes:	Medtronic Service and Support Agreement - 3 Year Coverage O-Arm O2 StealthStation S8				



**Record ID# 1166587**

**Date: Q4 2021**

<b>Totals for Term</b>		<b>Term</b>	3 Years
<b>List Price</b>	\$504,900.00	<b>Payment Interval</b>	1 Year
<b>Quoted Price</b>	\$448,965.00	<b>Level of Coverage</b>	
<b>Discount</b>	11.1%	<b>Point-of-Sale</b>	No
<b>Totals per Year</b>		<b>Discount Amount</b>	
<b>List Price</b>	\$168,300.00	<b>Discount Reasons</b>	None Indicated
<b>Quoted Price</b>	\$149,655.00		

**Service Contract**

Catalog No.	Item Name	Service Company	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	ResponseCare	Medtronic Surgical Technologies Div Medtronic Inc	\$168,300.00	\$168,300.00	\$149,655.00	\$149,655.00	11.1%		

**Capital Items**

Catalog No.	Description	Qty	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	O-Arm O2	1	\$86,500.00	\$86,500.00	\$79,200.00	\$79,200.00	8.4%		
	StealthStation S8	1	\$81,800.00	\$81,800.00	\$70,455.00	\$70,455.00	13.9%		

**Coverage**

Service Type	Rate Type	Response Time	Coverage Time	Rate	Limit
Notes:	SERVICEC1-O2MCT10 O-Arm O2 SERVICEC1-S8MCT21 S8 with EM				



**Record ID# 1133364**

<b>Date: Q3 2021</b>	
<b>Totals for Term</b>	<b>Term</b> 3 Years
<b>List Price</b> \$504,900.00	<b>Payment Interval</b> 1 Year
<b>Quoted Price</b> \$442,500.00	<b>Level of Coverage</b>
<b>Discount</b> 12.4%	<b>Point-of-Sale</b> No
<b>Totals per Year</b>	
<b>List Price</b> \$168,300.00	<b>Discount Amount</b>
<b>Quoted Price</b> \$147,500.00	<b>Discount Reasons</b> None Indicated

Service Contract

Catalog No.	Item Name	Service Company	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	ResponseCare	Medtronic Surgical Technologies Div Medtronic Inc	\$168,300.00	\$168,300.00	\$147,500.00	\$147,500.00	12.4%	\$1,480,000.00	10.0%

Capital Items

Catalog No.	Description	Qty	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	O-Arm O2	1	\$86,500.00	\$86,500.00	\$78,000.00	\$78,000.00	9.8%	\$830,000.00	9.4%
	StealthStation S8	1	\$81,800.00	\$81,800.00	\$69,500.00	\$69,500.00	15.0%	\$650,000.00	10.7%

Coverage

Service Type	Rate Type	Response Time	Coverage Time	Rate	Limit
Notes:	SERVICEC1 - O2MCT10 SERVICEC1 - S8MCT21				

**Record ID# 1081078**



Date: Q4 2020

**Totals for Term**

**List Price** \$551,400.00  
**Quoted Price** \$467,925.00  
**Discount** 15.1%

**Totals per Year**

**List Price** \$183,800.00  
**Quoted Price** \$155,975.00

**Term** 3 Years

**Payment Interval** 1 Year

**Level of Coverage**

**Point-of-Sale** Yes

**Discount Amount**

**Discount Reasons** None Indicated

Service Contract

Catalog No.	Item Name	Service Company	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	ResponseCare	Medtronic Surgical Technologies Div Medtronic Inc	\$183,800.00	\$183,800.00	\$155,975.00	\$155,975.00	15.1%	\$1,506,265.00	10.4%

Capital Items

Catalog No.	Description	Qty	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	O-Arm O2	1	\$86,500.00	\$86,500.00	\$73,525.00	\$73,525.00	15.0%	\$830,000.00	8.9%
	StealthStation S8	1	\$81,800.00	\$81,800.00	\$69,275.00	\$69,275.00	15.3%	\$650,000.00	10.7%
	StealthStation S8 Planning Station	1	\$15,500.00	\$15,500.00	\$13,175.00	\$13,175.00	15.0%	\$26,265.00	50.2%

Coverage

Service Type	Rate Type	Response Time	Coverage Time	Rate	Limit
Notes:	SERVICEC1-O2MCT10 O2 SERVICEC1-S8MCT21 S8 with EM SERVICEC1-S8MCT14 S8 planning station				

Record ID# 1076395



Date: Q4 2020

<b>Totals for Term</b>		<b>Term</b>	3 Years
<b>List Price</b>	\$504,900.00	<b>Payment Interval</b>	1 Year
<b>Quoted Price</b>	\$429,165.00	<b>Level of Coverage</b>	
<b>Discount</b>	15.0%	<b>Point-of-Sale</b>	Yes
<b>Totals per Year</b>		<b>Discount Amount</b>	
<b>List Price</b>	\$168,300.00	<b>Discount Reasons</b>	None Indicated
<b>Quoted Price</b>	\$143,055.00		

Service Contract

Catalog No.	Item Name	Service Company	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	ResponseCare	Medtronic Surgical Technologies Div Medtronic Inc	\$168,300.00	\$168,300.00	\$143,055.00	\$143,055.00	15.0%	\$1,656,729.00	8.6%

Capital Items

Catalog No.	Description	Qty	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
BI70002000	O-Arm O2	1	\$86,500.00	\$86,500.00	\$73,525.00	\$73,525.00	15.0%	\$801,321.00	9.2%
M072707M014	StealthStation S8	1	\$81,800.00	\$81,800.00	\$69,530.00	\$69,530.00	15.0%	\$855,408.00	8.1%

Coverage

Service Type	Rate Type	Response Time	Coverage Time	Rate	Limit
Notes:	SERVICEC1 - S8MCT21 - S8 with EM SERVICEC1 - O2MCT10 - O-Arm O2				

Record ID# 1070321

Date: Q4 2020



<b>Totals for Term</b>		<b>Term</b>	3 Years
<b>List Price</b>	\$490,800.00	<b>Payment Interval</b>	1 Year
<b>Quoted Price</b>	\$417,180.00	<b>Level of Coverage</b>	
<b>Discount</b>	15.0%	<b>Point-of-Sale</b>	Yes
<b>Totals per Year</b>			
<b>List Price</b>	\$163,600.00	<b>Discount Amount</b>	
<b>Quoted Price</b>	\$139,060.00	<b>Discount Reasons</b>	None Indicated

Service Contract

Catalog No.	Item Name	Service Company	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
	ResponseCare	Medtronic Surgical Technologies Div Medtronic Inc	\$163,600.00	\$163,600.00	\$139,060.00	\$139,060.00	15.0%	\$1,461,239.00	9.5%

Capital Items

Catalog No.	Description	Qty	Payment List/Unit	List /Unit/Year	Payment Quoted/Unit	Quoted /Unit/Year	Discount %	Capital List Price/Unit	Svc Cost % Unit/ Year
M072707M014	StealthStation S8	1	\$81,800.00	\$81,800.00	\$69,530.00	\$69,530.00	15.0%	\$607,511.00	11.4%
M072707M015	StealthStation S8	1	\$81,800.00	\$81,800.00	\$69,530.00	\$69,530.00	15.0%	\$853,728.00	8.1%

Coverage

Service Type	Rate Type	Response Time	Coverage Time	Rate	Limit
Notes:	SERVICEC1-S8MACT21 - S8 with EM (2)				



## Disclaimer

The member agrees to hold in strict confidence Capital Guide Custom Analyses, as well as the content of the other Products and Services offered under the Capital Guide Agreement, using them only for their intended purpose and within its own institution, and shall not transmit them to or share them with third parties without the prior written permission of ECRI in each instance. The provisions of this clause shall survive expiration or termination of this Agreement. In the event that member uses or attempts to use the Custom Analysis, or other Capital Guide Products and Services, in a manner that is contrary to the terms of the Capital Guide Agreement, it may result in an automatic termination of the usage rights granted herein and will give ECRI the right (in addition to any such remedies available to it) to injunctive relief enjoining those acts, it being acknowledged that legal remedies are inadequate.





# ECRI

The Most Trusted  
Voice in Healthcare

## Capital Guide

# Market Intelligence Report

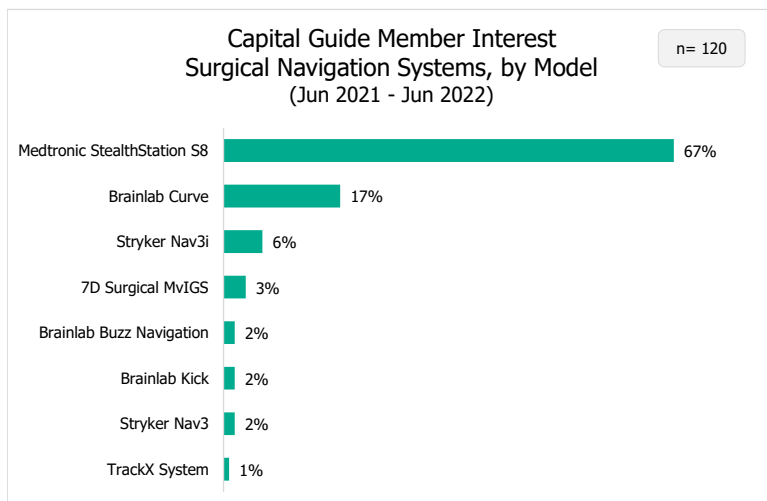
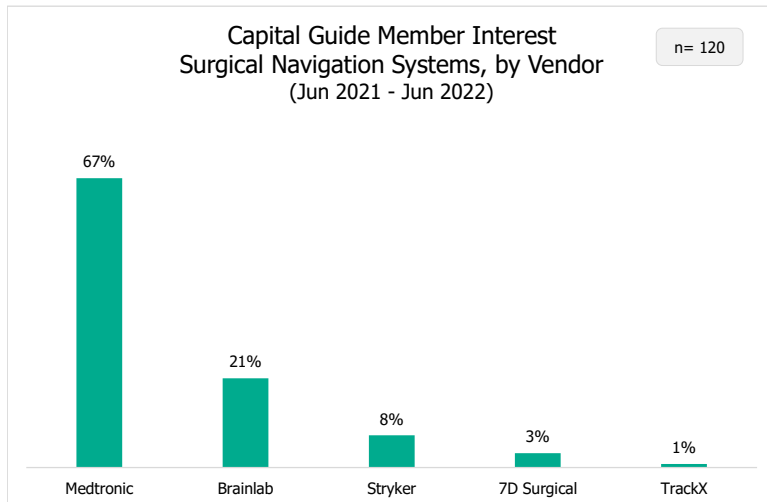
## Surgical Navigation Systems

### Description

**Surgical Navigation Systems** provide preoperative and intraoperative information to surgeons by displaying the position of surgical instruments in relation to the patient anatomy in real-time. Prior to surgery and during surgery, diagnostic imaging modalities such as fluoroscopy, computed tomography (CT), and magnetic resonance imaging (MRI) are integrated to develop three-dimensional renderings of patient anatomy. The navigation system creates a surgical plan and provides interactive guidance using localization/digitization techniques.



### Popular Vendors and Models



### Key Considerations

- Surgical navigation systems are customized to meet the clinical needs/preferences of individual surgeons and service lines.
- Systems can be configured for one to four clinical specialties including cranial, spine, ENT, and orthopedic surgery.
- For cranial neurosurgery, navigation is the standard of care because it helps the surgeon to avoid vital structures and reduce trauma to healthy tissue.
- Spine applications for navigation include trauma, tumors, and spinal deformities. Surgical navigation is often used to assist pedicle screw fixation.
- Surgical navigation is gaining acceptance for functional endoscopic sinus surgery as well as knee/hip replacements.
- Purchasers should confirm that the system can integrate with their surgical microscopes and is compatible with existing CT and MRI equipment to facilitate image-data transfer.
- The host computer should have at least 2 GB of memory and 200 GB archival storage capacity.
- A navigation system should be considered an adjunct to or enhancement of a surgeon's skills, not a replacement.

## Feature Comparison for Popular Models

<i>Surgical Navigation Systems</i>	<b>7D Surgical MvIGS</b>	<b>Brainlab Curve</b>	<b>Brainlab Kick</b>	<b>Medtronic StealthStation S8</b>	<b>Stryker Nav3</b>	<b>Stryker Nav3i</b>
<b>Clinical Applications</b>	Cranial and spine	Cranial, ENT, ortho, and spine	Cranial, ENT, ortho, and spine	Cranial, ENT, and spine	Cranial, ENT, ortho, and spine	Cranial, ENT, ortho, and spine
<b>Configuration</b>	1 cart	2 carts	2 carts	2 carts	1 cart	1 cart
<b>Instrument Tracking Type</b>	Passive	Passive	Passive	Passive/Active	Active	Active
<b>Electromagnetic Navigation</b>	No	Optional	Optional	Optional	No	No
<b>CT/MR Compatible</b>	Both for cranial, CT for spine	Both	Both	Both	Both	Both
<b>Patient Registration Method(s)</b>	Markers	Markers, laser	Probe	Markers	Mask	Markers, mask
<b>Automatic 3D Registration</b>	Yes	Yes	Yes	Yes	Yes	Yes
<b>CT to Fluoro Matching Registration</b>	No	Yes	Yes	Yes	Yes	Yes
<b>Automatic Image Fusion</b>	Yes for cranial, no for spine	Yes	Yes	Yes	Yes	Yes
<b>Surgeon Monitor Size, in</b>	32	32 (1 or 2 monitors)	22	27 (2 monitors)	24	32
<b>Monitor Resolution</b>	1920 x 1080	3840 x 2160	1920 x 1080	1920 x 1080	1920 x 1080	1920 x 1080
<b>Computer Memory, GB</b>	32	24	4	16	4	6
<b>Hard Drive Storage Capacity, GB</b>	1,000	1,000	160	1,000	500	1,000
<b>User Controls</b>	Keyboard/mouse, foot pedal	Touchscreen	Touchscreen	Touchscreen, keyboard/mouse	Tablet, surgical handpieces	Tablet, surgical handpieces
<b>Wireless Networking</b>	No	Yes	Yes	Yes	Yes	Yes
<b>System Weight, lbs</b>	640	458	98.1	440	101	551
<b>System Footprint, sq ft</b>	11.6	11.8	5.4	8.9	4.6	7.4

## Other Considerations

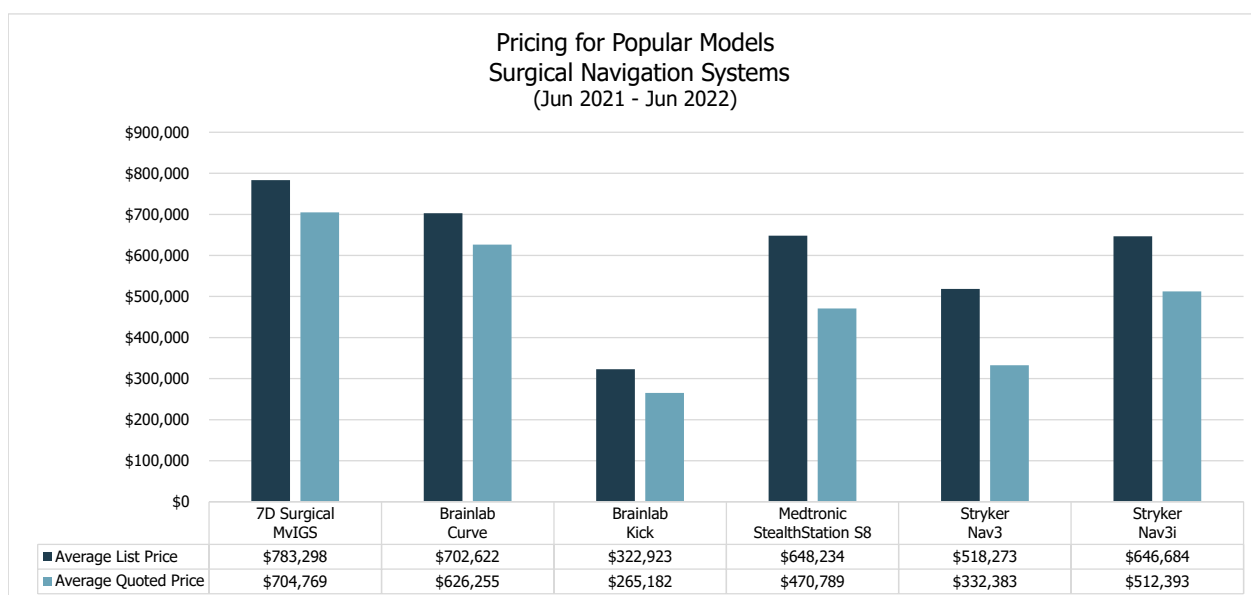
The 7D Surgical MvIGS, Brainlab Curve, Brainlab Kick, Medtronic StealthStation S8, Stryker Nav3, and Stryker Nav3i are all multi-application platforms which can be configured with the software and instrumentation necessary for image-guided surgery for two to four different clinical specialties (e.g. cranial, ENT, orthopedics, spine). However, the majority of multi-application systems are configured for one or two applications. Navigation systems with multiple applications may result in a decreased cost per application, but result in increased competition for use amongst service lines. Several vendors do offer single application platforms that can be dedicated to one particular department.

Navigation systems typically use either passive or active optical tracking technology to track the position of surgical instruments. With passive optical tracking, the system's camera tracks infrared lights from special spherical reflectors placed on the instruments. Active optical tracking systems track the position of light-emitting diodes (LEDs) mounted on instruments.

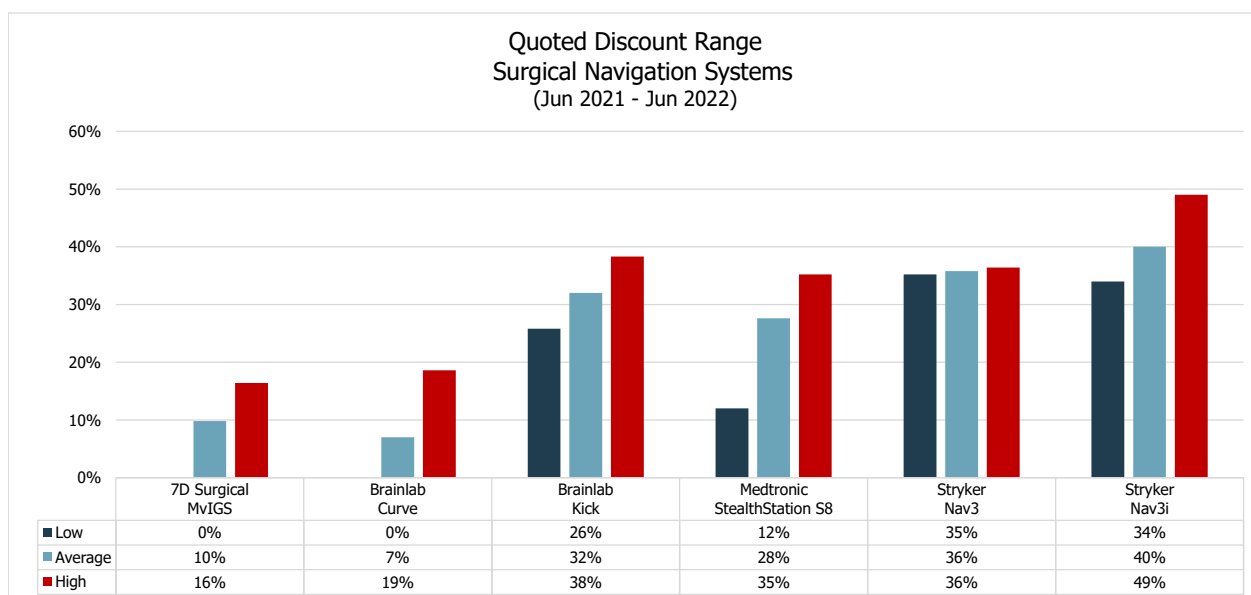
Some systems offer the option to add-on electromagnetic (EM) tracking, which does not require a clear line of sight between the camera and instrument that is necessary for optical tracking. The clinical applications that may benefit the most from EM tracking are ENT and cranial procedures.

Due to the fact that the models from 7D Surgical, Brainlab, Medtronic, and Stryker are similar on paper in terms of basic functionality, we strongly recommend that hospitals test drive each system. We believe that trialing will help highlight differences in ease of use, intuitiveness of design, quality of graphics, workflow processes, set-up times, device compatibility issues, and surgeon preferences that may influence the final decision. Also, differences in patient positioning, importing images, and registration techniques may only become apparent in real world usage.

## Pricing Information



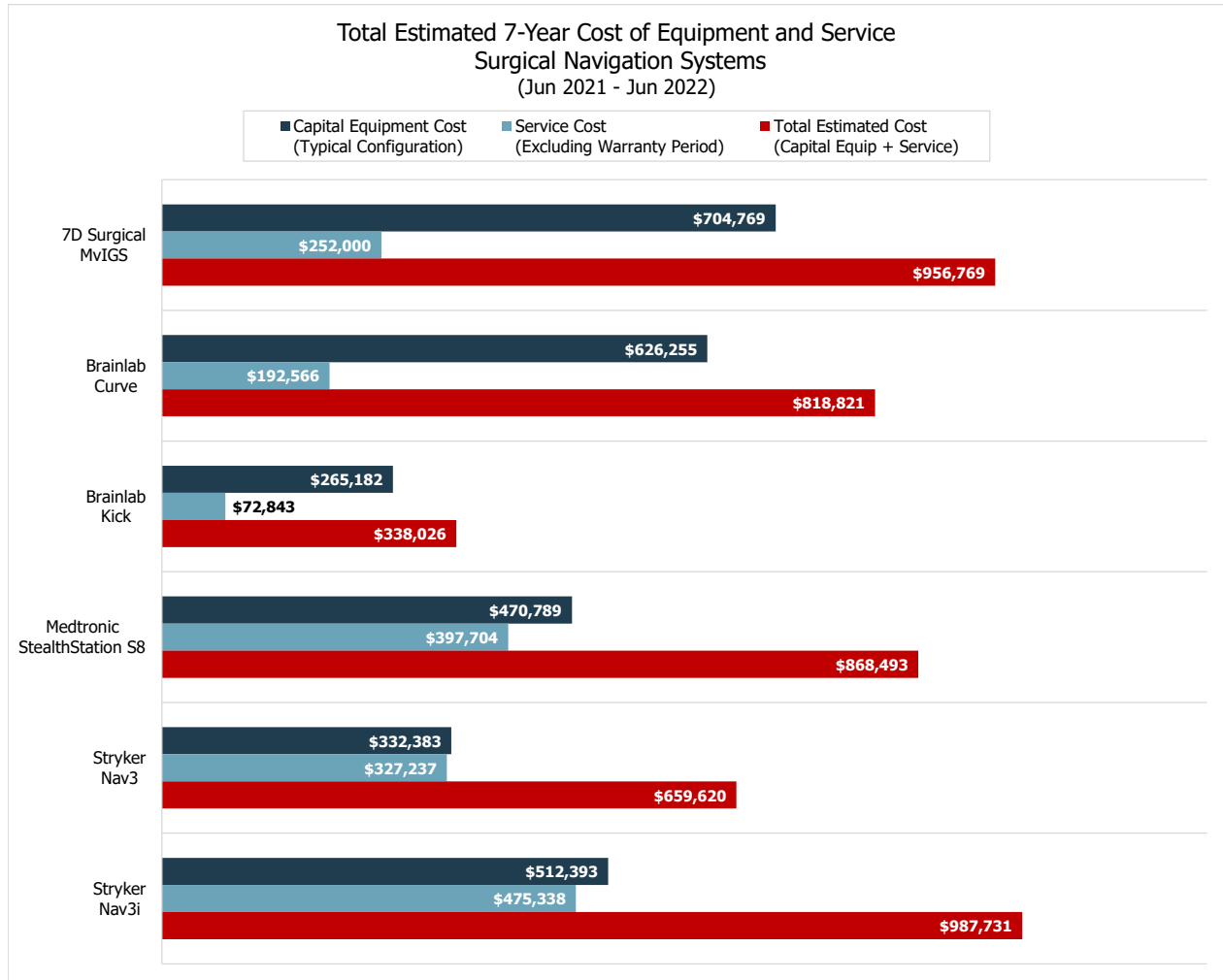
## Typical Discounts Seen by Capital Guide Members



## Service and Support Information

<b>Surgical Navigation Systems</b>	<b>Model</b>	<b>Warranty</b>	<b>Est. Annual Service Cost</b>
<ul style="list-style-type: none"> <li><b>Estimated Service Life: 7 Years</b></li> </ul> <p>Service and support costs for surgical navigation systems vary significantly depending upon the covered software and instruments, and inclusion of on-site surgical case support.</p>	7D Surgical MvIGS	1 Year	\$42,000
	Brainlab Curve	1 Year	\$32,094
	Brainlab Kick	1 Year	\$12,141
	Medtronic StealthStation S8	1 Year	\$66,284
	Stryker Nav3	1 Year	\$54,540
	Stryker Nav3i	1 Year	\$79,223

## Total Estimated Cost



## Additional Information

*For updated information on Pricing, Vendor Discounts, Equipment Specifications, or to request a **Custom Report** on this technology, Click Here: [CapitalGuide@ecri.org](mailto:CapitalGuide@ecri.org)*

### Disclaimer

Market interest charts are based solely upon quotations submitted to ECRI by members of the Capital Guide advisory service. This data is not validated market share and is time sensitive.

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Justification for Sole Source Form

To: Contract Review Committee

From: Marco Hernandez, Surgery

Type of Purchase: (Check One)

- Non-Medical, Non-Surgical Equipment/Supplies >= \$25,000
- Data Processing/Telecommunication Goods >= \$25,000
- Medical/Surgical – Supplies/Equipment >= \$25,000
- Purchased Services >= \$350,000

<b>Total Cost \$:</b>	Estimated \$ 1,210,195.36 Capital Cost. (Pending final pricing negotiations)
<b>Vendor Name:</b>	Medtronic USA
<b>Agenda Item:</b>	O-Arm O2 and Stealth Station S8 Capital Purchase Upgrade

**Statement of Need:** My department’s recommendation for sole source is based upon an objective review of the product/service required and appears to be in the best interest of SVMHS. The procurements proposed for acquisition through sole source are the only ones that can meet the district’s need. I know of no conflict of interest on my part or personal involvement in any way with this request. No gratuities, favors or compromising action have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

**Describe how this selection results in the best value to SVMHS. See typical examples below.**

Licensed or patented product or service. No other vendor provides this. Warranty or defect correction service obligations of the consultant. **Describe.**

Existing SVMHS equipment, inventory, custom-built information system, custom built data inventory system, or similar products or programs. **Medtronic’s O-Arm O2 and Stealth Station S8 owns 67% of the market share for neuro navigational systems (per attached ECRI Market Intelligence Report). SVMHS has utilized this equipment for 8+ years and has purchased instrumentation that is only compatible with this system. Transitioning to a different vendor would significantly increase instrumentation costs.**

Uniqueness of the service. **Describe.**

SVMHS has established a standard for this manufacturer, supplier or provider and there is only one vendor. **Describe.**

Factory-authorized warranty service available from only this single dealer. Sole availability at the location required. **Describe.**

Used item with bargain price (describe what a new item would cost). **Describe.**

Other -The above reasons are the most common and established causes for an eligible sole source. If you have a different reason, please **describe:**

**By signing below, I am attesting to the accuracy and completeness of this form.**

Submitter Signature Marco Hernandez Date: 7/7/2022

# Board Paper: Finance Committee

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Agenda Item: Consider Recommendation for Board Approval of (i) the lease of an Intuitive Da Vinci Xi Surgical Robotics System and (ii) the Capital Purchase of the Hillrom Trumpf Surgical Table

Executive Sponsor: Allen Radner, MD, Chief Medical Officer/CEO SVMC  
Clement Miller, Chief Operating Officer

Date: July 25, 2022

## Executive Summary

Robotic-assisted surgery allows surgeons to perform complex minimally invasive surgical procedures with precision and accuracy. SVMHS is seeking to provide minimally invasive colorectal surgery to patients in our community, who would otherwise need to receive this level of care, outside of our community. As we seek to expand our offerings within the district it is important to transition our service to a modern and desirable means of surgical intervention, utilizing tools that physicians have begun utilizing during their training.

## Background/Situation/Rationale

Following the retirement of our previous colorectal surgeon, SVMC has worked to recruit a surgeon trained to fill the void left in our community. During the recruitment process it became apparent that SVMHS would need to expand surgical services to encompass robotics, allowing surgeons to transition from training to independent practices that are aligned with their skills. Following a successful recruitment, Dr. Alison Tammany joined SVMC with a start date of September 1, 2022. Following confirmation of her commitment, SVMHS began the work to obtain a lease with Intuitive to procure the Da Vinci Xi system and the Hillrom Trumpf Advanced surgical table, to support her practice. Securing these devices will allow Dr. Tammany to provide excellent clinical care to the patients in our community that would benefit from minimally invasive general surgeries while allowing us to repatriate the colorectal subspecialty service that we lost following the retirement of a tenured general surgeon. Finally, in addition to Dr. Tammany utilizing the system we have been made aware that a high percentage of surgeons coming out of training have begun to expect access to robotic surgery, making it imperative that we acquire the system to remain competitive as we seek to recruit new surgeons.

## Timeline/Review Process to Date:

March 2022: Ensured facility capacity to support equipment  
April 2022: Dr. Tammany's Contract was fully executed  
May 2022: Vendor negotiations  
June 2022: Assessed ROI  
July 2022: Obtain Board of Directors approval

## Meeting our Mission, Vision, Goals

### Strategic Plan Alignment:

The acquisition of Intuitive, Da Vinci Xi coupled with the Hillrom Trumpf Advanced Surgical Table will allow us to achieve the standard of care our community expects, while giving our organization the opportunity to repatriate

colorectal surgical patients while providing the opportunity to recruit skilled physicians who are interested in providing minimally invasive surgical procedure for our community.

**Pillar/Goal Alignment:**

Service    People    Quality    Finance    Growth    Community

**Financial/Quality/Safety/Regulatory Implications:**

We are requesting strategic capital funding for fiscal year 2023

<b>Key Contract Terms</b>	<b>Vendor: Intuitive Surgical Inc.</b>
1. Proposed effective date	July 2022
2. Term of agreement	5 years
3. Renewal terms	At the end of the 5 year term, we may purchase the equipment at fair market value or request renewal of the lease.
4. Termination provision(s)	After execution of the Lease Agreement, SVMHS will not be entitled to cancel or terminate the Lease Agreement before expiration of the 5 year term unless SVMHS pays the Termination Sum as defined in Section 1.
5. Payment Terms	Periodic Lease Payments (due monthly, inclusive of many services): \$32,637.27/month (for 60 months) Annual Service Fee beginning in Year 2: \$149,000/yr (for 4 years) SIMNOW Service & Benefits Annual Fee beginning in Year 2: \$20,000/yr (for 4 years) TOTAL OVER FIVE YEARS: \$2,634,236.20
6. Annual cost	Year 1: \$391,647.24/yr Years 2-5: \$560,647.24/yr
<b>7. Cost over life of agreement**</b>	Estimated \$2,634,236.20
8. Budgeted (indicate y/n)	Y – FY23 Strategic Budget

<b>Vendor: Hillrom Services, Inc.</b>		
<b>Key Contract Terms</b>	<b>Capital</b>	<b>Service</b>
1. Proposed effective date	8/1/2022	Effective upon delivery
2. Term of agreement	N/A	1 year
3. Renewal terms	N/A	To Be Determined
4. Termination provision(s)	N/A	To Be Determined
5. Payment Terms	To Be Determined	To Be Determined
6. Annual cost	One-time payment	\$ 4, 423.00
<b>7. Cost over life of agreement**</b>	Estimated \$ 107,462.00 (\$ 96,989.67 capital + \$ 1,500.00 freight + \$ 8,972.00 est. tax)	\$ 4, 423.00
8. Budgeted (indicate y/n)	Y – FY23 Strategic Budget	

### **Recommendation**

Consider recommendation for Board approval of (i) the lease of an Intuitive Da Vinci Xi Surgical Robotics System at the total cost of \$2,634,236.20 over a 60 month term and, (ii) to approve the Capital Purchase of the Hillrom Trumpf Surgical Table at the total cost of \$ 107,462.00, bringing the total requested dollar amount to \$2,741,698.20 subject to final negotiation and legal review.

### **Attachments**

- (1) Equipment Lease Agreement Da Vinci Xi
- (2) Equipment Quote for Hillrom Trumpf Surgical Table
- (3) ECRI Market Intelligence Reports for Da Vinci and Trumpf Surgical Table
- (4) Sole Source Justification



# LEASE AGREEMENT

Agreement No.: MA-380-2022 / (414736)

This Lease Agreement ("Lease Agreement") is made and entered into as of June 20, 2022, between Intuitive Surgical, Inc., a Delaware corporation, located at 1020 Kifer Road, Sunnyvale, California 94086 ("Lessor" or "Intuitive"); and

**Lessee: Salinas Valley Memorial Healthcare Systems**  
**Registered Address: 450 E. Romie Ln., Salinas, CA 93901-4098**

Lessor and Lessee are contemporaneously entering into a Use, License & Service Agreement, dated June 20, 2022.

The Lessor and the Lessee are referred to as the "Parties" collectively, or "Party" individually.

Qty.	Included in Periodical Lease Payment	Not included in Periodical Lease Payment	Equipment Description	Price
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	System Type ("System"): da Vinci Xi® Single Console System	\$1,803,000.00
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Service during the first twelve months of the Lease Period	Included in Periodical Lease Payments
N/A	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Service beginning on the thirteenth month of the Lease Period, or if Lessee purchases the Equipment ("Service"); see Special Conditions	\$149,000.00 / per year*
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	System delivery fee	\$5,000.00
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other: E-100 Generator	\$20,000.00
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other: da Vinci Xi® Integrated Table Motion Upgrade	\$50,000.00
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other: da Vinci® SIMNOW Skills Simulator (Includes First Year - SIMNOW Services & Benefits)	\$80,000.00
N/A	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Other: SIMNOW Service & Benefits (Years 2-5)	\$20,000.00 / per year

\*Intuitive will credit Lessee a pro-rata amount of the annual Service fee Lessee has paid to Intuitive for the leased System based on the number of months remaining in the current Service year from the date the leased System is de-installed. The credit will be applied to Lessee's account with Intuitive within thirty (30) days from the date the leased System is de-installed. The Service price indicated above will be valid for a period of five (5) years from the effective date of this Lease Agreement.

Lease Conditions			
<b>Lease Period</b>	60 Months. The Lease Period may be extended in accordance with the Lease Agreement.		
<b>Commencement Date</b>	This Lease Agreement will commence on the date of Acceptance specified in the Acceptance Document.		
<b>Interest Rate</b>	3.50%		
<b>Periodical Lease Payments</b>	Months 1 – 60: \$32,637.27 / per month	No. of Periodical Lease Payments: 60 (subject to extension of Lease Period)	<input checked="" type="checkbox"/> Monthly payments
	Lessee agrees and acknowledges payments due herein shall not be excused by any contingencies including, but not limited to, Lessee's internal practices, policies, or any state approvals.		
	<input type="checkbox"/> The first Periodical Lease Payment is due on Commencement Date. Thereafter, each subsequent Periodical Lease Payment is due on the corresponding day of each month, as applicable, of the Lease Period (payments in advance). <input checked="" type="checkbox"/> The first Periodical Lease Payment is due one month after the Commencement Date. Thereafter, each subsequent payment is due on the corresponding day of each month of the Lease Period (payments in arrears).		
<b>Deposit</b>	\$0.00	The Deposit, if any, is due on the Commencement Date	
<b>Balloon Payment</b>	N/A	The Balloon Payment, if any, is due on the last day of the Lease Period.	
<b>End of Lease Options</b>	<input type="checkbox"/> End of Lease option A applies (see 11.1 of Standard Terms and Conditions) <input checked="" type="checkbox"/> End of Lease option B applies (see 11.2 of Standard Terms and Conditions) <input checked="" type="checkbox"/> See Special Conditions below		
<b>Funding Amount</b>	Original Equipment Cost (OEC): \$1,958,000.00	Down-Payment from Lessee to Lessor: \$0.00	Funding Amount: \$1,958,000.00

Special Conditions*	
If Lessee is not in default, on each anniversary date of Acceptance, Lessee will have the option to upgrade the Equipment at a price to be mutually agreed to between the parties. Lessee must provide Lessor written notice at least sixty (60) days prior to the anniversary date of Acceptance with regards to intent. If the Lessee exercises its upgrade option, Service shall be purchased on the upgraded Equipment. If Lessor does not receive notice as to Lessee's intent, Lessee will be deemed to continue the Lease as outlined above.	
Provided the Lessee is not in default, the Fair Market Value at the end of the Lease Period shall not exceed \$195,800.00.	

\*If Lessee is required to send written notice or has questions regarding this Lease Agreement, all communications should be directed to [CustomerFinance@intusurg.com](mailto:CustomerFinance@intusurg.com).

All amounts are denominated in USD and net of taxes, any applicable taxes will be for the account of the Lessee. Where the terms of this Lease Agreement are inconsistent with the Special Conditions above, if any, the Special Conditions prevail. The Standard Terms and Conditions of Leasing attached hereto are hereby incorporated to and form an integral part of this Agreement. All references to this Agreement will include the terms and conditions set out herein, in the Annexes and the Standard Terms and Conditions of Leasing. By signing this Lease Agreement, Lessee agrees to be bound by and undertakes to comply with all the terms and conditions set out in this Lease Agreement.

(SIGNATURE ON FOLLOWING PAGE)

**BOTH PARTIES HAVE READ, UNDERSTOOD, AND AGREED TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT AND EXECUTE THIS AGREEMENT AS OF THE EFFECTIVE DATE.**

**IF THIS AGREEMENT IS NOT SIGNED BY BOTH PARTIES AND RETURNED TO INTUITIVE ON OR BEFORE JUNE 30, 2022 THE TERMS WILL BE SUBJECT TO CHANGE.**

**ACCEPTED BY:**

**Intuitive Surgical, Inc.**

**Signature:**  \_\_\_\_\_  
Miguel Trujillo (Jun 17, 2022 08:30 EDT)

**Email:** Miguel.Trujillo@intusurg.com

**Title:** Manager, Contract Administration

**Company:** Intuitive Surgical, Inc.

**Date:** \_\_\_\_\_

**ACCEPTED BY:**

**Lessee**

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

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

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

**E-mail:** \_\_\_\_\_

**Date:** \_\_\_\_\_

 \_\_\_\_\_  \_\_\_\_\_  
SP NS

## Standard Terms and Conditions of Leasing

### 1. DEFINITIONS

Terms not herein defined will have the meanings set out in the Lease Agreement, unless the context otherwise requires.

"Acceptance" means the Equipment is deemed accepted by Lessee upon delivery to Lessee's designated location as evidenced by Lessee's execution of an acceptance letter, a form of which is attached hereto as Annex 1.

"Lease Agreement" means the agreement between the Lessor and the Lessee for the lease of the Equipment from the Lessor to the Lessee, including the Annexes thereto, incorporating these Standard Terms and Conditions.

"Event of Default" means an event specified under Clause 12 of these Terms and Conditions.

"Equipment" means the equipment specified in the Lease Agreement and any part thereof including, without limitation, all component parts and all software.

"Lease Payment" means the payment of rent for the lease of the Equipment, owed by the Lessee to the Lessor under the Lease Agreement, including but not limited to the periodical installments and the Balloon Payment.

"Termination Sum" means the aggregate of:

- (i) all Lease Payments due and payable under the Lease Agreement;
- (ii) an amount equal to one-hundred ten percent (110%) of all remaining Lease Payments yet to fall due under the Lease Agreement discounted by the contract interest rate inherent in the Lease Agreement; and
- (iii) all other sums due and payable under the Lease Agreement (including, without limitation, Default Interest, costs and expenses related to or connected with the termination of the Lease Agreement and any sum recoverable from the Lessee).

"Total Loss" includes any actual, constructive, or agreed total loss, theft, damage beyond repair, taking back of the Equipment (or any part thereof) by the owner of the Equipment pursuant to a right incorporated in the Lease Agreement for the sale of the Equipment and any seizure or confiscation of the Equipment.

### 2. LEASE, SELECTION AND DELIVERY OF EQUIPMENT

(a) The Lessor agrees to lease to the Lessee and the Lessee agrees to lease from the Lessor the Equipment on the terms and conditions as set out in the Lease Agreement.

(b) The Lessee has chosen the Equipment and agreed with the Lessor upon the terms of delivery of the Equipment.

(c) Upon delivery, the Lessee will inspect the Equipment, ensure that the Equipment is in good and working order and condition, and issue and deliver the duly signed and dated Acceptance Letter set out in Annex 1 of the Lease Agreement to the Lessor.

### 3. LEASE AND OTHER PAYMENTS

(a) The Lessee will pay (i) to the Lessor the Lease Payment and all other payments on the dates and in the manner specified in the Lease Agreement, and (ii) all taxes, rates, registration charges or other applicable expenses in respect to the Equipment.

(b) If the Lessee fails to pay any amount payable by it under the Lease Agreement on its due date, it will pay to the Lessor interest on the overdue amount ("Default Interest") from and excluding such due date up to and including the date of actual payment. Default Interest will be twelve percent (12%) per annum, or the maximum rate allowed by applicable law, whichever is lower, and will be calculated on a daily basis. Default Interest will be payable by the Lessee on demand by the Lessor.

(c) The Lessee will pay all payments when due under the Lease Agreement notwithstanding that the Equipment are unusable for any reason at any time during the Lease Period, and the Lessor will not be liable to provide the Lessee with any replacement equipment.

(d) The Lessor will have a right to set-off in respect of any payments, charges or other sums due or prematurely due and payable, and the Lessee agrees to waive any legal defense against such set-off. The Lessee will have no right of set-off in respect of any payments, charges or other sums due or claimed to be due to the Lessee from the Lessor hereunder.

(e) Lessee agrees that Lessee's obligation and duty to pay all sums due and to become due pursuant to this Lease Agreement will be absolute and unconditional and are not subject to any defense, counterclaim, setoff or recoupment by reason of any past, present, or future claims which Lessee may have against Lessor. Additionally, Lessee will not assert against any assignee of this Agreement any defense, counterclaim, setoff or recoupment by reason of any past, present, or future claims which Lessee may have against Lessor.

### 4. LOCATION, USE AND MAINTENANCE OF THE EQUIPMENT

(a) The Equipment will be kept at the Location as set out in the Lease Agreement and will not be removed without the prior written consent of the Lessor.

### 5. OWNERSHIP, INSPECTION AND TESTING

(a) The Lessor may at any time during the Lease Period require inspection of the Equipment, provided the Lessor gives at least forty eight (48) hours written notice. For such purpose, the Lessee will ensure that the Lessor and its authorized representatives have access to the Equipment and the premises at which the Equipment is located and to the records (including books of accounts) relating to the Equipment, during normal business hours. The Lessee will keep proper accounts of all its dealings in relation to the Equipment and deliver to the Lessor any such records when requested by the Lessor.

### 6. PROHIBITION AGAINST DEALING WITH EQUIPMENT

(a) The Lessee will not (i) sell, transfer, lease, sub-lease or otherwise dispose of the Equipment (ii) create, permit, or allow to subsist any security interest, lien, or encumbrance on the Equipment, (iii) affix the Equipment to any premises in such a manner as to make it a part of such premises, (iv) represent itself to be, hold itself out as being or suffer or permit anything to be done whereby it may be reputed to be, the owner of the Equipment, and/or (v) alter or modify or permit any alteration of the Equipment, without the Lessor's prior written consent.

(b) The Lessee will notify the Lessor immediately of any enforcement of any security interest created by it and/or any landlord of the premises on or in which the Equipment is located or the appointment of any receiver of all or part of the assets of the Lessee.

### 7. REPRESENTATIONS AND WARRANTIES

(a) The Lessee represents and warrants to the Lessor that: (i) it has the power to enter into and perform, and has taken all necessary action to authorize the entry into and performance of the Lease Agreement and the transactions contemplated by the Lease Agreement; and (ii) all information supplied by it or on its behalf to the Lessor in connection with the Lease Agreement are true and accurate as at the date at which it is stated to be given.

### 8. TOTAL LOSS AND INSURANCE

(a) The Lessee will bear the risks related to a Total Loss of the Equipment after delivery. If a Total Loss occurs with respect to the Equipment, Lessee will promptly notify Lessor thereof. On the Lease Payment date following such notice, Lessee will pay to Lessor an amount equal to the Termination Sum plus a sum equal to the calculated residual value at the time of expiration of the Lease Period, if any. Upon the making of such payment by Lessee, the payment obligation for such Equipment will cease, the Lease Agreement as to such Equipment will terminate and Lessor will be entitled to recover possession at Lessee's expense in accordance with Clause 10 below. Provided that Lessor has received all payments to be made by the Lessee under this Lease Agreement, the Lessee will be entitled to the proceeds of any recovery in respect of that Equipment from insurance or otherwise.

(b) If not agreed otherwise in writing, the Lessee will at its own expense insure the Equipment on a policy and terms with such insurers as may be approved by the Lessor and will keep this insurance coverage in place until the Equipment is returned to the Lessor or the title has been transferred to the Lessee.

(c) The proceeds of the insurances will be paid to the Lessor and applied towards satisfaction of all amounts owing by the Lessee to the Lessor under the Lease Agreement.

(d) If the Lessee fails to comply with this Clause 8 the Lessor may (but is not obligated to do so), at the expense of the Lessee, effect any insurance, and all costs and expenses incurred in so doing will be repaid to the Lessor by the Lessee on demand.

### 9. OWNERSHIP IN THE EQUIPMENT

The Lessor will be the sole legal and beneficial owner of the Equipment and the Lessee will not do or permit to be done anything that could prejudice the rights of the Lessor in respect of the Equipment. During the Lease Period ownership in the Equipment will not for any reason pass to the Lessee.

### 10. RETURN OF EQUIPMENT

(a) In the event that the Lease Agreement is terminated for any reason the Lessee will, at its own risk, cost and expense, immediately (i) return the Equipment to the Lessor or its designated agent, by delivering the Equipment to such address as the Lessor may require or (ii) allow the Lessor access to pick up the Equipment. The Lessee will return the Equipment to the Lessor, free and clear of any security interest and in good working condition without any damage or fault which would affect the value of the Equipment or its operation (reasonable wear and tear excepted) together with all licenses, certificates and other documents relating to the Equipment.

(b) If upon return the Equipment is not in the condition stated in Clause 10(a) above, the Lessor may at its own discretion cause such reasonable repair works as it deems necessary to be carried out by a provider of its choice. All reasonable costs and expenses in connection with such repairs will be paid by the Lessee.

#### 11. END OF LEASE OPTIONS

##### 11.1 OPTION A Applicable Not Applicable

(a) *Provided* that the Lessee has fulfilled all its obligations under this Lease Agreement and paid the Balloon Payment, if any, in full, title to the Equipment will pass to the Lessee on an "as is where is" basis without any warranties whatsoever given by the Lessor at the end of the Lease Period. Lessee will maintain the Service plan on the Equipment as provided in this Lease Agreement until Lessee acquires title to the Equipment pursuant to this Lease Agreement.

(b) The Lessee may request the Lessor to re-lease all (but not part thereof) of the Equipment to the Lessee at the end of the Lease Period, *provided* that the Lessee's financial situation has not deteriorated and that the Lessee has duly fulfilled its obligations under this Lease Agreement. The Lease Payments and the Lease Period of the re-lease will be determined between the Parties hereto at the time of re-lease. If the Lessee wishes to renew the Lease Agreement, it will notify the Lessor in writing no less than ninety (90) days prior to the end of the Lease Period. If the Lessor does not confirm acceptance of the Lessee's request within four (4) weeks, it is deemed to have been declined. In case the Lessor refuses such request, the Lessee continues to be obliged to make the Balloon Payment in the manner and on the date as specified in the Lease Agreement.

##### 11.2 OPTION B Applicable Not Applicable

*Provided* that no Event of Default has occurred at the end of the Lease Period, the Lessee may, by written notice to the Lessor not less than ninety (90) days prior to the end of the Lease Period, exercise one of the options below.

(a) The Lessee may request the Lessor to sell all (but not part thereof) of the Equipment to the Lessee after the end of the Lease Period and the Lessor will meet such request *provided* that the Lessee has fulfilled all its obligations under this Lease Agreement. The purchase price of the Equipment will be an amount equal to the fair market value, as determined by the Lessor, or, if applicable, as indicated in the Special Conditions noted above. Upon payment of the purchase price, title to the Equipment will pass to the Lessee on an "as is where is" basis without any warranties whatsoever given by the Lessor. If no sale can be achieved, the Lessee will return the Equipment to the Lessor immediately at the end of the Lease Period in accordance with Clause 10 hereof. Lessee will maintain the Service plan on the Equipment as provided in this Lease Agreement until the Equipment is returned to Lessor or Lessee acquires title to the Equipment pursuant to this Lease Agreement, whichever is later.

(b) The Lessee may request the Lessor to re-lease all (but not part thereof) of the Equipment to the Lessee at the end of the Lease Period, *provided* that, the Lessee's financial situation has not deteriorated and that the Lessee has duly fulfilled its obligations under this Lease Agreement. If the Lessor does not confirm acceptance of the Lessee's request within four (4) weeks, it is deemed to have been declined. The Lease Payments and the Lease Period of the re-lease will be determined between the Parties hereto at the time of re-lease. If the Lessor refuses such request, the Lessee will return the Equipment to the Lessor immediately at the end of the Lease Period in accordance with Clause 10 hereof.

(c) If the Lessee fails to provide sufficient written notice as noted above, the Lease Agreement will be automatically renewed for a period of one (1) month at any one time, at the price of the most recent Periodical Lease Payment, unless either Party gives notice to the other party no less than two (2) weeks prior to the end of the respective renewal period of its desire to terminate the Lease Agreement. Unless otherwise agreed between the Parties, the Lessee will in such case return the Equipment to the Lessor in accordance with Clause 10 hereof. Lessee will maintain the Service plan on the Equipment as provided in this Lease Agreement until the Equipment is returned to Lessor.

#### 12. EVENT OF DEFAULT

Each of the events set out in this Clause 12 is an Event of Default. Upon the occurrence of an Event of Default, the Lessor may by written notice to the Lessee terminate the Lease Agreement, which will take effect in accordance with its terms.

(a) The Lessee does not pay on the due date any amount payable by it under the Lease Agreement in the prescribed manner, and such default is not cured within ten (10) days.

(b) The Lessee does not comply with any term of the Lease Agreement, any Sales/Use, License and Service Agreement between Lessor and Lessee, or any other similar agreement governing the use of the Equipment.

(c) Any representation made or repeated by the Lessee in the Lease Agreement is proved to be incorrect in any material respect when made or deemed to be repeated.

(d) The Lessee is unable to pay its debts as they fall due, admits its inability to pay its debts as they fall due, or is otherwise deemed for the

purposes of any law to be insolvent, or (by reason of actual or anticipated financial difficulties) begins negotiations with any creditor for the rescheduling of any of its indebtedness.

(e) Any step is taken with a view to a moratorium, rehabilitation or composition with any of the Lessee's creditors, a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, bankruptcy, dissolution or judicial management or any such resolution is passed or any person petitions for or files documents for the same, an order for its bankruptcy, winding-up, judicial management or dissolution is made or any other analogous step or procedure is taken in any jurisdiction.

(f) Any provisional attachment, attachment, sequestration, distress, execution or analogous event affects any material asset(s) of the Lessee and is not discharged within fourteen (14) days.

(g) Where the Lessee, is an individual, the Lessee dies, becomes partly or wholly incapacitated.

(h) It is or becomes unlawful for the Lessee to perform any of its obligations under the Lease Agreement, or the Lease Agreement is not effective in accordance with its terms.

(i) An event or series of events occur which, in the reasonable opinion of the Lessor, is likely to result in a Total Loss.

(j) The Lessee abandons the Equipment or does anything which, in the reasonable opinion of the Lessor, prejudices the rights of the Lessor in or over the Equipment.

(k) There is, in the Lessor's reasonable opinion, a material change in the shareholding of the Lessee or any person, or group of persons acting in concert, acquires control of the Lessee.

(l) An event or series of events occur which, in the reasonable opinion of the Lessor, have or are likely to have a material adverse effect on the financial condition of the Lessee.

#### 13. TERMINATION

(a) After execution of the Lease Agreement, the Lessee will, except as set out in Clause 13(f), not be entitled to cancel or terminate the Lease Agreement before expiration of the Lease Period.

(b) Any termination of the Lease Agreement and any delivery of the Equipment by the Lessee to the Lessor will be without prejudice to any right or claim the Lessor may have against the Lessee under the Lease Agreement (including, without limitation, for arrears in Lease Payment, other sums payable by the Lessee under the Lease Agreement and damages for breach of the Lease Agreement).

(c) Where the Lease Agreement is terminated due to an Event of Default, the Lessee will pay to the Lessor the Termination Sum.

(d) Until the Lessor has received the Termination Sum in full, all obligations of the Lessee under the Lease Agreement will continue and the Lessee will continue to pay the Lease Payment notwithstanding any repossession of the Equipment by the Lessor.

(e) Upon termination of the Lease Agreement, the Lessor will without prejudice to any other rights which it may have, have the right to repossess the Equipment and for this purpose to enter the land, building or premises at which the Equipment are located and the Lessee will give access to or procure that the Lessor or its agents be given access to the land, building or premises for this purpose.

(f) During the Lease Period, *provided* that no Event of Default has occurred and the Lessee has duly performed all of its obligations under this Lease Agreement the Lessee may by written notice to the Lessor request to early terminate the Lease Agreement. On the Lease Payment date following such notice, Lessee will pay to Lessor an amount equal to the Termination Sum. Upon the making of such payment by Lessee, the payment obligation for such Equipment will cease and the Lease Agreement as to such Equipment will terminate. The Lessee will in such case return the Equipment to the Lessor in accordance with Clause 10 hereof.

#### 14. SUBMISSION OF MATERIALS

Upon written request by the Lessor for the purpose of credit preservation, the Lessee will provide the credit status of the Lessee, and cooperate with the Lessor for any investigations thereon. At Lessor's request, the Lessee will provide a copy of its year-end financial statements not later than four (4) months from the end of the financial year. The Lessee will notify the Lessor of any material change or any suspected material change in the credit status of the Lessee.

#### 15. TAXES AND COSTS

(a) Lessee is responsible for all license and registration fees, and all sales, use, property, stamp and other taxes and charges relating in any manner to the Equipment or this Lease Agreement, except the Medical Device Excise Tax.

(b) All payments by the Lessee under the Lease Agreement will be made free and clear of and without any deduction for or on account of any taxes

and withholding taxes, except to the extent that the Lessee is required by law to make payment subject to taxes. If any amounts in respect of tax or any other deduction must be made from any amounts payable by the Lessee to the Lessor under the Lease Agreement, the Lessee will pay such additional amounts as may be necessary to ensure that the Lessor receives a net amount equal to the full amount which it would have received had the payment not been made subject to tax or the deduction.

(c) The Lessee will bear the costs for the protection or exercise of the Lessor's rights, or the protection, collection or disposition of securities including but not limited to the stamp duty, the expense for sending demand or notice to the Lessee, the expenses for registration, change and cancellation of security interest, and all legal fees which Lessor may incur in connection with the enforcement of this Lease Agreement.

(d) Unless otherwise provided, this Lease Agreement is entered into with the assumption that Lessor is the owner of the Equipment for income tax purposes and is entitled to certain federal and state tax benefits available to the owner of equipment (collectively "Tax Benefits"), including without limitation, accelerated cost recovery deductions and deductions for interest incurred by Lessor to finance the purchase of the Equipment, available under the Code. Lessee represent, warrant, and covenant to Lessor that (a) unless Lessee has provided Lessor with a 501(c)(3) letter indicating that Lessee is tax exempt, then Lessee is not a tax exempt entity (as defined in Section 168(h) of the Code, (b) Lessee will use the Equipment solely within the United States, and (c) Lessee will take no position inconsistent with the assumption that Lessor is the owner of the Equipment for any tax purposes. If, because of any act or omission by Lessee, or any party acting through Lessee, or the breach or the inaccuracy of any representation, warranty or covenant made by Lessee in this Agreement, Lessor reasonably determines that Lessor cannot claim, are not allowed to claim, lose, or must recapture any or all of the Tax Benefits otherwise available with respect to the Equipment (a "Tax Loss"), then Lessee will, promptly upon demand, pay to Lessor an amount sufficient to provide Lessor the same after-tax rate of return and aggregate after-tax cash flow through the end of the term of the Lease Agreement as Lessor would have realized but for such Tax Loss.

#### 16. INDEMNITY

The Lessee will indemnify the Lessor against all damages, claims or liabilities which may be incurred or suffered by the Lessor in connection with: (i) the occurrence of any Event of Default; (ii) any late payment of any sum (including, without limitation, any overdue amount) being received from any source otherwise than on its due date, and is not cured within ten (10) days; (iii) Lessee's breach of any law affecting the Equipment, their use, operation or leasing, or the Lease Payment to be paid; (iv); the execution or enforcement (including any attempts thereof) of any of the rights, powers, remedies, authorities or discretions vested in the Lessor under or pursuant to the Lease Agreement; or (v); any loss arising from non-or incomplete performance by Lessee of the Lease Agreement, the delivery and the inspection of the Equipment.

#### 17. FORCE MAJEURE

(a) Neither Lessor nor Lessee will be liable for any loss, damage, detention, delay, or failure to perform in whole or in part resulting from causes beyond that party's control including, but not limited to, acts of terrorism, acts of God, fire, earthquake, war, the threat of imminent war, riots, or other acts of civil disobedience, insurrection, labor or trade disputes, shortage of components, any governmental law, order, regulation, ordinance or any other supranational legal authority, explosion, storms, floods, lightning, or earthquake.

18. **UCC FILINGS AND FINANCIAL STATEMENTS.** Lessee authorizes Lessor to file a financing statement with respect to the Equipment

and grants the Lessor the right to sign such financing statement on Lessee's behalf. If Lessor reasonably deems it necessary, Lessee agrees to submit financial statements (audited if available) on a quarterly basis.

19. **UCC-ARTICLE 2A Provisions:** Lessee agrees that this Lease Agreement is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). Lessee waives any and all rights and remedies granted Lessee under Sections 2A-508 2A-522 of the UCC.

#### 20. MISCELLANEOUS

(a) The Lease Agreement will not be construed to be a purchase or an agreement for the purchase of the Equipment by the Lessee.

(b) The Lessee may not assign or transfer any of its rights and obligations under the Lease Agreement without the Lessor's prior written consent. The Lessor may at any time without the consent of the Lessee assign or transfer any of its rights and obligations under the Lease Agreement and dispose of its rights and title to the Equipment.

(c) This Lease Agreement constitutes the entire obligation of the parties hereto and supersedes any prior expressions of intent or understandings with respect to this transaction. Any amendment of this Lease Agreement will be in writing and will be signed by duly authorized representatives of both parties hereto.

(d) No failure or delay on the part of the Lessor to exercise any right provided for in this Lease Agreement will constitute a waiver of such right or any obligation of the Lessee under this Lease Agreement, nor will any single or partial exercise of any such right preclude any further exercise thereof. No waiver by the Lessor hereunder will be effective unless it is in writing. The rights and remedies provided for in this Lease Agreement are cumulative and not exclusive of any other rights or remedies which the Lessor may otherwise have.

(e) If any one or more of the provisions of this Lease Agreement or any document executed in connection herewith will be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

(f) The Lessee acknowledges and agrees that the sole responsibility for determining the proper treatment of this Lease Agreement for tax purposes rests with the Lessee. The Lessor makes no representations whatsoever as to the proper treatment of this Lease Agreement for tax purposes. The Lessee acknowledges that the Lessor is the legal owner of the Equipment.

(g) All notices, claims, requests, demands, and other formal communications hereunder will be in writing and will be deemed given at the time of personal delivery or completed facsimile, or, if sent by a reputable overnight courier or registered or certified mail, one business day after such sending.

(h) The Lessee will notify the Lessor promptly of any changes in company name, registered office, and any other matters which may affect this Lease Agreement.

(i) This Agreement shall be governed by the laws of the State of California, excluding its conflicts of laws principles. With respect to any legal action or proceeding relating to this Agreement, the parties consent and submit to the *exclusive* jurisdiction of the Federal and State courts located in Santa Clara County, California, and the parties agree that venue therein is proper.

(j) For the avoidance of doubt, the Lessee retains all rights, warranties and remedies granted to it under the corresponding Use, License and Service Agreement.

Annex 1

INTUITIVE  
SURGICAL

**ACCEPTANCE DOCUMENT**

I, the undersigned, as an authorized representative of the below named hospital, acknowledge that the following product was (check the box below which applies):

Delivered       Installed

<b>CUSTOMER</b>	

<b>END USER</b>	

<b>CLM Agreement Number:</b>	
------------------------------	--

Equipment Description	Serial Number

<b>ACCEPTANCE</b>	
<b>ACCEPTANCE CRITERIA - PER AGREEMENT:</b>	

EXAMPLE

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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

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

**Please email signed acceptance letter to [Acceptance@Intusurg.com](mailto:Acceptance@Intusurg.com)**

837921-03, Rev F



**Customer Name:** Salinas Valley Memorial Healthcare System  
**Customer Number:** 10031341  
**Quote Number:** 10003627-1  
**Account Manager:** Graig Cooper  
415.279.1802  
grraig.cooper@hillrom.com  
**Expiration Date:** 8-31-2022



**Hillrom™**



Thank you for your inquiry. Our quote is subject to our General Terms and Conditions, available upon request.

Best Regards,

Graig Cooper

grraig.cooper@hillrom.com

415.279.1802

Item	Item Description	Qty	Unit Price	Net Price	Extended Net Price
112011	TruSystem 7000dV Standard Table Package Vizient Trumpf Medical OR Tables - CE7216	1	83,658.82	83,658.82	83,658.82
112125	APEX Advanced Robotics Positioning Vizient Trumpf Medical OR Tables - CE7216	1	12,249.25	12,249.25	12,249.25
1798326	Cable remote control TS7000 (dV) Vizient Trumpf Medical OR Tables - CE7216	1	1,081.60	1,081.60	1,081.60
<b>Total for Products and Services</b>					<b>\$ 96,989.67</b>
FRT-TABLE	Freight OR Table	1	1,500.00	1,500.00	1,500.00
<b>Grand Total</b>					<b>\$ 98,489.67</b>

Financing options available. For more information visit [hillrom.com/financial-services](http://hillrom.com/financial-services) or contact your Hillrom representative.

To place an order, email PO to [ordersurgical@hillrom.com](mailto:ordersurgical@hillrom.com).

Please make all PO's payable to Hill-Rom Company, Inc. referencing quote number **10003627-1** on your order.





## Optional Service Plans

Item	Item Description	Qty	Unit Price	Net Price	Extended Net Price
PTP-TS7000DV-1	Protection+, 1 year, TS7000dV Surgical Table	1	4,423.00	4,423.00	4,423.00
				<b>Total Price</b>	<b>\$ 4,423.00</b>
				<b>Total</b>	<b>\$ 4,423.00</b>



**TruSystem 7000dV Standard Table Package**

# 112011

Mobile Surgical Table with ISO Center Motion for robotic surgery.

- Components include: Double Joint Head Section (1853828), Short Leg Section (1739969), Charging Cable (110181), Pads, dV Remote Control (1798326) and dV Connection Cable (1816914), Software for table motion.
- Accessories include: 2 Armboards with Snaplock Trigger (111893), Lightweight Transfer Board (2012543), 1 Component Cart (2069425), 1 Patient Restraint Strap (2068137), 1 Rotatable Footboard (111618) and 2 Easy Lock Blade Clamps (111426).
- Package includes 1 year Warranty plus 1 year SmartCare Protection+ (PTP-TS7000DV-1) for a total of 2 years service coverage.



**Cable remote control TS7000 (dV)**

# 1798326

Cable remote control for the TruSystem 7000dV mobile surgical table in combination with the da Vinci Xi® System to activate Integrated Table Motion.

- Compatible with TruSystem 7000dV Surgical Tables



## Comprehensive, Customized Solutions to Enable Peak Procedural Performance

SURGICAL WORKFLOW						
Exam Light	Surgical Lights			Cameras	Booms	
	Value	Universal	Premium			
TL1000	TL3000	TL5000	iLED 7	TV HD & TV Wireless	FCS Booms	
PRECISION POSITIONING						
Mobile Tables				System & Specialty Tables		
Value	Universal	Premium		Robotic	Hybrid	Spine
PST 300+	PST 500	TS7000	TS7500	TS7000dV	TS7500 Hybrid	Advance Table
General, GYN/URO, Ortho, C-Section, Arthroscopy, ERCP/LAP						
Bariatric, Vascular, Cardio, Neuro						
Trauma, Spine						
				Image Guided		Spine
CONNECTIVITY				POSITIONING PACKAGES & ACCESSORIES		
OR Integration				General/Bariatrics		
				Gynecology/Urology		
				Orthopedics		
				Spine		
				Neurosurgery		
				Cardiovascular		
<b>Helion™ System</b>						

hillrom.com

130 E. Randolph St. Suite 1000 Chicago, IL 60601

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Capital Guide

Market Intelligence Report

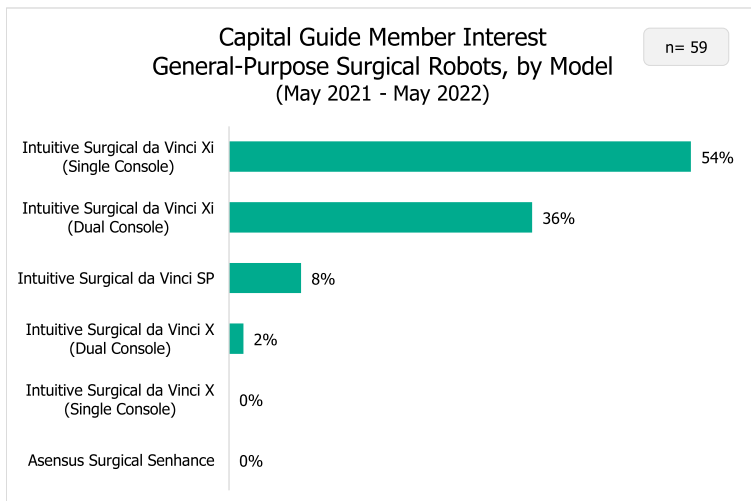
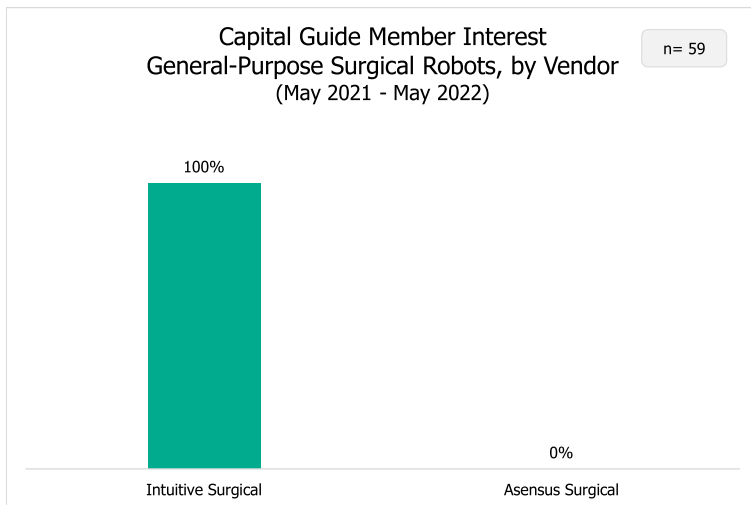
General-Purpose Surgical Robots

Description

General-Purpose Surgical Robots have been developed to facilitate minimally invasive surgery and to help surgeons perform procedures that would otherwise be difficult or not possible with traditional open or laparoscopic techniques.



Popular Vendors and Models



Key Considerations

- Our member facilities have shown limited to no interest in competitors to Intuitive Surgical such as Asensus Surgical (formerly TransEnterix).
Robotic systems typically consist of a patient side cart with the robotic arms, a surgeon console, and a vision system cart.
A system should be selected based upon the types of robotic-assisted surgery of interest (e.g., gynecologic, urologic, abdominal, ENT).
Systems typically provide scaling (i.e., reducing larger hand movements to a microscopic level) and tremor filtering (i.e., filtering of the hand movements to eliminate minute tremors).
The robotic system should have proper mechanisms in place to ensure efficient and accurate instrument exchange, and audible and visual prompts that announce the state of the system's status.
Training, experience, and procedure-specific credentialing is essential to ensure physician competency and safety.
The surgical team also requires training to learn set-up of the system and how to make any necessary adjustments during a procedure.
Renovation or new construction of operating rooms may be needed to accommodate the components of a robotic surgical system.
Also consider clinical data supporting use of the robot for the intended procedures, establishment of a safety committee, and impact on OR scheduling.

## Feature Comparison for Popular Models

<i>General-Purpose Surgical Robots</i>	<b>Asensus Surgical Senhance</b>	<b>Intuitive Surgical da Vinci SP</b>	<b>Intuitive Surgical da Vinci X</b>	<b>Intuitive Surgical da Vinci Xi</b>
<b>Intended Patients</b>	Adult	Adult	Adult, pediatric	Adult, pediatric
<b>FDA Cleared Indications</b>	Gynecologic, colorectal, cholecystectomy, hernia repair	Urologic, transoral	General, gynecologic, colorectal, thoracic, cardiac, urologic	General, gynecologic, colorectal, thoracic, cardiac, urologic
<b>Single-site/Multisite Procedures</b>	Multi-site only	Single-site only	Both	Both
<b>Number of Robotic Arms</b>	3 rigid	1 flexible	4 rigid	4 rigid
<b>Laser Targeting Guidance</b>	No	No	Yes	Yes
<b>Disposable/Reusable Instruments</b>	Reusable	Disposable (25 reuses)	Disposable (10 reuses)	Disposable (10 reuses)
<b>Number of Surgeon Consoles</b>	1	1	1 or 2	1 or 2
<b>Tactile Feedback</b>	Yes	No	No	No
<b>Hand-Instrument Motion</b>	Laparoscopic motion	Open surgery motion	Open surgery motion	Open surgery motion
<b>3DHD Video Resolution</b>	1080i	1080i	1080i	1080i
<b>Augmented Intelligence</b>	Yes	No	No	No
<b>Eye Sensing Camera Control</b>	Yes	No	No	No
<b>NIR Fluorescence Imaging</b>	No	No	Standard	Standard
<b>Skills Simulator</b>	No	Optional	Optional	Optional
<b>Vessel Sealer</b>	Optional	Standard	Standard	Standard
<b>Integrated OR Table Motion</b>	No	No	No	Optional
<b>Tele-Surgery Capability</b>	No	No	No	No

## Other Considerations

The da Vinci Xi is optimized for larger, more complex surgeries. All four arms of the Xi are mounted on an overhead boom, which allows positioning of the patient side cart anywhere around the patient. The Xi arms are longer and slimmer than previous versions and the endoscope can be attached on any arm. The da Vinci Xi is the only model that features an optional Integrated Table Motion software upgrade which enables the Trumpf TruSystem 7000dV table (purchased separately) to move in concert with the robot. This option allows repositioning of the table without undocking the robot; it should be considered for multi-quadrant surgeries that require repositioning during the procedure.

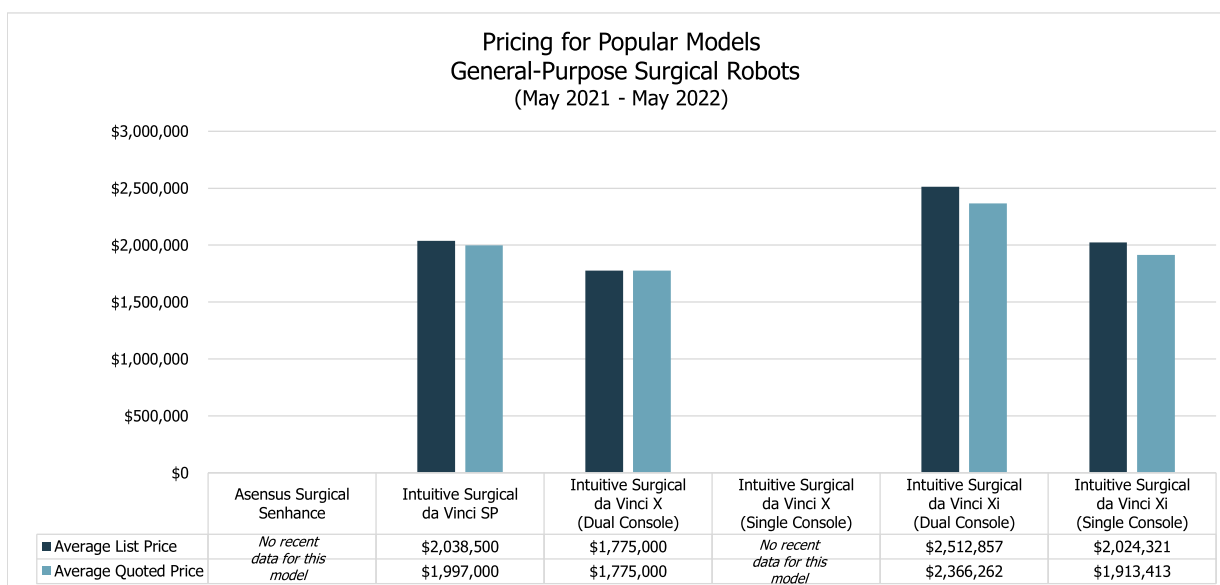
The da Vinci X uses the same instrumentation as the Xi and features the same thinner arm design, but is a cart-based system with side-mounted arms, and thus does not allow the same optimized patient-side access. While it still features voice and laser guidance for automatic arm configuration, it does not offer the other technologies for efficient setup offered by the Xi. However, the X is indicated for the same multi- and single-site procedures as the Xi.

The da Vinci SP is designed for single-site procedures such as those performed through a natural orifice (e.g., mouth-throat) or a single laparoscopic incision. The SP allows three flexible endoscopic instruments and an HD camera to access a patient's abdomen via a single 2.5 cm (1 in) port. Like the instruments, the camera is flexible, and the surgeon also has the option to flip camera views 180° with a button as needed for surgical site visualization. Once inside the cavity, the instruments can be independently maneuvered and are arranged around target anatomy so as to avoid collisions. The system shares the same boom-mounted features as the da Vinci Xi.

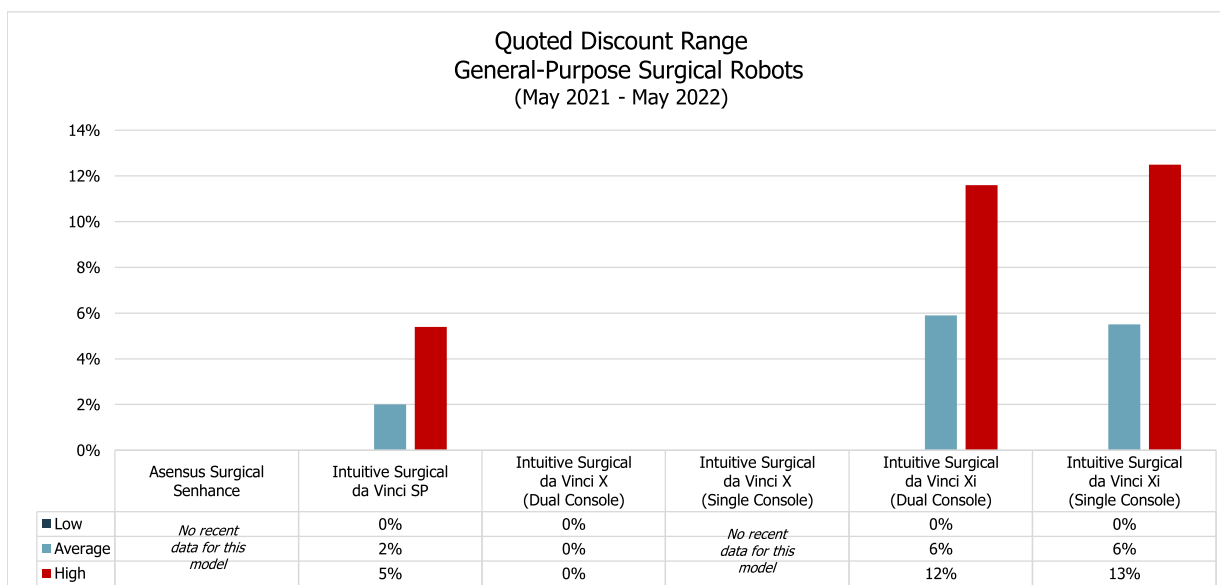
The Senhance system has three robotic arms, two mounted on a patient side cart, and one mounted on a single surgeon console with open cockpit. The robot incorporates laparoscopic instrument motion (inverted hand-instrument movement) and tactile feedback, and allows surgeons to control the camera by moving their eyes. As opposed to da Vinci robots which use disposable instruments that typically last for a programmed number of cases, the Senhance has reusable instruments. While some single-use items are still required, the cost per procedure should be significantly less for the Senhance. However, Senhance instruments are non-wristed (similar to standard laparoscopic instrumentation) compared to da Vinci wristed instruments that have seven degrees of motion.

In March 2020, Asensus Surgical received FDA clearance to add an "Intelligent Surgical Unit" to the Senhance system, which is the first machine-vision system to be FDA-cleared for use in robotic surgery. This feature enables the camera to respond to a surgeon's commands and recognize objects or locations in the field and move accordingly.

## Pricing Information



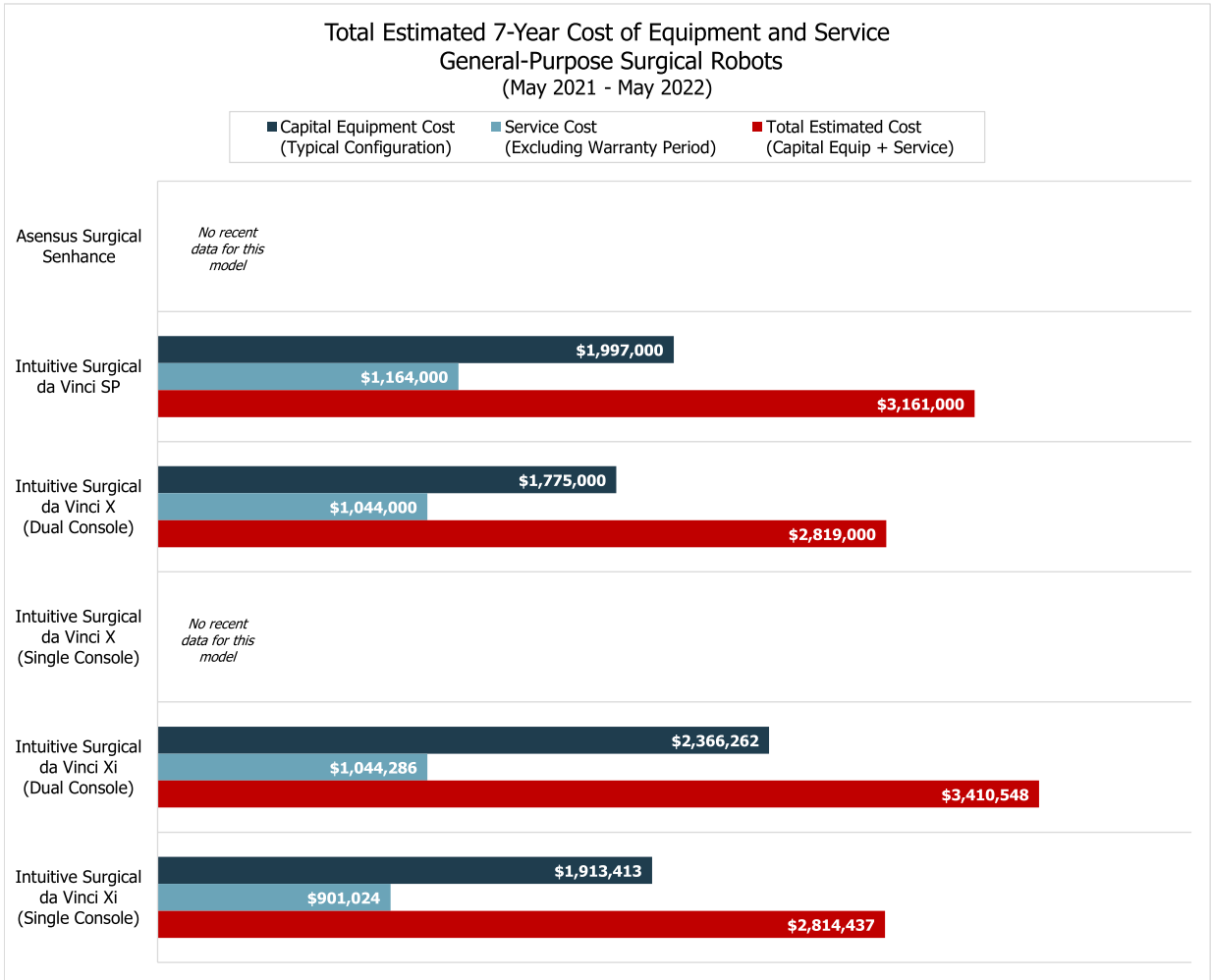
## Typical Discounts Seen by Capital Guide Members



## Service and Support Information

General-Purpose Surgical Robots	Model	Warranty	Est. Annual Service Cost
<ul style="list-style-type: none"> <li><b>Estimated Service Life: 7 Years</b></li> </ul> <p>Typically, only the manufacturer can service the robot. Access to repair parts may be limited.</p>	Asensus Surgical Senhance	No recent data	No recent data
	Intuitive Surgical da Vinci SP	1 Year	\$194,000
	Intuitive Surgical da Vinci X (Dual)	1 Year	\$174,000
	Intuitive Surgical da Vinci X (Single)	1 Year	No recent data
	Intuitive Surgical da Vinci Xi (Dual)	1 Year	\$174,048
	Intuitive Surgical da Vinci Xi (Single)	1 Year	\$150,171

## Total Estimated Cost



## Additional Information

**For updated information on Pricing, Vendor Discounts, Equipment Specifications, or to request a *Custom Report* on this technology, Click Here: [CapitalGuide@ecri.org](mailto:CapitalGuide@ecri.org)**

### Disclaimer

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The technical information provided in this report may be derived from a number of sources, including manufacturers, clinical users, and member facilities. We make every reasonable effort to ensure that it is up-to-date and verify it with the most knowledgeable sources. The contents of this document should not be regarded as a guarantee of the safety, performance, or cost-effectiveness of any equipment, device, or system. This document was created for ECRI member organizations and is copyrighted. It may not be shared with manufacturers or any third party without written permission from ECRI.

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## Capital Guide

# Market Intelligence Report

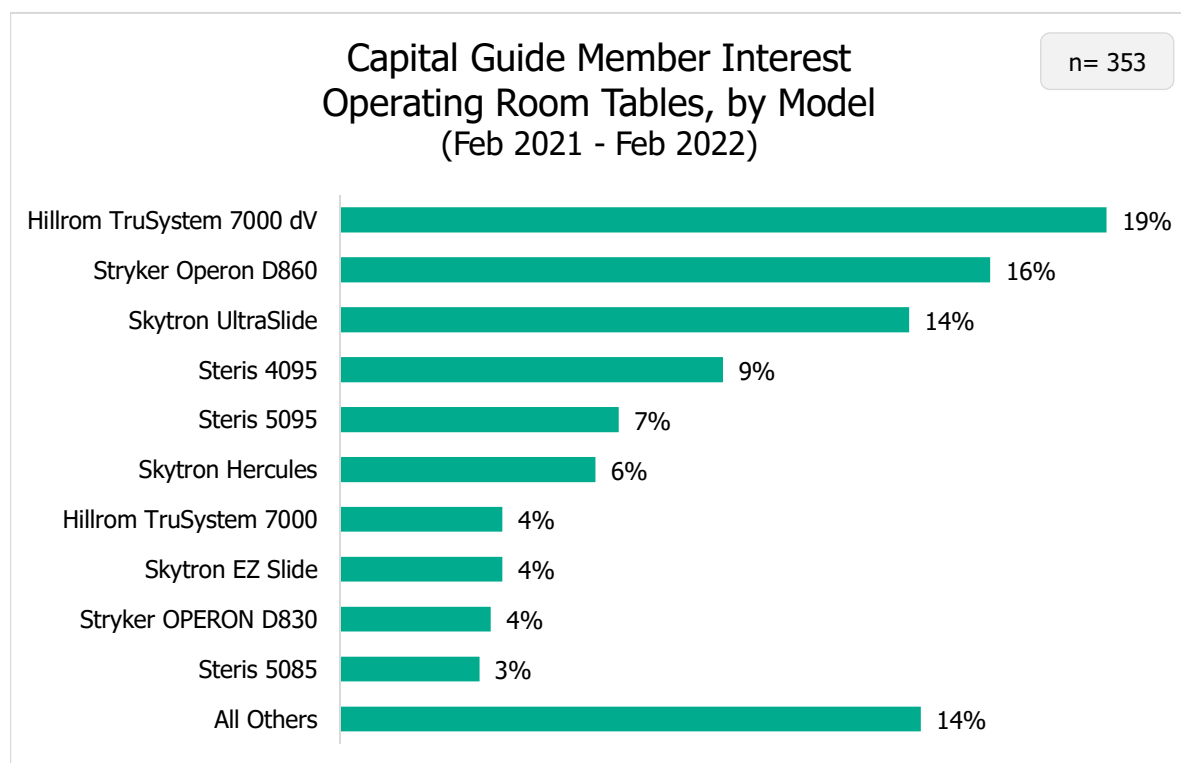
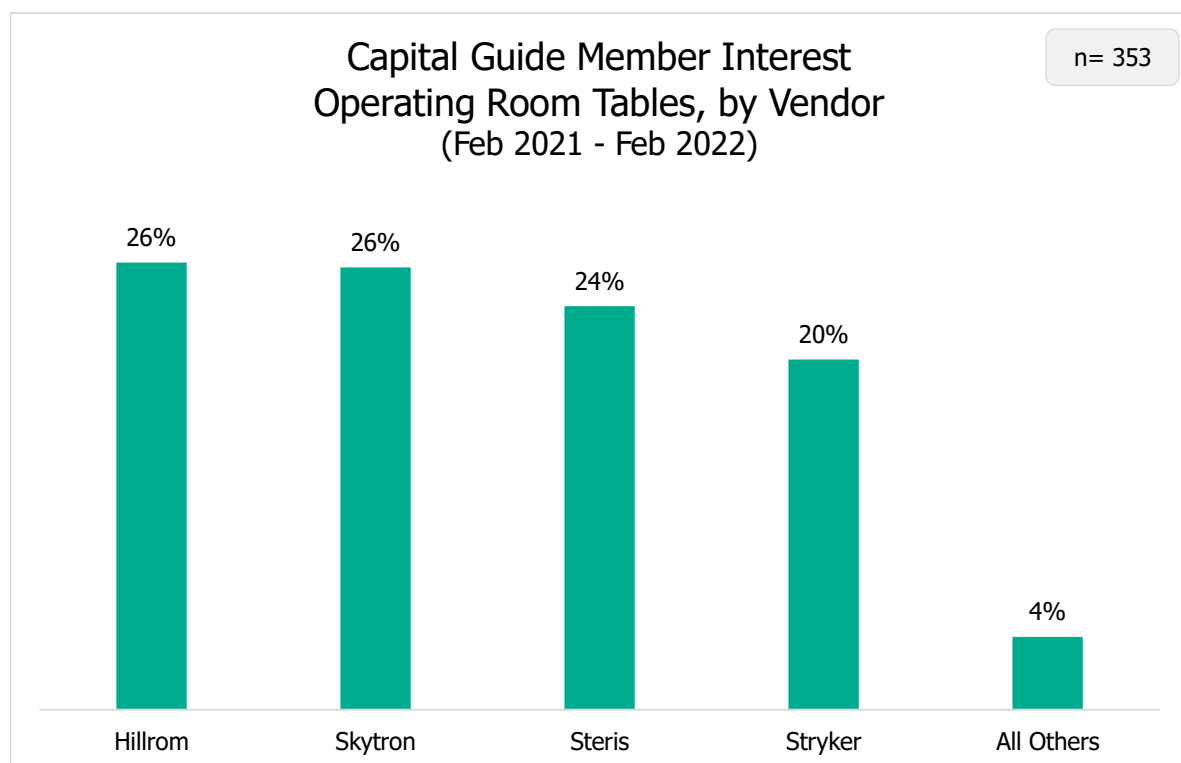
## Operating Room Tables

### Description

**Operating Room (OR) Tables** are designed to provide optimal patient positioning and access while performing surgical procedures. Most operating tables are divided into three or more hinged sections. The principal divisions are the head, body, and foot sections. Tables and their individual segments are raised and lowered by mechanical gears or hydraulic piston systems using manual controls (e.g., cranks, foot pedals) or electrical controls (e.g., foot pedals, levers, remote units).



### Popular Vendors and Models



### Key Considerations

- The primary criterion for selecting an operating table is that it **meets the positioning needs of the procedures** for which it is intended.
- Other considerations include **replacement pad availability, durability of caster-locking mechanisms, and protection of mechanisms from corrosive fluids** (e.g., floor-cleaning solutions) and fluid infiltration that can short electrical systems.
- Operating tables should, at minimum, position from the horizontal plane 25 degrees in the **Trendelenburg position**, 25 degrees in the **Reverse-Trendelenburg position**, and 18 degrees in the **lateral-tilt position**.
- There should be at least **three table sections**: a table back section, which should position, at minimum, +55° to -25° from the horizontal plane; a table foot/leg section, which should position +20° to -40° from the horizontal plane; and a table head section, which should position +45° to -90° from the horizontal plane.
- Operating tables should have a **side rail**, a **load limit** of at least 159 kg (350 lb), and a hand- or foot operated **remote control**, as well as, **arm boards, shoulder braces, stirrups, leg holders, and counter supports**.
- The table should have a **radiolucent tabletop**, be **C-arm accessible**, and accept 35 × 43 cm (14 × 17 in) **x-ray cassettes**.
- OR tables that can function as **orthopedic tables** need to be able to accommodate a hand table, spine frames, and beach chair attachments.



## Feature Comparison for Popular Models

<i>Operating Room Tables</i>	Hillrom TruSystem 7000 dV	Skytron Hercules	Skytron UltraSlide	Steris 4095	Steris 5095	Stryker Operon D860
<b>Number of Table Sections</b>	4	4	5	4	4	4
<b>Actuator System</b>	Electromechanical	Electrohydraulic	Electrohydraulic	Electrohydraulic	Electrohydraulic	Electrohydraulic
<b>Vertical Height Range, in</b>	23 - 45	23 - 41	24 - 43	26 - 45	22.8 - 42.5	22.6 - 46.4
<b>Trendelenburg Position, deg</b>	45	30	30	30	30	30
<b>Reverse Trendelenburg Position, deg</b>	45	30	30	30	30	30
<b>Synchronous Movement</b>	Yes	Not Specified	Not Specified	No	No	Yes
<b>Lateral Tilt, deg</b>	30	30	30	20	20	20
<b>Static Weight Capacity, lbs</b>	1000	1200	1000	1100	1200	1250
<b>Articulated Weight Capacity, lbs</b>	1000	1000	800	600	600	1000
<b>Table Top Slide, in</b>	18	No	23	18	18	17
<b>Table Width, in</b>	23	22	22	20	20	21
<b>Head Section Up/Down, deg</b>	45/-45	60/-90	60/-90	90/-90	90/-90	45/-90
<b>Back Section Up/Down, deg</b>	90/-45	90/-40	90/-40	80/-40	80/-40	90/-45
<b>Foot Section Up/Down, deg</b>	90/-105	20/-100	15/-100	0/-105	0/-105	30/-105
<b>Rotating Top, deg</b>	360	210	No	No	No	Not Specified
<b>Programmable Table Positions</b>	30	Not Specified	Not Specified	No	No	No
<b>Anti-Collision</b>	Yes	No	No	Yes	Yes	Yes
<b>Kidney Elevator</b>	Yes	Yes	Yes	Yes	Yes	Yes
<b>Radiolucent Tabletop</b>	Yes	Yes	Yes	Yes	Yes	Yes
<b>C-Arm Accessible</b>	Yes	Yes	Yes	Yes	Yes	Yes
<b>Cassette Sizes, in</b>	14x17	14x17	14x17	18x18	16.5x18	Not Specified
<b>Hybrid OR Configuration</b>	No	No	No	No	No	No
<b>da Vinci Xi Integration</b>	Yes	No	No	No	No	No
<b>Controls</b>	Hand control, foot control, wireless capabilities	Hand control, optional foot, back-up controls located on table base	Hand control, optional foot control, optional wireless control	Remote hand, optional foot, auxiliary controller	Remote hand, optional foot, auxiliary controller	Hand control, auxiliary pendant

*\*Note: All models above have various accessories available for purchase. Clinical applications are dependent on which accessories are purchased with these tables.*

## Other Considerations

When considering weight capacities, facilities must consider static weight capacity (how much weight can be borne when the table is in a horizontal position), as well as, the effect of articulation (e.g., tilt/lift) and the effect of using certain extensions (especially bariatric extensions used to widen the table for larger patients).

While tables typically offer adjustable height, some tables offer a lower total table height, which is advantageous for both bariatric surgery (because larger patients extend higher vertically, shorter surgeons would be required to stand on a riser to adequately reach all surgical sites) and it allows surgeons to operate from a seated position. Although all tables offer at least some degree of Trendelenburg positioning (head down, feet up) and lateral tilt, some models offer higher degrees of tilt for specialized applications.

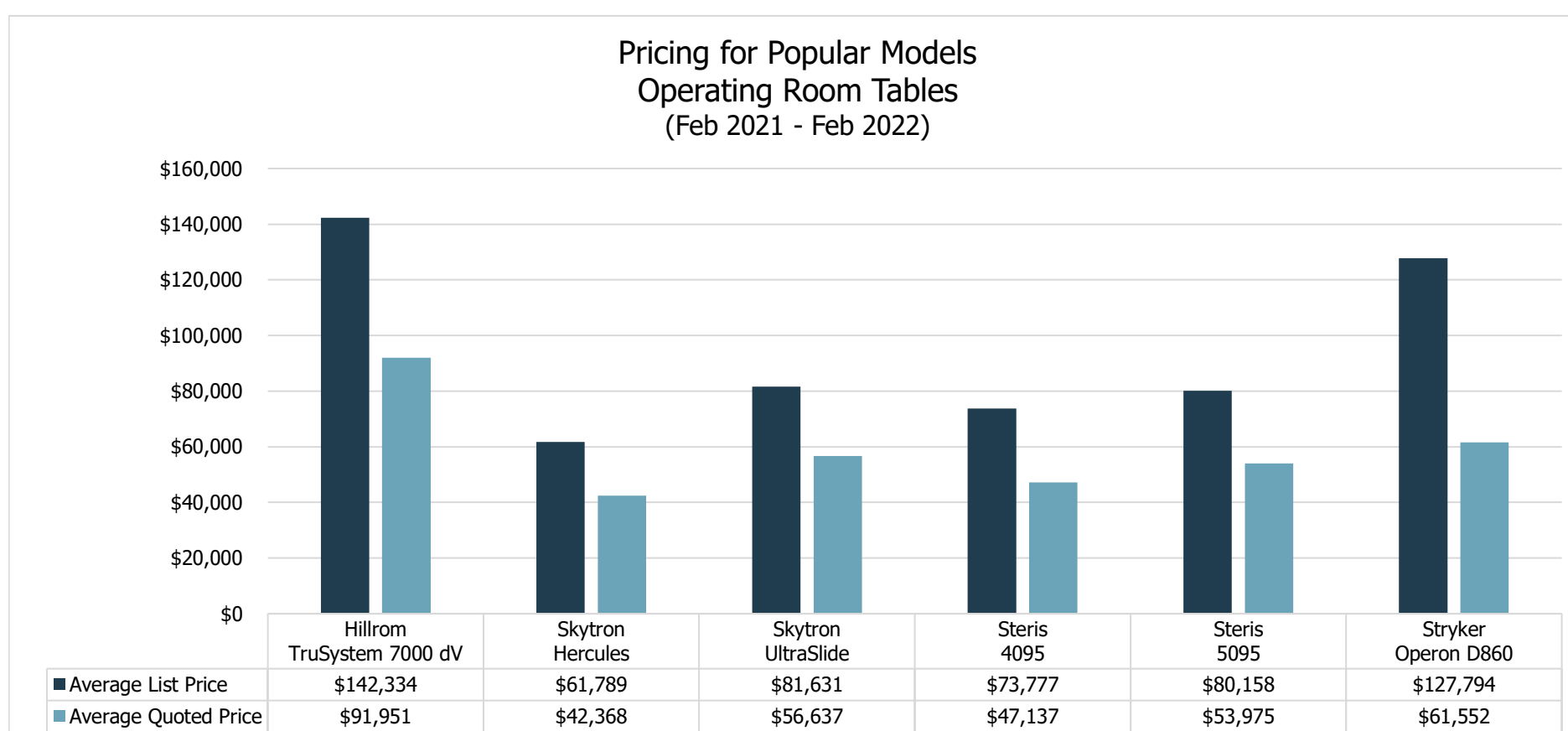
Facilities have three choices when selecting operating tables for specialty procedures:

- 1) general purpose OR tables which can be configured to allow some specialty procedures,
- 2) general-purpose tables which offer interchangeable tops configured to a certain specialty and,

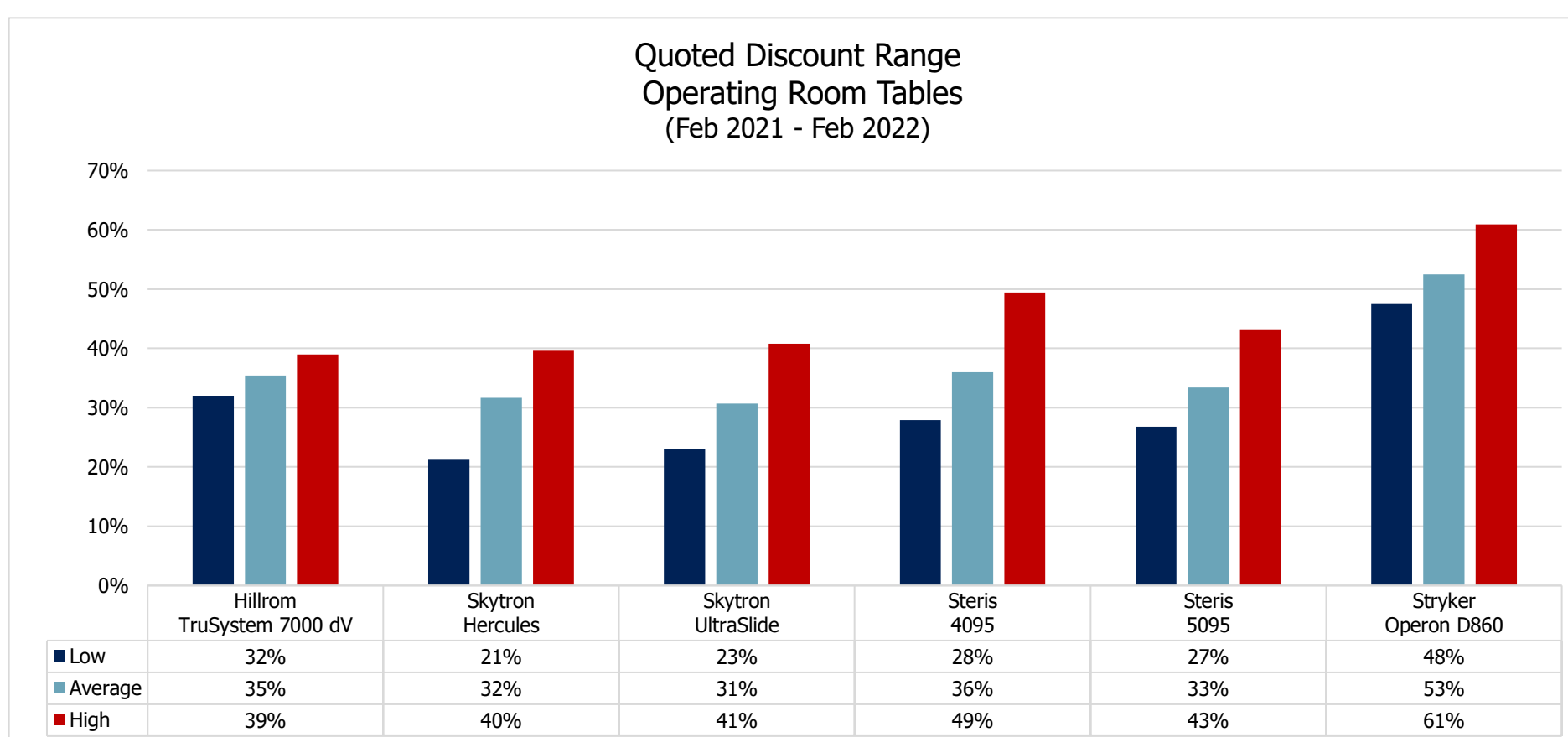
Some tables offer a sliding table top which allow the surgeon to move the patient longitudinally in order to position the patient for imaging with a C-arm. Currently available operating tables span many levels of technological sophistication, from manually and electrically controlled models to those which incorporate remote controls. There has been an increased use of special tabletops, table extensions, and accessories for x-ray and fluoroscopic procedures.

Image-guided surgery (IGS) is also becoming more widespread, and specialized surgical tables are often required to facilitate these procedures. Tables specifically designed for IGS procedures frequently have carbon fiber tabletops to avoid the imaging artifacts caused by certain metals; they will also allow for precise movements and obstruction-free views of the patient.

## Pricing Information



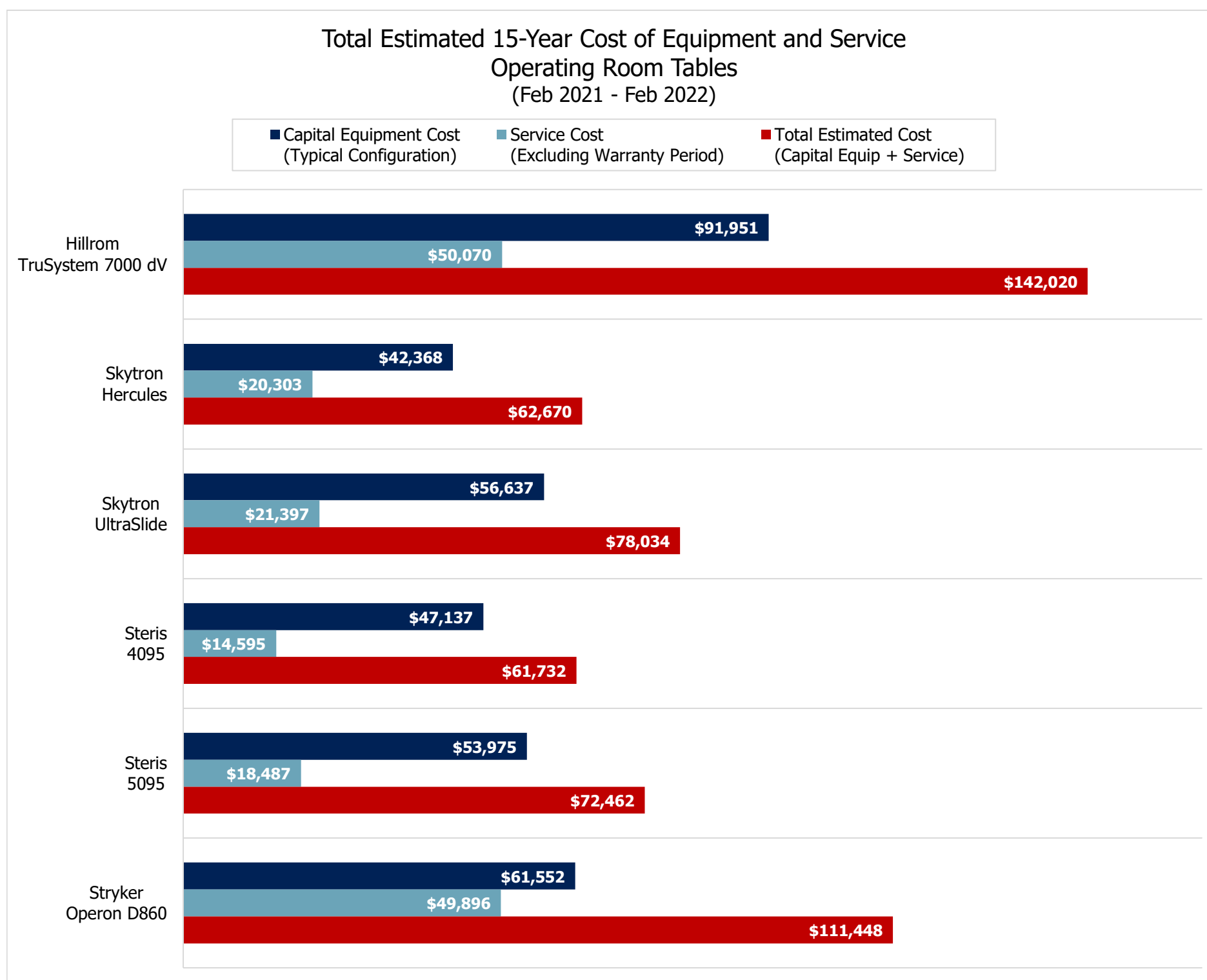
## Typical Discounts Seen by Capital Guide Members



## Service and Support Information

Operating Room Tables	Model	Warranty	Est. Annual Service Cost
<ul style="list-style-type: none"> <li>• <b>Estimated Service Life: 15 Years</b></li> </ul>	Hillrom TruSystem 7000 dV	2 Years	\$3,852
	Skytron Hercules	1 Year	\$1,450
	Skytron UltraSlide	1 Year	\$1,528
	Steris 4095	1 Year	\$1,043
	Steris 5095	1 Year	\$1,321
	Stryker Operon D860	1 Year	\$3,564

## Total Estimated Cost



## Additional Information

*For updated information on Pricing, Vendor Discounts, Equipment Specifications, or to request a **Custom Report** on this technology, Click Here: [CapitalGuide@ecri.org](mailto:CapitalGuide@ecri.org)*

***Want to know more?** Go to [Operating Room Tables: The Essentials](#) to access **Product Ratings, Selection and Use Guidance, and other vital information on this technology.***

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## Justification for Sole Source Form

**To:** Contract Review Committee

**From:** Marco Hernandez, Surgery

**Type of Purchase: (Check One)**

- Non-Medical, Non-Surgical Equipment/Supplies >= \$25,000
- Data Processing/Telecommunication Goods >= \$25,000
- Medical/Surgical – Supplies/Equipment >= \$25,000
- Purchased Services >= \$350,000

<b>Total Cost \$:</b>	Pending final contract negotiations
<b>Vendor Name:</b>	Intuitive Surgical Inc.
<b>Agenda Item:</b>	Da Vinci Xi Surgical Robotics System

**Statement of Need:** My department's recommendation for sole source is based upon an objective review of the product/service required and appears to be in the best interest of SVMHS. The procurements proposed for acquisition through sole source are the only ones that can meet the district's need. I know of no conflict of interest on my part or personal involvement in any way with this request. No gratuities, favors or compromising action have taken place. Neither has my personal familiarity with particular brands, types of equipment, materials or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

**Describe how this selection results in the best value to SVMHS. See typical examples below.**

Licensed or patented product or service. No other vendor provides this. Warranty or defect correction service obligations of the consultant. **Describe.**

Existing SVMHS equipment, inventory, custom-built information system, custom built data inventory system, or similar products or programs. **Describe.**

Uniqueness of the service. A professional services contract was recently signed between SVMHS and a new colorectal surgeon, Dr. Alison Tammamy. The surgeon has previous experience/training with this specific robotics system. The surgeon will join SVMHS on September 1 2022. Additionally, Intuitive Surgical, Inc, is the only general purpose surgical robot that offers robotics for the general, gynecology, colorectal, thoracic, cardiac, and urologic service lines. Intuitive Surgical, Inc. currently owns 100% of the market share for general purpose surgical robots (per attached ECRI Market Intelligence Report)

SVMHS has established a standard for this manufacturer, supplier or provider and there is only one vendor. **Describe.**

Factory-authorized warranty service available from only this single dealer. Sole availability at the location required. **Describe.**

Used item with bargain price (describe what a new item would cost). **Describe.**

Other -The above reasons are the most common and established causes for an eligible sole source. If you have a different reason, please **describe:**

**By signing below, I am attesting to the accuracy and completeness of this form.**

Submitter Signature Marco Hernandez Date: 7/6/2022

*PERSONNEL, PENSION AND  
INVESTMENT COMMITTEE*

*Minutes from the July 26, 2022  
meeting of the  
Personnel, Pension and Investment Committee  
will be distributed at the Board Meeting*

*Background information supporting the  
proposed recommendation from the  
Committee is included in the Board Packet*

*(REGINA M. GAGE)*

- *Committee Chair Report*
- *Board Questions to Committee Chair/Staff*
- *Motion/Second*
- *Public Comment*
- *Board Discussion/Deliberation*
- *Action by Board/Roll Call Vote*

## Memorandum

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**Date:** July 21, 2022



**To:** Personnel, Pension & Investment Committee

**From:** Augustine Lopez, CFO / Scott Cleveland, Controller

**Re:** **Calendar Year 2022 - Defined Benefit Pension Plan Funding**

The Hospital's consulting actuaries, Willis Towers Watson, have calculated the required minimum contribution to the Salinas Valley Memorial Healthcare District Employees' Pension Plan to be \$10,076,466 for Calendar Year 2022 per the January 1, 2022 Actuarial Valuation Report. Management requests the Personnel, Pension & Investment Committee's consideration to **recommend Board approval to fund the required minimum contribution \$10,076,466 to the Salinas Valley Memorial Healthcare District Employees' Pension Plan for Calendar Year 2022.** This amount will be updated once the 2022 Actuarial Valuation Report is made available on or before June of 2023.

Thank you for your consideration.



# The Salinas Valley Memorial Healthcare District Employees Pension Plan

2022 Actuary's Report Summary  
Eric Grant, Si Man Lei - WTW

July 26, 2022



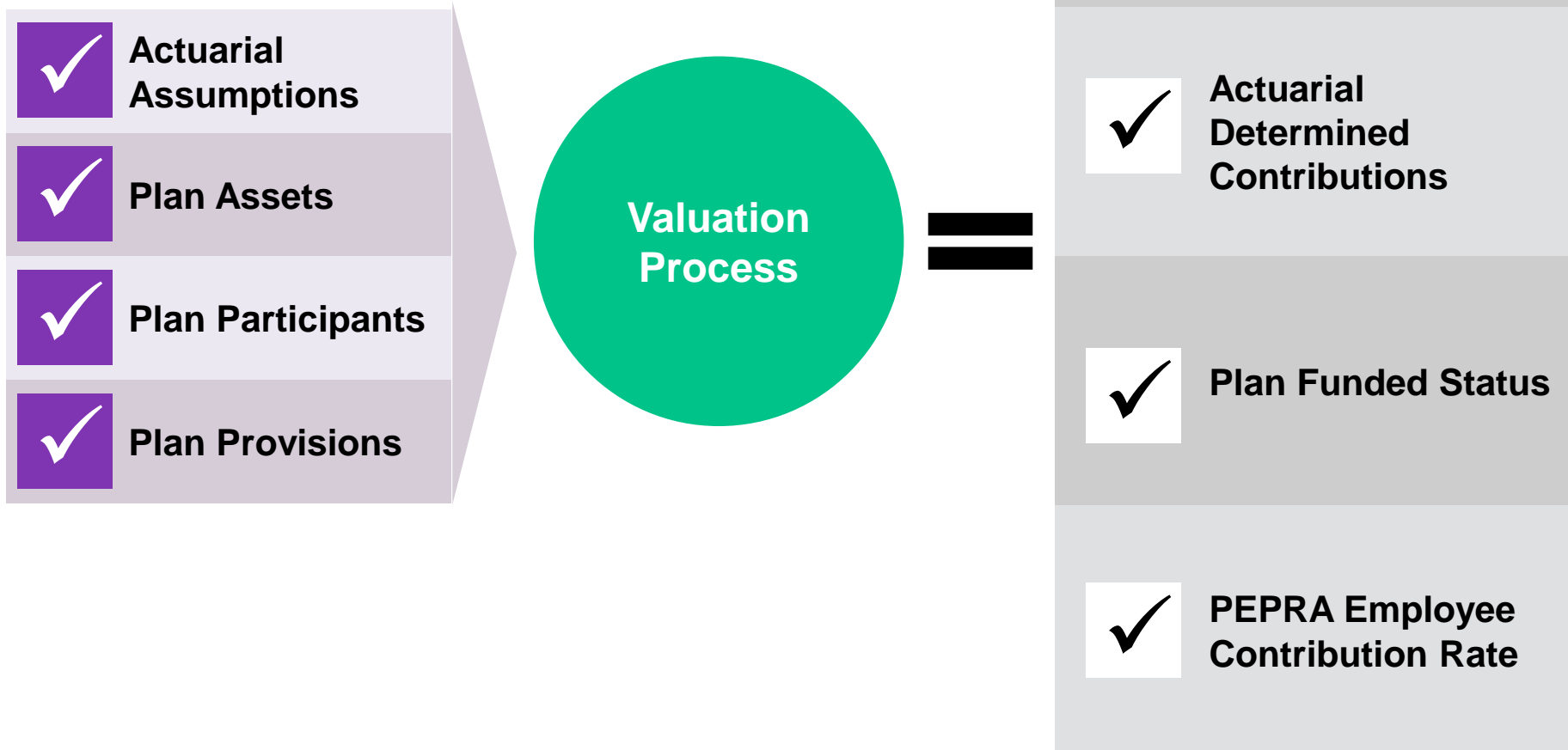
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Section 1.	January 1, 2022 Valuation Results
Section 2.	Impact of Extra Contributions Made in Last Four Plan Years
Section 3.	Beyond 2022 Funded Status Projections
Section 4.	Sensitivity of Pension Liability on Discount Rates
Section 5.	PEPRA Contribution Rate
Section 6.	Participant Statistics and Certification

# Section 1

## January 1, 2022 Valuation Results

# Overview of Valuation Process



# Key Valuation Assumptions and Methods

<b>Interest Rate:</b>	6.50% per annum, compounded annually
<b>Mortality:</b>	PubG-2010 Mortality Tables for males and females Projected generationally using MP-2021 <i>(New!)</i>
<b>Retirement:</b>	Rates at ages 50-70 based on 2019 Study of SVMH Experience <i>(assumption does not significantly conflict with what would be reasonable based on review of recent experience)</i>
<b>Withdrawal:</b>	Rates based on 2019 Study of SVMH Experience <i>(assumption does not significantly conflict with what would be reasonable based on review of recent experience)</i>
<b>Salary Scale:</b>	Scale based on study performed in 2019

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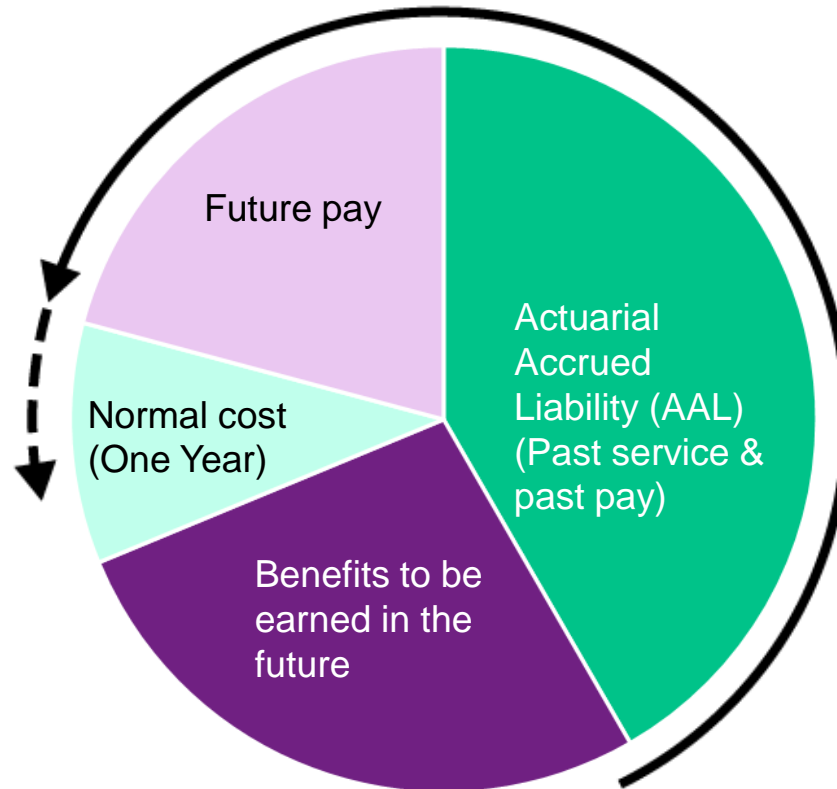
<b>Actuarial Cost Methods:</b>	ADC Funding – Traditional Unit Credit Cost (TUC) Method for Classic and Entry Age Normal (EAN) for PEPRA Government Accounting Standard Board (GASB) – Entry Age Normal (EAN) Method – prescribed method
<b>Actuarial Asset Methods:</b>	Funding – 5-year smoothing of investment gains/losses (expected versus actual earnings). GASB 68 Accounting – Market Value

# Key Drivers of Liabilities, Expense, and Funding

- Census data
- Plan provisions
- Interest rate (aka expected asset return)
- Actual return on plan assets
- Salary growth
- Retirement rates
- Turnover rates
- Mortality rates
- Disability rates
- PEPPRA employee contribution rate



# Liability Measures



PVFB =  
PV  
benefits  
attributed  
to service  
to date

## January 1, 2022 Key Valuation Results

\$ in millions	Contribution Funding Basis	GASB 68 Accounting Basis
PV Future Benefits	\$548.6M	\$548.6M
Accrued Liability <sup>1</sup>	\$387.1	\$440.5
Normal Cost <sup>2</sup>	\$14.3	\$10.5
Actuarial Assets <sup>3,4</sup>	\$405.7	\$442.4
Unfunded (Overfunded) Liability	<b>(\$18.6)</b>	<b>(\$1.9)</b>
2022 Funded%	104.8%	100.4%
2021 Funded%	97.5%	90.1%

<sup>1</sup> **Funding** uses **TUC/EAN** Method for Classic/PEPRA and **GASB accounting** uses **EAN** Method

<sup>2</sup> Includes interest to end of the year

<sup>3</sup> **Funding** uses **5-year Smoothed Value** of Assets and **GASB 68** uses **Market Value** of Assets (MVA)

<sup>4</sup> Investment policy of 60% Equity and 40% Fixed Income

# December 2018 to 2021 Accounting Snapshots

(in millions)	GASB 68 Accounting Basis (12/31/2018)	GASB 68 Accounting Basis (12/31/2019)	GASB 68 Accounting Basis (12/31/2020)	GASB 68 Accounting Basis (12/31/2021)
Accrued Liability <sup>1</sup>	\$363.5	\$411.7	\$428.2	\$440.5
Actuarial Assets <sup>2,3</sup>	\$263.0	\$331.1	\$368.0	\$442.4
Unfunded Liability	\$100.5	\$80.6	\$42.2	(\$1.9)
Funded%	72.4%	80.4%	90.1%	100.4%

Investment performance better than expected by \$33.4M 19.5%<sup>4</sup>

Investment performance better than expected by \$21.5M 13%<sup>4</sup>

Investment performance better than expected by \$21.5M 12%<sup>4</sup>

<sup>1</sup> Using **EAN** Method

<sup>2</sup> Using **Market Value** of Assets (MVA)

<sup>3</sup> Investment policy of 60% Equity and 40% Fixed Income

<sup>4</sup> Actual rate return shown above should be compared to expected (7.00%/6.50%/6.50% in 2019/2020/2021)



# SVMH Pension Plan - Actuarial Valuation Comparisons (Contribution Funding Basis)

(in millions)	January 2021	January 2022
Discount Rate	6.50%	6.50%
Mortality Tables	PubG-2010 MP-2020	PubG-2010 MP-2021
Actuarial Method	TUC Classic/EAN PEPR A	TUC Classic/EAN PEPR A
PV of Future Benefits	\$528.2	\$548.6
Actuarial Accrued Liability	\$368.6	\$387.1
Actuarial Value of Assets	\$359.4	\$405.7
Unfunded Actuarial Liability	\$9.2	(\$18.6)
Funded % (AVA)	97.5%	104.8%
Approximate Asset Return (Investment Earnings from prior year)	<b>13%</b> <b>\$43.4</b>	<b>12%</b> <b>\$46.9</b>
Additional Contribution Made (Prior Year)	\$5.0	\$10.0
Actuarially Determined Contribution (Current Year)	\$13.1	\$10.1

# SVMH Pension Plan - Actuarial Valuation Comparisons (GASB Accounting Basis)

(in millions)	December 31, 2020	December 31, 2021
Discount Rate	6.50%	6.50%
Mortality Tables	PubG-2010 MP-2020	PubG-2010 MP-2021
PV of Future Benefits	\$528.2	\$548.6
Actuarial Accrued Liability <sup>1</sup> <b>(Entry Age Normal)</b>	\$428.2	\$440.5
Market Value of Assets	\$386.0	\$442.4
(Unfunded) Overfunded Actuarial Liability <sup>3,4</sup>	(\$42.2)	<b>\$1.9</b>
GASB Funded Ratio	90.1%	<b>100.4%</b>
GASB Pension Expense	\$15.5	<b>\$4.5</b>
<i>Additional Pension Expense Recognition<sup>5</sup></i>	\$0	\$13.0

<sup>1</sup> Actuarial accrued liability is termed the Total Pension Liability under GASB

<sup>2</sup> Unfunded Actuarial Liability (UAL) is Net Pension Liability (NPL) under GASB

<sup>3</sup> UAL decreased \$21.5M due to asset gain

<sup>4</sup> UAL increased \$1.0M due to MP-2021 mortality

<sup>5</sup> Up to management discretion



**Increase of \$44.1M mainly due to:**

- **2021 Investment gain and**
- **\$23.1M in contributions**

# Review of Changes in GASB 68 Pension Expense

(in millions)	FY 2021	FY 2022
Prior FY GASB 68 Pension Expense	\$24.1	\$15.5
Expected Changes		
Change in Service Cost, Employee Contributions, Expense	1.0	(0.5)
Change in Interest on Total Pension Liability	(1.9)	1.0
Change in Projected Earnings	(2.9)	(3.5)
Change in Recognition Amounts	<u>(3.2)</u>	<u>(2.3)</u>
Net Change	(3.1)	(5.2)
Unexpected Changes		
Change Due to Actuarial Experience other than Investments <sup>1</sup>	(0.7)	0.6
Change Due to Investment Performance <sup>2</sup>	(4.3)	(4.3)
Change Due to Actuarial Assumption Changes <sup>3</sup>	(0.3)	(2.1)
Change Due to Plan Amendments <sup>4</sup>	<u>(0.2)</u>	<u>0</u>
Total	(5.5)	(5.8)
Net Change	<u>(8.6)</u>	<u>(11.0)</u>
Current FY GASB 68 Pension Expense	\$15.5	\$4.5
<i>Additional Pension Expense Recognition</i>		\$13.0

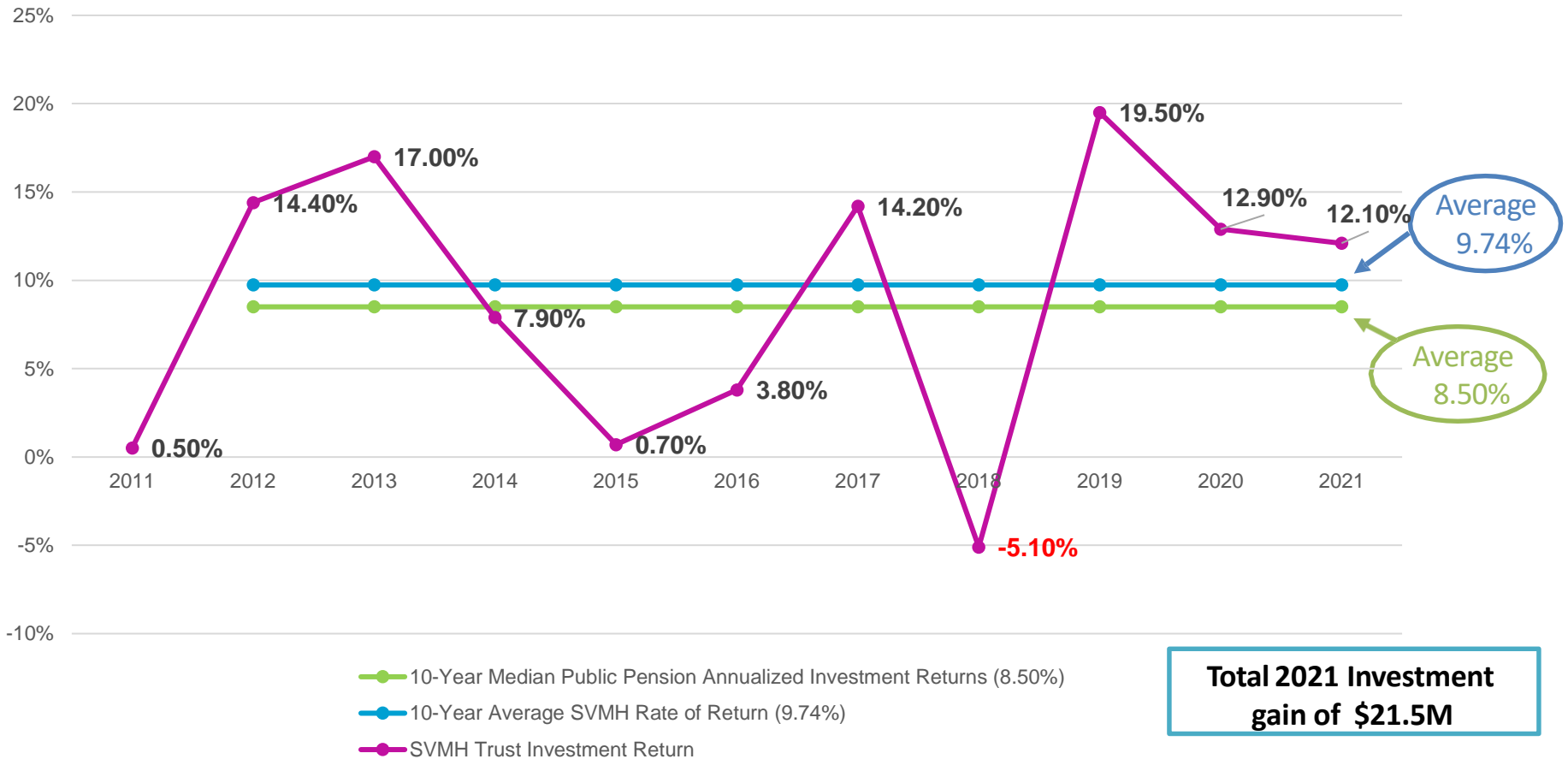
<sup>1</sup> Includes items such as demographic changes, employee contributions, benefit payments and expenses.

<sup>2</sup> Investment performance in FY 2021 and FY 2022 better than expected by \$21.5M for both years.

<sup>3</sup> Update Mortality/Discount Rate in FY 2021 and Mortality Rate in FY 2022.

<sup>4</sup> Assessed the impact of Plan Amendments in FY 2021.

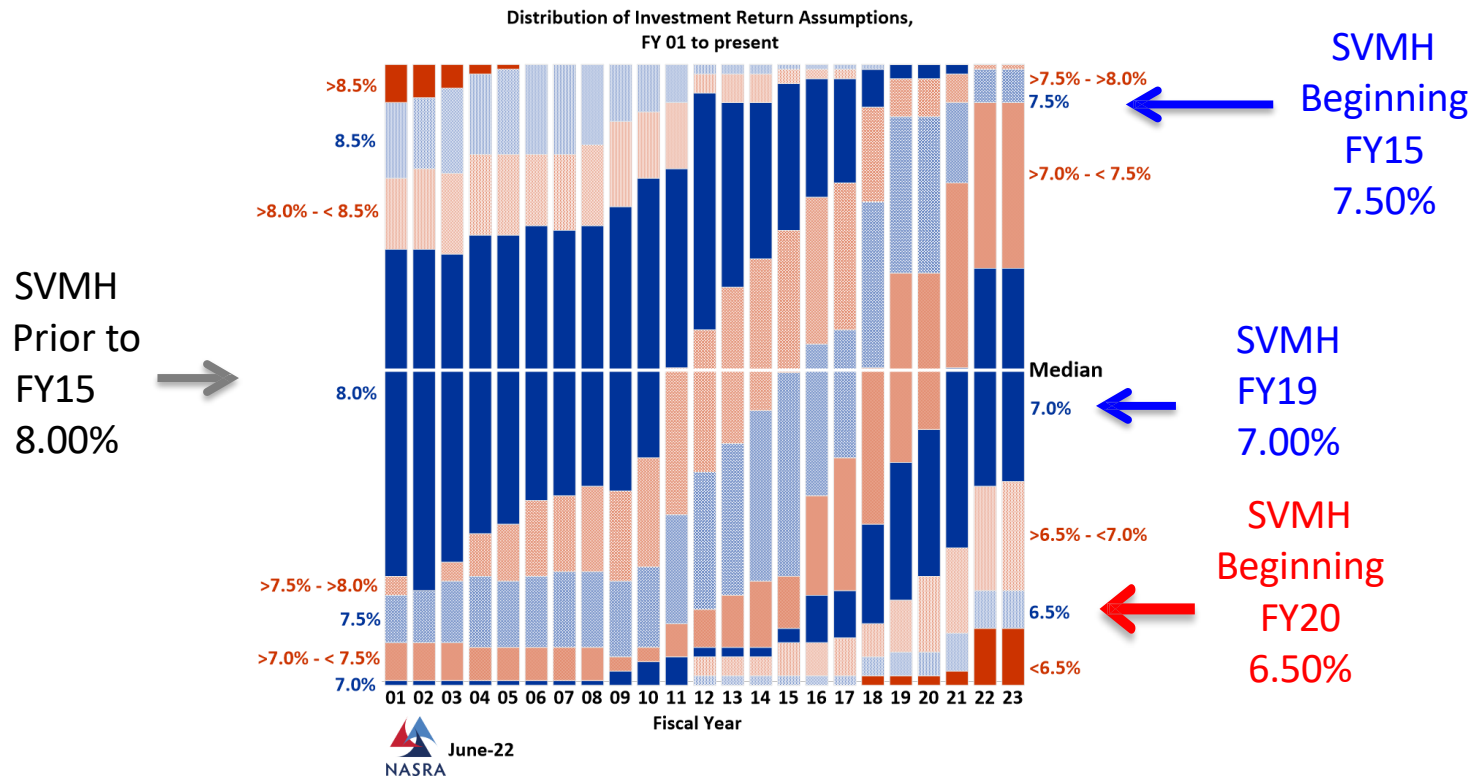
# Historical Asset Rate of Return



**Note:** The NASRA survey also reported 25-yr median public pension annualized investment returns of 8.5%.

# Change in Distribution of Public Pension Investment Return Assumptions, FY 01 to FY 22

Distribution of Nominal Investment Return Assumptions, FY01 to present



- National Association of State Retirement Administrators (NASRA) survey includes 85% of the State and Local government pension systems with \$5.85 trillion in assets
- This chart illustrates the steady reduction in assumed rates of return, particularly since 2009, and the continuation of lower return assumptions beyond FY 16 and through FY 22

## Section 2

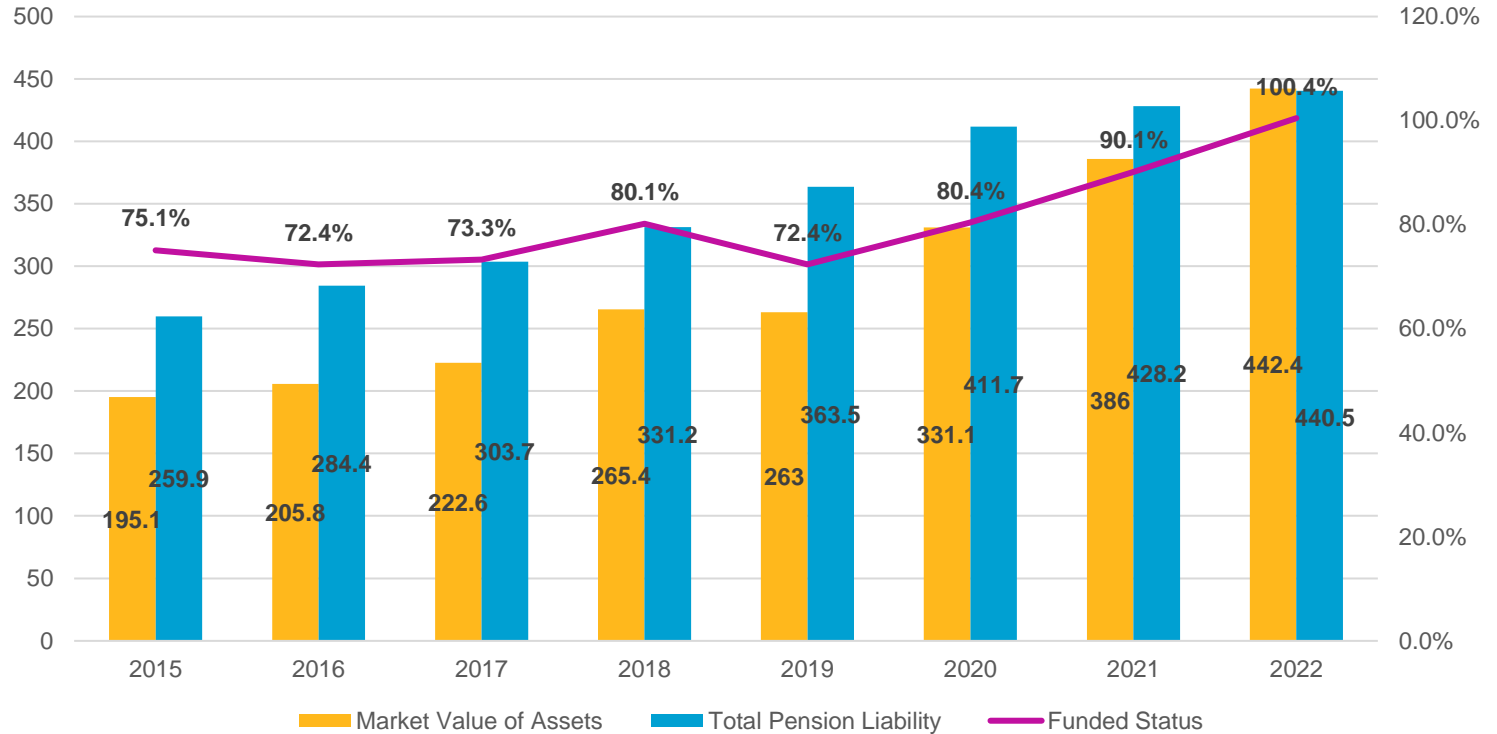
### Impact of Extra Contributions Made in Last Seven Plan Years

## SVMH Extra Contributions in Addition to the Actuarial Determined Contribution

Plan Year	Extra Contributions
2014	\$5M
2015	\$5M
2016	\$7M
2017	\$10M
2018	\$10M
2019	\$15M
2020	\$5M
2021	\$10M
<b>Total</b>	<b>\$67M</b>

- Prior to 2015 SVMH did not make extra contributions in addition to the Actuarially Determined Contribution (ADC)

# Historical GASB68 Funded Status



<b>Discount Rate</b>	7.5%	7.5%	7.5%	7.5%	7.0%	6.5%	6.5%	6.5%
<b>Unfunded Liability</b>	\$64.8M	\$78.6M	\$81.1M	\$65.8M	\$100.5M	\$80.6M	\$42.2M	(\$1.9M)



# Section 3

## Beyond 2022 Funded Status Projections

# Key Scenario Assumptions

- Closed Group Projections
- 2022 Census Data
- PubG-2010 Mortality Table and MP2021 Mortality Improvement Scale
- 6.50% Discount Rate
- -6.00% Asset Return in 2022 and 6.50% Thereafter
- Long-Term Salary Scale (based on 2019 study)
- Multi-Age Retirement Rates (based on 2019 study)

## Schedule of Minimum Contributions Assuming 6.50% Asset Returns in 2023 and Thereafter

(\$Million)	Funding Policy Contributions (6.50%)						
Plan Year	2022	2023	2024	2025	2026	2027	2028
<b>Funded Status Percentage</b>	104.8%	130.9%	114.4%	111.7%	108.5%	105.0%	104.5%
<b>Actuarially Determined Contribution<sup>1,2</sup></b>	\$10.1	\$0.0	\$4.5	\$5.8	\$7.4	\$9.4	\$9.6
<b>Additional Ad Hoc Contribution</b>	\$50.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Funding Contribution</b>	\$60.1	\$0.0	\$4.5	\$5.8	\$7.4	\$9.4	\$9.6

<sup>1</sup> The Actuarially Determined Contribution (ADC) is based on 6.5% discount rate, Unit Credit Method for CLASSIC, and EAN Method for PEPRA for plan year beginning January 1, 2022 (excludes PEPRA Employee Contributions)

<sup>2</sup> Assuming -6.0% asset return for 2022

# Section 4

## Sensitivity of Pension Liability on Discount Rates

## Sensitivity of Pension Liabilities on Actuarial Discount Rate as of January 1, 2022

Discount Rates	Total Pension Liability (\$M)	Unfunded (Overfunded) Total Pension Liability (\$M)	GASB Funded %
6.50%	\$440.5	(\$1.9)	100.4%
6.00%	\$468.8	\$26.4	94.4%

- The above represents the changes in the discount rate from 6.50% to 6.00%
- Based on market value of asset of \$442.4M

# Section 5

## PEPRA Contribution Rate

# PEPRA Contribution Rate Calculation Methodology

## PEPRA Normal Cost as a Percent of Payroll

	January 1, 2021	January 1, 2022
(a) Normal Cost	\$4,580,728	\$4,059,670
(b) Covered Payroll	\$50,636,774	\$55,693,511
(c) Percent of Payroll	9.05%	7.29%

- PEPRA Employee Contribution Rate is 50% of the Normal Cost rounded to 25 bps
- Once established, the employee contribution rate shall not be adjusted on account of a change to the normal cost rate unless the normal cost rate increases or decreases by more than 1 percent of payroll above or below the normal cost rate in effect at the time the employee contribution rate is first established.

	January 1, 2021	January 1, 2022
(a) Normal Cost	\$4,580,728	\$4,059,670
(b) Covered Payroll	\$50,636,774	\$55,693,511
(c) Normal Cost Rate	9.05%	7.29%
(d) 1 Percent In/Decrease?	Yes	Yes
(e) 50% of NC Rate	4.52%	3.64%
(f) Rounded to ¼ of 1%	4.50%	3.75 <sup>1</sup> %

- 1/1/22 Valuation contribution rate for PEPRA participants effective January 1, 2023

## History of PEPRA Contributions

Plan Year	Contribution Percentage	Contribution Amount (\$M)
2017	4.25%	\$0.5
2018	4.25%	\$1.2
2019	4.25%	\$1.6
2020	4.25%	\$1.7
2021	5.25%	\$2.7
2022	4.50%	\$2.5 <sup>1</sup>
2023	3.75%	\$2.3 <sup>1</sup>
<b>Total</b>		<b>\$12.5</b>

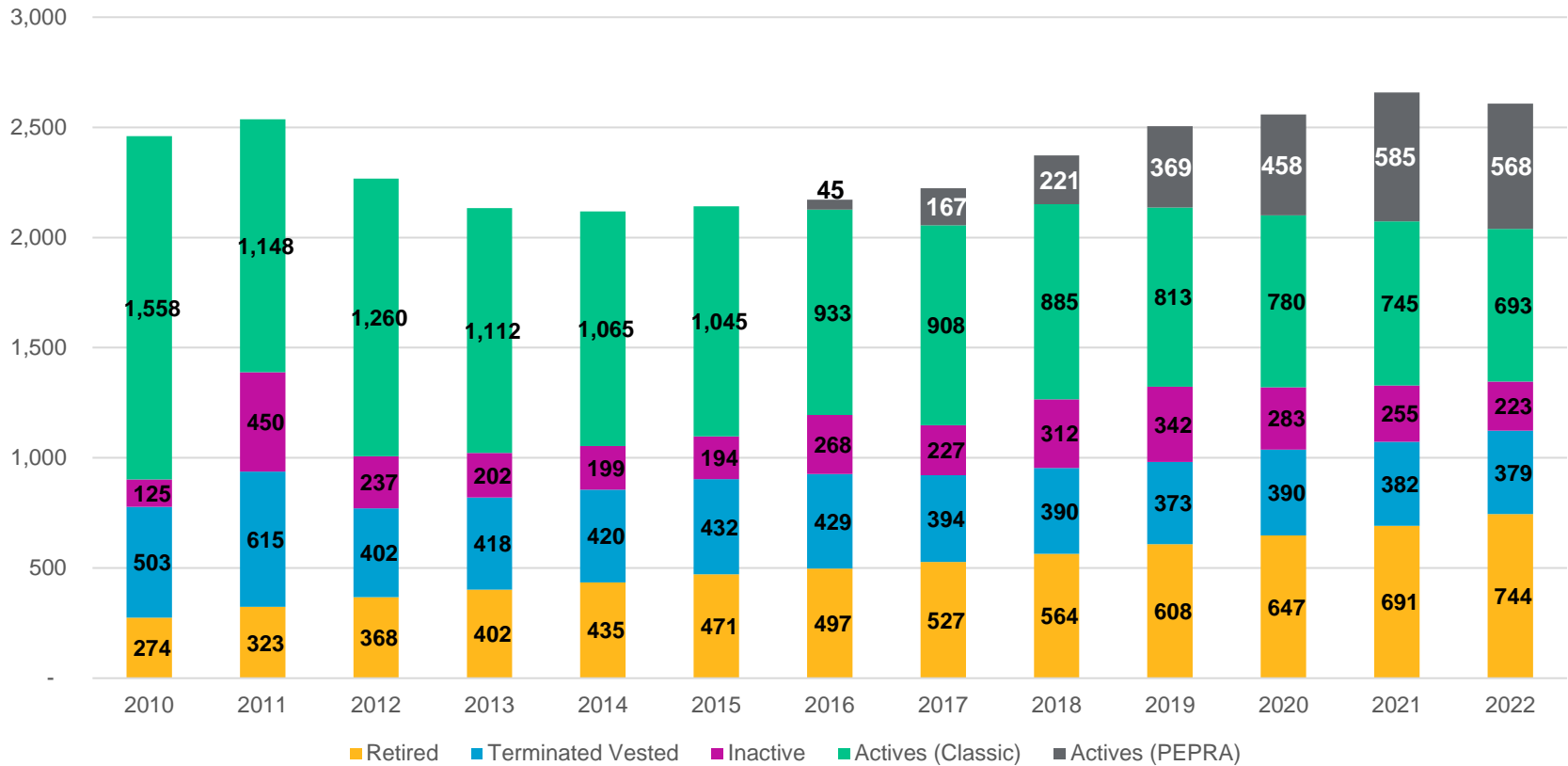
<sup>1</sup> Estimate assuming PEPRA covered payroll of \$55.7M in 2022 and \$60.9M in 2023



# Section 6

## Participant Statistics and Certification

# PEPRA Plan Membership Growth



<b>Total Actives:</b>	<b>1,558</b>	<b>1,148</b>	<b>1,260</b>	<b>1,112</b>	<b>1,065</b>	<b>1,045</b>	<b>978</b>	<b>1,075</b>	<b>1,106</b>	<b>1,182</b>	<b>1,238</b>	<b>1,330</b>	<b>1,261</b>
<b>% PEPRA:</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>5%</b>	<b>16%</b>	<b>20%</b>	<b>31%</b>	<b>37%</b>	<b>44%</b>	<b>45%</b>
<b>Annual Payment to Retirees:</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$7.4M</b>	<b>\$8.1M</b>	<b>\$8.9M</b>	<b>\$10.1M</b>	<b>\$11.2M</b>	<b>\$12.5M</b>	<b>\$14.1M</b>	<b>\$16.2M</b>	<b>TBD</b>

- Beginning 2016 reduced eligibility for participation from 3 to 0 years.

# Actuarial Cost Methods

- **Present Value of Future Benefits (PVFB)**
  - The amount of liabilities earned to date and for future service for all *current* plan participants.
  - It is the same for all actuarial cost methods.
- **Actuarial Accrued Liability (AAL)**
  - The liability earned to date due to past service.
- **Normal Cost (NC)**
  - The portion of future service liability earned the coming year. Usually presented with interest to end of the year.
- An **Actuarial Cost Method** splits the PVFB between past and future liability. It defines what the actuarial accrued liability and normal cost is to be.
- **SVMH** uses different actuarial cost methods for funding and accounting. However, the PVFB is the same for both SVMH's funding and accounting because the *actuarial assumptions* are the same for both.

# Certification

The preliminary results provided in this presentation have been prepared solely for the benefit of Salinas Valley Memorial Healthcare District and are based on the data, assumptions, methods, models, and plan provisions outlined in the actuarial valuation reports to determine accounting requirements (and funding for qualified) for the plans for the plan year beginning January 1, 2022 to be delivered in the next few weeks. Therefore, such information, and the reliance and limitations of the valuation reports and their use, should be considered part of this presentation. This presentation should not be used for other purposes and we accept no responsibility for any such use. It should not be relied upon by any other person without WTW's prior written consent. More detailed valuations results, summaries of actuarial methods and assumptions, summaries of plan provisions, and descriptions of data sources used in developing these results are included in the valuation report.

The results shown in this presentation have been developed based on actuarial assumptions that, to the extent evaluated or selected by WTW, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this presentation could have been developed by selecting different reasonable assumptions.

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to pension plans. Our objectivity is not impaired by any relationship between Salinas Valley Memorial Healthcare District and our employer, WTW.

Eric Grant, FSA, EA  
Senior Director, Retirement

Si Man Lei  
Director, Retirement

***TRANSFORMATION, STRATEGIC PLANNING  
AND GOVERNANCE COMMITTEE***

*Minutes from the July 27, 2022 meeting  
of the Transformation, Strategic Planning,  
and Governance Committee will be  
distributed at the Board Meeting*

***(JOEL HERNANDEZ LAGUNA)***

Medical Executive Committee Summary – July 14, 2022

**Items for Board Approval:**

**Credentials Committee**

**Initial Appointments:**

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Archibald-Seiffer, Noah, MD	Anesthesiology	Anesthesiology	Anesthesiology
Griggs, Ryan, DO	Urology	Surgery	Urology
Hu, Steven, MD	Gastroenterology	Medicine	Gastroenterology
Hunt, Madison, MD	Emergency Medicine	Emergency Medicine	Emergency Medicine
Meigher, Stephen, MD	Emergency Medicine	Emergency Medicine	Emergency Medicine
Razzak, Anthony, MD	Gastroenterology	Medicine	Gastroenterology effective 08/01/22

**Reappointments:**

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Basse, Michael, MD	Interventional Radiology	Surgery	Diagnostic Imaging Cardiovascular Diagnostic Center at Ryan Ranch (CADI)
Glasscock, Greg, MD	Neonatology	Pediatrics	Neonatology
Guiroy, Bernadette, MD	General Surgery	Surgery	General Surgery
Larsen, Melissa, MD	Ob/Gyn	Ob/Gyn	Obstetrics and Gynecology
Lew, James, MD	Family Medicine	Family Medicine	Family Medicine Adult Pediatric and Well Newborn Category II Obstetrics
Mercado, Ma Cristina, MD	Pediatrics	Pediatrics	Pediatrics
Ramaiah, Purushotham, MD	Internal Medicine	Medicine	Adult Hospitalist
Roy, David, MD	Orthopedic and Hand Surgery	Surgery	Orthopedic Surgery Hand Surgery
Sohal, Ravinder, MD	Radiology	Surgery	Remote Radiology
Suh, Susie, MD	Rheumatology	Medicine	Rheumatology General Internal Medicine
Trost, Stephanie, MD	Pediatrics/ Internal Medicine	Pediatrics	Pediatrics Medicine - Active Community
Von Berg, March, MD	Anesthesiology	Surgery	Anesthesiology
Youngflesh, Kyle, DO	Palliative Medicine	Medicine	Palliative Medicine Adult Hospitalist

**Modification/Addition of Privileges:**

NAME	SPECIALTY	Privileges
Bajaj, Tarun, MD	General Surgery	Laparoscopic Sleeve Gastrectomy

**Staff Status Modifications:**

NAME	SPECIALTY	STATUS
Abadie, Brianna, MD	Remote Radiology	Resignation effective 07/31/22
Conly, Bethany, MD	Ob/Gyn	Return from Leave of Absence effective 07/04/22
Galloway, Michael, MD	Cardiology	Resignation effective 07/31/22
Gregorius, Stephen, MD	Orthopedic Surgery	Leave of Absence effective 07/01/22
Le, Minh, MD	Pulmonology	Advance to Active Status
Moulton, Kimberly, MD	Emergency Medicine	Advance to Active Status

Patton, Robert, MD	Internal Medicine	Emeritus Status effective 07/31/22
Youngflesh, Kyle, DO	Palliative Medicine	Advance to Active Status

**Temporary Privileges:**

NAME	SPECIALTY	DATES
Nguyen, Paul D, MD	General Surgery	7/13/2022 – 9/10/2022

**Other Items: (Attached)**

Replacing Age Parameters for all Specialties	The Committee recommended approval of the General Privileges Statement in lieu of age parameters.
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**Interdisciplinary Practice Committee**

**Initial Appointment:**

NAME	SPECIALTY	DEPARTMENT	SUPERVISING PHYSICIAN
Zuniga, Elizabeth, PA-C	Physician Assistant	Ob/Gyn	Gregory Kanter, MD

**Reappointment:**

NAME	SPECIALTY	DEPARTMENT	SUPERVISING PHYSICIAN
Mognoni, Stacy, PA-C	Physician Assistant	Emergency Medicine	Cristina Martinez, MD
Poandl, Alison, PA-C	Physician Assistant	Surgery	Tarun Bajaj, MD

**Staff Status Modifications:**

NAME	SPECIALTY	STATUS
Ecoro Nzang, Sara, NP	Nurse Practitioner	Resignation effective 06/28/22

**Other Items: (Attached)**

Standardized Procedure: Sepsis Management	Recommend approval of Sepsis Management nursing standardized procedure as presented.
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## **Informational Items:**

### **I. Committee Reports:**

- a. Quality and Safety Committee
- b. Medical Staff Excellence Committee:
  - 1. Approve extension of Vincent DeFilippi, MD as Chair through 09/30/22
  - 2. Approve extension of Shin Young Park, MD as member through 11/03/24

### **II. Other Reports:**

- a. Financial Update/Daily Dashboard Review – May 2022
- b. Executive Update
- c. Summary of Executive Operations Committee Meetings
- d. Summary of Medical Staff Department/Committee Meetings
- e. Medical Staff Treasury 07/07/2022
- f. Medical Staff Statistics
- g. HCAHPS Update 07/07/2022



**General Privileges Statement:**

Clinically privileged individuals who have been determined to meet criteria within their practice specialty are permitted to admit, evaluate, diagnose, treat, and provide consultation independent of patient age, and where applicable, provide surgical and therapeutic treatment within the scope of those clinical privileges and to perform other procedures that are extensions of those same techniques and skills. In the event of an emergency, any credentialed individual is permitted to do everything reasonably possible regardless of department, staff status or clinical privileges, to save the life of a patient or to save a patient from serious harm as is outlined in the Medical Staff Bylaws.

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

<b>Reference Number</b>	2796
<b>Effective Date</b>	Not Set
<b>Applies To</b>	Emergency Department
<b>Attachments/Forms</b>	

### I. POLICY

#### A. Function (s)

- This Standardized Procedure outlines circumstances for which the Emergency Department RN, prior to the patient being examined by a Physician, may:
  1. Insert an IV
  2. Order and obtain urine and blood specimens
  3. Order and obtain a chest x-ray
  4. Expedite medication administration

#### B. Circumstances

- Setting
  1. IV Insertion x2
    - a. Patients 18 years of age or older presenting to the ED that meet screening criteria for Systemic Inflammatory Response Syndrome prior to Physician evaluation IF: the ED Physician is not immediately available
  2. Specimens to obtain
    - a. Patients 18 years of age or older presenting to the ED that meet screening criteria for Systemic Inflammatory Response Syndrome prior to Physician evaluation IF: the ED Physician is not immediately available.
      - i. UA and Culture if indicated
      - ii. CBC, with Automated Diff
      - iii. Comprehensive Metabolic Panel
      - iv. Prothrombin Time
      - v. Partial Thromboplastin Time
      - vi. Lactate
      - vii. Human Chorionic Gonadotropin for females under 50 years
      - viii. Blood cultures X 2 and hold
      - ix. Procalcitonin

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

- x. POC I-stat as needed
  - 3. Chest X-ray
    - a. Patients 18 years of age or older presenting to the ED that meet screening criteria for Systemic Inflammatory Response Syndrome prior to Physician evaluation IF: the ED Physician is not immediately available.
    - b. For females (possible pregnancy) use abdominal shields when getting the chest x-rays.
  - 4. Medication Administration
    - a. Patients over the age of 18 presenting to the ED that meet screening criteria for Systemic Inflammatory Response Syndrome who do not have any of the following exclusion criteria:
      - i. Allergy to ondansetron, Acetaminophen
      - ii. Liver or Renal disease, GI bleeding or bleeding abnormality
    - b. Registered Nurses in the ED may administer the following medications:
      - i. Ondansetron 4mg ODT once
      - ii. Acetaminophen 650mg by mouth or per rectum if temperature is  $>38.3C$
- Supervision
  - 1. Registered Nurses who have successfully completed the following competencies are qualified to perform this standardized procedure for patients who meet the above criteria IF: the ED Physician is not immediately available.
    - a. Ordering IV Insertion using the Sepsis (ED RN) order set
    - b. Ordering specimens using the Sepsis (ED RN) order set
    - c. Ordering a chest x-ray using the Sepsis (ED RN) order set
    - d. Ordering medications using the Sepsis (ED RN) order set
- Patient Conditions
  - 1. Any patient 18 years or older, presenting to the Emergency Department that meet screening criteria for Systemic Inflammatory Response Syndrome who is not in extremis
  - 2. Emergency Department patients 18 years or older that meet the following criteria may receive acetaminophen:
  - 3. Have not received acetaminophen within the past four (4) hours prior to arrival in the Emergency Department, with exceptions discussed below.

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

4. Patients with no known contraindications to acetaminophen
5. Contraindications to acetaminophen administration include:
  - a. Patients with G6PD deficiency
  - b. Patients with severe liver impairment
6. Emergency Department patients who are 18 years and older that meet the following criteria may receive ondansetron:
  - a. Have not received ondansetron within the past four (4) hours prior to arrival in the Emergency Department, with exceptions discussed below.
  - b. Patients with no known contraindications to ondansetron.

### II. DEFINITIONS

- A. ED- Emergency Department
- B. RN- Registered Nurse
- C. SIRS- Systemic Inflammatory Response Syndrome

### III. PROTOCOL

- A. Database
  - Subjective
    1. Prioritization and Severity of Illness
      - a. Patients 18 years or older that meet SIRS criteria will be triaged (prioritized) according to accepted triage policy based on the severity of their condition and incorporating other medical conditions and/or additional features of their illness using the Emergency Severity Index (ESI) 5 level triage (See [TRIAGE ASSESSMENT](#))
      - b. History of present illness/injury/chief complaint
  - Objective
    1. Physical Examination: ED RN's assessment will consist of the following:
      - a. Vital signs, chief complaint, suspicion of infection, assessment for altered mental status
- B. Diagnosis
  - Meets SIRS criteria and suspicion of infection
- C. Plan

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

- Treatment
  1. Patient must have an accurate name-band in place before leaving the ED for diagnostic imaging (DI) department.
  2. The ED RN initiating this standardized procedure will select the Sepsis (ED RN) Order Set, using the name of the supervising ED physician. If a different provider is later assigned to the patient, the orders will be transferred to the provider assigned.
  3. Medications
    - a. Acetaminophen administration/dosing:
      - i. Acetaminophen 650mg PO or PR once if temperature is  $> 38.3C^{\circ}$
      - ii. Ondansetron 4mg ODT once
      - iii. **Note: if the patient appears unstable and/or a life threatening condition is identified: the ED RN will notify the ED physician IMMEDIATELY**
- Patient conditions requiring consultation/reportable conditions:
  1. **Immediately notify an Emergency Department physicians of the following:**
    - a. Changes in airway, breathing, circulation or altered level of consciousness.
    - b. Changes in triage acuity
- Education-Patient/Family
  1. Educate patient family on medications including side effects
  2. Explain procedure to patient of x-ray ordered, awaiting transport will take patient to Diagnostic Imaging at earliest opportunity.
  3. Explain specimens to be collected from patient.
  4. Instruct patient and family to remain NPO until ED physician discontinues NPO status.
  5. Instruct patient and family to notify nurse of any changes in the patient condition.
- Follow-up
  1. Reassessment and reevaluation of the patient's clinical status, vital signs and response to treatment in accordance with the Emergency Department Policy and Procedure on Assessment/Reassessment Policy (see [STANDARDS OF CARE- EMERGENCY DEPARTMENT](#) )
- Documentation of Patient Treatment

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

1. Document all patient procedures and care on the appropriate nursing clinical documents along with any patient responses from the interventions
2. The ED RN initiating the standardized procedure will document the following:
  - a. Enters “supervising ED physician” as ordering provider per policy.
  - b. Navigates to Emergency Department Nursing Order Sets.
  - c. Selects “Sepsis (ED RN)” order set.
  - d. Documentation of care in MAR/Patient Note as applicable
  - e. Document any interventions and outcomes in the electronic health care record.

### IV. REQUIREMENTS FOR THE REGISTERED NURSE

#### A. Education

- A registered nurse who has completed orientation has demonstrated clinical competency may perform the procedures listed in this protocol. Education will be given upon hire with a RN preceptor/designee.

#### B. Training

- Clinical Competency must be demonstrated and approved by supervising personnel or preceptor.

#### C. Experience

- Current California RN license and designated to work in ED

#### D. Evaluation

- Initial: at 3 months, 6 months, and 12 months by the nurse manager through feedback from colleagues, physicians, and chart review during performance period being evaluated. Competency will be verified and documented upon hire.
- Routine: annually after the first year by the nurse manager through feedback from colleagues, physicians and chart review.
- Follow up: areas requiring increased proficiency as determined by the initial or routine evaluation will be re-evaluated by the nurse manager at appropriate intervals until acceptable skill level is achieved, e.g. direct supervision.
- Ongoing evaluation of competency to perform this procedure will be evaluated by the department supervising personnel and/or designee through clinical performance.

## SEPSIS MANAGEMENT STANDARDIZED PROCEDURE

### V. **DEVELOPMENT AND APPROVAL OF THE STANDARDIZED PROCEDURE**

#### A. Method

- 

#### B. Review Schedule

- Every three years

#### C. Signatures of Authorized Personnel Approving the Standardized Procedure and Dates

- Approval of the standardized procedure is outlined in the electronic policy and procedure system.
- Nursing – Director of Emergency Services
- Medicine – Medical Director Emergency Department
- Administration – Chief Nursing Officer

### VI. **REGISTERED NURSES AUTHORIZED TO PERFORM PROCEDURE AND DATES**

- All Registered Nurses who have completed orientation and education regarding this standardized procedure.
- The list of qualified individuals who may perform this standardized procedure is available in the department and available upon request.

### VII. **REFERENCES**

- Board of Registered Nursing, Title 16, California Code of Regulations (CCR) Section 1474; Medical Board of California, Title 16 CCR, Section 1379. Fosnocht DE, Swantson ER.

**RESOLUTION NO. 2022-11  
OF THE BOARD OF DIRECTORS OF  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A  
STATE OF EMERGENCY BY GOVERNOR'S STATE OF EMERGENCY DECLARATION  
ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS  
FOR THE PERIOD JULY 31, 2022 THROUGH AUGUST 30, 2022**

WHEREAS, Salinas Valley Memorial Healthcare System ("District") is a public entity and local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code;

WHEREAS, the District Board of Directors is committed to preserving and nurturing public access and participation in its meetings;

WHEREAS, all meetings of the District's governing body are open and public, as required by The Ralph M. Brown Act, so that members of the public may attend, participate, and observe the District's public meetings;

WHEREAS, The Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions;

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558;

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the boundaries of the District, caused by natural, technological, or human-caused disasters;

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees;

WHEREAS, the District Board of Directors has reconsidered the state of emergency circumstances, and find that the state of emergency continues to impact the ability of the members to meet safely in person pursuant to Government Code Section 54953(e)(3) due to increasing COVID-19 case numbers and hospitalizations;

WHEREAS, as a consequence of the local emergency, the District Board of Directors may conduct meetings without compliance with Government Code Section 54953(b)(3), as authorized by Section 54953(e), and that the District shall comply with the requirements to provide the public with access to the meetings pursuant to Section 54953(e)(2);

WHEREAS, meetings of the District Board of Directors will be available to the public via a link listed on the agenda;



NOW THEREFORE IT IS HEREBY ORDERED AND DIRECTED THAT:

1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
2. Proclamation of Local Emergency. The District hereby proclaims that a local emergency continues to exist throughout Monterey County, and as of September 22, 2021, the Monterey County Health Department continues to recommend that physical and social distancing strategies be practiced in Monterey County, which includes remote meetings of legislative bodies, to the extent possible.
3. Ratification of Governor's Proclamation of a State of Emergency. The District hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.
4. Remote Teleconference Meetings. The District Board of Directors is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of The Brown Act.
5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) August 30, 2022, or (ii) such time the District adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the District may continue to meet via teleconference meeting all the requirements of Section (3)(b).

This Resolution was adopted at a duly noticed Regular Meeting of the Board of Directors of the District on July 28, 2022, by the following vote.

AYES:

NOES:

ABSTENTIONS:

ABSENT:

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Board Member  
Salinas Valley Memorial Healthcare System

*CONSIDER APPROVAL OF INVESTMENT IN  
MUCH BETTER, INC. dba MOOD HEALTH  
FOR AN OWNERSHIP INTEREST*

*(VERBAL)*

*(GARY RAY)*

*EXTENDED CLOSED SESSION*  
*(if necessary)*

*(VICTOR REY, JR.)*

*ADJOURNMENT – THE NEXT  
REGULAR MEETING OF THE  
BOARD OF DIRECTORS IS  
SCHEDULED FOR THURSDAY,  
AUGUST 25, 2022, AT 4:00 P.M.*