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**RECEIVED**

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HEALTH FACILITIES &  
SERVICES REVIEW BOARD

July 19, 2012

## VIA FEDERAL EXPRESS

Juan Morado, Jr.  
Assistant General Counsel  
Health Facilities and Services Review Board  
122 South Michigan Avenue  
7<sup>th</sup> Floor  
Chicago, Illinois 60603

Re: Certificate of Exemption Application, Mercer County Hospital, Project E-003-12  
Certificate of Exemption Application, Mercer County Nursing Home, Project E-004-12  
Certificate of Need Application, Mercer County Hospital, Project 12-044

Dear Mr. Morado:

In follow up on discussion on July 17, 2012, I am providing the materials and information that you have requested regarding the management relationship between Genesis Health System ("GHS") and Mercer County Hospital (the "Hospital"), and GHS and Mercer County Nursing Home ("Nursing Home"). It is our understanding that these documents, together with what you have already received as part of the Certificate of Exemption ("COE") applications and our follow up correspondence to date, constitute all of the agreements between GHS and the Hospital, and GHS and the Nursing Home, with respect to their management relationships.

We appreciate your continued due diligence in reviewing and processing these applications. As you know, the delays in this change of ownership transaction have had (and will continue to have) a significant financial impact on Mercer County, as it must continue to fund pension obligations in an amount of \$100,000 per month through taxpayer dollars until closing.

In response to your request, attached please find the following:

### Nursing Home

1. Management Services Agreement between GHS and Mercer County d/b/a Mercer County Nursing Home, dated August 2, 2011 ("Nursing Home MSA").

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2. Extension of Management Services Agreement between GHS and Mercer County d/b/a Mercer County Nursing Home, dated February 7, 2012 ("Extension").

This arrangement is fairly limited in scope. The parties entered into the Nursing Home MSA because the Nursing Home's administrator resigned and the County wanted GHS to provide administrative services on a short-term basis while the County searched for a new administrator. The potential change of ownership transaction delayed this search, and thus the parties entered into the Extension (a second extension is being finalized in hopes of covering the period until the change of ownership transaction can occur).

While GHS assists in certain administrative functions, it in no way has gained control over the Nursing Home. In fact, Section 2.1 of the Nursing Home MSA provides that "The [Mercer County] Board will retain all authority placed in it by law and its bylaws for the management and administration of [the Nursing Home], as may be amended from time to time, and will retain such other authority not specifically delegated to Genesis pursuant to the terms of this Agreement." Please note that delegated matters are limited and do not cede authority or control from Mercer County to Genesis. Such management agreements are not uncommon in the industry and have never been construed as triggering a change of control.

#### Hospital

1. Management Services Agreement between GHS and Hospital, dated March 18, 2009 ("Hospital MSA")
2. Amendment to Hospital MSA, dated March 12, 2010 ("Amendment")
3. Addenda 1 through 7 to Hospital MSA ("Addenda")

The parties entered into the Hospital MSA because the Hospital wanted to retain the services of a manager to provide day-to-day oversight of its operations under the control and direction of the Mercer County Board. The Hospital MSA was amended in March, 2010 to extend the term of the Hospital MSA and to provide for certain additional services, specifically information technology and physician office management. The parties entered into additional Addenda to clarify services provided under the Hospital MSA. (Please note that, due to the date of execution, Addendum 7 is intended as an addendum to the Affiliation Agreement, addressed in number 5 below.)

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Section 1 of the Hospital MSA states, "Any powers not specifically delegated or granted by the Board of Directors of [the Hospital] to [GHS] will remain with the Board." Section 2.1 of the Hospital MSA further provides, "The Board [of Directors of the Hospital] will retain all authority placed in it by law and its bylaws for the management and administration of [the Hospital], as may be amended from time to time, and will retain such other authority not specifically delegated to [GHS] pursuant to the terms of this Agreement." As with the Nursing Home, while GHS assists in certain operational functions of the Hospital, it in no way has gained control over the Hospital. Such management agreements, whether limited to a particular department or addressing particular facility-wide operational matters, are not uncommon in the industry and have never been construed as triggering a change of control.

4. Memorandum of Understanding between GHS, Mercer County, Illinois and the Hospital, dated October 7, 2010 ("Memorandum")

The parties entered into the Memorandum to confirm their understanding of the terms and conditions of potential Affiliation and Option Agreements. With the exception of Article IV, which addresses the interim conduct of the parties, the Memorandum sets forth a non-binding summary of the parties' understanding of the potential Affiliation and Option Agreements. It in no way establishes a change of control or ownership.

5. Affiliation Agreement between GHS, Mercer County, Illinois and the Hospital, dated November 2010 ("Affiliation Agreement")

The Affiliation Agreement supersedes and replaces the Hospital MSA and outlines the terms and conditions of a formal affiliation between the parties. Despite its name, it is simply a reiteration of the management relationship. Section 2.1 of the Affiliation Agreement provides, "[GHS] agrees to manage the operations of [the Hospital] subject to the authority of the [Hospital] Board and the Mercer County Board." As described above, GHS does not assume control from Mercer County through this contract.

6. Sleep Disorders Center Agreement between Hospital and Genesis Health System d/b/a Genesis Medical Center, Davenport, dated August 4, 2010 ("Sleep Disorders Agreement")

While perhaps beyond the scope of your request, in the interest of being thorough, we have included this contract as well. The parties entered into the Sleep Disorders Agreement because the Hospital wished to engage GHS in the operation and management of a satellite sleep center. Section 1 of the Sleep Disorders Agreement provides, "Notwithstanding the foregoing or any authorization granted by [the Hospital] to [GHS] under this Agreement, [the Hospital] shall at all

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times exercise ultimate control over the operations of the Center and shall retain ultimate authority and responsibility regarding powers and duties vested in [the Hospital] by law and regulations." Again, this is a fairly typical management arrangement, but not one ceding control.

Please do not hesitate to contact me at (312) 977-4134, or my colleague Sam Vinson at (312) 977-4388, to discuss any further questions or concerns that you may have or if you need any additional information. Again, we appreciate the HFSRB's consideration in moving these applications forward expeditiously in order to allow the parties to proceed with a plan to bring financial stability to these two important rural health care providers, to provide the necessary capital to fund long-overdue and important facility upgrades and, to relieve overburdened Mercer County tax payers of the ongoing burden of funding the pension obligations for the Hospital and Nursing Home.

Sincerely,



Lynn Gordon

cc: Frank Urso, General Counsel, Health Facilities and Services Review Board  
Ted Rogalski, Administrator, Mercer County Hospital  
Judy Mondello, Vice President, Legal Affairs, Genesis Health System  
Sam Vinson

Enclosures

**MANAGEMENT SERVICES AGREEMENT**

THIS MANAGEMENT SERVICES AGREEMENT (the "Agreement") is made as of the 18 day of March 2009 (the "Effective Date"), GENESIS HEALTH SYSTEM, an Iowa nonprofit corporation ("Genesis") and MERCER COUNTY HOSPITAL, an Illinois ~~not-for-profit~~ ("MCH") (each a "Party" and collectively the "Parties").

**WITNESSETH:**

**WHEREAS**, MCH operates a county hospital in Aledo, Illinois and wishes to retain the services of a manager to provide for the day-to-day oversight of its operations; and

**WHEREAS**, Genesis' mission is to provide cost effective, quality, compassionate care to all those in need in the eastern Iowa and western Illinois region; and

**WHEREAS**, MCH desires to contract with Genesis for Genesis to provide certain management services, and Genesis is willing and able to provide such services, subject to the terms and conditions set forth herein.

**NOW, THEREFORE**, in consideration of the terms and conditions set forth herein, the Parties hereto agree as follows:

1. **Engagement of Services.** MCH hereby engages Genesis to provide management services of the day-to-day operations of MCH. Genesis will have the authority and responsibility to conduct, supervise and manage the day-to-day operations of MCH. Any powers not specifically delegated or granted by the Board of Directors of MCH (the "**Board**") to Genesis will remain with the Board. In the absence of oral or written direction or written policies of the Board, Genesis will exercise the reasonable judgment of hospital management. Genesis will specifically have responsibility and authority, subject to the limitations set forth herein, to engage in the following activities:

1.1 **On-Site Administrator.** Genesis will provide one of its employed administrative executives (the "**Administrator**") who will be available to provide the following on-site services:

- (a) General executive oversight of the day-to-day operations of MCH;
- (b) Attendance at regularly-scheduled meetings of the Board, and from time to time, meetings of the medical staff and other major policy or strategy sessions; and
- (c) Such other activities as are typically performed by the Chief Executive Officer of a Hospital.

The Administrator will be available to be on-site during the week, and will also be available for general, periodic consultation by telephone or email, as needed. MCH acknowledges that the Administrator will continue to have the obligation to perform certain duties on behalf of Genesis while providing services hereunder.

1.2 **Assistance With Special Projects.**

- (a) **Administrator Recruitment.** Genesis agrees to provide consultation and assistance as requested by the Board in recruiting a permanent CEO/Administrator for MCH. As soon as practical after the Effective Date, the Parties will evaluate the executive search process. If the Parties mutually determine that an executive recruiting firm is required for the executive search, the Parties will mutually agree upon an executive recruiting firm to conduct the search. The cost of an executive recruiting firm will be borne by MCH.

During the First 90-days of this Agreement, Genesis will provide the following service to assist MCH in the evaluation and identification of additional services to accomplish MCH's long-term objectives:

- (b) **Feasibility/Profitability Study.** Genesis will engage, on behalf of MCH, a mutually agreed upon consultant to evaluate MCH's business operations. The consultant will develop a "Plan to Profitability" to improve MCH's financial performance and provide for the sustainability of services provided to the Mercer County community. One-half of the cost of the consultant's fee and expenses will be paid by Genesis. The remaining cost will be paid by MCH.

1.3 **Other Services.** Based on the analysis completed pursuant to Section 1.2 (b) above, the Parties will evaluate the extent to which other services may be provided by Genesis. The scope and fees for any services will be mutually agreed upon by the Parties. The parties anticipate that these services may include one or more of the following:

- (i) Physician Office Management;
- (ii) Business Office Support;
- (iii) Information Technology Support; and
- (iv) Construction/Renovation Project Management.

1.4 **Standards of Performance.** Genesis will exercise due professional care in performing the services contemplated by this Agreement. However, the Board acknowledges and agrees that Genesis does not guarantee any particular results. MCH must provide Genesis with written notice of any deficiencies in performance within thirty (30) days of performance of the applicable services. Genesis will review such notice, and re-perform the applicable services to the extent necessary and appropriate.

2. **Retention of Authority and Responsibility.**

2.1 **The MCH Board of Directors.** The Board will retain all authority placed in it by law and its bylaws for the management and administration of MCH, as may be amended from time to time, and will retain such other authority not specifically delegated to Genesis pursuant to the terms of this Agreement. Genesis will be entitled to rely upon the authority of the Board any anyone designated by the Board to act on its behalf. MCH will provide Genesis with copies of any and all policies, rules or other governing materials to the extent that MCH expects those policies to limit Genesis' authority hereunder. Whenever any action by Genesis will be subject to the approval of the Board, Genesis will be entitled to receive a decision of the Board within sixty (60) days after notification of the proposed action has been delivered in writing to the Board.

MCH represents and warrants that this Agreement and all other agreements, documents and instruments executed by MCH pursuant to this Agreement are and will be the valid and binding obligations of MCH, enforceable in accordance with their terms, and the execution, delivery and performance of this Agreement.

2.2 **Medical and Professional Matters.** MCH represents and warrants that the medical staff is and will remain organized and function in accordance with its bylaws and the laws and regulations of the State of Illinois. Genesis will be permitted to consult with members of the medical staff as Genesis from time to time deems appropriate in the performance of the services contemplated hereunder. All matters requiring professional medical judgments will remain the responsibility of the medical staff and, as appropriate, the Board.

2.3 **Facilities, Support Staff and Supplies.** MCH will provide all facilities, support staff, supplies and other items necessary or desirable to allow Genesis to effectively perform the services contemplated by this Agreement.

### 3. **Term and Termination.**

3.1 **Term.** The term of this Agreement will commence as of the Effective Date set forth above, and will continue in effect for a period of one (1) year thereafter.

3.2 **Termination.** Notwithstanding the foregoing, either Party may terminate this agreement without cause upon ninety (90) days advance written notice to the other Party. In addition, the Agreement may be terminated for cause as follows:

- (a) MCH may terminate this Agreement at any time upon Genesis's failure to perform or breach of any of the material terms of this Agreement, and Genesis's failure to cure such failure to perform or breach within thirty (30) days of its receipt of written notice from MCH detailing the nature of such breach or failure.
- (b) Genesis may terminate this Agreement at any time upon MCH's failure to perform or breach of any of the terms of this Agreement, and Genesis's failure to cure such failure to perform or breach within thirty (30) days of its receipt of written notice from Genesis detailing the nature of such breach or failure.

3.3 **Effect of Termination.** Upon termination or expiration of this Agreement, neither Party will have any further obligations to the other Party except for those obligations arising prior to the date of termination and those obligations contained herein which by their terms are expressly intended to survive such termination or expiration.

4. **Non-Solicitation.** During the term of this Agreement and for one (1) year thereafter, MCH will not, directly or indirectly, solicit or hire for employment or any other business relationship any employee of Genesis who performed services at or on behalf of MCH pursuant to this Agreement without the consent of Genesis. MCH agrees that, in the event MCH breaches this provision and hires a Genesis employee, Genesis will be entitled to damages equal to four (4) times the total annual compensation of the employee hired. The Parties agree that the amount set forth above constitutes liquidated damages intended to compensate Genesis for the harm incurred and does not constitute a penalty.

5. **Compensation.**

5.1 **Flat Fee for Management Services.** MCH will compensate Genesis for the management services provided hereunder at a monthly rate of Twenty Thousand and No/100 (\$20,000.00) Dollars, with the first installment due on the Effective Date, and with each subsequent installment due on the same date of the applicable month.

5.2 **Fees for Other Services.** To the extent that the Parties agree that additional services are to be provided by Genesis pursuant to Paragraph 1.3, the Parties will mutually agree upon the fees for the services requested. The compensation for any additional services will be set forth in an addendum to this Agreement.

5.2 **Reimbursement for Other Expenses.** MCH will reimburse Genesis for any out-of-pocket expenses incurred by Genesis related to the performance of services pursuant to this Agreement, provided however, that such expenses will be approved in advance by MCH. MCH specifically agrees to reimburse Genesis for the expenses contemplated in Section 1.2 above.

6. **Independent Contractor Status.** The Parties understand and agree that Genesis is engaged strictly as an independent contractor and nothing in this Agreement is intended to or will be construed to create an employer-employee relationship or to allow MCH to exercise control or direction over the manner or method in which Genesis provides the Services. Genesis understands and agrees that MCH will not withhold from compensation payable to Genesis under this Agreement any sum for income tax, unemployment insurance, social security or other withholdings pursuant to law, and Genesis is required by this Agreement to withhold and pay these amounts.

7. **Confidentiality.** Neither Party will disclose Confidential Information (as defined herein) of the other Party. For purposes of this Agreement, Confidential Information will mean any information identified by either Party as "confidential" or "proprietary" or which, under all of the circumstances, ought reasonably to be treated as confidential and/or proprietary, including the terms of this Agreement. The receiving Party will use the same degree of care as it uses to protect its own confidential information of like nature, but no less than a reasonable

degree of care, to maintain in confidence the Confidential Information of the disclosing Party. The foregoing obligations will not apply to any information that (i) is at the time of disclosure or thereafter becomes, part of the public domain through a source other than the receiving Party, (ii) is subsequently learned from a third Party that does not impose an obligation of confidentiality on the receiving Party, (iii) was known to the receiving Party at the time of disclosure, (iv) is generated independently by the receiving Party, or (v) is required to be disclosed by law, subpoena or other process. Notwithstanding the foregoing, the Parties will use due care to ensure that the sharing of information between the Parties is done in a manner that does not violate Antitrust laws.

8. **Records.** All business records, information, software and systems of the Genesis relating to the provision of its services under this Agreement will remain the property of the Genesis, and may be removed by Genesis upon any termination of this Agreement. All other records will remain the property of MCH.

9. **Insurance and Indemnification.**

9.1 **Insurance.** MCH will acquire and maintain, at its expense, comprehensive general and professional liability insurance coverage for the services provided hereunder with limits of not less than Two Million (\$2,000,000) Dollars per claim, and Six Million (\$6,000,000) Dollars aggregate coverage per year. Such insurance will list Genesis Health System and all employees of Genesis as additional insureds thereunder. Such coverage will be provided on an occurrence basis. MCH will provide a copy of the policy and certificate of insurance within ten (10) days after the Effective Date. Said insurance policy will provide for at least fifteen (15) days notice to Genesis in the event of cancellation, modification or non-renewal. It is the intention of the Parties that the insurance coverage provided by MCH hereunder will protect MCH, Genesis and Genesis' officers, directors, employees and agents performing services hereunder, and will be primary insurance for both Parties for any and all losses covered thereby.

9.2 **Indemnification.** MCH agrees to indemnify, hold harmless and defend Genesis from and against any and all claims, costs, and damages of any kind whatsoever (including attorney fees) for damage to property, injury or death of any person directly or indirectly arising from or alleged to arise from or in any way connected with the ownership or operation of MCH or the performance by the Board and MCH of their obligations under this Agreement, unless such claim or damage is caused by the willful or reckless acts or omissions of Genesis.

10. **Miscellaneous Provisions.**

10.1 **Notices.** All notices required or permitted hereunder, will be in writing and will be served on the Parties at the following addresses:

If to Genesis:                   Genesis Health System  
  1227 E. Rusholme Street  
  Davenport, IA 52803

Attn: President and Chief Executive Officer

With a copy to: Genesis Health System  
1227 E. Rusholme Street  
Davenport, Iowa 52803  
Fax: (563) 421-6500  
Attn: Vice President, Legal Affairs/General  
Counsel

If to MCH: Mercer County Hospital  
409 NW Ninth Avenue  
Alledo, IL 61231  
309-582-3701 Fax: 309-582-3737

Notices will be either (i) personally delivered to the addresses set forth above or sent by facsimile transmission to the numbers set forth above, in which case they will be deemed delivered on the date of delivery to said address or facsimile number or (ii) sent by registered or certified mail, return receipt requested, in which case they will be deemed delivered three (3) business days after deposit in the U.S. mail, or (iii) sent by Federal Express or other overnight mail, in which case they will be deemed delivered the following business day.

10.2 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties and supersedes any and all previous agreements between the Parties, either oral or written. This Agreement may only be amended by a writing executed by the Party against whom enforcement of the amendment is sought.

10.3 **Assignability.** This Agreement is not assignable by either Party without the written consent of all Parties to this Agreement.

10.4 **Waiver.** No action or forbearance on the part of either Party will constitute a waiver of any of the covenants or conditions set forth herein unless given in writing, and no such waiver will constitute a waiver of future strict compliance with the same or any other covenant or condition of this Agreement.

10.5 **Record Retention.** Section 952 of the Omnibus Reconciliation Act of 1980 (P.L.96-499) provides for access to the books and records of sub-contractors of Medicare providers by the Secretary of Health and Human Services and the Comptroller General. Section 952 prohibits payments under Medicare for services furnished for Provider by any of its sub-contractors, where the cost or value of the contract over twelve (12) months is \$10,000 or more, unless such contract contains a provision for allowing the Secretary and Comptroller General access to the contracts, books, documents and records of the sub-contractors that are necessary to verify the cost of the services under the contract for the period of four (4) years after the provision of such services. Genesis agrees to provide such access when appropriate.

10.6 **Severability.** If any of the covenants or conditions of this Agreement are found invalid or unenforceable by a court of competent jurisdiction, the remaining covenants and conditions of this Agreement will remain fully enforceable in accordance with their terms.

10.7 **Supervening Laws.** The Parties recognize that this Agreement at all times is to be subject to applicable state, local and federal law. The Parties further recognize that this Agreement will be subject to amendment in such laws and regulations and to new legislation. Any provisions of the law that invalidate, or otherwise are inconsistent with, the terms of this Agreement or the intentions of the Parties as stated herein, or that would cause one or more of the Parties to be in violation of law, will be deemed to have superseded the terms of this Agreement; provided, however, that the Parties will exercise their best efforts to accommodate the terms and intent of this Agreement to the greatest extent possible consistent with the requirements of law.

The Parties hereby expressly agree that it is not the intention of any Party to violate any public policy, statutory or common laws, that if any sentence, paragraph, clause or combination of the same is in violation of any state or federal law, such sentence, paragraph, clause or combination of the same will be inoperative and the remainder of this Agreement will be binding upon the Parties hereto. It is the intention of the Parties to make this Agreement binding only to the extent that it may be lawfully done under existing state and federal laws.

10.8 **No Third Party Rights.** Nothing in this Agreement will be construed as creating or giving rise to any rights in any third Parties or any persons other than the Parties hereto.

10.9 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute one instrument.

10.10 **No Requirement to Refer.** It is not a purpose of this Agreement to induce the referral of patients. The Parties acknowledge that there is no requirement under this Agreement or any other agreement between Genesis and MCH related to the referral of health care business. Additionally, no payment under this Agreement is in return for the referral of patients, if any, or in return for the purchasing, leasing, or ordering of any products or services from Genesis or any entity affiliated with Genesis.

10.11 **Governing Law.** This Agreement will be governed and controlled by the State of Illinois.

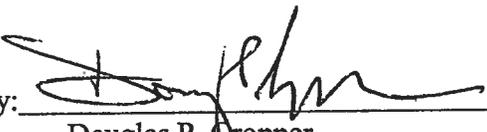
10.12 **Release of Information.** No public release of any information (including press releases) describing the Agreement will be made unless both Genesis and MCH agree upon the content thereof. Genesis and MCH will designate specific personnel to respond to any questions arising as a result of such releases.

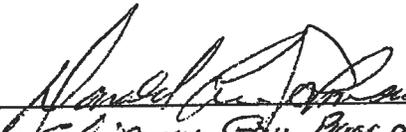
10.13 **Federal Health Program Participation.** Each Party represents and warrants that it has not been debarred or excluded from providing health care and related services to any federal health care program. Further, each Party represents and warrants that, to the best of its knowledge, none of its officers, directors, employees or agents who may provide services or otherwise act with regard to this Agreement have been so debarred or excluded.

IN WITNESS WHEREOF, the Parties have entered into this Agreement on the date and year first above written.

**GENESIS HEALTH SYSTEM**

**MERCER COUNTY HOSPITAL**

By:   
\_\_\_\_\_  
Douglas P. Cropper  
Its: President and CEO

By:   
\_\_\_\_\_  
Chairman of the Board  
Its: \_\_\_\_\_

**AMENDMENT TO  
MANAGEMENT SERVICES AGREEMENT**

**THIS AMENDMENT TO MANAGEMENT SERVICES AGREEMENT** (this "Amendment") is made and entered into this 12 day of March 2010 by and between **GENESIS HEALTH SYSTEM ("Genesis")** and **MERCER COUNTY HOSPITAL ("MCH")** (each a "Party" and collectively the "Parties").

**WITNESSETH:**

**WHEREAS**, MCH and Genesis entered into an agreement dated the 18<sup>th</sup> day of March, 2009 (the "Agreement") pursuant to which Genesis agreed to provide certain management and related services for MCH including the provision of an onsite administrator for MCH; and

**WHEREAS**, pursuant to Section 1.2 (c) of the Agreement, Genesis proposed to further provide MCH information technology services and practice management support services pursuant to terms agreed upon by Genesis and MCH;

**WHEREAS**, the term of the Agreement is scheduled to terminate on March 18, 2010; and

**WHEREAS**, MCH and Genesis have been in discussions regarding the continuation of the relationship between MCH and Genesis which would include, among other things, the continued provision of certain management and support services by Genesis to MCH; and

**WHEREAS**, the Parties do not anticipate that they will conclude their discussions regarding a more extensive relationship prior to the termination date of this Agreement and wish to provide for a confirmation of services being provided and continuation of the Agreement beyond its current termination date as they continue to exclusively negotiate a further affiliation.

**NOW THEREFORE**, it is hereby agreed by Genesis and MCH as follows:

1. **Extension of Term.** The Parties agree that the current term of the Agreement shall be extended by deleting existing Section 3.1 of the Agreement and replacing it with the following:

*"Section 3.1. Term. The term of this Agreement will commence March 18, 2009 and continue through March 31, 2011 unless earlier terminated as provided in Section 3.2 below (which provides among other things, the right of either Party to terminate the Agreement without cause upon ninety (90) days of advance written notice to the other Party)."*

2. **Additional Services.** The Parties agree that the services identified on Addenda 1 and 2 attached hereto will be provided by Genesis in the manner described therein through the term of the Agreement as extended by this Amendment.

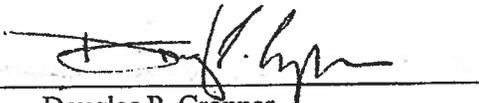
3. **Exclusivity.** The Parties agree to continue in good faith their discussions regarding a more formal affiliation relationship. During the term of this Agreement as amended by this Amendment, MCH agrees that it will not enter into any negotiations or discussion with any other party for the development of a relationship which is inconsistent with the terms of the Agreement, as amended, or the scope of any affiliation relationship under consideration between the Parties.

4. **Other Terms.** The Parties agree that all other respects, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have entered into this Extension and Amendment on the date and year first above written.

**GENESIS HEALTH SYSTEM**

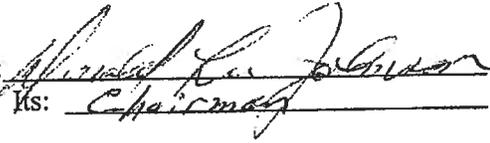
By: \_\_\_\_\_



Douglas P. Cropper  
Its: President and CEO

**MERCER COUNTY HOSPITAL**

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



Its: \_\_\_\_\_

**ADDENDUM 1**  
**Information Technology Management**

This Addendum sets forth additional services to be provided by Genesis pursuant to Section 1.2(c) of the Management Services Agreement between Genesis and MCH dated March 18, 2009, as from time to time amended (the "Agreement").

1. **Services Provided by Genesis.** Genesis will provide Information Technology management, operations, training and support ("IT") for MCH on a scheduled and as-needed basis. These services consist of the following:

Application Management	Network Management
IT Strategic Planning	IT Project Management
Telecom Management	System Administration
Application Support	Network Support
IT Training Program	IT Minor Equipment
Help Desk Support	On-Call Support
Data Center Operations	HIPAA Security

2. **IT Management Fee.** The IT Management Fee shall be One Hundred Thousand and No/100 (100,000.00) Dollars, payable in installments of Eight Thousand Three Hundred Thirty-Three and 33/100 (\$8,333.33) Dollars per month, prorated for partial months. The first installment shall be due on the effective date of this Addendum, and subsequent installment shall be on the same day as the fee payable to Genesis under the Agreement.

3. **Obligations of MCH.** The obligations of MCH include the following, at MCH's expense:

- (a) Payment of the IT Management Fee as contemplated in paragraph 2 above.
- (b) Provision of on-site IT staffing as from time to time recommended by Genesis.
- (c) Provision of all equipment, hardware, software and supplies related to information technology at MCH.

4. **Effective Date.** This Addendum shall be effective as of April 1, 2010.

5. **Construction.** Capitalized terms not defined herein shall have the meaning set forth in the Agreement.

**ADDENDUM 2**  
**Physician Office Management**

This Addendum sets forth additional services to be provided by Genesis pursuant to Section 1.2(c) of the Management Services Agreement between Genesis and MCH dated March 18, 2009, as from time to time amended (the "Agreement").

1. **Services Provided by Genesis.** Genesis will provide physician office management to MCH's Medical Associates (the "Practice"), as follows:

(a) **General Management Services.** Genesis, through its Genesis Health Group division, will provide general administrative oversight services to the Practice, and will provide recommendations to MCH to enhance the efficiency of the Practice. As appropriate, Genesis will provide recommendations regarding:

1. Staffing Needs
2. Process Improvement
3. Specialized Certified Coders
4. Coding Guidelines
5. Ongoing Training and Education for Staff
6. Recruitment

Genesis will also assist MCH in implementing the following recommendations:

1. Reimbursement Maximization Plan
2. Marketing Plan
3. Reimbursement Verification Project
4. Patient Flow Assessment and LEAN Concepts
5. Physician Schedule Assessment
6. Strengthen Specialists Relationship
7. Perform Coding Audit

(b) **Billing and Collection Services.** Genesis will bill patients and third-party payors for the services rendered at the Practice, and will remit to MCH amounts collected.

2. **Practice Management Fee.** The Practice Management Fee shall be One Hundred Sixty Thousand and No/100 (\$160,000.00) Dollars, payable in installments of Thirteen Thousand Three Hundred Thirty-Three and 33/100 (13,333.33) Dollars per month, prorated for partial months. The first installment shall be due on the effective date of this Addendum, and subsequent installment shall be on the same day as the fee payable to Genesis under the Agreement.

3. **Obligations of MCH.** The obligations of MCH include the following, at MCH's expense:

- (a) Payment of the Practice Management Fee as contemplated in paragraph 2 above.
- (b) Provision of on-site clinic staffing as from time to time recommended by Genesis.

- (c) Provision of all space, equipment, hardware, software and supplies related to the operation of the Practice, including interfaces to Genesis systems to allow Genesis to bill for services rendered at the Practice.
- (d) Provision, on a timely basis, of information necessary for Genesis to bill for services rendered at the Practice.

4. **Effective Date.** This Addendum shall be effective as of December 1, 2009.

5. **Construction.** Capitalized terms not defined herein shall have the meaning set forth in the Agreement.

**ADDENDUM 3**  
**Project Management Services**

This Addendum sets forth additional services to be provided by Genesis pursuant to Section 1.2(c) of the Management Services Agreement between Genesis and MCH dated March 18, 2009, as from time to time amended (the "Agreement").

1. Services Provided by Genesis. Genesis will provide Project Management and Supervision Services for MCH in connection with the Renovation Project on a scheduled and as-needed basis. These services consist of the following:

- (a) General Management Services. Genesis shall have the authority and responsibility to oversee and manage conduct of the Renovation Project, including but not limited to project development, supervision, budgeting, review, development of construction contracts, review and approval of pay requests, and such other duties and responsibilities as may be reasonably necessary in Genesis' reasonable discretion to supervise and manage the Renovation Project.

Genesis shall have the authority, on behalf of MCH, to engage architectural, construction management and other professional services, as well as authority to enter into construction contracts, all of which shall be consistent with the Renovation Project scope of work and budget approved by the MCH Governing Board (the "Board").

In absence of written direction or written policies of the Board, Genesis will exercise reasonable judgment in the supervision and management of the Renovation Project.

(b) Staffing. Genesis agrees to designate a Project Executive, a Project Manager, a Project Management Assistant, and such other personnel as reasonably necessary to carry out the duties described herein.

2. Project Management Fee. Project Management Fee shall be One Hundred Nine Thousand Four Hundred Forty Four and No/100 (\$109,440.00) Dollars, payable in installments of Three Thousand Six Hundred Forty Eight and No/100 (\$3,648.00) Dollars per month, prorated for partial months. The first installment shall be due on the effective date of this Addendum, and subsequent installment shall be on the same day as the fee payable to Genesis under the Agreement. Absent unanticipated circumstances, or extension of the Renovation Project beyond the current \$11.5 Million scope and thirty (30) month time period, Genesis' fee for project management services hereunder shall not exceed \$109,440. Genesis agrees to provide the Board written notice, including an explanation of unanticipated circumstances, or basis for expansion of the Renovation Project if Genesis' fee for cost of services hereunder is expected to exceed \$109,440.

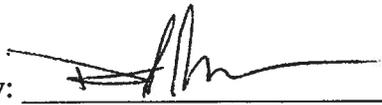
3. Obligations of MCH. The obligations of MCH include the following, at MCH's expense:

- (a) Payment of the Project Management Fee as contemplated in paragraph 2 above.
- (b) Provision of on-site project staffing as from time to time as recommended by Genesis.
- (c) Reimbursement to Genesis, for all costs and expenses in performing services hereunder including but not limited to legal, accounting, and other professional service fees reasonably necessary to provide service hereunder.

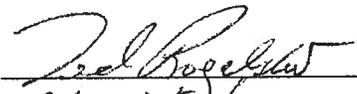
4. Term. The term of this Addendum shall run concurrent with the Management Services Agreement, and any extensions, or successive agreements thereto. This Agreement shall terminate in the event the Management Services Agreement is terminated. In the event the Management Services Agreement is terminated prior to completion of the Renovation Project, Genesis shall provide MCH all records and documents relating to the Renovation Project, and will have no further obligation hereunder.

5. Entire Agreement. This Addendum sets forth the entire agreement and understanding of the parties relating to the subject matter herein. Capitalized terms not otherwise defined shall have the meaning set forth in the Management Services Agreement. Except as specifically set forth herein, the services provided hereunder shall be subject to the Management Service Agreement, and all the remaining terms and conditions of the Management Services Agreement shall remain in full force and effect.

**GENESIS HEALTH SYSTEM**

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

**MERCER COUNTY HOSPITAL**

By:   
Its: *Administrator*

**Attachment A**

**Genesis Medical Center, Davenport  
Support Services  
Project Management Hourly Rates**

	<u>Hourly</u>	<u>Benefits</u>	<u>Mark Up</u> <u>@ 20%</u>	<u>Total</u>
Project Executive	\$70.10	\$21.03	\$18.23	\$109.36
Project Management Specialist	\$30.23	\$ 9.07	\$ 7.86	\$ 47.16
Project Management Assistant	\$22.46	\$ 6.74	\$ 5.84	\$ 35.04

Mileage reimbursement will be \$0.45 per mile or Genesis' current rate.

5/25/10

**GENESIS HEALTH SYSTEM  
DOCUMENT REVIEW & APPROVAL FORM**

Signature of Primary Responsible Party Mitch Z Slus Date 7/30/10

- New Contract
- Amendment to Contract # 1005.2107
- Attachment to Contract # \_\_\_\_\_
- Replacement Contract # \_\_\_\_\_

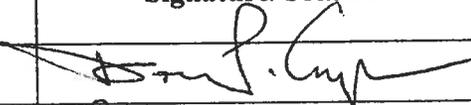
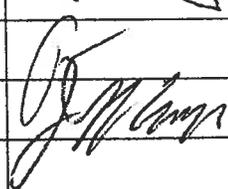
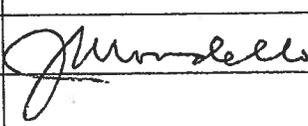
**I. CONTRACTING PARTY:**

Vendor Name (including d/b/a)	<u>Mercer County Hospital</u>
Address, City, State, Zip	<u>409 NW 9th Avenue, Alhambra, IL 61231</u>
Phone	<u>309-582-310</u>

**II. CONTRACT COMPLIANCE CHECKLIST:**

Is a Business Associate Agreement (BAA) required? If a BAA is required, is the BAA attached to the Contract?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (go to next question) NA <input type="checkbox"/> Yes <input type="checkbox"/> NA <input type="checkbox"/>
Has the Conflict of Interest Database* been checked to determine whether a conflict exists with the other contracting party? (*Contact Assistant Compliance Officer to request search)	Yes <input checked="" type="checkbox"/> (go to next question) No <input type="checkbox"/> (skip next question)
Was a Conflict of Interest discovered?	Yes <input type="checkbox"/> (go to next question) No <input checked="" type="checkbox"/> (skip next question)
Has the Conflict of Interest been resolved?	Yes <input type="checkbox"/> (go to next question) No <input type="checkbox"/> (skip next question)
Have the insurance provisions in the Contract been approved by the Genesis Risk Manager?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Has the HHS-OIG and GSA database been checked?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
If the contract is with an independent physician (a physician not employed by Genesis) or independent physician group, has a W-9 Form been completed?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Has Fair Market Value been determined and is the FMV calculation attached to the Contract?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
Is the other Contracting Party a unit of federal, state, county or local government? For example, the Scott County Department of Public Health.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>

**FINAL APPROVAL FORM**

Required	Approvals	Signature/Comments	Date
	GHS CEO		8/31/10
	President GMC -Davenport		8/11/10
	President GMC -DeWitt		9/19/10
	President GMC - Illini		
	VP, Clinical Services		
	VP, Finance/CFO	Mark Rogers	8/11/10
	VP, Human Resources		
	VP, Information Services		
	VP, Medical Staff Affairs		
	VP, Patient Services, CNE		
	VP, Quality		
	VP, Strategic Development		
	VP, Support Services		
	VP, Corporate Communications		
	VP, Outpatient Services		
	VP, Legal Services		8/2/10
	Executive Director		
	Risk Manager		
	Other		
	Other		
	Other		

**ADDENDUM 4**  
**Health Information Management Services**

This Addendum sets forth additional services to be provided by Genesis pursuant to Section 1.2(c) of the Management Services Agreement between Genesis and MCH dated March 18, 2009, as from time to time amended (the "Agreement").

1. Services Provided by Genesis. Genesis will provide Health Information Management Services for MCH on a scheduled and as-needed basis. These services consist of the following:

- (a) General Management Services. Genesis shall have the authority and responsibility to oversee and manage the Health Information Management/Medical Records Department at Mercer County Hospital.
- 1) Genesis agrees to ~~plan~~, manage and supervise assignments of personnel within the department (medical records, transcription and coding).
  - 2) Genesis agrees to ensure organizational compliance with HIPAA, record maintenance, record retention and release of information in accordance with hospital policies and federal and state regulations.
  - 3) Genesis agrees to provide review and quantitative analysis of records to insure consistency and completeness.
  - 4) Genesis agrees to participate in the hospital's quality assurance programs in accordance with hospital policy, federal and state regulations.
  - 5) Genesis agrees to plan and manage the Health Information Management Services/Medical Records Departmental budget.
  - 6) Genesis will report regularly and coordinate oversight with the MCH Chief Financial Officer inclusive of weekly updates on general department supervision, productivity, continuing education and special projects.
- (b) Staffing. Genesis agrees to designate a Department Manager and such other personnel as reasonably necessary to carry out the duties described herein. Genesis agrees to provide sixteen (16) hours per week on-site. These hours can be adjusted at any time if agreed by both parties.

2. HIM Management Fee. The HIM Management Fee shall be Fifty Thousand Three Hundred Thirty Six No/100 (\$50,336.00) Dollars, payable in installments of Four Thousand One Hundred Ninety Five and No/100 (\$4,195.00) Dollars per month, prorated for partial months. The first installment shall be due on the effective date of this Addendum, and subsequent installment shall be on the same day as the fee payable to Genesis under the Agreement.

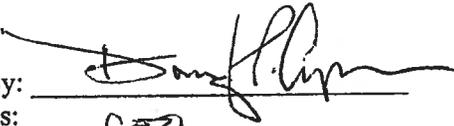
3. Obligations of MCH. The obligations of MCH include the following, at MCH's expense:

- (a) Payment of the HIM Management Fee as contemplated in paragraph 2 above.
- (b) Provision of on-site staffing as from time to time as recommended by Genesis.
- (c) Provision of all equipment, hardware, software and supplies related to Health Information Management/Medical Records at MCH.

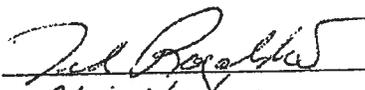
4. Term. The term of this Addendum shall run concurrent with the Management Services Agreement, and any extensions, or successive agreements thereto. This Agreement shall terminate in the event the Management Services Agreement is terminated.

5. Entire Agreement. This Addendum sets forth the entire agreement and understanding of the parties relating to the subject matter herein. Capitalized terms not otherwise defined shall have the meaning set forth in the Management Services Agreement. Except as specifically set forth herein, the services provided hereunder shall be subject to the Management Service Agreement, and all the remaining terms and conditions of the Management Services Agreement shall remain in full force and effect.

**GENESIS HEALTH SYSTEM**

By:   
Its: CEO

**MERCER COUNTY HOSPITAL**

By:   
Its: Administrator

**From:** Kent Wiersema  
**To:** Rogalski, Ted  
**Date:** 8/11/2010 4:32 PM  
**Subject:** Re: Fwd: HIM Services Agreement

Good day Ted.

Thank you for the email.

Based upon actual HIM review and the buildup, I concur the annual fee appears adequate and meets GHS's methodology.

Kent  
x4176

>>> Ted Rogalski 8/11/2010 2:03 PM >>>  
Still need your blessing to move this on for signatures.

**GENESIS HEALTH SYSTEM**  
**DOCUMENT REVIEW & APPROVAL FORM**

Signature of Primary Responsible Party \_\_\_\_\_

*[Handwritten Signature]*

Date

*8/18/10*

- New Contract
- Amendment to Contract # \_\_\_\_\_
- Attachment to Contract # Addendum to Management Agreement 1005-2107
- Replacement Contract # \_\_\_\_\_

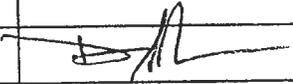
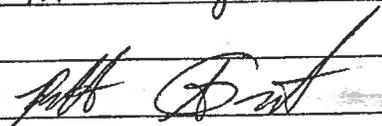
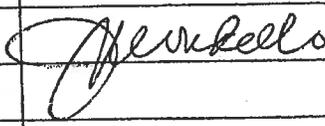
**I. CONTRACTING PARTY:**

Vendor Name (including d/b/a)	Mercer County Hospital
Address, City, State, Zip	409 NW Ninth Ave. Aledo, IL 61231
Phone	309-582-3701

**II. CONTRACT COMPLIANCE CHECKLIST:**

Is a Business Associate Agreement (BAA) required? If a BAA is required, is the BAA attached to the Contract?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (go to next question) NA <input type="checkbox"/> Yes <input type="checkbox"/> NA <input type="checkbox"/>
Has the Conflict of Interest Database* been checked to determine whether a conflict exists with the other contracting party? (*Contact Assistant Compliance Officer to request search)	Yes <input checked="" type="checkbox"/> (go to next question) No <input type="checkbox"/> (skip next question)
Was a Conflict of Interest discovered?	Yes <input type="checkbox"/> (go to next question) No <input checked="" type="checkbox"/> (skip next question)
Has the Conflict of Interest been resolved?	Yes <input type="checkbox"/> (go to next question) No <input type="checkbox"/> (skip next question)
Have the insurance provisions in the Contract been approved by the Genesis Risk Manager?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Has the HHS-OIG and GSA database been checked?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
If the contract is with an independent physician (a physician not employed by Genesis) or independent physician group, has a W-9 Form been completed?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Has Fair Market Value been determined and is the FMV calculation attached to the Contract?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Is the other Contracting Party a unit of federal, state, county or local government? For example, the Scott County Department of Public Health.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>

**FINAL APPROVAL FORM**

Required	Approvals	Signature/Comments	Date
✓	GHS CEO		8/27/10
	President GMC -Davenport		
	President GMC -DeWitt		
	President GMC - Illini		
	VP, Clinical Services		
✓	VP, Finance/CFO	Mark Rogers	8/27/10
	VP, Human Resources		
✓	VP, Information Services		8/18/10
	VP, Medical Staff Affairs		
	VP, Patient Services, CNE		
	VP, Quality		
	VP, Strategic Development		
	VP, Support Services		
	VP, Corporate Communications		
	VP, Outpatient Services		
✓	VP, Legal Services		8/20/10
	Executive Director		
	Risk Manager		
	Other		
	Other		
	Other		

**ADDENDUM 5**  
**Medical Staff Credentialing Services Agreement**

This Addendum is effective on the date signed by Genesis and sets forth additional services to be provided by Genesis pursuant to Section 1.2(c) of the Management Services Agreement between Genesis and MCH dated March 18, 2009, as from time to time amended (the "Agreement").

1. Services Provided by Genesis. Genesis will provide Medical Staff Credentialing Services for MCH. These services consist of the following:

(a) General Management Services. Genesis shall have the authority and responsibility to oversee and manage the Medical Staff Credentialing Services for Mercer County Hospital.

- 1) Genesis agrees to plan, manage and supervise assignments of personnel within the department.
- 2) Genesis agrees to ensure organizational compliance with record maintenance, record retention and release of information in accordance with credentialing standards, hospital policies, and federal and state regulations.
- 3) Genesis agrees to ensure organizational compliance with the MCH Medical Staff Bylaws and Rules and Regulations.
- 4) Genesis agrees to ensure organizational compliance with Medical Executive Committee requirements for staff appointments, reappointments, requests for change in privileges, peer review activities, disciplinary activities, and other activities as deemed necessary.
- 5) Genesis agrees to participate in the hospital's quality assurance programs in accordance with hospital policy, federal and state regulations.
- 6) Genesis agrees to periodic reviews of MCH Medical Staff Bylaws and make recommendations on Best Practice adoption.
- 7) Genesis will report regularly and coordinate oversight with the MCH Administrator and Chief Nursing Officer inclusive of monthly updates on general department operation and special projects.

(b) Staffing. Genesis agrees to designate a Credentialing Specialist and such other personnel as reasonably necessary to carry out the duties described herein for an average of eight (8) hours per week, some of which to be scheduled on-site.

- 1) Responsible for all Credentialing Operations in the Medical Staff Office.

- 2) Assesses and prioritizes Medical Staff appointments and backlog. Verification of provider qualifications, certifications, licensure, etc. Ensure provider is in compliance with hospital policies, Medical Staff Bylaws, state and federal regulations.
- 3) Prepare and submit credentialing applications for appointment and reappointment and requests for change in privileges to Medical Staff.
- 4) Prepare and maintain reports and summaries of credentialing activities such as accreditation, membership or facility privileges.
- 5) Responsible for communication, setup and management of privileges in the Medical Staff Office database.
- 6) Maintenance, organization and retention of records in accordance with state and federal regulations. Verification of providers in PECOS database.
- 7) Assist with development of policy and procedures, research, documentation and updates.
- 8) Monitors industry trends and provides information and guidance regarding medical staff bylaws and medical staff rules and regulations.
- 9) Provides assistance with peer review and disciplinary actions as requested.
- 10) Provide credentialing information needed for IPT Annual Survey, annual IPT corporate insurance renewals, MQSA inspections, CLIA inspections, managed care credentialing, etc. as requested.
- 11) Participate in quality assurance activities as requested.

2. Medical Staff Credentialing Management Services Fee. The Medical Staff Credentialing Management Services Fee shall be Eleven Thousand One Hundred Fifty and No/100 (\$11,150.00) Dollars, payable in installments of Nine Hundred Twenty Nine and No/100 (\$929.00) Dollars per month, prorated for partial months. The first installment shall be due on the effective date of this Addendum, and subsequent installment shall be on the same day as the fee payable to Genesis under the Agreement.

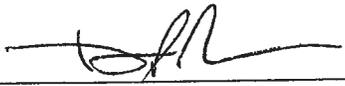
3. Obligations of MCH. The obligations of MCH include the following, at MCH's expense:
- (a) Payment of the Quality Services Fee as contemplated in paragraph 2 above.
  - (b) Maintain original files with licensing, training documents and privilege forms. Forward demographics on all medical staff applicants to Genesis.

- (c) Applications completed by Genesis will be forwarded to MCH Medical Staff Executive Committee for review and approval; Executive Committee forwards applications to Governing Board for final approval.
- (d) Provision of all equipment, hardware, software and supplies related to Medical Staff Credentialing Management Services at MCH.
- (e) Payment of primary verification fees and associated database inquiry fees.

4. Term. The term of this Addendum shall run concurrent with the Management Services Agreement, and any extensions, or successive agreements thereto. This Agreement shall terminate in the event the Management Services Agreement is terminated.

5. Entire Agreement. This Addendum sets forth the entire agreement and understanding of the parties relating to the subject matter herein. Capitalized terms not otherwise defined shall have the meaning set forth in the Management Services Agreement. Except as specifically set forth herein, the services provided hereunder shall be subject to the Management Service Agreement, and all the remaining terms and conditions of the Management Services Agreement shall remain in full force and effect.

**GENESIS HEALTH SYSTEM**

By:   
 Its: CEO  
 Date: 5/2/11

**MERCER COUNTY HOSPITAL**

By:   
 Its: Administrator  
 Date: 4/26/11

## **Ted Rogalski - Re: Pricing 2 new Mercer Agreements**

---

**From:** Kent Wiersema  
**To:** Rogalski, Ted  
**Date:** 4/12/2011 08:57 AM  
**Subject:** Re: Pricing 2 new Mercer Agreements  
**CC:** Cooper, Jeff

---

Thank you for the email.

Upon review of the below, the mark-ups emulate past pricing proposals for services. However, based on the below is summarized, can you confirm the hours will be reviewed/charged on a per hours basis, or are you saying the desire to have a GHS resource as 0.5 FTE for Mercer?

Kent  
x4176

>>> Ted Rogalski 4/11/2011 3:30 PM >>>

I need your blessing on the pricing for two new Mercer Agreements (Quality Specialist and Credentialing) as detailed below. Attached are the emails that I received from the Directors for the two Individuals who would fill the new roles.

Quality Specialist:

Wage rate = \$27/hr + 25% benefits (\$6.75) x 25% overhead (\$8.44) for 40 hours/pp = **\$43,888**. We will finalize mileage once we know her work schedule.

Credentialing Specialist:

Wage rate is \$17.15/hr + 25% benefits (\$4.29) x 25% overhead (\$5.36) for 16 hours/pp = **\$11,150**. We will finalize her mileage once we know her schedule.

**Ted Rogalski - Re: Conflict of Interest Database request**

---

**From:** Danelle Kvapil  
**To:** Rogalski, Ted  
**Date:** 4/18/2011 04:10 PM  
**Subject:** Re: Conflict of Interest Database request  
**CC:** Bamman, Kathy

---

Ted,

Please select that the Conflict of Interest database has been checked, a conflict was found and the conflict has been managed.

Danelle M. Kvapil  
Paralegal  
Genesis Health System  
1227 East Rusholme Street  
Davenport, IA 52803.2459  
Office: 563.421.6489  
Facsimile: 563.421.6479  
[kvapild@genesishealth.com](mailto:kvapild@genesishealth.com)



This message may contain information that is attorney-client privileged, attorney work product or otherwise confidential. If you are not an intended recipient, use and disclosure of this message are prohibited. If you received this transmission in error, please notify the sender by reply e-mail and delete the message and any attachments.

>>> Ted Rogalski 4/18/2011 3:31 PM >>>

I will be finalizing two new contractual addendum's for Mercer County Hospital to receive Quality Management services and Credentialing Services from GHS departments... can you verify your database so I can include that with the DRF??

Thank you - Ted

Ted Rogalski  
Chief Executive Officer  
Mercer County Hospital  
409 NW 9th Ave.  
Aledo, IL 61231  
309-582-3701  
Fax: 309-582-3737

**GENESIS HEALTH SYSTEM  
DOCUMENT REVIEW & APPROVAL FORM**

Signature of Primary Responsible Party *J. D. Regalado* Date 4/18/11

- New Contract
  - Amendment to Contract # \_\_\_\_\_
  - Attachment to Contract # 1005-2107
  - Replacement Contract # \_\_\_\_\_
- Form Contract      Yes     No

**I. CONTRACTING PARTY:**

*\*5 Credentialing Addendum*

Vendor Name (including d/b/a)	Mercer County Hospital
Address, City, State, Zip	409 NW 9th Ave. Aledo, IL 61231
Phone	309-582-3701

**II. CONTRACT COMPLIANCE CHECKLIST:**

Is a Business Associate Agreement (BAA) required? If a BAA is required, is the BAA attached to the Contract?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (go to next question)    NA <input type="checkbox"/> Yes <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Has the Conflict of Interest Database* been checked to determine whether a conflict exists with the other contracting party? (*Contact Assistant Compliance Officer to request search)	Yes <input checked="" type="checkbox"/> (go to next question)    No <input type="checkbox"/> (skip next question)
Was a Conflict of Interest discovered?	Yes <input checked="" type="checkbox"/> (go to next question)    No <input type="checkbox"/> (skip next question)
Has the Conflict of Interest been resolved?	Yes <input checked="" type="checkbox"/> (go to next question)    No <input type="checkbox"/> (skip next question)
Have the insurance provisions in the Contract been approved by the Genesis Risk Manager?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Has the HHS-OIG and GSA database been checked?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>
If the contract is with an independent physician (a physician not employed by Genesis) or independent physician group, has a W-9 Form been completed?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Has Fair Market Value been determined and is the FMV calculation attached to the Contract?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Is the other Contracting Party a unit of federal, state, county or local government? For example, the Scott County Department of Public Health.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>

**FINAL APPROVAL FORM**

Required	Approvals	Signature/Comments	Date
✓	GHS CEO - <i>last</i>	<i>[Signature]</i>	5/2/11
	President GMC -Davenport		
	President GMC -DeWitt		
	President GMC - Illini		
	VP, Clinical Services		
✓	VP, Finance/CFO <sup>3rd</sup> <i>see Keith's attached verification</i>	Mark Rogers	5/2/11
	VP, Human Resources		
	VP, Information Services		
✓	VP, Medical Staff Affairs <sup>2nd</sup>	<i>[Signature]</i>	4/27/11
	VP, Patient Services, CNE		
	VP, Quality		
	VP, Strategic Development		
	VP, Support Services		
	VP, Corporate Communications		
	VP, Outpatient Services		
✓	VP, Legal Services	<i>[Signature]</i>	4/29/11
	Executive Director		
	Risk Manager		
✓	Other <i>MCH Admin</i>	<i>[Signature]</i>	4/18/11
	Other	<i>[Signature]</i>	4/28/11
	Other		

**ADDENDUM 6**

**Quality Management Services Agreement**

This Addendum is effective on the date signed by Genesis and sets forth additional services to be provided by Genesis pursuant to Section 1.2(c) of the Management Services Agreement between Genesis and MCH dated March 18, 2009, as from time to time amended (the "Agreement").

1. **Services Provided by Genesis.** Genesis will provide Quality Services for MCH on a scheduled and as-needed basis. These services consist of the following:
  - (a) **General Management Services.** Genesis shall have the authority and responsibility to oversee and manage the Quality Services Department at Mercer County Hospital.
    - 1) Genesis agrees to plan, manage and supervise assignments of personnel within the department.
    - 2) Genesis agrees to ensure organizational compliance with HIPAA, record maintenance, record retention and release of information in accordance with hospital policies and federal and state regulations.
    - 3) Genesis agrees to provide review and quantitative analysis of records to insure consistency and completeness, as well as policy development and review.
    - 4) Genesis agrees to participate in the hospital's quality assurance programs in accordance with hospital policy, federal and state regulations.
    - 5) Genesis will assist with support of statistical services, infection control, patient safety, patient satisfaction and risk management.
    - 6) Genesis will report regularly and coordinate oversight with the MCH Chief Nursing Officer inclusive of weekly updates on general department supervision, productivity, continuing education and special projects.
  - (b) **Staffing.** Genesis agrees to designate a Department Quality Specialist and such other personnel as reasonably necessary to carry out the duties described herein. Genesis agrees to provide twenty (20) hours per week on-site.
    - 1) Provide assistance with CAH Annual Review to include, but not be limited to meeting preparation, minutes, etc.
    - 2) Provide assistance during IDPH CAH Survey.
    - 3) Provide assistance for Policy and Procedure Review Committee to include, but not be limited to meeting preparation, minutes, etc.

- 4) Provide quality program support through the facilitation of process improvement within MCH across the provider continuum, from department to board level, including support services, nursing, medical staff and leadership.
- 5) Provide quality monitoring through a systematic collection and analysis of organization quality indicators for the purpose of improving services.
- 6) Provide data collection and trending of Emergency Department statistics (patient admissions, patient transfers, ED length of stay, etc. as requested).
- 7) Inpatient patient satisfaction survey data collection and reporting.
- 8) Distribution and data collection of Sleep Medicine patient satisfaction surveys.
- 9) Provide assistance to Chief Nursing Officer for quality related activities as requested.
- 10) Responsible for reporting and analysis of Press Ganey results.
- 11) Provides assistance in education and training of staff by providing knowledge and guidance to members of the health care team in support of their quality framework.

2. Quality Services Fee. The Quality Services Fee shall be Forty-Three Thousand Eight Hundred Eighty-Eight and No/100 (\$43,888.00) Dollars, payable in installments of Three Thousand Six Hundred Fifty Seven and No/100 (\$3,657.00) Dollars per month, prorated for partial months. The first installment shall be due on the effective date of this Addendum, and subsequent installment shall be on the same day as the fee payable to Genesis under the Agreement.

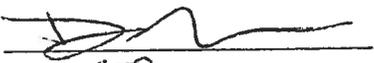
3. Obligations of MCH. The obligations of MCH include the following, at MCH's expense:

- (a) Payment of the Quality Services Fee as contemplated in paragraph 2 above.
- (b) Maintaining a dual reporting relationship in a supportive role between the MCH Chief Nursing Officer and the Quality Specialist.
- (c) Provision of all equipment, hardware, software and supplies related to Quality Services at MCH.
- (d) MCH Chief Nursing Officer will retain Risk Management duties and oversight.

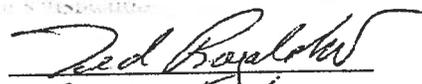
4. Term. The term of this Addendum shall run concurrent with the Management Services Agreement, and any extensions, or successive agreements thereto. This Agreement shall terminate in the event the Management Services Agreement is terminated.

5. Entire Agreement. This Addendum sets forth the entire agreement and understanding of the parties relating to the subject matter herein. Capitalized terms not otherwise defined shall have the meaning set forth in the Management Services Agreement. Except as specifically set forth herein, the services provided hereunder shall be subject to the Management Service Agreement, and all the remaining terms and conditions of the Management Services Agreement shall remain in full force and effect.

**GENESIS HEALTH SYSTEM**

By:   
Its: CEO  
Date: 5/2/11

**MERCER COUNTY HOSPITAL**

By:   
Its: Administrator  
Date: 4/26/11

## Ted Rogalski - Re: Pricing 2 new Mercer Agreements

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**From:** Kent Wiersema  
**To:** Rogalski, Ted  
**Date:** 4/12/2011 08:57 AM  
**Subject:** Re: Pricing 2 new Mercer Agreements  
**CC:** Cooper, Jeff

---

Thank you for the email.

Upon review of the below, the mark-ups emulate past pricing proposals for services. However, based on the below is summarized, can you confirm the hours will be reviewed/charged on a per hours basis, or are you saying the desire to have a GHS resource as 0.5 FTE for Mercer?

Kent  
x4176

>>> Ted Rogalski 4/11/2011 3:30 PM >>>

I need your blessing on the pricing for two new Mercer Agreements (Quality Specialist and Credentialing) as detailed below. Attached are the emails that I received from the Directors for the two individuals who would fill the new roles.

**Quality Specialist:**

Wage rate = \$27/hr + 25% benefits (\$6.75) x 25% overhead (\$8.44) for 40 hours/pp = **\$43,888**. We will finalize mileage once we know her work schedule.

**Credentialing Specialist:**

Wage rate is \$17.15/hr + 25% benefits (\$4.29) x 25% overhead (\$5.36) for 16 hours/pp = **\$11,150**. We will finalize her mileage once we know her schedule.

**Ted Rogalski - Re: Conflict of Interest Database request**

---

**From:** Danelle Kvapil  
**To:** Rogalski, Ted  
**Date:** 4/18/2011 04:10 PM  
**Subject:** Re: Conflict of Interest Database request  
**CC:** Bamman, Kathy

---

Ted,

Please select that the Conflict of Interest database has been checked, a conflict was found and the conflict has been managed.

Danelle M. Kvapil  
Paralegal  
Genesis Health System  
1227 East Rusholme Street  
Davenport, IA 52803.2459  
Office: 563.421.6489  
Facsimile: 563.421.6479  
[kvapild@genesishealth.com](mailto:kvapild@genesishealth.com)



This message may contain information that is attorney-client privileged, attorney work product or otherwise confidential. If you are not an intended recipient, use and disclosure of this message are prohibited. If you received this transmission in error, please notify the sender by reply e-mail and delete the message and any attachments.

>>> Ted Rogalski 4/18/2011 3:31 PM >>>

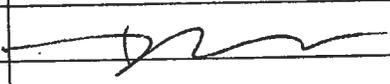
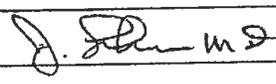
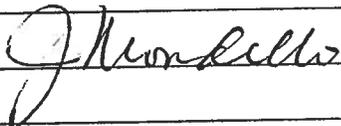
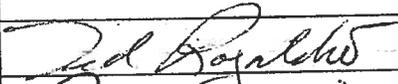
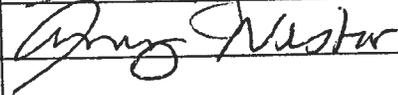
I will be finalizing two new contractual addendum's for Mercer County Hospital to receive Quality Management services and Credentialing Services from GHS departments... can you verify your database so I can include that with the DRF??

Thank you - Ted

Ted Rogalski  
Chief Executive Officer  
Mercer County Hospital  
409 NW 9th Ave.  
Aledo, IL 61231  
309-582-3701  
Fax: 309-582-3737



**FINAL APPROVAL FORM**

Required	Approvals	Signature/Comments	Date
✓	GHS CEO - <i>Root</i>		5/2/11
	President GMC -Davenport		
	President GMC -DeWitt		
	President GMC - Illini		
	VP, Clinical Services		
✓	VP, Finance/CFO - <i>3rd</i> <i>see Kent's attached verification</i>	Mark Rogus	5/2/11
	VP, Human Resources		
	VP, Information Services		
	VP, Medical Staff Affairs		
	VP, Patient Services, CNE		
✓	VP, Quality - <i>2nd</i>		4/27/11
	VP, Strategic Development		
	VP, Support Services		
	VP, Corporate Communications		
	VP, Outpatient Services		
✓	VP, Legal Services		4/29/11
	Executive Director		
	Risk Manager		
✓	Other <i>MCH-Admin</i>		4/18/11
	Other		4/27/11
	Other		

**ADDENDUM 7 TO THE  
MANAGEMENT SERVICES AGREEMENT  
BY AND BETWEEN  
GENESIS HEALTH SYSTEM  
AND  
MERCER COUNTY HOSPITAL**

This **ADDENDUM 7 TO THE MANAGEMENT SERVICES AGREEMENT** ("Addendum 7") is made as of the 1<sup>st</sup> day of October, 2011 (the "**Effective Date**") by and between **GENESIS HEALTH SYSTEM**, an Iowa nonprofit corporation ("**Genesis**") and **MERCER COUNTY HOSPITAL**, an unincorporated business unit of the county ("**MCH**"), (Genesis and MCH each a "Party" and collectively, the "Parties.")

**WHEREAS**, the Parties have entered into a certain Management Services Agreement dated March 18, 2009, as subsequently amended (the "**Agreement**"); and

**WHEREAS**, the Parties desire to clearly set forth the biomedical support services to be provided by Genesis to MCH;

**NOW, THEREFORE**, in consideration of the terms and conditions set forth herein, the Parties hereto agree as follows:

**Agreement**

1. **Scope of Services.** Genesis will provide Biomedical Services (the "**Services**") for MCH on a scheduled and as-needed basis. These services consist of the following:
  - (a) **General Management Services.** Genesis shall have the authority and responsibility to oversee and manage the Biomedical Services at MCH.
    - 1) Genesis agrees to plan, manage and supervise assignments of personnel within the department.
    - 2) Genesis agrees to ensure organizational compliance with HIPAA, record maintenance, and record retention in accordance with MCH policies and federal and state regulations.
    - 3) Genesis agrees to provide review and quantitative analysis of records to insure consistency and completeness, as well as policy development and review.
    - 4) Genesis agrees to participate in the MCH's quality assurance programs in accordance with MCH policies and federal and state regulations.
    - 5) Genesis will report regularly and coordinate oversight with the MCH Chief Operating Officer inclusive of monthly updates on general department supervision and special projects.

(b) Staffing. Genesis agrees to designate a Department Biomedical Technician and such other personnel as reasonably necessary to carry out the duties described herein. Genesis agrees to provide, through its Department Biomedical technician and/or such other personnel, a minimum of eight (8) hours per week on-site.

- 1) Scheduled preventive maintenance and corrective maintenance to MCH's medical equipment, listed in the attached spreadsheet "Mercer County Hospital PM Listing" dated 5/25/2010 hereinafter referred to as **Exhibit "A"**. In addition, patient beds will be added to the equipment inventory as medical equipment. Services will be provided utilizing vendor support as needed, with prior approval from MCH.
- 2) First response corrective and preventative maintenance services to imaging equipment that is not under another OEM or third party maintenance contract, listed in the attached spreadsheet "Mercer County Hospital PM Listing" dated 5/25/2010 hereinafter referred to as **Exhibit "A"**. Services will be provided utilizing vendor support as needed, with prior approval from MCH.
- 3) Unscheduled emergency repairs to medical equipment when requested by MCH. Emergency repairs are defined as repairs that are urgently needed to provide continuous medical treatment of patients, where no alternative equipment is readily available. Labor and travel will be billed at the established hourly rate.
- 4) Inventory medical equipment into Genesis' maintenance management system (TMA). All maintenance activity will be recorded in TMA. Maintenance activity reports will be submitted on a scheduled basis that meet The Joint Commission (TJC) and Illinois Department of Public Health (IDPH) requirements and are effective for management of MCH's Environment of Care. Reports will include a schedule and description of all scheduled maintenance, plus detailed activity reports of all services provided. Reports will be provided as a computer data file in any of the typical formats that MCH needs (pdf, xls, etc). Also, the biomed technician will keep a log book updated as part of the billable hours.
- 5) Related activities such as equipment planning, failure analysis, consultation and training of equipment users, and other technical services that are within the technical competencies of the biomed technician, will be performed as requested by MCH as part of the billable hours.
- 6) Equipment will be fully repaired to original design condition. OEM parts will be used whenever possible. Equipment will not be modified from manufacturer's original design. Preventive maintenance will be performed per manufacturer's recommendations.
- 7) Should an item of equipment be removed from service for an extended period of time and both parties mutually agree the absence of the equipment creates a

hardship for MCH, all attempts will be made to obtain an item of loaner equipment for MCH. Any charges incurred for the loaner equipment will be invoiced to MCH.

2. Exclusions.

- 1) Services provided are limited to the technical services as outlined in Scope above.
- 2) Management of the Environment of Care shall be the responsibility of MCH. Genesis will perform services in conjunction with MCH's Medical Equipment Management Plan.
- 3) This Addendum 7 covers labor only. Parts, supplies, and vendor services will be ordered through MCH's purchase order system. All non-labor charges are the responsibility of MCH.
- 4) Equipment specific training, if necessary and mutually agreed upon, will be paid by MCH, including tuition, all travel related expenses, and labor.

3. Personnel Providing Services. Genesis shall provide adequate, appropriately qualified Personnel to perform the duties necessary to provide the Services to MCH. Genesis warrants that all Personnel shall remain currently licensed and/or credentialed, as applicable. Genesis will make available upon reasonable request a copy of all licenses, certifications and competencies for all Personnel providing Services to MCH.

4. Charges for Services. Billable hours include medical equipment maintenance activities listed in Scope above, including round trip travel. Travel time will be charged from and to Davenport, or the previous and next service call locations for the biomed technician, whichever is less. All billable hours, including travel charges, will be documented in the TMA database. This will be the source of charges to be invoiced monthly.

Normal hours of service are 7:00 am to 3:30 pm, Monday through Friday, holidays and weekends not included. Work performed outside these hours will be billed at the overtime rate listed below.

Hourly rates:

Medical equipment and services, normal hours	\$55/hour
Medical equipment and services, outside normal hours	\$71/hour
Imaging equipment and services, normal hours	\$69/hour
Imaging equipment and services, outside normal hours	\$90/hour

Rates will be subject to change at the annual renewal of service upon mutual written agreement

5. Payment for Services. The Biomedical Services fee shall be payable monthly. Payments shall be due upon receipt of invoice from Genesis to MCH after the end of each month based on the Effective Date of this Addendum 7.

6. Effective Date and Termination. This Addendum 7 shall commence on the Effective Date and automatically terminate upon the expiration or termination of the Agreement. In addition, this Addendum 7 may be terminated by either party for any reason with thirty (30) days advance written notice. Termination of this Addendum 7 shall not release or discharge either party from any obligations, debt or liability which shall have previously accrued and remain to be performed upon the date of termination, as it relates to the Services herein.

7. Definitions. Capitalized words not defined herein shall have the meanings ascribed to them in the Agreement. In the event of a conflict of terms between the Agreement and this Addendum 7, this Addendum 7 shall be controlling.

8. Integration; Effect. This Addendum 7 and the Agreement shall be read and construed together as a single instrument.

9. Counterparts. This Addendum 7 may be executed in multiple counterparts, and on separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Addendum 7 on the day and year first set forth above.

**GENESIS HEALTH SYSTEM**

**MERCER COUNTY HOSPITAL**

  
Name: DOUGLAS P. COOPER  
Title: CEO  
Date: 9/27/11

  
Name: TED KOSLOWSKI  
Title: CEO  
Date: 9/26/11

**EXHIBIT "A"**

Mercer County Hospital PIM Listing

Area/Room	Manufacturer	Model	Serial No.	Description	Department	Em	Acq/Dat	Remarks
102	Ohmeda	Modulus II Plus	ABQ701279	Anesthesia Cart	Anesthesia	A	1	Added 12/22/09
112186	Datascope	Passport II	CM1288811	Patient Monitor	Anesthesia	A	1	
112187	Datascope	AS Module II	72961530F8	Gas Analyzer	Anesthesia	A	1	
112189	Datascope	Passport II	CM13598 K1	Patient Monitor	Anesthesia	A	1	
Department PIMs 4								
38	Eliam International	Surgitron FFPF	160200	Surgitron/ESU	Clinic	A	1	
41	Continental Scale Corp	N/A	400DLK	Scale	Clinic	A	1	
42	Defecto	N/A	3P7044	Scale, Infant	Clinic	A	1	
44	Ritter	119	DF1043	Exam Table	Clinic	A	1	
45	Cida Medical	N/A	N/A	Exam Table	Clinic	A	1	
49	Ritter	100-024	CD107771	Exam Table	Clinic	A	1	
51	Ritter	100-026	BS088824	Exam Table	Clinic	A	1	
53	Ritter	100-024	CD109359	Exam Table	Clinic	A	1	
55	Ritter	100-024	CD107770	Exam Table	Clinic	A	1	
57	The Brewer Comp	6500	HL009541	Exam Table, Hi/Lo	Clinic	A	1	
58	HMS	N/A	672773	Microscope	Clinic	A	1	
59	Midmark	413-001	BK003301	Exam Chair	Clinic	A	1	
61	Tilmus	OV-7M	19627	Vision Tester	Clinic	A	1	
62	American-ACMI	ALL-1	0364DN	Light Source	Clinic	A	1	
63	Ritter	100-024	CD107814	Exam Table	Clinic	A	1	
96	Ritter	100-024	CD107773	Exam Table	Clinic	A	1	
97	Ritter	100-024	CD109361	Exam Table	Clinic	A	1	
98	Ritter	100-024	CD109360	Exam Table	Clinic	A	1	
70	Healthometer	400DQF	N/A	Mechanical Scales	Clinic	A	1	
71	A.S. Aloe Company	N/A	124136	Mechanical Scales	Clinic	A	1	
72	GE	N/A	N/A	Refrigerator	Clinic	A	1	
73	Kenmore	N/A	N/A	Refrigerator	Clinic	A	1	
74	Ritter	100-024	CD107772	Exam Table	Clinic	A	1	
78	Castle	800V	60090	Steam Sterilizer	Clinic	A	1	
81	Storz/Esco Instrument	750-104	420	Exp Power System	Clinic	A	1	
91	Ritter	M7 SpeedClave	RB011211	Steam Sterilizer	Clinic	A	1	
94	AccuSystem	Genius 2	N9992517	Thermoplastic Thermometer	Clinic	A	1	
95	Healthometer	HDM770DQ06	A2459N	Digital Floor Scale	Clinic	A	1	
98	Hamilton Bell	6500	31860	Centrifuge	Clinic	A	1	

Mercer County Hospital PFI Listing

ID	Manufacturer	Model	Serial No.	Description	Department	Quantity	Unit Cost	Value	Acquisition Date	Expiration Date
Department PFI's 29										
38085	Gaymar Industries Inc.	TP200	A1A39189	Heating Pad, K-Pad	CS	A	1			
38086	Gaymar Industries Inc.	TP200	A1A39202	Heating Pad, K-Pad	CS	A	1			
38087	Gaymar Industries Inc.	TP200	A1A39220	Heating Pad, K-Pad	CS	A	1			

ID	Manufacturer	Model	Serial No.	Description	Department	Quantity	Unit Cost	Value	Acquisition Date	Expiration Date
Department PFI's 3										

ID	Manufacturer	Model	Serial No.	Description	Department	Quantity	Unit Cost	Value	Acquisition Date	Expiration Date
Department PFI's 0										

ID	Manufacturer	Model	Serial No.	Description	Department	Quantity	Unit Cost	Value	Acquisition Date	Expiration Date
78	Impact Instrumentation	73X	711078	Portable Ventilator	ER	SA	2			
86	Medical Resources	CF50678	200401380	Blanket Warmer	ER	A	1			
86	GE	ProCare	2019205-001	Patient Monitor NIBP	ER	A	1			
4806	Continental Scales Corp.	Alth-O-Meter	612	Floor Scale	ER	A	1			
10223	Stryker Instruments	848	4638	Cast Cutter	ER	A	1			
27499	Physio-Control Corp.	Lifespack 10C	14801	Defibrillator/Monitor Battery	ER	SA	2			
27600	Physio-Control Corp.		2118	Battery Charger	ER	SA	2			
28262	Olympic Medical Corp.	56320	3451A14968	Electronic Infant Scales	ER	A	1			
46116	Philips Medical Systems	IM1722B	3603A30162	Defibrillator/Monitor Battery	ER	SA	2			
75058	Philips Medical Systems	IM1204A	3603A30162	Physiology Monitoring System	ER	A	1			
75059	Philips Medical Systems	IM1061A	3603A30269	Neurology Monitoring System	ER	B	1		8/20/05	11/27/05
75579	North Med	6600	102804483	Pulse Oximeter	ER	A	1			
76328	Alaris Medical Systems	1310B	3446401	Infusion Pump, General Purp	ER	A	1			
76339	Alaris Medical Systems	PC-2TX	3441439	Infusion Pumps, Multichannel	ER	A	1			
76342	Alaris Medical Systems	1325D	3441431	Infusion Pumps, Multichannel	ER	A	1			
111846	Physio-Control Corp.	LP-12	11899071	Defibrillator/Monitor	ER	SA	2			
112183	Weich Allyn Inc.	63NTP	JA021804	ECG/Blood Pressure Monitor	ER	A	1			



Mercer County Hospital PM Listing

ID	Manufacturer	Model No.	Serial No.	Description	Department	Qty	SA	2
44171	Ames	5772	16813	Urine Analyzer	Lab		SA	2
45108	A-O-Spencer	1039A	947468	Microscope	Lab		SA	2
58057	Beckon Dickinson & Co	232	261010	Centrifuges, Tabletop	Lab		SA	2
58058	Beckon Dickinson & Co	51-1	21481	Rotator	Lab		SA	2
58059	Barnstead/Thermolyne	DB17615	17895G552932	Heating Block	Lab		SA	2
58906	Beckman Instruments	358756	GCY87801	Centrifuge, Floor	Lab		SA	2
67090	Beckon Dickinson & Co	591	120417	Centrifuge, Microhematocrit	Lab		SA	2
67896	GE	TBX24JAZDRAA	GS586629	Refrigerator	Lab		SA	2
67897	GE	TBX14SYZCRWH	HS_902554	Refrigerator	Lab		SA	2
67719	Beckon Dickinson & Co	420225	36003240063	Centrifuge	Lab		SA	2
67721	Beckon Dickinson & Co	4460020	MP_2288	Microprobe Processor	Lab		SA	2
67722	Beckon Dickinson & Co	DG225	2256826588	Heating Block	Lab		SA	2
84288	Micro Typing Systems	DG225	2256826588	Heating Block	Lab		SA	2
84289	Micro Typing Systems	5150-90	90-07-1933	Centrifuge	Lab		SA	2

ID	Manufacturer	Model No.	Serial No.	Description	Department	Qty	SA	2
18	Defecto	3P7044	9607-491	Adult Mechanical Scale	Nursing Floor	1	A	1
19	Defecto	3P7044	N/A	Wholesale Mechanical Scale	Nursing Floor	1	A	1
20	Defecto	750	E21307-0283	Adult Digital Scale	Nursing Floor	1	A	1
29	Philips Medical Systems	78581A	3698A19612	Telemetry Controller	Nursing Floor	1	A	1
35	Cardinal Defecto	CN20L	9512-236	Patient Lift/Scale	Nursing Floor	1	A	1
37	IMED Corp	1310B	3537617	IV Pump	Nursing Floor	1	A	1
38	Alaris Medical Systems	1326D	3439888	IV Pump	Nursing Floor	1	A	1
39	IMED Corp	PC-1	1310-33563	IV Pump	Nursing Floor	1	A	1
77	Welch Allyn	63NOP	JA92844	NIBP/SPO2 Monitor	Nursing Floor	1	A	1
82	S. S. Corp.	2314B	131085298	Suction Pump	Nursing Floor	1	A	1
83	IMED Corp	1310B	N04374	IV Pump	Nursing Floor	1	A	1
84	Medical Resources	N/A	3690842	Blanket Warmer	Nursing Floor	1	A	1
93	Alaris Medical Systems	PC-2TX	200702633	IV Pump	Nursing Floor	1	A	1
4869	Bard Biomedical	150	3688217	Infusion Pump, Ambulatory	Nursing Floor	1	A	1
4720	Bard Biomedical	156 XL	B11568	Infusion Pump, Ambulatory	Nursing Floor	1	A	1
10002	Bard Biomedical	150	B11570	Infusion Pump, Ambulatory	Nursing Floor	1	A	1
10003	Bard Biomedical	150	B11639	Infusion Pump, Ambulatory	Nursing Floor	1	A	1
10047	Bard Biomedical	150	B11690	Infusion Pump, Ambulatory	Nursing Floor	1	A	1
48115	Philips Medical Systems	IMT722B	3304A14199	Defibrillator/Monitor/Bentary	Nursing Floor	2	SA	2



Mercer County Hospital PM Listing

Inventory No.	Manufacturer	Model	Serial No.	Description	Department	Age	Quantity	Remarks
30	Chattanooga Corp	AFD602MW11R	70300157	Cold Therapy Packs	Phys Therapy	A	1	
31	Hill Laboratories	Hill Adjustable	HA001185	Treatment Table	Phys Therapy	A	1	
32	Hill Laboratories	Hill Adjustable	880601	Treatment Table	Phys Therapy	A	1	
33	Hill Laboratories	Hill Adjustable	HA040134	Treatment Table	Phys Therapy	A	1	
34	Hill Laboratories	Hill Adjustable	HA051958	Treatment Table	Phys Therapy	A	1	
4581	Chattanooga Corp	SS-2	S3912	Metal Heat Therapy Pack	Phys Therapy	A	1	
28990	Rich-Mar Corp	IF2000	212800188F2K	Stimulator	Phys Therapy	A	1	
86055	Rich-Mar Corp	RM IMG	4118	Neurovascular Stimulator	Phys Therapy	A	1	
75087	WR Medical Electronic	TB5	295098	Paraffin Bath	Phys Therapy	A	1	
75502	Excel Tech LTD	Ultra SX	UJX9600038	Ultrasound Therapy Systems	Phys Therapy	A	1	
84282	Jaco Systems	K-100	209K2765	Exercisers, Continuous Passive	Phys Therapy	A	1	
84623	Chattanooga Corp	Optiflex	6924	GPM	Phys Therapy	A	1	
94425	Chattanooga Corp	240224032404	65830	Hot Pack Heater	Phys Therapy	A	1	
94428	Saunders Group	7500 3D Active Trac	1180	Traction Unit	Phys Therapy	A	1	
94427	Chattanooga Corp	2090	34884	GPM	Phys Therapy	A	1	
111850	Rich-Mar Corp	Winner CM2	1208041627	Ultrasound Simulator	Phys Therapy	A	1	
112192	Chattanooga Corp	Flu110D	3078	Fluorotherapy	Phys Therapy	A	1	

Department PMS 17

Inventory No.	Manufacturer	Model	Serial No.	Description	Department	Age	Quantity	Remarks
88	Impact Instrumentation	32-1GR	719021	Portable Suction	Radiology	A	1	
90	Bairstead International	120	1480070308379	Warming Cabinet	Radiology	A	1	
10231	GE	DXD-525 II		R. & F Unit General Purpose	Radiology	N/A		
10233	GE	AMX-II	114WK9	Mobile Radiographic Unit	Radiology	N/A		
10278	Goimco	780	50905	Suction Pump	Radiology	A	1	
67431	Imex Medical Systems	MEXLAB 9100	MN0221	Body Plethysmograph	Radiology	A	1	
68351	Olympic Medical Corp	58910	10967	Blairtel Warmer	Radiology	A	1	
100742	Instrumentation Inc	MGT-110	11553	Radiographic Unit, Mammo	Radiology	N/A		

Department PMS 8

Mercer County Hospital PM Listing

Inventory Item	Manufacturer	Model	Serial No.	Description	Department	Quantity	Location	PM Dates
92	GE	T2100	SBC09235387SA	Treadmill	Resp Therapy	SA	2	
93	GE	Case P2	SCF09234534SA	Exercise Testing Systems	Resp Therapy	SA	2	
37368	Devilbiss Co	5810D		Compressor	Resp Therapy	A	1	
37698	Nellcor Inc	N-20	20595783	Pulse Oximeter	Resp Therapy	A	1	
38304	Nellcor Inc	N-200	20887393	Pulse Oximeter	Resp Therapy	A	1	
94423	GE	MAC5500	17192	Electrocardiograph (EKG)	Resp Therapy	A	1	
94428	Nellcor	Oximax N65	G05930044	Pulse Oximeter	Resp Therapy	A	1	

Inventory Item	Manufacturer	Model	Serial No.	Description	Department	Quantity	Location	PM Dates
11	Medical Resources	N/A	N/A	Warming Cabinet	Surgey	A	1	
13	Arpco	2080E55-717	331778	Surgey Table	Surgey	A	1	
14	Stryker Instruments	1079	708091090	Patient Cart	Surgey	A	1	
15	Stryker Instruments	1005	408069405	Patient Cart	Surgey	A	1	
97	Fujilon	4400HD	1S099A196	Light Source	Surgey	A	1	
98	Fujilon	4400HD	1Y491A196	Processor	Surgey	A	1	Added 12/8/09
100	Stryker	400-Endo-Flow	02145E206	Infusor	Surgey	A	1	Added 12/15/09
101	Stryker Medical Inc	EGP-100	A1787	Endo Pump	Surgey	A	1	Removed 12/17/09
4876	Amis/Chemed Products	M70NCS	356659	Warming Cabinet	Surgey			Removed 12/22/09
28962	Ezer Instruments Co	3300	191000065	Instruments	Surgey			Added 12/15/09
28963	Chmeds	Excel 210	AMAU00819	Anesthesia Cart	Surgey	A	1	Removed 12/15/09
28951	Omniop Corp Of America	OLVJ20	7001048	Fiberopic Light Source	Surgey			
67422	Philps Medical Systems	M1204A	3727A2397	Physologic Monitoring System	Surgey	A	1	
67725	Conmed	60-6600-002	90MGS063	Electrosurgical Units	Surgey	SA	2	
75051	Philps Medical Systems	M1204A	3908A30163	Physologic Monitoring System	Surgey	A	1	
75052	Philps Medical Systems	M1204A	3905A330119	Physologic Monitoring System	Surgey	A	1	
75059	Philps Medical Systems	M1204A	3608A29888	Physologic Monitoring System	Surgey	A	1	
75581	Omniop America Inc	WM-30	8703572	Mobile Cart	Surgey	A	1	
75963	Omniop America Inc	CV746	1742643	Camera/Endo/Endoscopes	Surgey	A	1	Removed 12/15/09
76344	Augustine Medical Inc	595	24324	Patient Warming Units	Surgey	SA	2	
84278	Augustine Medical Inc	245	8414	Blood/Solution Warmers	Surgey	4X	4	
112189	Conmed	D3000	BBC23226	Drive System	Surgey	A	1	
112190	Storz	20133120	00842	Light Source	Surgey	A	1	
112191	Storz	Image 1	BF-609846-P	Camera Control	Surgey	A	1	
112193	Stryker Instruments	6920-11	277063	Automatic Tourniquet	Surgey	A	1	

Department PMs 9





Mercer County Hospital PFI Listing

ID	Manufacturer	Model	Serial	Location	Category	Condition	Acquisition	Remarks
45100	Waters Medical	24710		ER	Thermometers, Electronic	R		
45101	Sciencelab Inc	32205	300318	ER	Physiologic Monitoring System	R		Missing 8/7/08
45394	Welch Allyn Inc Medical	44100		ER	Exam Light	R		
76063	Philips Medical Systems	M1102A	3305762082	ER	ECG Respiration Module	R		
76054	Philips Medical Systems	M1020A	3805A78674	ER	SpO2 Health Module	R		
75055	Philips Medical Systems	M1000B	3805A69786	ER	NIBP Module	R		
75051	Philips Medical Systems	M1020A	3905A76678	ER	SpO2 Health Module	R		
75062	Philips Medical Systems	M1000B	3805A70177	ER	NIBP Module	R		
75063	Philips Medical Systems	M1000A	3805A39038	ER	Temperature Module	R		
75073	Philips Medical Systems	M1020A	2805A78880	ER	SpO2 Health Module	R		
75078	Philips Medical Systems	M1100B	3805A66585	ER	Respirator Module	R		
75585	Welch Allyn Inc Medical	327		ER	Ophthalmoscopes, Direct	R		
75586	Welch Allyn Inc Medical	287		ER	Ophthalmoscopes, Direct	R		
85798	Kendall Healthcare	F-2000	20114153	ER	Thermometers, Electronic	R		

HOME HEALTH CARE REPAIR ONLY, OUT OF SERVICE EQUIPMENT IN STORAGE							
ID	Manufacturer	Model	Serial	Location	Category	Condition	Acquisition
83352	Kendall Healthcare	F-5000	20113914	Home Health	Thermometers, Electronic	R	
83353	Kendall Healthcare	F-2000	20114003	Home Health	Thermometers, Electronic	R	
83384	Kendall Healthcare	F-2000	20113998	Home Health	Thermometers, Electronic	R	
83395	Kendall Healthcare	F-2000	20113908	Home Health	Thermometers, Electronic	R	
83386	Kendall Healthcare	F-2000	20113984	Home Health	Thermometers, Electronic	R	
83357	Kendall Healthcare	F-2000	20113538	Home Health	Thermometers, Electronic	R	
85786	Kendall Healthcare	F-2000	20114155	Home Health	Thermometers, Electronic	R	
85789	Kendall Healthcare	F-2000	20113952	Home Health	Thermometers, Electronic	R	

LAB - REPAIR ONLY, OUT OF SERVICE EQUIPMENT IN STORAGE							
ID	Manufacturer	Model	Serial	Location	Category	Condition	Acquisition
18	Glenn Scientific Co.	100	NA	Lab	Incubator	R	Storage 2/9/08
4488	American Optical Corp		790158	Lab	Laboratory Microscope	R	Storage 11/18/08
4489	Chy Adams	Dynasell	114085	Lab	Centrifuge	R	Storage 2/3/08
88000	Camall Scientific Equip	100		Lab	Incubator	R	Storage 2/3/08

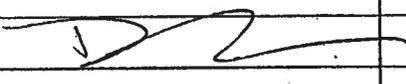
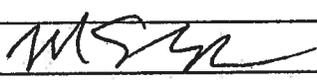
NURSING FLOOR - REPAIR ONLY, OUT OF SERVICE EQUIPMENT IN STORAGE							
ID	Manufacturer	Model	Serial	Location	Category	Condition	Acquisition
4490	GE	10600		Nursing Floor	Diagnosis	R	
4516	GE	8458	84642622	Nursing Floor	X-ray View Box	R	
4604	AMSCO Medical Products	Examiner 10		Nursing Floor	Room/Venous Blood Gas w/	R	Missing 8/17/08
75077	Philips Medical Systems	M1170A	3122753327	Nursing Floor	Exam Light	R	
75079	Philips Medical Systems	C3980X (8P)	USC0140538	Nursing Floor	Chart Recorder	R	
76388	Philips Medical Systems	F330B	8448979	Nursing Floor	Infant Heater	R	
76854	Philips Medical Systems	3425D	8448979	Nursing Floor	Infant Bunkie/Central Pump	R	Missing 8/17/08
84424	Philips Medical Systems	102836	RR80778369	Nursing Floor	Infant Pumps, Multichannel	R	Missing 8/17/08
				Nursing Floor	Central Display	R	

Mercer County Hospital PM Listing

ID	Manufacturer	Model	Serial No.	Department	Location	Acquired	PM Dates
<b>REPAIR ONLY - OUT OF SERVICE EQUIPMENT STORAGE</b>							
76632	Philips Medical Systems	M1002A	3805246794	ICU	Room 1170A	11/17/04	
<b>PACU Recovery - REPAIR ONLY - OUT OF SERVICE EQUIPMENT STORAGE</b>							
76070	Philips Medical Systems	M1002A	3805246794	PACU Recovery	Room 1170A		
76071	Philips Medical Systems	M1002A	3805246794	PACU Recovery	Room 1170A		
76073	Philips Medical Systems	M1002B	3805246794	PACU Recovery	Room 1170A		
76074	Philips Medical Systems	M1020A	3805246794	PACU Recovery	Room 1170A		
<b>REPAIR ONLY - REPAIR ONLY - OUT OF SERVICE EQUIPMENT STORAGE</b>							
7665	IGE	Circle	33928	Phys Therapy			
44182	Philips Medical Systems	GW208		Phys Therapy			
<b>REPAIR ONLY - REPAIR ONLY - OUT OF SERVICE EQUIPMENT STORAGE</b>							
37598	Parquet Computers	8203	51857	Radiology			
<b>REPAIR ONLY - REPAIR ONLY - OUT OF SERVICE EQUIPMENT STORAGE</b>							
4533	GuidedStar	210B	36242	Respiratory			
4640	Medical Equipment Co	MD23		Respiratory			
10276	Parquet Computers	PT	886	Respiratory			
36606	Neilon, Inc		2087041	Respiratory			
36708	Neilon, Inc		2027898	Respiratory			
<b>REPAIR ONLY - REPAIR ONLY - OUT OF SERVICE EQUIPMENT STORAGE</b>							
4652	Blair	LSM2WINDY	419481058	Surgery	Missing	12/30/08	
4654	IGE	LCM76-2		Surgery			
4659	IGE			Surgery			
26084	Chinecta	GMS	ACA001051	Surgery			
44719	Sony Corp	UP-390MD	23670	Surgery			
47423	Philips Medical Systems	M1002A	372242896	Surgery			
47424	Philips Medical Systems	M1002A	372242896	Surgery			
47425	Philips Medical Systems	M1002B	372242896	Surgery			
47426	Philips Medical Systems	M1020A	372242896	Surgery			
47427	Philips Medical Systems	M1020B	372242896	Surgery			
76049	Philips Medical Systems	M1002A	3605246794	Surgery			
76050	Philips Medical Systems	M1002B	3605246794	Surgery			
76051	Philips Medical Systems	M1002A	3605246794	Surgery			
76052	Philips Medical Systems	M1002B	3605246794	Surgery			
76053	Philips Medical Systems	M1002A	3605246794	Surgery			
76054	Philips Medical Systems	M1002B	3605246794	Surgery			
76055	Philips Medical Systems	M1002A	3605246794	Surgery			
76056	Philips Medical Systems	M1002B	3605246794	Surgery			
76057	Philips Medical Systems	M1002A	3605246794	Surgery			
76058	Philips Medical Systems	M1002B	3605246794	Surgery			
76059	Philips Medical Systems	M1002A	3605246794	Surgery			
76060	Philips Medical Systems	M1002B	3605246794	Surgery			
76061	Philips Medical Systems	M1002A	3605246794	Surgery			
76062	Philips Medical Systems	M1002B	3605246794	Surgery			
76063	Philips Medical Systems	M1002A	3605246794	Surgery			
76064	Philips Medical Systems	M1002B	3605246794	Surgery			



**FINAL APPROVAL FORM**

Required	Approvals	Signature/Comments	Date
<input checked="" type="checkbox"/>	GHS CEO <i>Final</i>		9/24/11
<input type="checkbox"/>	President GMC -Davenport		
<input type="checkbox"/>	President GMC -DeWitt		
<input type="checkbox"/>	President GMC - Illini		
<input type="checkbox"/>	VP, Clinical Services		
<input checked="" type="checkbox"/>	VP, Finance/CFO <i>3rd Signer</i>	<i>Mark Rogus</i>	9/27/11
<input type="checkbox"/>	VP, Human Resources		
<input type="checkbox"/>	VP, Information Services		
<input type="checkbox"/>	VP, Medical Staff Affairs		
<input type="checkbox"/>	VP, Patient Services, CNE		
<input type="checkbox"/>	VP, Quality		
<input type="checkbox"/>	VP, Strategic Development		
<input checked="" type="checkbox"/>	VP, Support Services <i>1st Signer</i>		9/22/11
<input type="checkbox"/>	VP, Corporate Communications		
<input type="checkbox"/>	VP, Outpatient Services		
<input checked="" type="checkbox"/>	VP, Legal Services <i>2nd Signer</i>	<i>J. Mondello</i>	9/27/11
<input type="checkbox"/>	Executive Director		
<input type="checkbox"/>	Risk Manager		
<input type="checkbox"/>	Other		
<input type="checkbox"/>	Other	<i>Pring Nestor</i>	9/22/11
<input type="checkbox"/>	Other		