

Response to Request for Proposal

October 2020

HCA Healthcare



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October 1, 2020

Mr. David Doorn
Administrative Director
Sublette County Rural Healthcare District
625 E Hennick St.
Pinedale, WY 82941

Re: RFP Response

Dear Mr. Doorn:

It is a privilege to be in conversation with the Sublette County Rural Health District ("District") regarding providing management and related services at the proposed hospital in Pinedale, Wyoming ("Pinedale" or "Pinedale Hospital"). We are excited about the opportunity to work more closely with you as we move forward into the future of healthcare delivery. Our history of supporting healthcare delivery for all patients in Sublette County underscores our desire to keep high quality care close to home.

Therefore, we are pleased to submit the enclosed request for proposal response ("RFP"). We believe you will see that HCA Healthcare ("HCA") is uniquely positioned to ensure the long term success of the planned critical access hospital and long-term care facility in Sublette County. Our management expertise for hospitals of this size and scale gives us access to data, resources and knowledge that improves patient care and unlocks possibilities in a way that we believe will ensure a high-quality care for your patients, physicians, colleagues and the community for many years to come.

We know that these types of decisions are impactful and have long-term implications, so we are available to discuss any questions you may have.

We look forward to hearing from you soon.

Sincerely,

Jeff Sollis
Chief Executive Officer
Eastern Idaho Regional Medical Center
HCA Healthcare

One Park Plaza
Nashville, TN 37203
HCAhealthcare.com

RFP Response

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Section I – Organizational Description

A. Mission, vision, and values

HCA Healthcare's founders envisioned an organization that would deliver healthcare differently: one that would revolutionize the healthcare landscape by applying business principles of scale to hospitals, without ever losing sight of the patient's needs. Today, more than 50 years later, that original vision permeates all aspects of our organizational model.

HCA Healthcare is a collaborative healthcare network of locally managed facilities driven by physicians and colleagues helping each other champion the practice of medicine for a healthier world. For the benefit of each patient who walks through our doors, our network extends a knowledge pipeline into every one of our facilities, creating one of the country's most connected medical environments. We never stop in our pursuit of insights and care advances based on medical data from approximately 30 million patient encounters a year. In recent years, our proprietary research and trials have enhanced our clinical capabilities to drive down incidences of blood stream infections (including MRSA), maternal mortality, infant mortality, and NICU admission, just to name a few.

HCA's belief in collaboration and innovation in order to improve the health of our communities is in direct alignment with the District's mission to provide accessible, progressive, patient-focused healthcare in a positive environment. ***Both the District and HCA believe the key to providing progressive clinical care to our communities is by creating a positive environment among care team members that is inclusive, respectful, and treats our patients with dignity.***

Outstanding health begins with our local communities and our clinical experts who work tirelessly to improve human life. At HCA Healthcare, size is not an end, but a means.

What's more important is how we harness our knowledge and resources in pursuit of our mission: Above all else, we are committed to the care and improvement of human life.

Both of our organizations are built on a strong foundation of similar ideas and concepts which are reflected in our respective Missions and Visions/Values.

HCA Healthcare	Sublette County Rural Health District
Mission: Above all else, we are committed to the care and improvement of human life.	Mission: Provide accessible, progressive, patient-focused healthcare in a positive environment.
Vision for Pinedale: Provide an opportunity for the Sublette County community and surrounding counties to access a safe, efficient and high-quality emergent and acute healthcare services close to home as well as access for higher level skilled nursing services.	
<ul style="list-style-type: none"> This level of access, aligned with a tertiary system at Eastern Idaho Medical Center will create greater access that will improve health throughout the region. 	

B. HCA's presence in the Intermountain West Region

HCA's Mountain Division operates hospitals throughout the Intermountain West Region and Alaska. This includes Eastern Idaho Regional Medical Center, a 318-bed tertiary care facility located in Idaho Falls about 170 miles northeast of the proposed CAH in Pinedale, WY.

Eastern Idaho Regional Medical Center Overview



	191K Patients treated		Primary Stroke Certification
	7,800 Surgeries		Level I ICU
	1,400 Deliveries		Level II Trauma
	Region's only burn center		Cardiac Care (incl. Open Heart)
	Level III NICU		PICU

Eastern Idaho Regional Medical Telehealth Programs

In addition, Eastern Idaho Regional Medical Center offers a robust telehealth program, consisting of 21 programs at 12 sites across Idaho, Montana and Wyoming. This includes a tele-stroke and tele-behavioral health program in Sublette County as noted below. Additionally, the hospital has the capability to add additional telehealth services such as tele-ICU, tele-infectious disease, tele-NICU and tele-psychiatry.

Facility	Location	Telehealth Service		
		Stroke	Behavioral	Respiratory
Teton Valley Health	Driggs, ID	x	x	x
Madison Memorial Health	Rexburg, ID	x	x	
Steele Memorial Medical Center	Salmon, ID	x	x	
Madison Valley Medical Center	Ennis, MT	x	x	
Sublette County Health District	Pinedale, WY	x	x	
Bingham Memorial	Blackfoot, ID	x		
Power County Hospital	American Falls, ID	x	x	
Minidoka Memorial Health	Rupert, ID	x	x	
Lost Rivers Medical Center	Acro, ID	x	x	
R.J. Redfield Memorial Hospital	Malad, ID	x		
Caribou Memorial Hospital	Soda Springs, ID	x		
Challis Area Health Clinic	Challis, ID	x		

Eastern Idaho Regional Medical's GME Program

The hospital recently started its first GME / residency program in family medicine (18 physicians) and internal medicine (30 physicians), with the goal of training and keeping physicians within the region. The hospital plans on starting a psychiatry program (12 physicians) in 2022.

HCA Mountain Division Overview

The Mountain Division is one the largest and most comprehensive healthcare providers in the region with hospitals in Utah, Idaho and Alaska. By partnering with the Mountain Division, Pinedale would benefit from best-practice sharing, peer collaboration, access to telehealth services, physician recruitment capability and IT expertise



C. List and biographies of key leaders who will directly interact with District leadership

Greg Angle – President, Mountain Division



Greg Angle began serving as President of the HCA Mountain Division / MountainStar Healthcare on January 1, 2014. In this position, he leads the executive division team and is responsible for 11 hospitals in three states, Utah, Idaho and Alaska.

Based on his proven leadership skills and experience in improving physician, employee and community relations, Angle was selected as the second president to serve the Mountain Division. He is also well known for developing successful patient services and achieving operation excellence.

With more than 30 years of progressive healthcare management experience, Greg is an industry veteran. During the course of his career, he served as chief executive officer in both investor owned and not-for-profit health systems, as well as in various executive positions in hospitals throughout the Southwest.

Prior to joining the HCA Mountain Division, Greg was President and Chief Executive Officer at the Los Robles Hospital & Medical Center for five years. Between 1988 and 2009, Angle served as CEO of Ascension Health hospitals in Tucson, Arizona and Austin, Texas.

Prior, Greg held various leadership roles at facilities with HCA in several states including senior roles at Sunrise Hospital & Medical Center in Las Vegas and Medical City Dallas Hospital in Texas.

Greg is a fellow in the American College of Healthcare Executives (FACHE), and past Board Chair for the Utah Hospital Association. He holds a master's degree in health services administration from Arizona State University and a bachelor's degree in business administration from the University of Arizona.

An avid golfer and skier, Greg is an advocate for fitness and wellness. He also enjoys traveling and reading.



Kyle Brostrom – VP of Strategy and Business Development, Mountain Division

Kyle J. Brostrom rejoined the HCA Mountain Division in August 2016 as the Vice President of Strategy and Business Development. In that role, Kyle leads the division's efforts around business development, service line coordination and strategy, provider alignment and real estate ventures.

Kyle has over 17 years of healthcare experience. Prior to his current role, Kyle spent 4+ years as a Regional Operations Officer with Intermountain Healthcare. Prior to that, he served in various roles with HCA, including Associate Administrator and COO at Timpanogos Regional and Mountain View Hospitals.

Kyle has a Bachelor of Science degree in Exercise and Sport Science from the University of Utah and a Masters of Healthcare Administration from the Ohio State University.

Jeff Sollis – Chief Executive Officer, Eastern Idaho Regional Medical Center



Sollis has nearly 13 years of various hospital leadership experiences at large facilities across the nation. As CEO, provide leadership and directs the overall operation of the hospital to:

- develop short and long range management and organization plans for the facility
- maintain primary responsibility for medical staff relations and development both inside and outside the hospital
- act as liaison between the hospital and the governing board

Sollis serves on the Board of Trustees for the Idaho College of Osteopathic Medicine. He also serves on the board for the Ronald McDonald House Charities of Idaho and the HCA Hope Fund.

Prior to being appointed CEO in January 2018, Sollis served as EIRMC's Chief Operating Officer for four years. Prior to joining the EIRMC leadership team, Sollis served as Chief Operating Officer (COO) at Timpanogos Regional Hospital in Orem, Utah. He was also the Assistant COO at HCA Wesley Medical Center in Wichita, Kansas and Assistant Administrator at HCA North Suburban Medical Center in Thornton, Colorado.

Sollis earned his Masters of Health Administration from Virginia Commonwealth University, and a B.A. in Behavioral Science and Health from the University of Utah. Sollis is married to wife Rachel and they have four children. He is an avid outdoorsman and is passionate about fly fishing, hiking, snowboarding, and other mountain sports.

David Hoffenberg – Chief Operating Officer, Eastern Idaho Regional Medical Center



David Hoffenberg serves as the Chief Operations Officer for Eastern Idaho Regional Medical Center. Hoffenberg comes to EIRMC from Sunrise Hospital and Medical Center in Las Vegas, Nevada where he served as the Vice President of Operations and Ethics and Compliance Officer.

At EIRMC, Hoffenberg has led capital improvement projects totaling more than \$25 million and had responsibility for several service lines including behavioral health services, oncology, telemedicine, imaging, laboratory, pharmacy, physical therapy, respiratory therapy, plant operations and physician recruitment. Hoffenberg has been at EIRMC for two and a half years.

Prior to his experience at EIRMC, Hoffenberg served as VP of Operations and Ethics and Compliance Office at Sunrise Hospital and Medical Center a 650 bed tertiary trauma and medical center in Las Vegas, Nevada. He has also held administrative roles at Wesley Medical Center in Wichita, Kansas, Sky Ridge Medical Center in Lone Tree, Colorado and at Virginia Commonwealth University Health System in Richmond, VA.

Hoffenberg holds a Bachelor of Science degree in Finance from the University of Oregon and a Master of Health Administration degree from Virginia Commonwealth University. He is a native of Colorado and enjoys the outdoors, particularly skiing and mountain biking at Grand Targhee and some of the other resorts in our region

D. List of other affiliation partners of similar size to the proposed Critical Access Hospital, including references

HCA has significant experience managing and operating hospitals in small, non-urban or rural markets. Specifically, HCA owns 39 and manages 5 hospitals in non-urban markets.

Of its 39 non-urban/rural hospitals, HCA owns 6 critical access hospitals that would be similar in scale Pinedale.

Facility	Location	Type	Beds
Highlands-Cashiers Hospital	Highlands, NC	CAH	24
TriStar Ashland City Medical Center	Ashland City, TN	CAH	12
Lafayette Regional Health Center	Lexington, MO	CAH	25
Blue Ridge Regional Hospital	Spruce Pine, NC	CAH	25
Transylvania Regional Hospital	Brevard, NC	CAH	25
Angel Medical Center	Franklin, NC	CAH	25

Specific references available upon request.

Similarly, HCA manages 2 critical access and 3 short term acute care hospitals that would be comparable to Pinedale.

Facility	Location	Type	Beds
Cass Regional Medical Center	Harrisonville, MO	CAH	25
Medina Regional Hospital	Hondo, TX	CAH	25
Frio Regional Hospital	Pearsall, TX	STAC	24
Dimmit Regional Hospital	Carrizo Springs, TX	STAC	25
Cuero Regional Hospital	Cuero, TX	STAC	44

Specific references available upon request.

E. Any additional information about your organization which you believe should be considered

We believe HCA Healthcare is uniquely positioned to ensure the District achieves its objective to develop its hospital for the long term.

We believe we are the ideal partner for the District because HCA Healthcare:

- Is committed to ensuring individuals within the Intermountain West area have access to a premier network of healthcare facilities to meet their needs,
- Has a strong, growing presence providing high quality healthcare across the country,
- Has unmatched experience in planning, developing, operating and managing hospitals,
- Has a broad footprint that includes operations in 21 states and a breadth of experience pursuing and testing new and emerging care delivery models and value-based payments,
- Has a demonstrated commitment to serving Medicaid and other indigent patient populations through its charity care, uninsured discount and other financial assistance policies,

We believe an affiliation between the District and HCA Healthcare would ensure the provision of quality healthcare to the greater Sublette County region for many years to come.

Section II – Organizational Competencies

A. Ensure status as an essential employer and provider to the community

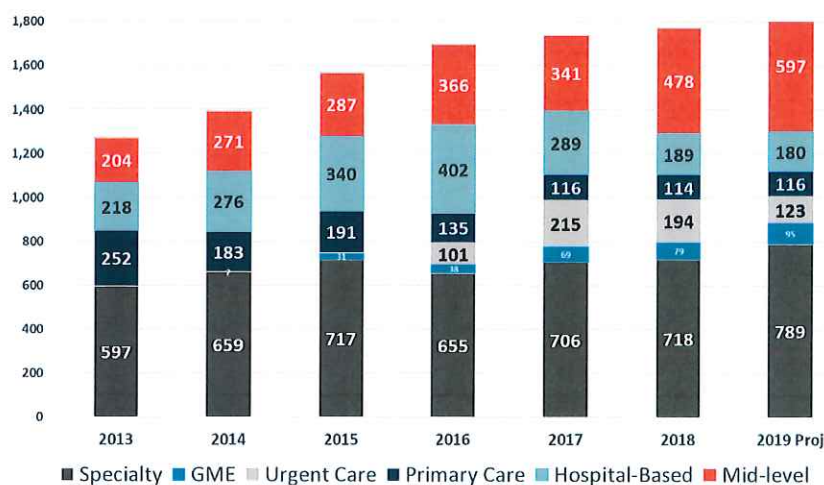
We believe there is an opportunity to expand and coordinate services to continue the District's strong legacy of being a strong community provider of high quality healthcare within Sublette County. By expanding and coordinating services, there will be more opportunity for sustained and additional employment of caregivers in the proposed facility. With the support of HCA, we believe the proposed Pinedale Hospital would enjoy a long, sustainable future grounded in the provision of high quality, accessible health care and fiscal strength.

B. Improve physician recruiting / development

We understand the needs for recruiting PCP's, surgeons, psychiatrists, and pediatric specialists. Like many other markets, current and future physician shortages will likely be exacerbated by numerous factors, including the retiring physician workforce, lifestyle and work desires of new physicians, and changing demographics of graduating physicians -- all of which stresses the need for proactive succession and replacement planning.

HCA's Physician Services Group ("PSG") has a team of 134 individuals dedicated to identifying and recruiting new providers (both physicians and advanced practitioners) to HCA hospitals. While the recruitment program is centralized to ensure greater outreach to training programs, HCA also maintains teams focused on meeting the needs of the local market. In 2019 alone, HCA's recruitment team led 130 resident physician events, attended 60 national medical conferences, and recruited 1,900 new physicians across the company. The table below shows the recruitment results over the last 7 years.

Total Recruitments by Specialty Type



HCA has multiple models of physician alignment across each of its markets and its current 46,000 affiliated physicians. While most of HCA's medical staff members are independent clinicians, HCA also welcomes the ongoing trend of physicians requesting employment. Beyond employment models, many of our systems also are aligning with physicians practicing at HCA hospitals to create contracting entities that respond to market dynamics such as narrow networks. HCA contracting vehicles include physicians who are employed in physician-organized groups or in clinically integrated provider networks, those involved in clinical co-management agreements, ACOs, IPAs, next generation ACOs, full risk bearing organizations and bundled payment arrangements.

C. HCA's medical education, residency and fellowship programs

HCA Healthcare is the largest sponsor of GME in the United States with 4,716 residents and fellows enrolled in 300 ACGME accredited programs at 61 hospitals. HCA Healthcare projects enrollment of 7,372 residents and fellows in 418 ACGME accredited programs by 2024. The specialty mix of programs in the HCA Healthcare system includes the full range of primary care, hospital-based specialties, behavioral health, surgical specialties, and subspecialty fellowships. HCA Healthcare is also the largest sponsor of primary care training programs in the country, as demonstrated by our sponsorship of 30 Family Medicine residency programs with total enrollment of 497 Family Medicine residents. The Medical Board pass rate of graduates from HCA Healthcare programs averages 93%, which is above the national average for GME programs in the United States.

For bedside nurses, HCA Healthcare offers a variety of education and professional development programs. Our enterprise-wide HCA Healthcare Nurse Residency is designed to develop the clinical skills and professional development of new nurses through a structured 12-month post-graduate training program. StaRN, a three month onboarding program, provides nurses with the clinical skills needed to perform at their best through classroom education, hands-on simulation training, and preceptorship. Nurses who complete the StaRN program continue to the professional development portion of the HCA Healthcare Nurse Residency where they further refine their skills through mentorship opportunities and monthly seminars. Specialized programs are also offered to enhance skills in med-surg and critical care specialties.

In March 2019, HCA Healthcare announced their agreement to acquire Galen College of Nursing, one of the largest educators of nurses in the country. This strategic partnership will bring together two of the top nursing organizations in the nation in order to increase access to nursing education and provide career development opportunities in nursing to improve patient care. It is anticipated that Galen's nursing degree programs will offer additional career development opportunities for HCA Healthcare nurses. It also will provide opportunities for Galen to establish nursing programs at HCA Healthcare affiliates

across the country, providing more clinical education and career opportunities for Galen students.

D. HCA's Telehealth Programs and Capabilities

Overview of National and Regional Telehealth Programs

Stroke and Emergent Neurology

(Inpatient and ER)
Availability: Emergent 24/7 365 coverage
Response Time: telephone within 10 minutes of receiving the activation page,
15 minutes to respond to robot

Endocrinology

Non-Emergent
Availability: scheduled shifts
Response Time: within same day as request

Non-Emergent Neurology

Availability: 0700-1700 7 days a week
Response Time: scheduled time

Diabetes Education

Non Emergent
Certified Diabetes Educator
Availability: Monday –Friday
Response Time: within same day of request

Psychiatry

ER and Medical/Surgical Floors
Availability: 24/7 365 coverage
Response Time: 30 minutes

ICU

Availability: 24/7 365 coverage
Round/Response Model

Behavioral Health Assessment

Emergent
Availability: 24/7 level of care assessment by Social Work
Response Time: 60 minutes from request

NICU

Availability: Emergent 24/7 365 coverage
Response Time: 15 minutes(phone)
30 minutes (robot)

Infectious Disease

Non Emergent
Availability: scheduled shifts
Response Time: within same day of request

Nephrology

Non Emergent
Availability: Emergent 24/7 365 coverage
Response Time: within the same day of request



As one of the largest providers of telehealth services in the country, HCA would collaborate with the District to determine next steps and priorities for the hospital. At HCA, our vision is to utilize telehealth as an enabler to leverage HCA Healthcare's clinical and operational capabilities at scale and to provide world-class healthcare services, locally. HCA is a national leading provider of telestroke, telepsychiatry, and telematernal/fetal medicine with 946 programs across 409 sites.

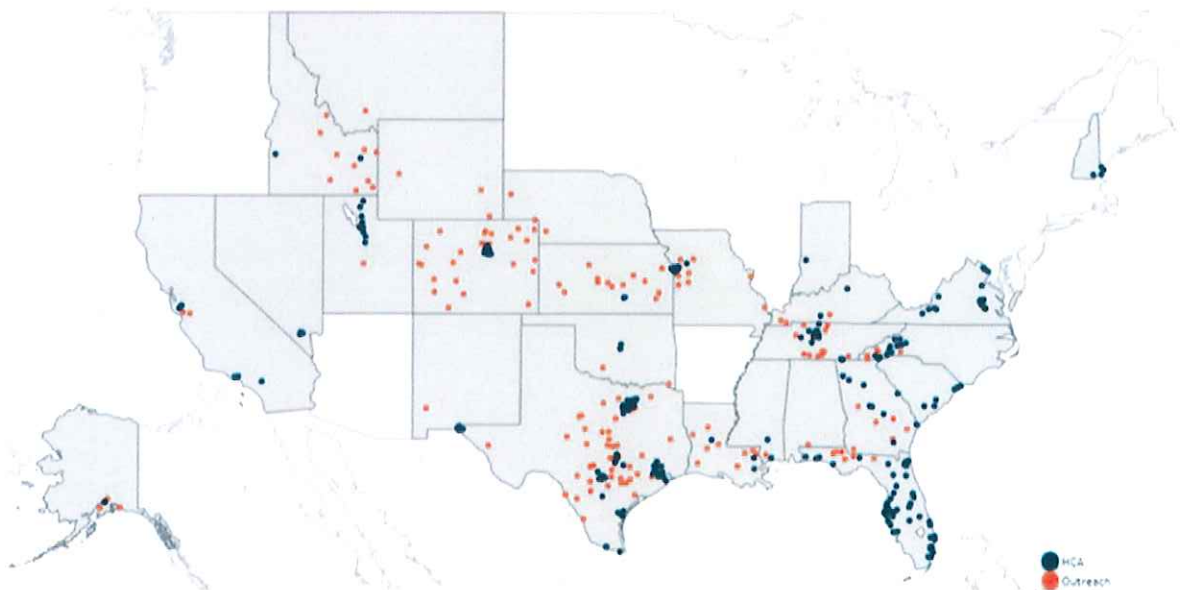
The vast majority of our Telehealth work is concentrated on Acute & Facility-based services comprising of emergent consults, real time diagnostics & clinical decision support, rounding and monitoring, multi-specialty teams, and Tele-mentoring (for surgery). These services are delivered in the ER, inpatient, urgent care, and outpatient clinic settings. HCA utilizes an agile round and respond telecritical care model in which the equipment is moved to the patient at the site of care whenever an intensivist is needed to support the care team. This model incorporates a 24-hour rounding element and 5 minute required response time for any acute cases. This model extends across 409 HCA and Care Collaboration (non-HCA) facilities. Acute & Facility-based services have demonstrated increased distribution of care, connection to the best available care team regardless of location, and provider optimization.

Telehealth services to extend patient access include PCP practice extension, telehealth consults, surgery consults, chronic care management, and telehealth outreach. Care is

most typically delivered at PCP offices or Urgent Care clinics, but can also be accessed at home or work. HCA utilizes our telehealth services as an additional way to be a trusted health partner for life with our patients. As such, we do not participate in direct to consumer video eVisits, due to their anonymity and inability to navigate long term patient support across the continuum for our patients. The benefits seen by this segment of our telehealth services include extended access, continuity of care, personalized care, and patient education.

The post-acute care telehealth services that are offered at HCA are remote patient monitoring, enhanced care plans, case management, post-transplant support, drug trials, and chronic care management. Post-acute care services are utilized at home, Skilled Nursing Facilities, Inpatient Rehab Facilities, Long Term Care Facilities, or Inpatient Transition units. These services have seen success with improved feedback on alerts and action plans, actionable data, and ongoing education.

HCA Healthcare Telehealth Current State (as of November 2019)



E. Improve clinical quality / patient satisfaction

HCA's model and culture are attuned to operating as a premier clinical and caring organization in all of the communities we serve. This is both a challenging mandate and an exciting opportunity, as HCA currently delivers about five percent of all inpatient care in the United States. By working with our extensive network of clinicians, we utilize our access to clinical data across many markets to produce groundbreaking quality initiatives. Many of these initiatives have been recognized models in healthcare by the Centers for Medicare and Medicaid Services, the Leapfrog Group, the National Patient Safety Foundation, and the Centers for Disease Control.

HCA has intentionally designed its structure to support clinical performance improvement initiatives. Our organization relies heavily on input from physician and nursing leaders to drive our quality of care and patient safety agenda. Chief Medical Officers and Chief Nurse Executives serve on HCA's executive management teams. Many service lines in our hospitals are led by a multidisciplinary team of clinical and administrative leaders.

Working together, the District and HCA Healthcare can expand existing clinical service capabilities, enhance medical staff synergies, and allow residents of Sublette County to receive the high quality, cost-effective healthcare services they deserve. HCA is committed to developing and employing best practices in medicine by using our scale to support continual improvement. We offer our physicians evidence-based guidance, tools, measurement, advanced analytics, data science, and millions of patient encounters to promote safe, effective, efficient, and compassionate care that saves lives.

F. Reduce costs through economies of scale

HCA Healthcare's unique advantage over stand-alone and regional healthcare providers is our ability to utilize our network of facilities nationally for improving current operations, clinical outcomes, quality of care, and patient experience. Using standardized measurement tools, extensive analytics, and knowledge management repositories, HCA hospitals can identify and adopt the practices of high performing peer organizations on a wide range of functions and processes. HCA uses this approach to enhance clinical outcomes, deliver system efficiencies, integrate physicians, grow our strategies and engage employees, among others.

In addition, through the sharing of best practices, HCA is able to utilize its scale for a range of shared services, which allows HCA to reduce both its fixed and marginal costs, maintain more resources by the bedside, and improve performance in many areas. Building upon the success and expertise of consolidated revenue cycle operations and supply chain logistics, HCA Healthcare has expanded into other areas to explore the feasibility of implementing a shared services model such as IT, health information management/coding, payroll, purchasing, A/P and credentialing. We also deploy performance improvement organizational resources in each of our regions to assist our facilities with improving patient care and operational efficiencies.

Purchasing

An HCA subsidiary, Parallon's HealthTrust Purchasing Group (HPG) is the industry's leading group purchasing organization, providing sustainable savings for supplies and expert sourcing for medical device and purchased services. It is the only GPO with a truly committed model—with member-driven decision-making, compliant purchasing and a national portfolio of value that consistently delivers 7-12% greater savings than any other purchasing alliance. HealthTrust delivers the broadest contract coverage, with nearly 80

percent of a hospital's typical spend covered by our portfolio of services. We utilize our \$20 billion in committed spend to successfully deliver the lowest pricing in the industry and create custom contracting for medical devices.

HealthTrust is operated by its member hospital providers, HCA, LifePoint Hospitals, Community Health Systems, Universal Health Services, and the leading Catholic stakeholder systems including CommonSpirit and Trinity. We also have a global footprint that extends to Europe and Asia.

The strength of HealthTrust is the alignment of our members, led by experienced clinical leaders and member advisory boards who conduct a rigorous product vetting and approval process to ensure the best product and price selection. Our membership includes over 1,400 not-for-profit and for-profit acute care facilities and 440 surgery centers, 75 alternative sites, and 2,600 physician practices. This industry-differentiating process drives all procurement activities and decisions, ensuring that member requirements are addressed and that there will be a strong commitment to on-contract purchasing.

HealthTrust services include:

- National contract coverage – includes extensive purchased services portfolio and capital group buys
- SourceTrust – market-leading custom medical device agreements through category expertise, market intelligence, and physician leadership alignment
- SpendTrust – medical/surgical and pharmacy technology solutions and benchmarking support to optimize contracts and identify utilization opportunities
- AdvantageTrust – extends acute-care pricing to affiliated alternate-care sites
- CoreTrust – adds utilize to indirect spend categories (e.g. PBM, parcel, IT hardware) via Fortune 1000 non-healthcare members
- Global Sourcing – utilizes committed model to direct-source commodities at substantial savings

Supply Chain

Parallon's Supply Chain Solutions offers a shared services approach, perfected by HCA to reduce time and energy spent on self-contracting, as well as optimizing hospital inventory capacity. HCA colleagues provide consulting and outsourced services designed to optimize supply chain operations in the areas of Clinical Resource Management

(CRM), value analysis, inventory utilization and product standardization, pharmacy order entry, operating room optimization, purchasing, accounts payable, and distribution.

Parallon's supply chain team has successfully transformed hospitals and acute facilities with its shared services platform, resulting in over \$1 billion in documented savings. With over a decade of innovative accomplishments at HCA, the Parallon business model and best-practice methodologies enable clients to develop, implement and monitor initiatives to improve operations and drive savings. Since Parallon's inception, our successful materials management initiatives reduced the need for hospital storage space by nearly 350,000 square feet.

Parallon operates seven consolidated service centers (purchasing, accounts payable, customer service, regional warehousing, and pharmacy order entry), thirteen consolidated distribution centers and three super centers, for disaster recovery.

Our full-service, integrated business model encompasses customized consulting and outsourcing solutions that improve clinical, operational, and financial outcomes including:

- Clinical resource management – comprehensive value analysis along with product standardization, utilization, and proprietary supply chain initiatives
- Shared services expertise – purchasing, A/P, warehousing, and logistics operations
- Operating room – efficiencies and optimization
- Pharmacy – assessments, custom formularies, and centralized order entry
- Centralized master file – normalization and ongoing maintenance
- Business continuity – comprehensive disaster preparedness and response planning
- In addition, we utilize a broad range of experience and innovation to provide the following: assessments, gap analysis, shared service recommendations, business case development, operations management, or a comprehensive outsource partner relationship
- Process improvement models (e.g., Six Sigma, Lean)

Revenue cycle management

As the nation's largest and most advanced shared services model in the healthcare industry, HCA's wholly-owned subsidiary, Parallon, pairs its provider heritage with

industry-leading scale, robust data analytics, proven best practices, and operational expertise to drive exceptional, predictable results for HCA hospitals, more than 650 other hospitals, and over 3,500 physician practices spanning 41 states and the District of Columbia. Through Parallon's 18,000 professionals, 8 full-service shared services centers, and 9 specialty centers, it collects more than \$52 billion in cash, manages more than 23 million patient registrations, and overturns \$1.7 billion in underpaid and denied claims annually.

We take a people, process, and technology approach to revenue cycle management that evaluates financial impact, identifies areas for improvement, deploys the appropriate resources, and analyzes results. Parallon manages the entire revenue cycle process, inclusive of various support functions, from patient registration and health information management through complete account resolution. We add efficiencies of scale and expertise by managing front- and back-end processes, reducing the number of outsourced vendors, and utilizing our award-winning customer service teams and dedicated management.

Parallon understands how to navigate the complexities of healthcare and hospital systems. We are committed to protecting our providers in all revenue cycle legal and compliance-related activities. As a testament, we heavily invest in dedicated compliance, education and quality assurance teams, and protocols. We have a robust compliance, project management, and education infrastructure (state-of-the-art facilities, training programs, etc.) that ensure our roster of dedicated professionals are always up-to-date on the latest industry changes and are knowledgeable and confident in everything they do. Many of our locations have been honored as "One of the Best Places to Work."

The revenue cycle team puts creative and innovative solutions and advanced technology to work for our hospitals. We pride ourselves on being ahead of the curve on major technology and industry changes. Our robust data warehouse and reporting portal allow our hospitals to access, analyze, and take action on relevant information quickly and easily. Our latest initiatives involve the use of groundbreaking data science and investing in next generation big data prediction and probability analysis.

Beyond providing full-service management from end-to-end across the revenue cycle to more than 230 hospitals, Parallon also provides specialty solutions such as Medicaid Eligibility, Early Out, and Self Pay services spanning the revenue cycle to approximately 100 other health system clients.

Accounting

The accounting function within HCA Healthcare is distributed across all levels of the organization to provide an appropriate balance between consistent standards and controls and the ability for local teams to manage their finances.

The corporate accounting and financial reporting functions provide many services

benefiting HCA hospitals, including but not limited to the following:

- Establishing common accounting policies and procedures to be used across the enterprise
- Providing management and internal financial statement reporting
- Handling external reporting and filing requirements
- Managing intercompany transactions
- Maintaining the lease accounting model and supports hospitals who use it
- Managing other support services, such as accounts payable and travel management

With support from the corporate and division accounting teams, hospitals conduct accounting operations at the local level, including ensuring the accuracy of all journal ledger and transactions, managing the standard managed care accrual process, and ensuring compliance with all accounting policies. Corporate accounting colleagues and processes provide resources and support for all accounting and finance professionals through its Hospital Accounting Resources & Tools (HART) repository and its training curriculum, HART University. HCA Healthcare also supports its hospitals' accounting practices through its internal audit function.

Legal and compliance services

The HCA Legal Department provides direct legal services to HCA facilities, including matters relating to employment and labor issues, acquiring and divesting assets and operations, contracts, peer review, HIPAA, EMTALA, Stark, Anti-kickback statute and patient care issues. Every effort is made to provide such services internally, but some matters are referred to outside counsel with the Legal Department providing the appropriate oversight of services. In addition to ensuring the overall quality of legal work being performed, the Legal Department also strives to contain and reduce the overall legal expense by either performing the services in-house or effectively managing the use of outside legal counsel.

The HCA Ethics and Compliance Department is dedicated to promoting compliance with laws and regulations, "doing the right thing" under all circumstances, and a culture of integrity throughout the organization. The program addresses the OIG's seven elements of an effective compliance program. The Senior Vice President and Chief Compliance Officer reports directly to the CEO of HCA Healthcare and has direct access to the Board. Oversight is provided by the corporate Ethics and Compliance Department, other key corporate departments, and Responsible Executives at the corporate office who serve as subject matter experts in areas of compliance risk. Responsibilities for program

implementation are then delegated to division and facility level Ethics and Compliance Officers.

Standards are set through the Code of Conduct, policies and procedures and Compliance Alerts. All employees receive Code of Conduct training at the time of hire and annually thereafter. Additional training about key compliance risks is developed for a variety of positions across the enterprise.

We also maintain a comprehensive ethics and compliance program that is designed to meet or exceed applicable federal guidelines and industry standards. The program is intended to monitor and raise awareness of various regulatory issues among employees and to emphasize the importance of complying with governmental laws and regulations. As part of the ethics and compliance program, we provide annual ethics and compliance training to our employees and encourage all employees to report any violations to their supervisor, an ethics and compliance officer or to the Company's ethics line available 24 hours a day by phone and internet portal.

G. Recruit and retain executive management

Like the District, HCA Healthcare believes that an effective and compassionate workforce is a key success factor in delivering care. We trust our colleagues as valuable members of our healthcare team and pledge to treat one another with loyalty, respect, and dignity in a manner consistent with HCA's core values and mission statement. HCA and the Pinedale management team would work together to maintain and build a high-performing executive team to lead the facility. At HCA, we believe our success depends on creating a culture where caregivers, staff, administrators, physicians, and volunteers are at the core of a patients-first philosophy. Our Healthy Work Environment initiative includes guiding principles designed to articulate our commitment to employees and features messages supporting programs and policies across five areas of focus: Culture, Leadership, Voice, Compensations/Rewards, and Staffing.

HCA's commitment to employee retention and recruitment is supported by a robust HR organizational structure that includes Centers of Excellence for talent attraction, engagement, and incentives and compensation. Each Center of Excellence has highly focused and trained staff. Recruiting administrative staff is centralized, sourcing and screening all candidates before handing off selection and hiring processes to local recruiters and hiring managers. Employee onboarding is also managed centrally and is completed online, facilitating an efficient process for new hires.

Retention is a consistent focus area for HCA. Employee Engagement surveys are conducted two times per year in most HCA markets, but certain markets are piloting a more frequent survey process (every 3 to 4 months) in order to respond to the needs of their colleagues more effectively. Our incentive plans have targets for turnover as a key performance indicator to challenge executive teams to manage actively the need to retain

top performers and create valuable institutional knowledge. Additionally, career development programs (listed below) have been put into place to increase retention.

One of HCA's strategic guiding principles is the Development of Future Leaders. HCA has long recognized the critical healthcare workforce shortage in physicians, nurses, techs, and executives. There is no one single answer to workforce development and as such, HCA has a varied approach with different programs and curriculums tailored to meet the different roles, responsibilities, and learning systems of a diverse workforce. HCA has several nationally recognized career development programs that are available to employees across the enterprise. Included among the development programs are:

- Director Development Program: Accepting 40 employees per year to accelerate their skills in order to advance into an ED Director, Surgical Services Director, or ICU Director role after 1 year of special training.
- Executive Development Programs for COO, CFO, and others as needed (e.g. CNO, COO, etc.)
- COO Training programs to develop and prepare facility COO's for a CEO role.
- Executive Residency Program ("ERP"): is a one-year resident program for recent graduates from prestigious Masters Programs in Healthcare Administration ("MHA") and Business Administration ("MBA"). ERP creates an entry and pathway for future leaders to begin their careers as HCA healthcare executives. Program goals include expanding HCA's leadership pipeline and capability, generating opportunities for participant connections to HCA executives, leaders, peers, and other business or community leaders, and preparing and equipping participants for future leadership roles in our hospitals, service lines of business, and corporate functions.
- HCA Healthcare offers a Specialty Training Apprenticeship for Registered Nurses ("StaRN") during its Nurse Residency Program, which provides new graduates the opportunity to obtain acute care nursing experience through an intensive 10-17 week paid internship. Participants receive classroom and skills training, simulation training, clinical preceptorship and professional development that enables them to move directly into specialty areas.
- In 2018, more than 2,600 registered nurses obtained national certification in a specialty area through the HCA Healthcare voucher program.
- HCA Healthcare's Centers for Clinical Advancement across the United States provide nurses with state-of-the-art training and the ability to develop their craft using high-tech, lifelike simulation equipment to replicate real-life situations.

In order to address critical shortages in nursing, HCA has recognized the critical role our Patient Care Technicians ("PCT") play. In support of our mission, HCA has implemented a Care Model integrating PCT's. This model maximizes the skills and contributions of each member of the care team, resulting in improved care for our patients. To encourage retention of PCT's, HCA has created a career development program for PCT's which includes leadership training, title, and pay advancements.

Section III – Overview of Management and Related Services

A. Overview of required and optional management services

The services provided by HCA ("Manager") would be constituted in three sections: i) the Required Base Management Services, and ii) the Optional Management Services as described below.

Service	Description
Development (Start-up) Management Services (<i>Subject to FMV</i>)	<p>Development Management Services would include the following and compensation to Manager would be included in the Development fee.</p> <ol style="list-style-type: none"> 1. <u>Development Management Oversight</u>: The Manager ("HCA") would provide advisory, consultative, and oversight services related to the design and construction of the hospital. <i>It is HCA's understanding that the District plans on separately engaging a contractor and construction management firm (e.g. Cummins) to construct and deliver the hospital.</i> The Manager's services would complement the service provided by construction management firm 2. <u>Manager Provided Senior Management</u>: Manager would provide Pinedale with a Chief Executive Officer, a Chief Financial Officer, (one of whom would also be the Ethics and Compliance Officer) and such other senior management personnel for Pinedale ("Healthcare Operations") as Manager may deem to be reasonably appropriate during the development of the hospital. All Manager Provided Senior Management shall be employees or independent contractors of Manager. Manager would also recruit and seek to retain, as necessary, any Manager Provided Senior Management for the term of the Definitive Agreement.
Required Base Management Services (<i>Subject to FMV</i>)	<p>Required Base Management Services would include the following and, unless otherwise noted herein, compensation to the Manager would be included in the fee for Base Management Services:</p> <ol style="list-style-type: none"> 1. <u>Management Oversight</u>: The Manager would provide advisory, consultative, and other direct services to Pinedale and would provide appropriate supervision and oversight of the Healthcare Operations to achieve the directives of the District. Such services would include: <ol style="list-style-type: none"> i. Day-to-day management of the Healthcare Operations and participation as a managed operation of the Mountain Division

Service	Description
	<ul style="list-style-type: none"> ii. Development and periodic update of a long-term strategic plan iii. Development of ongoing market intelligence decision support (e.g. environmental scans, demographic analysis, and competitor analysis) iv. Development of operating and capital budgets and monitoring performance relative to budgets v. Presentation of clinical quality, financial, and managerial reports to the Board. vi. Recommendations for facility and capital planning. vii. General oversight of accounting and financial reporting functions, including arranging for annual audits. <p>2. <u>Manager Provided Senior Management</u>: Manager would provide Pinedale with a Chief Executive Officer, a Chief Financial Officer, (one of whom would also be the Ethics and Compliance Officer) and such other senior management personnel for the Healthcare Operations as Manager may deem to be reasonably appropriate for the provision of the Management Services (the "Manager Provided Senior Management"). All Manager Provided Senior Management shall be employees or independent contractors of Manager. Manager would also recruit and seek to retain, as necessary, any Manager Provided Senior Management for the term of the Definitive Agreement.</p> <p>3. <u>Clinical Integration</u>: To the extent practicable due to potential information technology and systems considerations, the Healthcare Operations would participate in Manager's clinical, quality, and patient satisfaction programs and initiatives. Costs, if any, of integrating information technology and systems would be separate and in addition to the fee for Base Management Services. The fee for Base Management Services includes access to Manager's Clinical Operations Group for advice and oversight with respect to such programs.</p> <p>4. <u>Physician Relationships and Legal Services</u>: Manager would oversee, employ, and/or engage appropriate legal counsel to ensure compliance with Law and compliance with policies and procedures of Pinedale, including those newly adopted policies and procedures that mirror those of Manager's. The scope of such services includes any and all contracting with referral sources, including, but not limited to, physician employment, medical directorships, call coverage agreements, real estate leases, and professional services</p>

Service	Description
	<p>agreements. The cost of oversight by Manager's legal department is included in the fees for Base Management Services, while the direct costs of employment/engagement of legal and valuation resources would be Reimbursable Services.</p> <p>5. <u>Licensing; Accreditation</u>: Manager shall use commercially reasonable efforts, at the District's cost, and/or recommend all steps required to keep the Pinedale Hospital fully licensed and certified for participation in Government Programs and other third party payor programs, and duly accredited by The Joint Commission and such state or other agencies, if applicable, and the District shall cooperate fully in said endeavors including providing Manager access to previous licensure and certification processes and work product of the Hospital (if applicable), including those involving third party professionals.</p> <p>6. <u>Health Financing (Reimbursement)</u>: The Manager would file all required cost reports and would coordinate and file all appeals and audits. The cost of legal action associated with such matters would not be included in the fees for Base Management Services.</p> <p>7. <u>Ethics and Compliance Program and Compliance Audits</u>: Manager would facilitate the conversion and operation of the Healthcare Operation's ethics and compliance program, including ethic's hotline, code of conduct, conflict of interest policies, and policies with respect to gifts and business courtesies, to reflect those that mirror Manager's ethics and compliance program. Employees and applicable staff would be afforded Manager's training materials with respect to ethics and compliance. Manager's internal audit department would include the Healthcare Operations in its customary and periodic compliance audit work program.</p> <p>8. <u>Billing, Collection, Health Information Management and Coding</u>: Manager, through its affiliate, Parallon Business Performance Group, would provide billing, collection, health</p>

Service	Description
	<p>information management and coding services for Pinedale and the Healthcare Operations. Such services would not include the cost of existing admitting and registration personnel of the Healthcare Operations, but would cover and/or replace existing billing, collection, health information management and coding costs of Pinedale. Manager would be entitled to obtain on behalf of Pinedale the assistance of one or more collection agencies at Pinedale's expense. Manager would operate in compliance with the charity care policies or indigent care policies adopted by Pinedale.</p>
<p>Examples of Optional Management Services (<i>Subject to FMV</i>)</p>	<p>HCA would also offer optional management services such as the examples included below. The compensation to the Manager for such services would be determined at the time of engagement based on fair market value.</p> <ol style="list-style-type: none"> <li data-bbox="630 831 1433 1003">1. <u>Managed Care Contracting</u>: Subject to appropriate controls to maintain compliance with applicable antitrust law, at the request of the Board, Manager may negotiate with 3rd party payors on behalf of the Healthcare Operations for contracting with managed care entities. <li data-bbox="630 1083 1433 1276">2. <u>Human Resources</u>: The Manager would provide support in determining employee compensation, administering employee surveys, and providing training and educational programs. Manager would advise Pinedale with respect to Pinedale's employee benefit programs and assist in contracting for the administration thereof. <li data-bbox="630 1356 1433 1486">3. <u>Insurance Programs and Risk Management</u>: Manager would provide Pinedale with access to its risk management programs and, for fair market value premiums, obtain for Pinedale insurance coverage for mutually agreed risks. <li data-bbox="630 1566 1433 1696">4. <u>Public Affairs and Government Relations</u>: The Manager would monitor federal and state legislative and policy issues applicable to the Healthcare Operations and advise the Board on such issues.

Service	Description
	<p>5. <u>Information, Technology, and Systems ("IT&S")</u>: Manager would advise Pinedale with respect to its technology and systems utilization, including assessments of future needs, an assessment of Pinedale's cost structure, and potential efficiencies. Manager would, when authorized by the Board, manage contracting with third-party IT&S providers and implement approved recommendations.</p> <p>6. <u>Supply Chain / HealthTrust Purchasing Group ("HPG")</u>: Manager would provide consulting and an assessment of Pinedale's purchasing and supply chain processes and make recommendations for improvement, and where applicable and mutually agreeable and subject to Pinedale's participation in HPG, include Pinedale in Manager's supply chain management initiatives. Pinedale would be offered the opportunity to participate in HPG's purchasing contracts, subject to the terms and conditions customarily offered to HPG members.</p> <p>7. <u>Development</u>: The Manager would assist in developing Pinedale's market, including structuring transactions, coordinating due diligence, and closing transactions for healthcare businesses, in all cases subject to approval by the Board.</p> <p>8. <u>Real Estate</u>: The Manager would provide assistance in the development of medical office buildings, and in the purchase or sale of real estate, including site selection, financing, leasing, construction layout, and other facets of the design and operation of healthcare real estate.</p> <p>The services included above are examples of the services we can offer and other services are available upon request and subject to fair market value opinion by an independent third party appraiser.</p>