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STATE OF NEW HAMPSHIRE
DEPARTMENT OF CORRECTIONS
DIVISION OF ADMINISTRATION

P.O. BOX 1806
CONCORD, NH 03302-1806

603-271-5610 FAX: 1-888-9086609
TDD Access: 1-800-735-2964
www.nh.gov/nhdoc

Helen E. Hanks
Commissioner

Robin H. Maddaus
Director

June 4, 2018

His Excellency, Governor Christopher T. Sununu
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the New Hampshire Department of Corrections to enter into a contract with Androscoggin Valley Hospital, Inc. (VC# 177220), 59 Page Hill Road, Berlin, NH 03750, in the amount of $1,560,742.00, for the provision of Inpatient & Outpatient Hospital/Medical effective upon Governor and Executive Council approval for the period beginning July 1, 2018 through June 30, 2021, with the option to renew for one (1) additional period of up to two (2) year(s) subject to Governor and Executive Council approval. 100% General Funds.

Funding for this contract is available in account, *Medical-Dental:* 02-46-46-465010-8234-101-500729, as follows with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office, if needed and justified. Funding for SFY 2020 and 2021 is contingent upon the availability and continued appropriation of funds.

Androscoggin Valley Hospital, Inc.

Account	Description	SFY 2019	SFY 2020	SFY 2021
02-46-46-465010-8234-101-500729	Medical Providers	487,931.00	519,647.00	553,164.00
Total Contract Amount:				$1,560,742.00

EXPLANATION

This contract is for the provision of Inpatient & Outpatient Hospital/Medical Services for inmates of the Northern New Hampshire area consisting of the Northern NH Correctional Facility (NCF), Berlin, NH.

The New Hampshire Department of Corrections utilizes hospital services for short-term medical treatment for inmates having an acute illness or injury that is beyond the scope of primary care services provided by the current medical staff within the prison facility. The hospital contract includes inpatient surgery, medical services and outpatient procedures such as ambulatory surgery, diagnostic and emergency services.

Respectfully Submitted,

Helen E. Hanks
Commissioner

STATE OF NEW HAMPSHIRE

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DIVISION OF MEDICAL & FORENSIC SERVICES

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Helen M. Hanks
Commissioner

Paula L. Mattis
Director

RFP Bid Evaluation and Summary

Inpatient and Outpatient Hospital/Medical Services

NHDOC 18-08-GFMED

Proposal Receipt and Review:

- Proposals will be reviewed to initially determine if minimum submission requirements have been met. The review will verify that the proposal was received before the date and time specified, with the correct number of copies, the presence of all required signatures, and that the proposal is sufficiently responsive to the needs outlined in the RFP to permit a complete evaluation. Failure to meet minimum submission requirements will result in the proposal being rejected and not included in the evaluation process.
- The Department will select a group of personnel to act as an evaluation team. Upon receipt, the proposal information will be disclosed to the evaluation committee members only. The proposal will not be publicly opened.
- The Department reserves the right to waive any irregularities, minor deficiencies and informalities that it considers not material to the proposal.
- The Department may cancel the procurement and make no award, if that is determined to be in the State's best interest.

Proposal Evaluation Criteria:

- Proposals will be evaluated based upon the proven ability of the respondents to satisfy the requirements of this request in the most cost-effective manner. Specific criteria are:
    a. Total Estimated Cost – 720 points
    b. Claims Processing – 50 points
    c. Physician Services – 150 points
    d. Phlebotomy Services – 20 points
    e. Other Services at Discounted Rate – 40 points
    f. No Other Costs by Vendor – 20 points
    g. Qualitative References – Pass/Fail
- Awards will be made to the responsive Vendor(s) whose proposals are deemed to be the most advantageous to the State, taking into consideration all evaluation factors in section 30 of NHDOC 18-08-GFMED Inpatient and Outpatient Hospital/Medical Services RFP.
    a. The contract will be awarded to the Bidder submitting a response based on the demonstrated capabilities and skills in relation to the needs of the services identified in the RFP without reducing the current functions of the Department and as long as the Vendor's Total Estimated Cost, Claims Processing, Physician Services, Phlebotomy Services, Other Services at Discounted Rate, No Other Costs by Vendor and Qualitative References are acceptable to the Department.

Evaluation Team Members:

- Paula Mattis, FACHE, Director, Medical & Forensic Services, NH Department of Corrections
- Bernie Campbell, BS, PT, Deputy Director, Medical & Forensic Services, NH Department of Corrections
- Joyce Leeka, RHIA, Operations Administrator, Medical & Forensic Services, NH Department of Corrections
- Jennifer Lind, MBA, CMA, Contract/Grant Administrator, Administration, NH Department of Corrections

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Director

RFP Scoring Matrix
Inpatient and Outpatient Hospital/Medical Services
NHDOC 18-08-GFMED

Respondent:

- *Androscoggin Valley Hospital*
  59 Page Hill Road
  Berlin, NH 03570

Scoring Matrix Criteria:

- Proposals were evaluated based on the proven ability of the respondents to satisfy the provisions set forth in the Scope of Services in the most technical and cost-effective manner.

1. Total Estimated Cost – 720 points
2. Claims Processing – 50 points
3. Physician Services – 150 points
4. Phlebotomy Services – 20 points
5. Other Services at Discounted Rate – 40 points
6. No Other Costs by Vendor – 20 points
7. Qualitative References – Pass/Fail

NHDOC 18-08-GFMED RFP Scoring Matrix		
Evaluation Criteria	*RFP Weight Point Value*	*Androscoggin Valley Hospital*
Total Estimated Cost	720	720
Claims Processing	50	50
Physician Services	150	150
Phlebotomy Services	40	40
Other Services at Discounted Rate	20	20
No Other Costs by Vendor	20	20
Qualitative References	Pass/Fail	Fail
Total	**1000**	**1000**

Contract Award:

- *Androscoggin Valley Hospital*
  59 Page Hill Road
  Berlin, NH 03570

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Paula L. Mattis
Director

RFP Evaluation Committee Member Qualifications
Inpatient and Outpatient Hospital/Medical Services
NHDOC 18-08-GFMED

Paula Mattis FACHE, Division Director, Medical & Forensic Services:

Ms. Mattis recently joined the NH Department of Corrections serving as the Non-Medical Director, Division of Medical & Forensic Services. Her professional history includes seven years as Administrator of Community Integration at the State of New Hampshire, New Hampshire Hospital, four years as Chief Operating Officer and three years as Acting CEO. Prior to this appointment, Ms. Mattis was President and Chief Executive Officer of the Animal Rescue League of New Hampshire. Ms. Mattis received her Bachelor of Arts degree with honors in Psychology (major) and Sociology (minor) from the University of Texas and a Master's of Social Work, specializing in Community Mental Health from the University of Illinois.

Bernie Campbell, BS, PT, Deputy Director, Medical & Forensic Services:

Ms. Campbell is the Deputy Director for the Division of Medical & Forensic Services for the NH Department of Corrections. In this capacity, Ms. Campbell's role is to administer and supervise allied health services for the Division of Medical & Forensic Services and is responsible to ensure public and institutional safety for all sites through staff and contract monitoring and evaluation. Ms. Campbell is a graduate of UMass Lowell and has involvement with the Department for over twenty-eight years, most recently in the capacity of Director of Rehabilitation Services. Ms. Campbell's past experience has included ownership of a physical therapy clinic as well as vast acute care hospital experience.

Joyce Leeka, RHIA, Medical Operations Administrator, Medical & Forensic Services:

Ms. Leeka is the Operations Administrator for the Medical and Forensic Services Division for the NH Department of Corrections. In this capacity Ms. Leeka is the subject matter expert for Health Information Management. This includes medical privacy (HIPAA), record management, Electronic Health Records and medical coding and billing to include the new ICD-10-CM system. Ms. Leeka is the Utilization Management Administrator for medical ancillary services and the Division's Contract Administrator. Ms. Leeka is a graduate of the University of Central Florida and has held positions of HIM Director, QI/UM Director and UM Coordinator in a variety of hospitals on both the east and west coasts. Ms. Leeka has also worked as a consultant in the areas of QI and long-term care. Ms. Leeka has past experience teaching ICD-9 coding, medical terminology to business office staff, DRG orientation to nursing staff and coordinated hospital-wide discharge planning activities.

Jennifer Lind, MBA, CMA, Contract/Grant Administrator, Administration:

Ms. Lind has served as the Contract and Grant Administrator since 2010. Ms. Lind is responsible for the development of the Department's request for proposals (RFPs), contracts and grants management. Ms. Lind's current responsibilities include all aspects of the RFP delivery from project management, data collection, drafting and cross function collaboration; procurement functions and management of the Department's medical, programmatic and maintenance contracts and provides managerial oversight to the Grant Division for the Department. Prior to Ms. Lind's promotion to the Contract/Grant Administrator, she held the Program Specialist IV, Contract Specialist position and the Grant Program Coordinator position of the Department. Prior to her employment with the Department, Ms. Lind held the position of Assistant Grants Administrator at the Community College System of New Hampshire for ten years. Ms. Lind received her Bachelors of Science in Accounting from Franklin Pierce College and a Master's of Management with a Healthcare Administration concentration from New England College. Ms. Lind has supplemented her education from prior experience in the pre-hospital care setting and has maintained her Certified Medical Assistant license since 1998.

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Helen M. Hanks
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Paula L. Mattis
Director

Bidders List

Inpatient and Outpatient Hospital/Medical Services
NHDOC RFP 18-08-GFMED

Androscoggin Valley Hospital
Michael Peterson
Chief Executive Officer
59 Page Road
Berlin, NH 03570
(o) 603-752-5601
(e) michael.peterson@avhnh.org
(w) www.avhnh.org

Cottage Hospital
Maria Ryan, PhD
Chief Executive Officer
P.O. Box 2001
90 Swiftwater Road
Woodsville, NH 03785
(o) 603-747-9244
(e) myhospital@cottagehospital.org
(w) www.cottagehospital.org

Littleton Regional Healthcare
Robert F. Nutter
President
600 St. Johnsbury Road
Littleton, NH 03561
(o) 800-464-7731
(f) 603-444-0443
(e) geninfo@lrhcares.org
(w) www.littletonhealthcare.org

Upper Connecticut Valley Hospital
Scott Coby
President
181 Corliss Lane
Colebrook, NH 03756
(o) 603-237-4971
(f) 603-237-4452
(e) scolby@ucvh.org
(w) www.ucvh.org

Weeks Medical Center Hospital
Michael D. Lee
President
173 Middle Street
Lancaster, NH 03584
(o) 603-788-4911
(e) michael.lee@weeksmedical.org
(w) www.weeksmedical.org

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Corrections		1.2 State Agency Address 105 Pleasant Street, Concord NH 03301	
1.3 Contractor Name Androscoggin Valley Hospital, Inc.		1.4 Contractor Address 59 Page Hill Road, Berlin NH 03570	
1.5 Contractor Phone Number 603-326-5633	1.6 Account Number 02-46-46-465010-8234-101-500729	1.7 Completion Date June 30, 2021 ~~May 24, 2018~~	1.8 Price Limitation $1,560,742.00
1.9 Contracting Officer for State Agency Helen E. Hanks, Commissioner		1.10 State Agency Telephone Number 603-271-5603	
1.11 Contractor Signature		1.12 Name and Title of Contractor Signatory Michael D. Peterson, President	

1.13 Acknowledgement: State of NH , County of Coos

On May 24, 2018, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

[Seal]

1.13.2 Name and Title of Notary or Justice of the Peace
JILLIAN P. HAMMOND, Notary Public
My Commission Expires October 15, 2019

1.14 State Agency Signature Date: 6/7/18	1.15 Name and Title of State Agency Signatory Helen E. Hanks, Commissioner

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)*

By: On: 6/7/18

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: On:

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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[Seal]

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JILLIAN P. HAMMOND, Notary Public
My Commission Expires October 15, 2019

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By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)*

By: On: 6/7/18

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: On:

MDP

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials MAP
Date 5/24/2018

Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.
9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.
The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000per occurrence and $2,000,000 aggregate ; and
14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.
14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

Contractor Initials MPP
Date 5/24/2018

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A *("Workers' Compensation")*.

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

Contractor Initials MAP

Date 5/24/2018

SECTION D: Scope of Services, Exhibit A

1. **Description of Services:**
The Contractor shall provide Inpatient and Outpatient Hospital Services, Phlebotmy and Other Professional Medical Services for all services as specified in Exhibit A, Scope of Services, for each regional area proposal submission for the NH Department of Corrections to include but not limited to:
Critical Access Hospital (CAH) RFP Submission:

1.1. Inpatient Services:
The NH Department of Corrections recognizes CAH's are reimbursed by Medicare at a calculated cost amount for inpatient services using an interim per diem rate, updated at least once per year, which is settled to the cost amount at a later date. The Contractor will provide pricing based on the per diem rate and translate the per diem rate into a DRG rate (DRG co-efficient) as a basis for comparison and evaluation. The NH Department of Corrections reserves the right to accept either rate.

As amended, per RSA 623-C:2 effective July 1, 2015, hospitals are required to accept fees not greater than 110% of Medicare. Contractors shall provide pricing that conforms to the statute for both a per diem and DRG methodology. If the per diem rate methodology is selected, the Contractor shall submit the current Centers for Medicare and Medicaid Services (CMS) interim per diem rate documentation. The NH Department of Corrections requests the Contractor to comment on the competitiveness of the discount provided as it relates to the requirements of and the amended RSA 623-C:2 effective July 1, 2015, private commercial payment and other public sources of third party payment.

Observation stays will be defined as 23.59 hours or less and any hospital stay of greater value will be billed at the agreed upon per diem rate or at the 110% or less of the Medicare rate pursuant to amended RSA 623-C:2 effective July 1, 2015 whichever rate is more favorable to meeting or exceeding the statutory reimbursement expectation.

If the NH Department of Corrections patient's medical care is covered by Medicaid, pursuant to RSA 151, or the licensed health care provider, or both, shall be paid at the Medicaid rate for services provided. The NH Department of Corrections will assist in applying for this reimbursement as necessary.

1.2. Emergency Room Services:
The NH Department of Corrections recognizes CAH's are reimbursed by Medicare based on an interim rate using a "percentage of charge" methodology that is consistent with the cost of providing outpatient services. This interim rate is updated at least once a year. The Contractor shall submit the current CMS interim rate documentation. Contractors shall provide pricing based on a percentage of charge rates not to exceed the 110% 2018 Medicare rate. The NH Department of Corrections requests the Contractor to comment on the competitiveness of the discount provided as it relates to the requirements of and the amended RSA 623-C:2 effective July 1, 2015, private commercial payment and other public sources of third party payment.

1.2.1. Outpatient Services:
Contractors shall provide pricing based on a percentage of charge rate not to exceed the 110% 2018 Medicare rate. The NH Department of Corrections requests the Contractor to comment on the competitiveness of the discount provided as it relates to the requirements of and the amended RSA 623-C:2 effective July 1, 2015, private commercial payment and other public sources of third party payment.

Outpatient services include but are not limited to clinical laboratory, radiology and pharmacy services.

1.2.2. As the NH Department of Corrections is seeking to be reimbursed as a percentage of the relevant 2018 NH Medicare Fee Schedule, indicate the percentage (%) multiplier using the following NH Medicare Fee Schedules, below:

NH 2018 Medicare Fee Schedule	Percentage (%) Multiplier
Outpatient Laboratory	
Outpatient Radiology	
National Level II Codes (HCPCS)	

1.3. Rate Adjustments:

1.3.1. The NH Department of Corrections requests a three-year rate proposal and agreement because of the need to properly appropriate funds over the biennium. If the Contractor proposes an annual adjustment to the rates, please indicate what the adjustment will be, how notification will occur, and the rationale for such adjustment. If extended for two (2) years, NH Department of Corrections will agree to hospital reimbursement rates by the most recently published Boston-Cambridge-Newton, Medical Consumer Price Index (BCNCPI) for the remaining two (2) year period provided that such an adjustment does not violate the intent of RSA 623-C:2 as amended effective July 1, 2015when compared to the then current Medicare fee schedule.

1.3.2. *Please note:* During the term of the agreement with any selected Contractor, NH Department of Corrections will require by Agreement that the Contractor provide written notification of any charge master increases prior to the effective date of such change. The percentage of charges for these services will be offset to preserve the same level of reimbursement prior to the charge increase. In the event that the notification is not provided in advance or in accordance with the terms of the Agreement, NH Department of Corrections reserves the right to recover any overpayments at any time. Critical Access Hospitals shall provide on an annual basis at a minimum, the CMS Interim Rate Review letter.

1.4. Hospital Claim Processing:

1.4.1. The NH Department of Corrections lacks electronic claims system capacity. For Hospitals Services, the NH Department of Corrections will require the Contractor to invoice the discounted amount of services rendered to patients. Claims are to be provided in the industry standard format, (CMS1500, UB-04) but should indicate the amount expected to be reimbursed. The Contractor is asked in this section to describe the method by which it will address this request, provide a sample format and may be asked to speak to this issue in more detail during any finalist presentation. This section is a requirement for any qualified bidder.

1.4.2. *Please note:* The NH Department of Corrections reserves the right to audit any claims and/or seek clarification on any payments that result from this process at any time. The Contractor should be able to defend its pricing methodology and properly detail any internal process controls for ensuring accurate pricing of claims (RSA 623-C:2(g).

1.5. Physician Services:

1.5.1. The NH Department of Corrections seeks to include professional medical services in this RFP. In particular, it seeks to access services for employed physicians to be reimbursed at a discounted level. The Contractor should indicate its willingness to

provide discounted professional services for its employed physicians and provide the following:

a.) Listing of the employed physicians and relevant specialty;
b.) Level of reimbursement expressed as a percentage of the 2018 NH Medicare physician fee schedule not to exceed 110% of Medicare; and
c.) NH Department of Corrections requests the Contractor to comment on the competitiveness of the discount as it relates to billed charges, commercial third party payments and other public program third party payer reimbursements (i.e. Medicaid, Veterans Administration, etc.).

1.5.2. The NH Department of Corrections seeks to include other non-hospital based community physicians in its professional services network. Please indicate how the facility may assist the NH Department of Corrections in reaching out to other community physicians. Non-hospital based physician staff will be reimbursed at a rate not exceed 125% of the NH Medicare physician fee schedule per the amended RSA 623-C:2 effective July 1, 2015. Please comment on the expected success of this effort, ways to ensure a successful effort and other ideas that will enhance the ability of the NH Department of Corrections to access non-hospital based physician staff.

1.6. Physician Services Claims Processing:
The Contractor should validate that Physician Service claims will be provided to the NH Department of Corrections in a timely manner and consistent with the industry format (CMS1500). Claims for Physician Services will be processed by the NH Department of Corrections by applying the negotiated percentage of the 2018 NH Medicare Fee Schedule to the service, regardless of amount billed. The NH Department of Corrections requests that the Contractor invoice at 110% of Medicare rate for employed Physician Services. No payments of services rendered under this methodology will exceed the 110% Medicare amount.

1.7. Phlebotomy Services: Provide Phlebotomy services to include but not limited to:

1.7.1. Venipuncture services;
1.7.2. Specimen collection time;
1.7.3. Comprehensive phlebotomy services to include immediate coverage of requested as well as the ability to maintain contracted service coverage in cases of sickness, vacation, vacancy of positions, etc. of assigned phlebotomy Contractor staff.
1.7.4. Phlebotomy services shall be provided by the Contractor on-site for a maximum of six (6) hours per week for the Northern NH Correctional Facility (NCF), Berlin, NH. The schedule of phlebotomy services shall be mutually agreed upon by the parties.
1.7.5. The on-site days of the Phlebotomist shall be determined by the NH Department of Correction and the Contractor. If the NH Department of Corrections nurses perform venipuncture, there will be no special preparations of the specimen, i.e. no slide preparations or other lab preps such as transfer of specimens form on tube to another.
1.7.6. The Contractor shall provide an hourly rate for the phlebotomy services and report the expected annual reimbursement based on a maximum of three hundred and twelve (312) hours of phlebotomy services.

1.8. Other Considerations:

1.8.1. The NH Department of Corrections is interested in access to other necessary services that the Contractor may be willing to provide at a discounted rate under the 125% of Medicare rate. Please indicate in this section if any other such services are available. Items of interest include but are not limited to on-campus (NH

Department of Corrections facilities) rehabilitation services: Physical Therapy (PT), Occupational Therapy (OT), Speech Therapy (ST) and Respiratory Therapy (RT), Oncology, Radiation Therapy or alternative to hospital based rehabilitation services.

1.8.2. For inpatient rehabilitation services, Contractors shall provide pricing based on Medicare's Case Mix Groups (CMG) utilizing the payment on account factor (PAF or % of charge) for 2018. The NH Department of Corrections is seeking a rate not to exceed 110% of Medicare per amended RSA 623-C:2 effective July 1, 2015.

1.8.3. As an evaluation tool, transportation/security costs will be calculated and factored in to the total cost of Hospital Services. Transports shall be done with a minimum of two (2) NH Department of Corrections Correctional Officers at an average rate of $61.56 per hour and a per mile cost of $0.545 based upon the Internal Revenue Service announcement for 2018.

1.8.4. The $0.545 per mile rate shall fluctuate based upon the Internal Revenue Service announcement per Calendar Year for the life of the Contract and any renewals thereof.

2. Terms of Contract:

A Contract awarded by the Governor and Executive Council (G&C) through the NH Department of Corrections as a result of this RFP is expected to be effective for the period beginning July 1, 2018 upon approval of Governor and Executive Council whichever is later through June 30, 2021, with an option to renew for one (1) additional period of up to two (2) years, only after the approval of the Commissioner of the NH Department of Corrections and the Governor and Executive Council.

3. Population Served:

The Contractor shall provide Inpatient and Outpatient Hospital/Medical, phlebotomy and other professional medical services for the patient population under custodial care located at the following facility listed in the table, below, marked with an "X":

Northern Region – Northern NH Correctional Facility			
X	Northern NH Correctional Facility (NCF)	138 East Milan Road	Berlin, NH 03570

1.1. The requested services shall be provided by the Contractor to patients of alternative locations in the event that the State relocates its facilities within the State of New Hampshire.

1.2. Locations per contract year may be increased/decreased and or reassigned to alternate facilities during the Contract term at the discretion of the Department. Locations may be added and/or deleted after the awarding of a Contract at the discretion of the Department and upon mutual agreement of the Commissioner of the Department of Corrections and the Contractor.

3.3. The Contractor shall be obligated to continue to provide services of the NH Department of Corrections even in the event that their geographic location changes.

3.4. Partial proposals for treatment services of the facility shall not be accepted.

4. Current Average Patient Population by Facility as of April 11, 2018:

Service Area	Average Projected Patient Population
Northern NH Correctional Facility	640

5. Estimated Annual Patient Transports for SFY 2017:

Service Area	Estimated Annual Patient Transports
Northern NH Correctional Facility	578[1]

6. General Service Provisions:

6.1. Rules and Regulations: The Contractor shall comply with all rules and regulations of the NH Department of Corrections to include the Department's confidentiality policy and procedure directives.

6.2. Additional Facilities: Upon agreement of both parties, additional facilities belonging to the NH Department of Corrections may be added to the Contract. If it is necessary to increase the price limitation of the contract this provision will require Governor and Executive Council approval.

6.3. Licenses, Credentials and Certificates: The Contractor shall ensure that NH State licensed professionals provide the services required. The Contractor and its staff shall possess the credentials, licenses and/or certificates required by law and regulations to provide the services required.

6.4. Change of Ownership: In the event that the Contractor should change ownership for any reason whatsoever, the NH Department of Corrections shall have the option of continuing under the Contract with the Contractor or its successors or assigns for the full remaining term of the Contract, continuing under the Contract with the Contractor or, its successors or, assigns for such period of time as determined necessary by the NH Department of Corrections, or terminating the Contract.

6.5. Contractor Designated Liaison: The Contractor shall designate a representative to act as a liaison between the Contractor and the Department for the duration of the Contract and any renewals thereof. The Contractor shall, within five (5) days after the award of the Contract: submit a written identification and notification to NH Department of Corrections of the name, title, address, telephone number, fax number and e-mail address of one (1) individual within its organization as a duly authorized representative to whom all correspondence, official notices and requests related to the Contractor's performance under the Contract.

6.5.1. Any written notice to the Contractor shall be deemed sufficient when deposited in the U.S. mail, postage prepaid and addressed to the person designated by the Contractor under this paragraph.

6.5.2. The Contractor shall have the right to change or substitute the name of the individual described above as deemed necessary provided that any such change is not effective until the Commissioner of the NH Department of Corrections actually receives notice of this change.

6.5.3. Changes of the named Liaison by the Contractor must be made in writing and forwarded to: NH Department of Corrections, NH Department of Corrections, Director of Medical & Forensic Services, or designee, P.O. Box 1806, Concord, NH 03302.

6.6. Contractor Liaison's Responsibilities: The Contractor's designated liaison shall be responsible for:

6.6.1. Representing the Contractor on all matters pertaining to the Contract and any renewals thereof. Such a representative shall be authorized and empowered to represent the Contractor regarding all aspects of the Contract and any renewals thereof;

[1] (Based on Offender Management data of medical transports)

6.6.2. Monitoring the Contractor's compliance with the terms of the Contract and any renewals thereof;

6.6.3. Receiving and responding to all inquiries and requests made by NH Department of Corrections in the time frames and format specified by NH Department of Corrections in this RFP and in the Contract and any renewals thereof; and

6.6.4. Meeting with representatives of NH Department of Corrections on a periodic or as-needed basis to resolve issues which may arise.

6.7. NH Department of Corrections Contract Liaison Responsibilities: The NH Department of Corrections Commissioner of Corrections, or designee, shall act as liaison between the Contractor and NH Department of Corrections for the duration of the Contract and any renewals thereof. NH Department of Corrections reserves the right to change its representative, at its sole discretion, during the term of the Contract, and shall provide the Contractor with written notice of such change. NH Department of Corrections representative shall be responsible for:

6.7.1. Representing NH Department of Corrections on all matters pertaining to the Contract. The representative shall be authorized and empowered to represent NH Department of Corrections regarding all aspects of the Contract subject to the New Hampshire Governor and Executive Council approval, where needed;

6.7.2. Monitoring compliance with the terms of the Contract;

6.7.3. Responding to all inquiries and requests related to the Contract made by the Contractor, under the terms and in the time frames specified by the Contract;

6.7.4. Meeting with the Contractor's representative on a periodic or as-needed basis and resolving issues which arise; and

6.7.5. Informing the Contractor of any discretionary action taken by NH Department of Corrections pursuant to the provisions of the Contract.

6.8. Notification of Services: The NH Department of Corrections Director of Medical & Forensic Services, or designee, shall contact the Contractor when service is needed. A list of NH Department of Corrections, Medical Service Personnel Coordinators will be provided to the Contractor upon award of a Contract(s).

6.9. Reporting Requirements: The NH Department of Corrections shall, at its sole discretion:

6.9.1. The Contractor shall provide, at a minimum, annual reports on outpatient volume by the Department's facility and inpatient volume shall be required. Descriptions of reports or sample reports should be provided as an attachment to the RFP response.

6.9.2. The Contractor shall provide any and all reports as requested on an as needed basis according to a schedule and format to be determined by the NH Department of Corrections mutually agreed upon by the parties.

6.9.3. Billings are to be provided in a format consistent with Medicare and Medicaid billings on industry standard forms (CMS 1500, UB-04).

6.9.4. Request the Contractor to provide proof of any and all permits to perform Inpatient and Outpatient Hospital/Medical and Phlebotomy services as required by authorities having local, state and/or federal jurisdiction at any time during the life of the Contract and any renewals thereof.

6.9.5. It is the intent of the NH Department of Corrections to work with any Contractor to provide any reporting required that meets the NH Department of Corrections needs.

6.9.6. The NH Department of Corrections welcomes suggestions from prospective Contractors that would result in a more efficient administration of any Contract resulting from this RFP.

6.9.7. Any information requested would be specific to the NH Department of Corrections patients only.

6.9.8. Reports and/or information requests shall be forwarded to NH Department of Corrections, Medical Operations Administrator, or designee, P.O. Box 1806, Concord, NH 03302.

6.10. Performance Evaluation: The NH Department of Corrections shall, at its sole discretion monitor and evaluate the Contractor's compliance with the Terms and Conditions and adherence to the Scope of Services of the Contract for the life of the Contract and any renewals thereof.

6.10.1. Review reports submitted by the Contractor. NH Department of Corrections shall determine the acceptability of the reports. If they are not deemed acceptable, NH Department of Corrections shall notify the Contractor and explain the deficiencies.

6.10.2. Request additional reports the NH Department of Corrections deems necessary for the purposes of monitoring and evaluating the performance of the Contractor under the Contract.

6.10.3. Perform periodic programmatic and financial review of the Contractor's performance or responsibilities. This may include, but limited to, on-site inspections audits conducted by the NH Department of Corrections or its agent of the Contractor's records. The audits may, at a minimum, include a review of the following:

a.) Claims and financial administration;
b.) Program operations;
c.) Financial reports;
d.) Staff qualifications;
e.) Clinical protocols; and
f.) Individual medical records.

6.10.4. Give the Contractor prior notice of any on-site visit by the NH Department of Corrections or its agents to conduct an audit and further notify the Contractor of any records which the NH Department of Correction or its agent may wish to review.

6.10.5. Inform the Contractor of any dissatisfaction with the Contractor's performance and include requirements for corrective action.

6.10.6. The Contractor understands and agrees that the NH Department of Corrections reserves the right to amend the claims process for Hospital and Professional Services as outlined in Exhibit A. The NH Department of Corrections continues to work on alternative mechanisms to expedite the claims process and provide useful real time data to NH Department of Corrections. Any such change to the claims process will be provided with written notice in advance of the required change.

6.11. Performance Measures: The NH Department of Corrections shall, at its sole discretion:

6.11.1. Inform the Contractor of any dissatisfaction with the Contractor's performance and include requirements for corrective action.

6.11.2. Review phlebotomy services performance to ensure such services are provided as scheduled without gaps of coverage to the requested hours per week.

6.11.3. Terminate the Contract, if NH Department of Corrections determines that the Contractor is:

a.) Not in compliance with the terms of the Contract;
b.) Has lost or has been notified of intention to lose their certification/licensure/ permits; and
c.) Terminate the contract as otherwise permitted by law.

7. Other Contract Provisions:

7.1. Modifications to the Contract: In the event of any dissatisfaction with the Contractor's performance, the NH Department of Corrections will inform the Contractor of any dissatisfaction and will include requirements for corrective action.

7.1.1. The Department of Corrections has the right to terminate the Contract, if the NH Department of Corrections determines that the Contractor is:

a.) Not in compliance with the terms of the Contract, or;

b.) As otherwise permitted by law or as stipulated within this Contract.

7.2. Coordination of Efforts: The Contractor shall fully coordinate the activities to the performance of the Contract with those of the NH Department of Corrections. As the work of the Contractor progresses, advice and information on matters covered by the Contract shall be made available by the Contractor to the NH Department of Corrections as requested by the Department throughout the effective period of the Contract.

8. Bankruptcy or Insolvency Proceeding Notification:

8.1. Upon filing for any bankruptcy or insolvency proceeding by or against the Contractor, whether voluntary or involuntary, or upon the appointment of a receiver, trustee, or assignee for the benefit of creditors, the Contractor shall notify the NH Department of Corrections immediately.

8.2. Upon learning of the actions herein identified, the NH Department of Corrections reserves the right at its sole discretion to either cancel the Contract in whole or in part, or, re-affirm the Contract in whole or in part.

9. Embodiment of the Contract:

9.1. The Contract between the NH Department of Corrections and the Contractor shall consist of:

9.1.1. Request for Proposal (RFP) and any addendums thereto;

9.1.2. Proposal submitted by the Vendor in response to the RFP; and/or

9.1.3. Negotiated document (Contract) and amendments agreed to by and between the parties that is ratified by a "meeting of the minds" after careful consideration of all of the terms and conditions and that which is approved by the Governor and Executive Council of the State of New Hampshire.

9.2. In the event of a conflict in language between the documents referenced above, the provisions and requirements set forth and/or referenced in the negotiated document noted in 9.1.3. shall govern.

9.3. The NH Department of Corrections reserves the right to clarify any contractual relationship in writing with the concurrence of the Contractor, and such written clarification shall govern in case of conflict with the applicable requirements stated in the RFP or the Vendor's Proposal and/or the result of a Contract.

10. Cancellation of Contract:

10.1. The Department of Corrections may cancel the Contract at any time for breach of Contractual obligations by providing the Contractor with a written notice of such cancellation.

10.2. Should the NH Department of Corrections exercise its right to cancel the Contract for such reasons, the cancellation shall become effective on the date as specified in the notice of cancellation sent to the Contractor.

10.3. The NH Department of Corrections reserves the right to terminate the Contract without penalty or recourse by giving the Contractor a written notice of such termination at least sixty (60) days prior to the effective termination date.

10.4. The NH Department of Corrections reserves the right to cancel this Contract for the convenience of the State with no penalties by giving the Contractor sixty (60) days' notice of said cancellation.

11. Contractor Transition:
NH Department of Corrections, at its discretion, in any Contract resulting from this RFP, may require the Contractor to work cooperatively with any predecessor and/or successor Vendor to assure the orderly and uninterrupted transition from one Vendor to another.

12. Audit Requirement:
Contractor agrees to comply with any recommendations arising from periodic audits on the performance of this contract, providing they do not require any unreasonable hardship, which would normally affect the value of the Contract. The NH Department Corrections reserves the right to have financial audits conducted by the Department or a third party.

13. Additional Equipment Patients/Positions/Locations:
Upon agreement of both party's additional equipment, if applicable, and/or other patients under the custody of other facilities belonging to the NH Department of Corrections may be added to the Contract. In the same respect, equipment, positions, and/or facilities listed as part of the provision of services of the Contract may be deleted as well. Upon mutual agreement of additional equipment or positions, the State will negotiate the cost with the Contractor; the Department will seek a Contract Amendment for approval of the Governor and Executive Council when these additions increase the cost of the Contract.

14. Information:

14.1. In performing its obligations under the Contract, the Contractor may gain access to information of the patients, including confidential information. The Contractor shall not use information developed or obtained during the performance of, or acquired or developed by reason of the Contract, except as is directly connected to and necessary for the Contractor's performance under the Contract.

14.2. The Contractor agrees to maintain the confidentiality of and to protect from unauthorized use, disclosure, publication, reproduction and all information of the patient that becomes available to the Contractor in connection with its performance under the Contract.

14.3. In the event of unauthorized use or disclosure of the patient's information, the Contractor shall immediately notify the NH Department of Corrections.

14.4. All material developed or acquired by the Contractor, as a result of work under the Contract shall become the property of the State of New Hampshire. No material or reports prepared by the Contractor shall be released to the public without the prior written consent of NH Department of Corrections.

14.5. All financial, statistical, personnel and/or technical data supplied by NH Department of Corrections to the Contractor are confidential. The Contractor is required to use reasonable care to protect the confidentiality of such data. Any use, sale or offering of this data in any form by the Contractor, or any individual or entity in the Contractor's charge or employ, will be considered a violation of this contract and may result in contract termination. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

15. Public Records:

NH RSA 91-A guarantees access to public records. As such, all responses to a competitive solicitation are public records unless exempt by law. Any information submitted as part of a bid in response to this Request for Proposal or Request for Bid (RFB) or Request for Information (RFI) may be subject to public disclosure under RSA 91-A, http://www.gencourt.state.nh.us/rsa/html/VI/91-A/91-A-mrg.htm. In addition, in accordance with RSA 9-F:1, http://www.gencourt.state.nh.us/rsa/html/I/9-F/9-F-1.htm, any contract entered into as a result of this RFP (RFB or RFI) will be made accessible to the public online via the website: Transparent NH http://www.nh.gov/transparentnh/. Accordingly, business financial information and proprietary information such as trade secrets, business and financial models and forecasts, and proprietary formulas may be exempt from public disclosure under, RSA 91-A:5, IV, http://www.gencourt.state.nh.us/rsa/html/VI/91-A/91-A-5.htm. If a Bidder believes that any information submitted in response to a Request for Proposal, Bid or Information, should be kept confidential as financial or proprietary information, the Bidder must specifically identify that information in a letter to the State Agency. Failure to comply with this section may be grounds for the complete disclosure of all submitted material not in compliance with this section.

If any information being submitted in response to this request for proposal should be kept confidential as financial or proprietary information; the contractor must specifically identify that information in a letter to the agency and mark the information within the proposal as such.

Marking the entire Proposal or entire sections of the Proposal (e.g. pricing) as confidential will neither be accepted nor honored. Notwithstanding any provision in this RFP to the contrary, Contract pricing shall be subject to disclosure upon approval of a contract by the Governor and Executive Council.

Generally, each Proposal shall become public information upon the approval of Governor and Council of the resulting contract, as determined by the State, including but not limited to, RSA Chapter 91-A (Right to Know Law). The State will endeavor to maintain the confidentiality of portions of the Proposal that are clearly and properly marked confidential. If a request is made to the State to view portions of a Proposal that the Contractor has properly and clearly marked confidential, the State will notify the Contractor of the request and of the date and the State plans to release the records. A designation by the Contractor of information it believes exempt does not have the effect of making such information exempt. The State will determine the information it believes is properly exempted from disclosure. By submitting a Proposal, Contractors agree that unless the Contractor obtains a court order, at its sole expense, enjoining the release of the requested information, the State may release the requested information on the date specified in the State's notice without any liability to the Contractor(s).

16. Contractor Personnel:

15.1. The Contractor shall agree that employees of the Contractor shall perform all services required by the Contract. The Contractor shall guarantee that all personnel providing the services required by the Contract are qualified to perform their assigned tasks.

15.2. The Department shall be advised of, and approve in writing at least ten (10) days in advance of such change, any permanent or temporary changes to or deletions the Contractor's management, supervisory, or key professional personnel, who directly impact the deliverables to be provided under the Contract.

17. Notification to the Contractor:
The NH Department of Corrections shall be responsible for notifying the Contractor of any policy or procedural changes affecting the contracted services at least thirty (30) days before the implementation of such policy or procedure. The Contractor shall implement the changes on the date specified by the Department.

18. Prison Rape Elimination Act (PREA) of 2003:
Contractor shall comply with the Prison Rape Elimination Act (PREA) of 2003 (Federal Law 42 U.S.C.15601 et. seq.), with all applicable Federal PREA standards, and with all State policies and standards related to PREA for preventing, detecting, monitoring, investigating, and eradicating any form of sexual abuse within facilities/programs/offices owned, operated, or contracted. Contractor acknowledges that, in addition to self-monitoring requirements, the State will conduct compliance monitoring of PREA standards which may require an outside independent audit.

19. Administrative Rules, Policies, Regulations and Policies, Procedures and Directives:
Contractor shall comply with any applicable NH Department of Corrections Administrative Rules, Policies, Regulations and Policy and Procedure Directives (PPD's) to include but not limited to PPD 5.08: *Staff Personal Property Permitted In and Restricted from Prison Facilities* located as a separate link: http://www.nh.gov/nhdoc/business/rfp_bidding_tools.htm

20. Special Notes:

20.1. The headings and footings of the sections of this document are for convenience only and shall not affect the interpretation of any section.

20.2. The NH Department of Corrections reserves the right to require use of a third party administrator during the life of the Contract and any renewals thereof.

20.3. Locations per contract year may be increased/decreased and or reassigned to alternate facilities during the Contract term at the discretion of the Department. Locations may be added and/or deleted after the awarding of a Contract at the discretion of the Department and upon mutual agreement of the Commissioner of the NH Department of Corrections and the Contractor.

20.4. In the event that the NH Department of Corrections wishes to add or remove facilities at which the Contractor is to provide services, it shall:

20.4.1. Give the Contractor fourteen (14) days written notice of the proposed change; and

20.4.2. Secure the contractor's written agreement to the proposed changes.

20.5. Notwithstanding the foregoing, or any provision of this Agreement to the contrary, in no event shall changes to facilities be allowed that modify the "Completion Date" or Price Limitation" of the Agreement.

20.6. The Contractor must be equipped to provide accessible access to services as per the American's with Disabilities Act and the Governor's Commission on Disability.

20.7. Any change in the Contract including the Contractor responsibilities and NH Department of Corrections responsibilities described herein, whether by modification, amendment and or supplementation, must be accomplished by a formal Contract amendment signed and approved by and between the duly authorized representatives of the Contractor and the NH Department of Corrections approved by the Governor and Executive Council (G&C).

20.8. Partial Proposals for the requested Inpatient and Outpatient Hospital/Medical Services and professional medical services for the NH Department of Corrections shall not be accepted.

20.9. Contractor shall provide, for the life of the Contract and any renewals thereof, the minimum General Liability coverage to be no less than $1,000,000.00 per each occurrence and $2,000,000.00 general aggregate.

20.10. Contractor shall provide, for the life of the Contract and any renewals thereof, proof of Workers' Compensation and Employers' Liability Insurance.

20.11. Contractor shall provide proof and identify limits and expiration dates of General Liability, Excess Umbrella Liability coverage, Workers' Compensation and Employer's Liability, Professional Liability, Malpractice Liability and Business Owners Policy (if applicable).

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ANDROSCOGGIN VALLEY HOSPITAL
59 Page Hill Road
Berlin, NH 03570

EMPLOYED PHYSICIANS
as at May 21, 2018

Beals, Brian M.	Hospitalist
Bradley, Cynthia M.	ASA OB/Gyn
Cardenas, Javier D.	Hospitalist
Danielson, Kenneth S.	ASA General Surgery
DellaValla, Joseph P.	ASA Sleep Lab
Dennery, Morice P.	ASA Urology
Dougherty, Joseph W.	ASA General Surgery
Engstrand, Beatrice C.	ASA Neurology
FitzMorris, Christopher P.	ASA Orthopaedic
Kardell, Richard G.	ASA ENT
Kernan, Donald	Emergency Department
Knight, Randolph R.	Emergency Department
Kossayda, Norman P.	Emergency Department
Langweiler, Clifford B.	Emergency Department
Lazaron, Victor	ASA General Surgery
McDowell, John A.	Hospitalist
Montminy, John M.	Hospitalist
Pinkerton, F. Nikki	Emergency Department
Plociennik, Krzysztof Z.	ASA OB/Gyn
Ruediger, Arthur A.	Emergency Department
Shute, Keith M.	Administration
Simon, Peggy M.	ASA Pulmonology
Wood, J. Rodger	Anesthesia Services

P:\LISTS\Employed Physicians as at May 21, 2018.wpd

ANDROSCOGGIN VALLEY HOSPITAL
59 Page Hill Road
Berlin, NH 03570

EMPLOYED ALLIED HEALTH PROFESSIONALS
as at May 21, 2018

Ackerson, Carmen J. (Nurse Practitioner)	Pain Clinic
Bouley, Pamela M. (CRNA)	Anesthesia Services
Corriveau, Luc G. (CRNA)	Anesthesia Services
Hirschfeld, Charisse N. (Nurse Practitioner)	Pain Clinic
Lessard, Susan M. (Nurse Practitioner)	Occupational Health
Lorenz, Richard J., Jr. (Physician Assistant)	Orthopaedic
Lorenz-Armstrong, Jessica G. (Physician Assistant)	Orthopaedic
Lucas, Amy (Physician Assistant)	Hospitalist
Peterson, Noretta E. (CRNA)	Anesthesia Services
Reid, Suzanne (Nurse Practitioner)	Pain Clinic
Williams, Graham C. (CRNA)	Anesthesia Services
Witt, Tiffani N. (Physician Assistant)	ENT/Allergy

MAP

Non-Employed Practitioners of Androscoggin Valley Hospital

Cardiology
Daniel E. van Buren, MD

Gastroentrology
Christopher Dainiak, MD
Leon McLean, MD
Steven Taylor, MD

Hospitalist
Charanjit Veeremalla, MD

Pain Clinic
Kelly DeFeo, CRNA, FNP-C
Melynda Wallace, MSN, CRNA

Pathology
Charles I. Brown, MD

Radiology
Stanley Whitaker, MD

Urology
Jerry Rittenhouse, MD

SECTION E: Estimated Budget/Method of Payment, Exhibit B

1. Signature Page:

The Vendor proposes to provide Inpatient and Outpatient Hospital/Medical Services for the New Hampshire Department of Corrections (NHDOC) in conformance with all terms and conditions of this RFP and the Vendor provides pricing information as an Attachment to this proposal for providing such products and services in accordance with the provisions and requirements specified in this RFP document.

The pricing information quoted by the Vendor as an attachment to this document represents the total price(s) for providing any and all service(s) according to the provisions and requirements of the RFP, which shall remain in effect through the end of this procurement process and throughout the contracting process until the contract completion date as listed on the State Contract form P-37 (v. 5/8/15), section 1.7 – Completion Date.

May 24, 2018

AUTHORIZED SIGNATURE DATE

Michael D. Peterson President

NAME AND TITLE OF SIGNOR (Please Type)

THE VENDOR ASSUMES ALL RISKS THAT ACTUAL FUTURE FIGURES MAY VARY FROM POPULATION PRESENTED AS PART OF THIS RFP.

If the NH Department of Corrections determines it is in the best interest of the State, it may seek a "*BEST AND FINAL OFFER*" (BAFO) from vendors submitting acceptable and/or potentially acceptable proposals. The "*BEST AND FINAL OFFER*" would provide a Vendor the opportunity to amend or change its original proposal to make it more acceptable to the State. NH Department of Corrections reserves the right to exercise this option.

Financial responsibility for preparation of proposals is the sole responsibility of the Vendor. The solicitation of the Request for Proposals shall not commit the NH Department of Corrections to award a Contract(s).

Financial commitment by the NH Department of Corrections will not occur until such time as the Governor and the Executive Council of the State of New Hampshire approve a Contract(s).

The remainder of this page is intentionally blank.

2. Method of Payment:

2.1. Invoices shall be sent to the NH Department of Corrections, Financial Services, P.O. Box 1806, Concord, NH 03302-1806.

2.2. The NH Department of Corrections may make adjustments to the payment amount identified on a Contractor's invoice per amended RSA 623-C:2 effective July 1, 2015. The NH Department of Corrections shall suspend payment to an invoice if an invoice is not submitted in accordance with the instructions established by the NH Department of Corrections.

2.3. The NH Department of Corrections Bureau of Financial Services may issue payment to the Contractor within thirty (30) days of receipt of an approved invoice. Invoices shall be itemized by facility using industry standard forms (CMS 1500 and UB-04) and contain the following identifying information:

2.4. Invoice date and number;

2.4.1. Facility name and associated Contractor account number (if applicable) representing facility name;

2.4.2. Patient name, identification (ID) number, date of birth (DOB), date of service (DOS) and all other applicable fields per the industry standard form;

2.4.3. Itemized service/product total charge per service/product type;

2.4.4. NH Department of Corrections prefers the Contractor to provide the associated adjustments per amended RSA 623-C:2 effective July 1, 2015 on claims submitted.

2.5. As an evaluation tool, transportation/security costs will be calculated and factored in to the total cost of Hospital Services. Transports shall be done with a minimum of two (2) NH Department of Corrections Correctional Officers at an average rate of $61.56 per hour and a per mile cost of $0.545 based upon the Internal Revenue Service announcement for 2018.

2.6. The $0.545 per mile rate shall fluctuate based upon the Internal Revenue Service announcements per Calendar Year for the life of the Contract and any renewals thereof.

2.7. Payment shall be made to the name and address identified in the Contract as the "Contractor" unless: (a) the Contractor has authorized a different name and mailing address in writing or; (b) authorized a different name and mailing address in an official State of New Hampshire Contractor Registration Application Form; or (c) unless a court of law specifies otherwise. The Contractor shall not invoice federal tax. The State's tax-exempt certificate number is 026000618W.

2.8. For contracting purposes, the State's Fiscal Calendar Year starts on July 1st and ends on June 30th of the following year. For budgeting purposes, year one (1) of the Contract shall end on July 1, 2019.

3. Appropriation of Funding:

The Contractor shall agree that funds expended, if applicable, for the purpose of the Contract must be appropriated by the General Court of the State of New Hampshire for each State fiscal year included within the Contract period. Therefore, the Contract shall automatically terminate without penalty or termination costs if such funds are not fully appropriated.

3.1. In the event that funds are not fully appropriated for the Contract, the Contractor shall not prohibit or otherwise limit NH Department of Corrections the right to pursue and contract for alternate solutions and remedies as deemed necessary for the conduct of State government affairs.

3.2. The requirements stated in this paragraph shall apply to any amendment/renewal or the execution of any option to extend the Contract.

SECTION F: Special Provisions, Exhibit C

1. **Special Provisions:**
   1.1. There are no additional provisions set forth in this Exhibit, Special Provisions, to be incorporated as part of this Contract.

The remainder of this page is intentionally blank.

STATE OF NEW HAMPSHIRE

DEPARTMENT OF CORRECTIONS

DIVISION OF MEDICAL & FORENSIC SERVICES

P.O. BOX 1806

CONCORD, NH 03302-1806

603-271-5610 FAX: 1-888-908-6609
TDD Access: 1-800-735-2964
www.nh.gov/nhdoc

Helen M. Hanks
Commissioner

Paula L. Mattis
Director

ADDENDUM # 1 to RFP 18-08-GFMED

THIS DOCUMENT SHALL BE INITIALED BY THE CONTRACT SIGNATORY AND SUBMITTED WITH THE VENDOR'S BID RESPONSE.

RFP: 18-08-GFMED Inpatient and Outpatient Hospital/Medical Services

(1) Addendum Descriptor: Change/Correction/Clarification:

RFP Change: Request for Proposal, Terms and Conditions, Section 7., Instructions, RFP Documents, Format and Labeling of Proposal Submissions:, Subparagraph 7.1.6., Page 3 of 36:

Delete: "Proposals shall be submitted by the prospective Vendor and received by the NH Department of Corrections no later than 2:00PM EST on **May 11, 2018** to be considered."

Add: "Proposals shall be submitted by the prospective Vendor and received by the NH Department of Corrections no later than 2:00PM EST on **May 25, 2018** to be considered."

(2) Addendum Descriptor: Change/Correction/Clarification:

RFP Change: Request for Proposal, Terms and Conditions, Section 7., Instructions, RFP Documents, Format and Labeling of Proposal Submissions:, Paragraph 7.7., Page 5 of 36:

Delete: "Labeling and Addressing Proposal: Please clearly mark the outside of your envelope ***RFP 18-08-GFMED Inpatient and Outpatient Hospital/Medical Services***. Proposals must be received (not simply post-marked) by the NH Department of Corrections, Financial Services, Contract Administrator, P.O. Box 1806, Concord, NH 03302-1806 or hand delivered to Room 322, on the Third (3rd) Floor of the Main Building of the Governor Hugh J. Gallen State Office Park South Complex, 105 Pleasant Street, Concord, NH, 03301 no later than **May 11, 2018 at 2:00PM EST**, to be considered."

Add: "Labeling and Addressing Proposal: Please clearly mark the outside of your envelope ***RFP 18-08-GFMED Inpatient and Outpatient Hospital/Medical Services***. Proposals must be received (not simply post-marked) by the NH Department of Corrections, Financial Services, Contract Administrator, P.O. Box 1806, Concord, NH 03302-1806 or hand delivered to Room 322, on the Third (3rd) Floor of the Main Building of the Governor Hugh J. Gallen State Office Park South Complex, 105 Pleasant Street, Concord, NH, 03301 no later than **May 25, 2018 at 2:00PM EST**, to be considered."

(3) Addendum Descriptor: Change/Correction/Clarification:

RFP Change: Request for Proposal, Terms and Conditions, Section 32., Schedule of Events, Paragraph 32.1., Table of Events and Important Dates:, #4, Proposal Due, May 11, 2018, Page 12 of 36:

Delete: "32.1. Table of Events and Important Dates", below

Event #	Description of Event	Date of Event
1	RFP Issued	April 13, 2018
2	Written Inquiries Due	April 20, 2018
3	NHDOC Posts Answers to Inquiries	April 27, 2018
4	Proposals Due	May 11, 2018
5	Presentations of Selected Vendors	TBD, if required
6	Best & Final Offer	TBD, if required
7	Contract Finalization	June, 2018
8	Anticipated Approval by the Governor and Executive Council	Upon G&C Approval
9	Expected Services Start Date	July 1, 2018 or upon G&C approval whichever is later

Note: The NH Department of Corrections, with the exception of Event # 4: "Proposals Due", may alter the above Table of Events and Important Dates at any time. The Vendor's "Proposals Due" date cannot be changed in order to maintain the integrity of the public contract procurement process of the State of New Hampshire except for the reasons as stated in section – 16.5., Terms and Conditions of this RFP. Notice of any such changes will be posted on the NH Department of Corrections website and will be entitled *Table of Events and Important Dates.*

Add: "32.1. Table of Events and Important Dates" below

Event #	Description of Event	Date of Event
1	RFP Issued	April 13, 2018
2	Written Inquiries Due	April 20, 2018
3	NHDOC Posts Answers to Inquiries	April 27, 2018
4	Proposals Due	May 25, 2018
5	Presentations of Selected Vendors	TBD, if required
6	Best & Final Offer	TBD, if required
7	Contract Finalization	June, 2018
8	Anticipated Approval by the Governor and Executive Council	Upon G&C Approval
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Note: The NH Department of Corrections, with the exception of Event # 4: "Proposals Due", may alter the above Table of Events and Important Dates at any time. The Vendor's "Proposals Due" date cannot be changed in order to maintain the integrity of the public contract procurement process of the State of New Hampshire except for the reasons as stated in section – 16.5., Terms and Conditions of this RFP. Notice of any such changes will be posted on the NH Department of Corrections website and will be entitled *Table of Events and Important Dates.*

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that ANDROSCOGGIN VALLEY HOSPITAL, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on November 28, 1969. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **61184**
Certificate Number: **0004098455**

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 17th day of May A.D. 2018.

William M. Gardner
Secretary of State

Business Information

Business Details

Business Name:	ANDROSCOGGIN VALLEY HOSPITAL, INC.	Business ID:	61184
Business Type:	Domestic Nonprofit Corporation	Business Status:	Good Standing
Business Creation Date:	11/28/1969	Name in State of Incorporation:	Not Available
Date of Formation in Jurisdiction:	11/28/1969		
Principal Office Address:	59 PAGE HILL ROAD, BERLIN, NH, 03570, USA	Mailing Address:	NONE
Citizenship / State of Incorporation:	Domestic/New Hampshire		
		Last Nonprofit Report Year:	2015
		Next Report Year:	2020
Duration:	Perpetual		
Business Email:	NONE	Phone #:	NONE
Notification Email:	NONE	Fiscal Year End Date:	NONE

Principal Purpose

S.No	NAICS Code	NAICS Subcode
1	Health Care and Social Assistance	General Medical and Surgical Hospitals
2	OTHER / HEALTHCARE PROVIDER - COMMUNITY HOSPITAL	

Page 1 of 1, records 1 to 2 of 2

Certificate of Authority # 2 *(Corporation of LLC- Contract Specific, date specific)*

Corporate Resolution

I, Alta Chase (*Name*), **hereby certify** that I am duly elected Clerk/Secretary of

Androscoggin Valley Hospital, Inc. (*Name of Corporation or LLC*). I hereby certify the following is a true copy of a

vote taken at a meeting of the Board of Directors/shareholders, duly called and held on May (*Month*)

24 (*Day*), 20 18 (*Year*) at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Michael D. Peterson, President (*Name and Title*) is duly authorized to enter into a

contract or agreements on behalf of Androscoggin Valley Hospital, Inc. (*Name of Corporation or LLC*) with the

NH Department of Corrections (*Name of State Agency*) State of New Hampshire and further is

authorized to execute any documents which may in his/her judgment be desirable or necessary to

effect the purpose of this vote.

I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of

the May (*Month*) 24 (*Day*), 20 18 (*Year*). I further certify that it is understood that the State of New

Hampshire will rely on this certificate as evidence that the person listed above currently occupies the position

indicated and that they have full authority to bind the corporation to the specific contract indicated.

Alta L. Chase

DATED: May 24, 2018 **ATTEST:** Alta Chase, Secretary (*Name and Title*)

MAP

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/17/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J Gallagher Risk Management Services 470 Atlantic Avenue Boston MA 02210	CONTACT NAME: PHONE (A/C, No, Ext): 617-261-6700 FAX (A/C, No): 617-646-0400 E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE — NAIC #
	INSURER A : National Fire & Marine Insurance Co — 20079
INSURED NORTCOU-22 North Country Healthcare, Inc. Androscoggin Valley Hospital, Northcare, Inc. 59 Page Hill Road Berlin NH 03570	INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** 1638169599 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			HN017659	10/1/2017	10/1/2018	EACH OCCURRENCE	$1,000,000
	X CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$50,000
							MED EXP (Any one person)	$1,000
							PERSONAL & ADV INJURY	$1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$3,000,000
	X POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$3,000,000
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N						PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ N/A (Mandatory in NH)						E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Insurance

CERTIFICATE HOLDER

NH Department of Corrections
PO Box 1806
Concord NH 03302

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Patrick J. Veale

MP

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/17/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
Arthur J. Gallagher Risk Management Services, Inc. 470 Atlantic Avenue Boston MA 02210	PHONE (A/C, No, Ext): 617-261-6700	FAX (A/C, No): 617-646-0400
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: MEMIC Indemnity Company	11030
INSURED ANDRVAL-01 Androscoggin Valley Hospital NorthCare, Inc. 59 Page Hill Road Berlin NH 03570	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 1793852159 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N	N/A		310 2800493	10/1/2017	10/1/2018	X PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ (Mandatory in NH)						E.L. EACH ACCIDENT	$500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$500,000
							E.L. DISEASE - POLICY LIMIT	$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Insurance

CERTIFICATE HOLDER

NH Department of Corrections
PO Box 1806
Concord NH 03302

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Patrick J. Veale

MJP

New Hampshire Department of Corrections
Division of Administration
Contract/Grant Unit

Comprehensive General Liability Insurance Acknowledgement Form

The New Hampshire Office of the Attorney General requires that the Request for Proposal (RFP) package inform all proposal submitters of the State of New Hampshire's general liability insurance requirements. The limits of liability required are dependent upon your corporation's legal formation, and the annual total amount of contract work with the State of New Hampshire.

Please select only ONE of the checkboxes below that best describes your corporation's legal formation and annual total amount of contract work with the State of New Hampshire:

Insurance Requirement for (1) - 501(c) (3) contractors whose annual gross amount of contract work with the State does not exceed $500,000, per RSA 21-I:13, XIV, (Supp. 2006): The general liability insurance requirements of standard state contracts for contractors that qualify for nonprofit status under section 501(c)(3) of the Internal Revenue Code and whose annual gross amount of contract work with the state does not exceed $500,000, is comprehensive general liability insurance in amounts of not less than $1,000,000 per claim or occurrence and $2,000,000 in the aggregate. *These amounts may NOT be modified.*

- ☐ The contractor certifies that it **IS** a 501(c) (3) contractor whose annual total amount of contract work with the State of New Hampshire does **not** exceed $500,000.

Insurance Requirement for (2) - All other contractors who do not qualify for RSA 21-I:13, XIV, (Supp. 2006), Agreement P-37 General Provisions, 14.1 and 14.1.1. Insurance and Bond, shall apply: The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, both for the benefits of the State, the following insurance: comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $250,000 per claim and $2,000,000 per incident or occurrence. *These amounts MAY be modified if the State of NH determines contract activities are a risk of lower liability.*

- ☐ (2) The contractor certifies it does **NOT** qualify for insurance requirements under RSA 21-I:13, XIV (Supp. 2006).

Please indicate your current comprehensive general liability coverage limits below, sign, date and return with your proposal package.

$ 1m Per Claim $ 1m Per Incident/Occurrence $ 3m General Aggregate

_____, President — May 24, 2018

Signature & Title — Date

This acknowledgement must be returned with your proposal.

MDP

NH DEPARTMENT OF CORRECTIONS
ADMINISTRATIVE RULES

COR 307 Items Considered Contraband. Contraband shall consist of:

a) Any substance or item whose possession in unlawful for the person or the general public possessing it including but not limited to:
   (1) narcotics
   (2) controlled drugs or
   (3) automatic or concealed weapons possessed by those not licensed to have them.

b) Any firearm, simulated firearm, or device designed to propel or guide a projectile against a person, animal or target.

c) Any bullets, cartridges, projectiles or similar items designed to be projected against a person, animal or target.

d) Any explosive device, bomb, grenade, dynamite or dynamite cap or detonating device including primers, primer cord, explosive powder or similar items or simulations of these items.

e) Any drug item, whether medically prescribed or not, in excess of a one day supply or in such quantities that a person would suffer intoxication or illness if the entire available quantity were consumed alone or in combination with other available substances.

f) Any intoxicating beverage.

g) Sums of money or negotiable instruments in excess of $100.00.

h) Lock-picking kits or tools or instruments on picking locks, making keys or obtaining surreptitious entry or exit

i) The following types of items in the possession of an individual who is not in a vehicle, (but shall not be contraband if stored in a secured vehicle):

j) Knives and knife-like weapons, clubs and club-like weapons,
   (1) tobacco, alcohol, drugs including prescription drugs unless prior approval is granted in writing by the facility Warden/designee, or Director/designee,
   (2) maps of the prison vicinity or sketches or drawings or pictorial representations of the facilities, its grounds or its vicinity,
   (3) pornography or pictures of visitors or prospective visitors undressed,
   (4) cell phones and radios capable of monitoring or transmitting on the police band in the possession of other than law enforcement officials,
   (5) identification documents, licenses and credentials not in the possession of the person to whom properly issued,
   (6) ropes, saws, grappling hooks, fishing line, masks, artificial beards or mustaches, cutting wheels or string rope or line impregnated with cutting material or similar items to facilitate escapes,
   (7) balloons, condoms, false-bottomed containers or other containers which could facilitate transfer of contraband.

MP

COR 307.02 Contraband on prison grounds is prohibited. The possession, transport, introduction, use, sale or storage of contraband on the prison grounds without prior approval of the commissioner of corrections or his designee is prohibited under the provision of RSA 622:24 and RSA 622:25.

COR 307.03 Searches and Inspections Authorized.

a) Any person or property on state prison grounds shall be subject to search to discover contraband...
Travel onto prison grounds shall constitute implied consent to search for contraband. In such cases where implied consent exists, the visitor will be given a choice of either consenting to the search or immediately leaving the prison grounds. Nothing in this rule however, prevents non-consensual searches in situations where probable cause exists to believe that the visitor is or had attempted to introduce contraband into the prison pursuant to the law of New Hampshire concerning search, seizure and arrest.

b) All motor vehicles parked on prison grounds shall be locked and have the keys removed. Custodial personnel shall check to insure that vehicles are locked and shall visually inspect the plain- view interior of the vehicles. Vehicles discovered unlocked shall be searched to insure that no contraband is present. Contraband discovered during searches shall be confiscated for evidence, as shall contraband discovered during plain-view inspections.

c) All persons entering the facilities to visit with residents or staff, or to perform services at the facilities or to tour the facilities shall be subject to having their persons checked. All items and clothing carried into the institution shall be searched for contraband.

Michael D. Peterson		May 24, 2018
Name	Signature	Date
Jillian Hammond		May 24, 2018
Witness Name	Signature	Date

MPP

NH DEPARTMENT OF CORRECTIONS
RULES OF CONDUCT FOR PERSONS PROVIDING CONTRACT SERVICES

1. Engaging in any of the following activities with persons under departmental control is strictly prohibited:
    a. Any contact, including correspondence, other than in the performance of your services for which you have been contracted.
    b. Giving or selling of anything
    c. Accepting or buying anything

2. Any person providing contract services who is found to be under the influence of intoxicants or drugs will be removed from facility grounds and barred from future entry to the NH Department of Corrections property.

3. Possession of any item considered to be contraband as defined in the New Hampshire code of Administrative Rules, COR 307 is a violation of the rules and the laws of the State of New Hampshire and may result in legal action under RSA 622:24 or other statutes.

4. In the event of any emergency situation, i.e., fire, disturbance, etc., you will follow the instructions of the escorting staff or report immediately to the closest available staff.

5. All rules, regulations and policies of the NH Department of Corrections are designed for the safety of the staff, visitors and residents, the security of the facility and an orderly flow of necessary movement and activities. If unsure of any policy and procedure, ask for immediate assistance from a staff member.

6. Harassment and discrimination directed toward anyone based on sex, race, creed, color, national origin or age are illegal under federal and state laws and will not be tolerated in the work place. Maintenance of a discriminatory work environment is also prohibited. Everyone has a duty to observe the law and will be subject to removal for failing to do so.

7. During the performance of your services you are responsible to the facility administrator, and by your signature below, agree to abide by all the rules, regulations, policies and procedures of the NH Department of Corrections and the State of New Hampshire.

8. In lieu of Contracted staff participating in the Corrections Academy, the Vendor through the Commissioner or his designees will establish a training/orientation facilitated by the Vendor to supplement this requirement and appropriate orient Vendor staff to the rules, regulations, polices and procedures of the Department of Corrections and the State of New Hampshire.

Michael D. Peterson		May 24, 2018
Name	Signature	Date
Jillian Hammond		May 24, 2018
Witness Name	Signature	Date

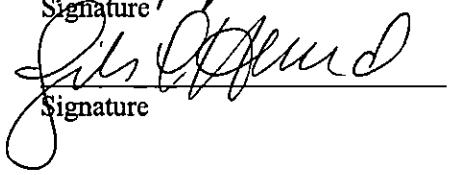
MDP

NH DEPARTMENT OF CORRECTIONS
CONFIDENTIALITY OF INFORMATION AGREEMENT

I understand and agree that all employed by the organization/agency I represent must abide by all rules, regulations and laws of the State of New Hampshire and the NH Department of Corrections that relate to the confidentiality of records and all other privileged information.

I further agree that all employed by or subcontracted through the organization I represent are not to discuss any confidential or privileged information with family, friends or any persons not professionally involved with the NH Department of Corrections. If inmates or residents of the NH Department of Corrections, or, anyone outside of the NH Department of Corrections' employ approaches any of the our organization's employees or subcontractors and requests information, the staff/employees of the organization I represent will immediately contact their supervisor, notify the NH Department of Corrections, and file an incident report or statement report with the appropriate NH Department of Corrections representative.

Any violation of the above may result in immediate termination of any and all contractual obligations.

Michael D. Peterson		May 24, 2018
Name	Signature	Date
Jillian Hammond		May 24, 2018
Witness Name	Signature	Date

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF CORRECTIONS
DIVISION OF ADMINISTRATION
P.O. BOX 1806
CONCORD, NH 03302-1806
603-271-5610 FAX: 1-888-908-6609
TDD Access: 1-800-735-2964
www.nh.gov/nhdoc

Helen E. Hanks
Commissioner

Robin Maddaus
Director

PRISON RAPE ELIMINATION ACT

ACKNOWLEDGEMENT FORM

The Prison Rape Elimination Act (PREA) of 2003 (with Final Rule August 2012) is a federal law established to address the elimination and prevention of sexual assault and sexual harassment within correctional systems and detention facilities. This Act applies to all correctional facilities, including prisons, jails, juvenile facilities and community corrections residential facilities. PREA incidents involve the following conduct:

- Resident-on-resident sexual assault
- Resident-on-resident abusive sexual contact
- Staff sexual misconduct
- Staff sexual harassment, assault of a resident

The act aimed to curb prison rape through a "zero-tolerance" policy, as well as through research and information gathering. The NH Department of Corrections has zero tolerance relating to the sexual assault/rape of offenders and recognizes these offenders as crime victims. Due to this recognition and adherence to the federal Prison Rape Elimination Act (PREA) of 2003, the NH Department of Corrections extends the "zero tolerance" to the following:

- Contractor/subcontractor misconduct
- Contractor/subcontractor harassment, assault of a resident

As a Contractor and/or Subcontractor of the NH Department of Corrections, I acknowledge that I have been provided information on the Prison Rape Elimination Act of 2003 Public Law 108–79—Sept. 4, 2003 and have been informed that as a Contractor and/or Subcontractor of the NH Department of Corrections, sexual conduct between Contractor and/or Subcontractor and offenders is prohibited. Sexual harassment or sexual misconduct involving an offender can be a violation of NH RSA 632-A:2, 632-A:3 and 632-A:4, Chapter 632-A: Sexual Assault and Related Offenses, and result in criminal prosecution.

As a Contractor and/or Subcontractor of the NH Department of Corrections, I understand that I shall inform all employees of the Contractor and/or Subcontractor to adhere to all policies concerning PREA, RSA 632-A:2, RSA 632-A:3, RSA 632-A:4 and departmental policies including NHDOC PPD 5.19 - PREA; NHDOC Administrative Rules, Conduct and Confidentiality Information regarding my conduct, reporting of incidents and treatment of those under the supervision of the NH Department of Corrections. (Ref. RSA Chapter 632-A, NHDOC PPD 5.19 and Administrative Rules, Rules of Conduct for Persons Providing Contract Services, Confidentiality of Information Agreement).

Name (print): Michael D. Peterson **Date:** May 24, 2018
(Name of Contract Signatory)

Signature: _____
(Signature of Contract Signatory)

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NH DEPARTMENT OF CORRECTIONS
HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) Definitions

a. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.

b. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
c. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.

d. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

e. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.

j. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.

k. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time.

(2) Use and Disclosure of Protected Health Information

a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

b. Business Associate may use or disclose PHI:

(i) for the proper management and administration of the Business Associate;
(ii) as required by law, pursuant to the terms set forth in paragraph d. below; or
(iii) for data aggregation purposes for the health care operations of Covered Entity.

c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to immediately notify Business Associate of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.

d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions on the uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate

a. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, of which it becomes aware, within two (2) business days of becoming aware of such unauthorized use or disclosure or security incident.

b. Business Associate shall use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of protected health information, in electronic or any other form, that it creates, receives, maintains or transmits under this Agreement, in accordance with the Privacy and Security Rules, to prevent the use or disclosure of PHI other than as permitted by the Agreement.

c. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.

d. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section (3)b and (3)k herein. The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be

receiving PHI pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.

e. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

f. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

g. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

h. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

i. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

j. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

k. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) **Obligations of Covered Entity**

a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.

b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.

c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to standard provision #10 of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, as amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.

b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.

c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.

d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA and the Privacy and Security Rule.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section 3 k, the defense and indemnification provisions of section 3.d and standard contract provision #13, shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT BUSINESS ASSOCIATE AGREEMENT.

NH Department of Corrections	Androscoggin Valley Hospital, Inc.
State of New Hampshire Agency Name	Contractor Name
Signature of Authorized Representative	Contractor Representative Signature
Helen E. Hanks	Michael D. Peterson
Authorized DOC Representative Name	Authorized Contractor Representative Name
Commssioner	President
Authorized DOC Representative Title	Authorized Contractor Representative Title
June 7, 2018	May 24, 2018
Date	Date

APPENDIX H SECURITY ADDENDUM

The following pages contain the legal authority, purpose, and genesis of the Criminal Justice Information Services Security Addendum (H2-H4); the Security Addendum itself (H5-H6); and the Security Addendum Certification page (H7).

FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES
SECURITY ADDENDUM

Legal Authority for and Purpose and Genesis of the Security Addendum

Traditionally, law enforcement and other criminal justice agencies have been responsible for the confidentiality of their information. Accordingly, until mid-1999, the Code of Federal Regulations Title 28, Part 20, subpart C, and the National Crime Information Center (NCIC) policy paper approved December 6, 1982, required that the management and exchange of criminal justice information be performed by a criminal justice agency or, in certain circumstances, by a noncriminal justice agency under the management control of a criminal justice agency.

In light of the increasing desire of governmental agencies to contract with private entities to perform administration of criminal justice functions, the FBI sought and obtained approval from the United States Department of Justice (DOJ) to permit such privatization of traditional law enforcement functions under certain controlled circumstances. In the Federal Register of May 10, 1999, the FBI published a Notice of Proposed Rulemaking, announcing as follows:

> 1. Access to CHRI [Criminal History Record Information] and Related Information, Subject to Appropriate Controls, by a Private Contractor Pursuant to a Specific Agreement with an Authorized Governmental Agency To Perform an Administration of Criminal Justice Function (Privatization). Section 534 of title 28 of the United States Code authorizes the Attorney General to exchange identification, criminal identification, crime, and other records for the official use of authorized officials of the federal government, the states, cities, and penal and other institutions. This statute also provides, however, that such exchanges are subject to cancellation if dissemination is made outside the receiving departments or related agencies. Agencies authorized access to CHRI traditionally have been hesitant to disclose that information, even in furtherance of authorized criminal justice functions, to anyone other than actual agency employees lest such disclosure be viewed as unauthorized. In recent years, however, governmental agencies seeking greater efficiency and economy have become increasingly interested in obtaining support services for the administration of criminal justice from the private sector. With the concurrence of the FBI's Criminal Justice Information Services (CJIS) Advisory Policy Board, the DOJ has concluded that disclosures to private persons and entities providing support services for criminal justice agencies may, when subject to appropriate controls, properly be viewed as permissible disclosures for purposes of compliance with 28 U.S.C. 534.
>
> We are therefore proposing to revise 28 CFR 20.33(a)(7) to provide express authority for such arrangements. The proposed authority is similar to the authority that already exists in 28 CFR 20.21(b)(3) for state and local CHRI systems. Provision of CHRI under this authority would only be permitted pursuant to a specific agreement with an authorized governmental

agency for the purpose of providing services for the administration of criminal justice. The agreement would be required to incorporate a security addendum approved by the Director of the FBI (acting for the Attorney General). The security addendum would specifically authorize access to CHRI, limit the use of the information to the specific purposes for which it is being provided, ensure the security and confidentiality of the information consistent with applicable laws and regulations, provide for sanctions, and contain such other provisions as the Director of the FBI (acting for the Attorney General) may require. The security addendum, buttressed by ongoing audit programs of both the FBI and the sponsoring governmental agency, will provide an appropriate balance between the benefits of privatization, protection of individual privacy interests, and preservation of the security of the FBI's CHRI systems.

The FBI will develop a security addendum to be made available to interested governmental agencies. We anticipate that the security addendum will include physical and personnel security constraints historically required by NCIC security practices and other programmatic requirements, together with personal integrity and electronic security provisions comparable to those in NCIC User Agreements between the FBI and criminal justice agencies, and in existing Management Control Agreements between criminal justice agencies and noncriminal justice governmental entities. The security addendum will make clear that access to CHRI will be limited to those officers and employees of the private contractor or its subcontractor who require the information to properly perform services for the sponsoring governmental agency, and that the service provider may not access, modify, use, or disseminate such information for inconsistent or unauthorized purposes.

Consistent with such intent, Title 28 of the Code of Federal Regulations (C.F.R.) was amended to read:

§ 20.33 Dissemination of criminal history record information.

a) Criminal history record information contained in the Interstate Identification Index (III) System and the Fingerprint Identification Records System (FIRS) may be made available:

1) To criminal justice agencies for criminal justice purposes, which purposes include the screening of employees or applicants for employment hired by criminal justice agencies.

2) To noncriminal justice governmental agencies performing criminal justice dispatching functions or data processing/information services for criminal justice agencies; and

3) To private contractors pursuant to a specific agreement with an agency identified in paragraphs (a)(1) or (a)(6) of this section and for the purpose of providing services for the administration of criminal justice pursuant to that agreement. The agreement must incorporate a security addendum approved by the Attorney General of the United

States, which shall specifically authorize access to criminal history record information, limit the use of the information to the purposes for which it is provided, ensure the security and confidentiality of the information consistent with these regulations, provide for sanctions, and contain such other provisions as the Attorney General may require. The power and authority of the Attorney General hereunder shall be exercised by the FBI Director (or the Director's designee).

This Security Addendum, appended to and incorporated by reference in a government-private sector contract entered into for such purpose, is intended to insure that the benefits of privatization are not attained with any accompanying degradation in the security of the national system of criminal records accessed by the contracting private party. This Security Addendum addresses both concerns for personal integrity and electronic security which have been addressed in previously executed user agreements and management control agreements.

A government agency may privatize functions traditionally performed by criminal justice agencies (or noncriminal justice agencies acting under a management control agreement), subject to the terms of this Security Addendum. If privatized, access by a private contractor's personnel to NCIC data and other CJIS information is restricted to only that necessary to perform the privatized tasks consistent with the government agency's function and the focus of the contract. If privatized the contractor may not access, modify, use or disseminate such data in any manner not expressly authorized by the government agency in consultation with the FBI.

FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES
SECURITY ADDENDUM

The goal of this document is to augment the CJIS Security Policy to ensure adequate security is provided for criminal justice systems while (1) under the control or management of a private entity or (2) connectivity to FBI CJIS Systems has been provided to a private entity (contractor). Adequate security is defined in Office of Management and Budget Circular A-130 as "security commensurate with the risk and magnitude of harm resulting from the loss, misuse, or unauthorized access to or modification of information."

The intent of this Security Addendum is to require that the Contractor maintain a security program consistent with federal and state laws, regulations, and standards (including the CJIS Security Policy in effect when the contract is executed), as well as with policies and standards established by the Criminal Justice Information Services (CJIS) Advisory Policy Board (APB).

This Security Addendum identifies the duties and responsibilities with respect to the installation and maintenance of adequate internal controls within the contractual relationship so that the security and integrity of the FBI's information resources are not compromised. The security program shall include consideration of personnel security, site security, system security, and data security, and technical security.

The provisions of this Security Addendum apply to all personnel, systems, networks and support facilities supporting and/or acting on behalf of the government agency.

1.1 Definitions

1.2 Contracting Government Agency (CGA) - the government agency, whether a Criminal Justice Agency or a Noncriminal Justice Agency, which enters into an agreement with a private contractor subject to this Security Addendum.

1.3 Contractor - a private business, organization or individual which has entered into an agreement for the administration of criminal justice with a Criminal Justice Agency or a Noncriminal Justice Agency.

2.1 Responsibilities of the Contracting Government Agency.

2.2 The CGA will ensure that each Contractor employee receives a copy of the Security Addendum and the CJIS Security Policy and executes an acknowledgment of such receipt and the contents of the Security Addendum. The signed acknowledgments shall remain in the possession of the CGA and available for audit purposes. The acknowledgement may be signed by hand or via digital signature (see glossary for definition of digital signature).

3.1 Responsibilities of the Contractor.

3.2 The Contractor will maintain a security program consistent with federal and state laws, regulations, and standards (including the CJIS Security Policy in effect when the contract is executed and all subsequent versions), as well as with policies and standards established by the Criminal Justice Information Services (CJIS) Advisory Policy Board (APB).

4.1 Security Violations.

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4.2 The CGA must report security violations to the CJIS Systems Officer (CSO) and the Director, FBI, along with indications of actions taken by the CGA and Contractor.

4.3 Security violations can justify termination of the appended agreement.

4.4 Upon notification, the FBI reserves the right to:

a. Investigate or decline to investigate any report of unauthorized use;

b. Suspend or terminate access and services, including telecommunications links. The FBI will provide the CSO with timely written notice of the suspension. Access and services will be reinstated only after satisfactory assurances have been provided to the FBI by the CGA and Contractor. Upon termination, the Contractor's records containing CHRI must be deleted or returned to the CGA.

5.1 Audit

5.2 The FBI is authorized to perform a final audit of the Contractor's systems after termination of the Security Addendum.

6.1 Scope and Authority

6.2 This Security Addendum does not confer, grant, or authorize any rights, privileges, or obligations on any persons other than the Contractor, CGA, CJA (where applicable), CSA, and FBI.

6.3 The following documents are incorporated by reference and made part of this agreement: (1) the Security Addendum; (2) the NCIC 2000 Operating Manual; (3) the CJIS Security Policy; and (4) Title 28, Code of Federal Regulations, Part 20. The parties are also subject to applicable federal and state laws and regulations.

6.4 The terms set forth in this document do not constitute the sole understanding by and between the parties hereto; rather they augment the provisions of the CJIS Security Policy to provide a minimum basis for the security of the system and contained information and it is understood that there may be terms and conditions of the appended Agreement which impose more stringent requirements upon the Contractor.

6.5 This Security Addendum may only be modified by the FBI, and may not be modified by the parties to the appended Agreement without the consent of the FBI.

6.6 All notices and correspondence shall be forwarded by First Class mail to:

Assistant Director

Criminal Justice Information Services Division, FBI

1000 Custer Hollow Road

Clarksburg, West Virginia 26306

MDP

FEDERAL BUREAU OF INVESTIGATION

CRIMINAL JUSTICE INFORMATION SERVICES

SECURITY ADDENDUM

CERTIFICATION

I hereby certify that I am familiar with the contents of (1) the Security Addendum, including its legal authority and purpose; (2) the NCIC Operating Manual; (3) the CJIS Security Policy; and (4) Title 28, Code of Federal Regulations, Part 20, and agree to be bound by their provisions.

I recognize that criminal history record information and related data, by its very nature, is sensitive and has potential for great harm if misused. I acknowledge that access to criminal history record information and related data is therefore limited to the purpose(s) for which a government agency has entered into the contract incorporating this Security Addendum. I understand that misuse of the system by, among other things: accessing it without authorization; accessing it by exceeding authorization; accessing it for an improper purpose; using, disseminating or re-disseminating information received as a result of this contract for a purpose other than that envisioned by the contract, may subject me to administrative and criminal penalties. I understand that accessing the system for an appropriate purpose and then using, disseminating or re-disseminating the information received for another purpose other than execution of the contract also constitutes misuse. I further understand that the occurrence of misuse does not depend upon whether or not I receive additional compensation for such authorized activity. Such exposure for misuse includes, but is not limited to, suspension or loss of employment and prosecution for state and federal crimes.

Michael D. Peterson/ _____ May 24, 2018

Printed Name/Signature of Contractor Employee Date

Michael D. Peterson/ _____ May 24, 2018

Printed Name/Signature of Contractor Representative Date

Androscoggin Valley Hospital, Inc./President

Organization and Title of Contractor Representative

MDP

COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEES*, AND HIGHEST COMPENSATED EMPLOYEES**

Instructions: The IRS requires that organizations filing Form 990 report compensation information for officers, directors, key employees, and the highest compensated employees.

While your organization may operate on a fiscal year that differs from the calendar year, the IRS requires that the actual compensation information be reported based on the calendar year that ends within your fiscal year.

Please complete the table below for each individual required using the relevant calendar year. Additional instruction is provided below if needed.

Please Provide the Following:

1. Total number of employees with reportable compensation (Box 5 Form W-2) in excess of $100,000:

2. Please complete the following list below providing the names of all TDOKEE's (Officers, Directors, Trustees, Key Employees) and the 5 Highest Compensated Employees

a. Please list any TDOKEE who was with the Organization at any point during the tax year, even if they are not with the Organization as of the end of the year (notate these individuals as "Past director", "Past CEO", etc.). They are NOT considered "Former".

b. Only mark someone as "Former" if the individual did not work for or sit on the board of the Organization for any part of the Organization's tax year. If the individual was

c. Highest Compensated Employees are individuals who are not TDOKEE's, and whose Box 5 Form W-2 amount is greater than $100,000.

d. See footnotes below for additional guidance, or please contact us to assist you in filling out this schedule if you have any additional questions.

	Name	Title	Voting Member (Yes/No)	Individual leave the Organization during the tax year (Yes/No)?	If Yes to column D, provide date individual left Organization	Hours/Week Devoted to Filing Organization	Hours/Week Devoted to Related Organizations	Total Hours	Individual receive severance during calendar year (Yes/No)?	If yes to column I, provide severance amount reported in Box 5 of W-2	Individual receive bonus compensation contingent on either	If Yes to column K, provide portion of bonus related to column K	**Amount Reported in Box 5 of W-2**	Amount Reported on 1099-MISC Box 7	Note: sum of these 3 columns should equal the employee's Box 5 amount (W-2) or Box 7 amount (1099-MISC). If Column R reads "ERROR", please review inputs for Breakdown of W-2 & 1099-MISC Compensation		
						AVH	NCH etc								Base Compensation	Bonus & Incentive Compensation	Other Compensation3
1	Fitzmorris, Christopher	MD	N	N		40	0	40.00	N		N		522,043	-	480,043		42,000
2	Plociennik, Krzysztof	MD	N	N		40	0	40.00	N		N		464,586	-	422,586		42,000
3	Simon, Peggy	MD	N	N		40	0	40.00	N		N		411,822	-	395,807		16,015
4	Danielson, Kenneth	MD	N	N		40	0	40.00	N		N		349,270	-	349,270		
5	Kardell, Richard	MD	N	N		40	0	40.00	N		N		339,516	-	301,862		37,654
6	Michael Peterson	President	N	N		40	0	40.00	N		N		302,337		302,337		
7	Russell Keene	President & CFO		N			40	40.00	N		N		538,367	X	538,367		32,664
8	Keith Shute	MD/CMO Admin		N		40	0	40.00	N		N		404,422		404,422		
9	Brian O'Hearn	CNO/VP Patient	N	N		40	0	40.00	N		N		201,490		201,490		
10	Javier D. Cardenas	Hospitalist		N		42	0	42.00	N		N		384,164		384,164		

JWP

Androscoggin Valley Hospital

BOARD OF DIRECTORS

Member Name	Address	E-Mail Address	Telephone Number
Belanger, Louise J	[redacted]	louise.belanger@cooscountynh.us	752-2343 work
Cardenas, Javier, MD	59 Page Hill Road Berlin NH 03570	javier.cardenas-a@avhnh.org	326-5968 work
Chase, Rev. Dr. Alta Secretary	[redacted]	[redacted]	[redacted]
Couture, Arthur	[redacted] Berlin NH 03570	areee@ne.rr.com	752-4622 work
DellaValla, Joseph, M.D. (Medical Staff President)	59 Page Hill Road	joseph.dellavalla@avhnh.org	326-5848 work
Goodrich, Donna Chair	[redacted]	donna@top-furniture.com	752-5212 work
Guertin, John	[redacted]	john@cardinaldevelopmentllc.com	[redacted]
Johnson, Eric	Northern Human Services 87 Washington Street Conway NH 03818	erohnson@northernhs.org	447-3347 work x8001
Labnon, Randall	[redacted]	rlabnon@townandcountryinn.com	466-3315 work
Laflamme, Martha	[redacted]	mlaflamme@ccsnh.edu	752-1113 work x3005
Makaitis, Max Treasurer	[redacted]	[redacted]	[redacted]
Morency, Peter	[redacted]	brdchief@berlinpolice.org	752-8555 work
Peterson, Michael President	59 Page Hill Road Berlin, NH 03570	Michael.peterson@avhnh.org	326-5602 work
Poulin, Jay Vice-Chair	H.E. Bergeron Engineers, Inc. 2605 White Mountain Highway PO Box 440 North Conway NH 03860	jpoulin@hebengineers.com	356-6936 work
Van Buren, Daniel, M.D.	59 Page Hill Road Berlin NH 03570	daniel.vanburen@avhnh.org	326-5847 work

EFFECTIVE DATE: May, 2018

Michael D. Peterson, FACHE

[redacted]

Office: 603-326-5602

[redacted]

Email: Michael.Peterson@avhnh.org

Summary of qualifications

A healthcare professional with over two decades of broad-base background in all aspects of hospital administration, including ten years' experience as senior executive of an acute care hospital member of the second-largest health system in Maine. Areas of expertise include System oriented strategic and business planning, board and medical staff development and new business growth. Excellent analytical skills and a passion for service and clinical quality improvement.

Specific examples of strengths include:

- Ability to develop a vision, plans to achieve it, and inspire teams to execute strategy with a positive track record of outcomes
- Working with the dynamics of a large healthcare delivery system to leverage opportunities, while maintaining values of the individual member organizations
- Developing and nurturing relationships with members of the local community
- Master Facilities Planning, major construction project administration and capital campaign oversight
- Medical staff recruitment/retention and contracting
- Health delivery system integration
- Toyota Production System LEAN facilitation training and experience
- Board development and onboarding
- Utilizing Studer Group principles of culture/change management and service enhancement
- Excellent interpersonal, verbal and written communications skills

Professional experience

12/2015-Present — **Androscoggin Valley Hospital**

President

Serves as the President & Chief Executive responsible for all functions and operations of Androscoggin Valley Hospital and Androscoggin Valley Hospital Surgical Associates, reporting directly to the AVH Board of Trustees, as well as the North Country Healthcare System CEO.

1992 - 2015 — **Eastern Maine Healthcare Systems**

Eastern Maine Healthcare Systems (EMHS) is the second largest integrated health delivery network in the Maine with over $1.5 Billion in annual gross patient revenue. EMHS is made up of 8 hospitals representing over 1000 patient beds plus a full continuum of patient care offerings. I have served in multiple leadership positions throughout EMHS, including: large and small hospitals; corporate headquarters; in revenue production/patient care delivery; strategic planning and support roles. The position titles, general overview and timeframes for each are detailed as follows:

10/2013 – 12/2015

Sebasticook Valley Health – (an EMHS Member)

Pittsfield, ME

Chief Operating Officer

- Directs and leads specific clinical and support service lines and general operations of Sebasticook Valley Health. In addition to all other duties/responsibilities in the CAO role (below), works in collaboration with the Chief Medical Officer in an administrative dyad leadership model to oversee the recruitment, contracting and management of: the Emergency Department providers; Hospitalists; and Specialty Services providers (both employed and contracted). Represents SVH on appropriate community, System-wide and State initiatives and task forces as directed by the CEO. If/when the CEO is absent from the facility for any length of time, acts on behalf of the CEO for the duration of that absence.

- Serves as one of three Operations Board members for Affiliated Health Systems (AHS), the for-profit arm of Eastern Maine Health Systems including several joint ventures and partnerships with external public companies.

Key Accomplishments:

- Lead or actively participate in 10 (at current) System-wide Steering Committees/Teams facilitating initiatives to integrate service lines, improving quality, enhance standardization of best practices, and reducing cost.
- Co-led a System-wide initiative to standardize the "patient experience", from branding, facilities, and customer service perspectives.
- Successful recruitment and retention of 12 difficult-to-fill provider positions in 2014. Collaborated with sister hospitals to jointly attract 6 specialists to the region, introducing new region-wide service lines to the community.
- Completed major construction projects (new inpatient wing and central utilities plant) on time and under budget, resulting in 50% increase in average daily census and accompanying revenue stream increase that outpaced projections, along with significant improvement in HCAHPS scores.

7/2010 – 10/2013

Sebasticook Valley Health

Pittsfield, ME

Chief Administrative Officer

- Primary responsibility and management of operations, growth & development of clinical and support lines within the Ancillary and Support Services Division, which includes: information systems and clinical informatics; all diagnostic imaging services; laboratory and lab outreach; physical and occupational therapy, cardiac, pulmonary and speech rehab therapy; women's health services; respiratory; nuclear medicine; sleep services; philanthropy; plant operations/engineering; central scheduling; security; housekeeping, nutritional/dietary services and laundry. Serve on hospital Senior Executive Team, as well as multiple System-wide steering committees. Report directly to the CEO.

Key Accomplishments:

- Co-Led the EMHS LEAN cultural transformation.
- Major contributor to SVH's national award by the Leapfrog Group as the top hospital in Maine, and one of only several rural hospitals in the Country to be recognized for Quality achievements. Only hospital in Maine to achieve this recognition five years in a row.
- Led the SVH multidisciplinary team to implement Computerized Patient Order Entry (CPOE) and Bedside Medication Verification System (barcoded medications); achieving Stage 1 Federal

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"Meaningful Use" threshold requirements and funding, and HIMSS Level 6 designation.

- Completed comprehensive Master Facilities Plan project and development of corresponding capital campaign strategy, serving on the Campaign Executive Committee. Resulting fundraising was most successful in organization's history.
- Facilitated the organization's annual strategic planning for the past 6 years.

11/2008 – 07/2010 **Sebasticook Valley Hospital**

Pittsfield, ME

Vice President – Ancillary & Support Services

- Primary responsibility and management of operations, growth & development of Ancillary and Support Services Division, which includes: all diagnostic imaging services; laboratory and lab outreach; physical and occupational therapy, cardiac, pulmonary and speech rehab therapy; women's health services; respiratory; nuclear medicine; sleep services; dental clinic; plant operations/engineering; security; housekeeping, nutritional/dietary services and laundry. Serve on hospital Senior Executive Team, as well as multiple System-wide steering committees. Report directly to the CEO.

Key Accomplishments:

- Negotiated 3 specialty group contracts to secure outpatient clinical services for years to come.
- Facilitated the re-structuring of Nuclear Medicine department that increased revenue while cutting expenses by $2million over 5 years.
- Led the team of Directors to grow net patient revenue by nearly $5million in just 3 years.
- Negotiated two contracts with cardiology services to increase capacity and utilization of cardiology clinic by over 500%.
- Facilitated negotiation, purchase and installation of digital mammography and bone densitometry services, and marketing campaign; resulting in increased volume of 44%.
- Successful recruitment/retention of new specialty surgeon in a difficult to fill role.

04/2006 – 11/2008 **Sebasticook Valley Hospital**

Pittsfield, ME

Vice President – Clinical Services

- Responsible for operations and service line growth of Clinical Services Division, which includes: diagnostic services; specialty service provider clinics (including OB/GYN, ENT, cardiology, GI, EKG, EMG, neurology, ophthalmology, orthopedics, podiatry, pulmonary medicine), general surgery services; urology; inpatient and outpatient laboratory; outpatient and inpatient rehab services; audiology; women's health; radiology/imaging; respiratory; nuclear medicine; and sleep services. Serve on hospital Senior Executive Team; reporting directly to the CEO.

Key Accomplishments:

- Facilitated the successful start-up of 2 specialty surgical groups.
- Opened outreach PT/OT Rehab Center in new service area, ahead of schedule and under budget. Grew revenue by over 40%.
- Restructured MRI service arrangement with 3rd party vendor to increase access by 150%, increased revenue by over $1Million in first year, and increased utilization by 25%.
- Implemented a lab outreach program that increased access and increased revenue by $500K in first year.
- Successfully launched new neurology service line.
- Oversaw the implementation/conversion of all outpatient Clinical IS systems to Cemer Millennium.

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11/2003 – 04/2006 **Eastern Maine Healthcare Systems**

Brewer, ME

Corporate Director – Information Systems

- Administered day-to-day operations of the IT Planning & Project Management Department budget and staff, reporting directly to the System Chief Information Officer. *(From 2003 to 2005, had this responsibility along with the eBusiness Director role below)*
- Administered and was accountable for multiple individual hospital IT departments' planning, budget, staff and operations through Regional IT Directors.

Key accomplishments:

- Chaired task force that developed long term information technology master plan to support overall organization Strategic Plan.
- Developed Information Systems Project Management Office and all initial policies and procedures.
- Served as Project Manager for the organization-wide team which converted 7 EMHS hospitals' business and clinical information systems to a single standardized platform from inception through execution.

02/2001 – 12/2005 **Eastern Maine Healthcare Systems**

Brewer, ME

Director - eBusiness

- Developed and administered the plans, budget and day-to-day operations of the eBusiness Department and staff, reporting to the system Vice President of Marketing and Development. Managed all outsourced consulting engagements and Application Service Provider contracts. Provided process evaluation and re-engineering consultation services as requested to affiliate member organizations. Responsible for all Internet, Intranet and Extranet development for the organization.

Key accomplishments:

- Led the development and execution of initial organization-wide (EMHS Affiliates/Subsidiaries) eHealth Strategy.
- Developed the first eBusiness Department plan, policies and procedures in the System.
- Led the team to implement the first multi-organization Personal Health Record/Secure Messaging system in the United States.
- Developed internal mentorship program. Identified leadership talent within department, and mentored staff for management positions either within eBusiness, or in other departments within the organization.

02/2000 – 02/2001 **Eastern Maine Medical Center – (EMHS Flagship Hospital)**

Bangor, ME

Director - Surgical and Imaging Systems

- Supervised department heads of Surgical and Imaging patient clinical division (includes six clinical departments), and performed all administrative duties relative to the operations of those departments. Oversaw operations of contracted physician staff in Neurophysiology Department.

Key accomplishments:

- Designed and implemented project administration for clinical software task management and work re-engineering process in the surgical services areas.

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- Led the team to achieve national certification in neurophysiology and polysomnography services.

07/1998 – 02/2000 **Eastern Maine Healthcare Systems**

Bangor, ME

Project Manager - Y2K Compliance

- Managed Central Y2K Project Office and coordinated activities for 12 Eastern Maine Healthcare business units. Reporting to the System CIO, was responsible for full time and temporary project staff of over 400 at project peak.

Key accomplishments:

- Successfully managed all consulting engagements related to Y2K Project.
- Coordinated centralized information gathering, distribution and retention efforts of over 4500 external business partners; developed first compiled vendor database in System history.
- Organized and facilitated Community multi-disciplinary emergency services Y2K task force.
- Successfully completed $8Million project on time and under budget.

05/1996 – 07/1998 **The Acadia Hospital – (an EMHS Member)**

Bangor, ME

Project Manager - Administrative Services

- Managed operations of Information Services at Acadia. Developed and managed annual Information Systems budget, quality improvement plan, and strategic plan. Reported jointly to the System CIO and Acadia VP of Administration.

Key accomplishments:

- Developed first Information Systems department in the hospital, including all policies and procedures, staffing and support models, & service level agreements to end-user community.
- Successfully managed multiple information technology projects; most notably the roll-out of Electronic Medical Record system, centralized outpatient scheduling, and Community Information Network database.

Education

2008-2009 **State of Maine Development Foundation** Augusta, ME

Leadership Maine - statewide multi-industry leadership awareness program. Graduate of the Pi class.

2003 - 2004 **The Healthcare Advisory Board** Washington, DC

Healthcare Leadership Academy

- Joint venture between Eastern Maine Healthcare Systems and the Healthcare Advisory Board

1992 - 1998 **Husson College** Bangor, ME

Masters of Science in Business

- Focus in Healthcare Administration
- Graduated with Distinction

WAP

1988 – 1992	**University of Maine** Orono, ME	
	Bachelor of Science in Public Administration	
	▪ Graduated with Honors	
	▪ Received School of Public Administration Award – 1991	

Certification / Awards

- Board Certified Healthcare Executive (FACHE) through the American College of Healthcare Executives
- 2005 College of Healthcare Information Management Executives' John Glaser Scholarship Award winner
- 2005 Nominee for CIO Magazine's "Ones to Watch" award

Committees and Professional Organizations

- 2018 – present: Chair – Great Northwoods Community Foundation
- 2017 – present: President Elect – White Mountains Rotary Club
- 2017- present: Chair Elect – New Hampshire Hospital Association Rural Health Coalition
- 2016 – 2017: Board Chair – North Woods Health Care Collaborative
- 2016 – present: Board of Directors – North Country Healthcare Consortium
- 2014 - present: Board of Directors – Northern New England Association of Healthcare Executives
- 2013 - 2017: Member – AHA Society for Healthcare Strategy & Market Development
- 2007- present: Fellow - American College of Healthcare Executives
- 2008 - 2010: Board of Directors – Make-a-Wish Foundation of Maine
- 2008 - 2010: Member – Penquis Healthy Maine Partnership Leadership Council
- 2006 - 2008: Board of Directors – Sebasticook Valley Healthy Communities Coalition
- 2004 - 2006: Chair – EMMC FCU Board Finance Committee
- 2003 - 2006: Board of Directors/Treasurer– EMMC Federal Credit Union
- 2002: Chair – Cerner/IQHealth National Client Special Interest Group

References

Available upon request

ANDROSCOGGIN VALLEY HOSPITAL
BERLIN, NEW HAMPSHIRE 03570

PRESIDENT
January 1, 2016
(With Affiliation)

Job Summary

The primary responsibility of the President is to provide the leadership and direction necessary to implement policies established by the Androscoggin Valley Hospital Inc. and to achieve the goals and objectives of the organization. The President provides oversight and coordination of activities which are designed to meet the stated mission of Androscoggin Valley Hospital and Affiliates is applicable.

The President reports to the system CEO on all matters that are ceded to the sole member of the system, North Country Healthcare. These matters include, but are not limited to, preparation of annual hospital operating and capital budgets, modifications in compensation and benefit programs, material changes in clinical services, approval of information technology programs, changes in financial accounting systems and auditors and other major operational matters, as defined in the AVH bylaws. The President shall meet with the CEO on a regular basis and keep the CEO informed of significant operational issues at the hospital. The President shall prepare annual goals and objectives in collaboration with both the AVH Board and the system CEO.

The President provides guidance and leadership necessary for the Board to formulate policies. S/He provides the Board with required reports and assures that the Board Chair is kept abreast of internal and external developments affecting the organization. S/He develops and/or arranges relevant educational programs for Board members and orients new Board members to their responsibilities.

The President maintains close working relationships with the Board Chair, the Androscoggin Valley Hospital Medical Staff President, and the Medical Staff Executive Committee and acts as an ex-officio member of this committee and assures that the Medical Staff is kept informed of proposed plans and programs affecting the delivery of patient care. S/He assures that the views of the Medical Staff are communicated to the Hospital Board of Directors and provides timely responses to questions and concerns of the Medical Staff. S/He participates in the review and preparation of Medical Staff Bylaws. In conjunction with the Medical Staff, s/he determines areas of community need for purposes of physician recruitment.

The President assures that high standards of inpatient and outpatient care are maintained consistent with Board and Medical Staff policy and is responsible for the implementation and maintenance of a successful hospital-wide performance improvement program. S/He promotes and maintains an environment which is in compliance with federal, state and local regulations, accrediting agencies, and as delineated in the Hospital Corporate Compliance Program.

The President is responsible for the planning, development and implementation of short and long range programs designed to meet the health care needs of the community through formal strategic planning documents related to Hospital services, Medical Staff development, facility planning, technology, and automation.

The President is responsible for community and external relations. S/He assures that Androscoggin Valley Hospital is well represented in local and state activities and promotes the best interests of the organization to appropriate legislators and regulatory bodies. Ensures Hospital maintains relationships with appropriate parties at the State level to promote the clinical and financial needs of rural hospitals and AVH in particular. S/He assures that the activities of Androscoggin Valley Hospital are well represented in the media. S/He is responsible for the fund raising activities of the organization.

The President is responsible for the development of annual budgets for Androscoggin Valley Hospital. S/He recommends short term and long range financial strategies to ensure continued solvency and fiscal viability of the organization. S/He develops cost containment strategies, inclusive of implementation of productivity benchmarks as appropriate, and assures the delivery of health related services in the most efficient and economical manner, while providing a high level of patient care. S/He executes agreements and contracts.

The President is responsible for the creation of an organizational culture that fosters cooperation and harmonious

MAP

relations between corporations, their employees and management staffs. S/He assures that personnel programs for all employees meet the needs of the individuals and the organizations. S/He recommends compensation and benefit programs that are competitive and will attract qualified and competent individuals.

S/He actively participates in departmental/Hospital wide safety programs and demonstrates an understanding of safety issues and practices in all aspects of work.

The President maintains utmost confidentiality in all aspects of work.
The President builds effective relationships within and outside the organization, demonstrates the ability to work collaboratively with others, adapts readily and appropriately to unforeseen challenges, demonstrates flexibility and adjusts to changing work demands, pursues responsibilities in a focused, positive, and enthusiastic manner, effectively communicates with Managers/Supervisors, Senior Managers, Medical Staff, co-workers, outside organizations, visitors, patients and their families, focuses on customer satisfaction through anticipation of customer needs and the development and implementation of action designed to meet those needs, demonstrates innovation and creativity in the provision of services, manages time effectively to ensure that deadlines are met and that personal priorities support organizational objectives, demonstrates an understanding of the relationship between departmental/personal responsibilities and overall organizational goals/strategies and acts accordingly, and demonstrates professionalism through the maintenance of clear professional and ethical guidelines/boundaries as well as through self-presentation (dress, language, and behavior).

Experience, Education and Requirements

Graduation from an accredited college or university, preferably with graduate work in health care administration and/or business administration. In lieu of formal graduate education, appropriate work experience may be substituted. A minimum of three years experience in broad level administrative responsibilities comparable to that of a President or chief operating officer is required.

Physical Demands

Occasional lifting and carrying of objects up to 15 pounds. This position requires the ability to sit for prolonged periods. Seeing, hearing, speaking.

Job Relationships

Workers Supervised: Senior Vice President/Chief Medical Officer, Chief Nurse Officer/Vice President Care Patient Services, Director of Administrative Services, AVH Surgical Associates, Director of Facilities, Director of General Accounting/Controller, Director of Human Resources, Director of Information Technology, Director of Materials Management, Director of Patient Access, Director of Public Relations & Marketing, Director of Revenue Cycle Services and Volunteer Coordinator.

Supervised By: Androscoggin Valley Hospital Board of Directors/NCH System CEO

Promotion From: No formal line of promotion.

Promotion To: No formal line of promotion.

Linda A. Arsenault
Director, Human Resources

Mark Kelley, Chairman
Board of Directors

MDP

Keith M. Shute, MD

Home
[redacted]

Office
Androscoggin Valley Hospital
59 Page Hill Road
Berlin, NH 03570-3542
(603) 326-5621
(603) 752-1836 (fax)
E-mail: keith.shute@avhnh.org

Education

Master of Medical Management, H. John Heinz III School of Public Policy and Management, Carnegie Mellon University, Pittsburgh, PA, 6/2002-5/2003
MD, University of Vermont College of Medicine, Burlington, VT, 8/1985 - 5/1989.
Master of Technical and Scientific Communication, Miami University, Miami, OH, 8/1983- 12/1984.
BA in chemistry and psychology, *magna cum laude*, Ohio Wesleyan University, Delaware, OH, 9/1979 - 5/1983.

Postdoctoral Education

Faculty Development Fellowship, Department of Family & Community Medicine, Lancaster General Hospital, Lancaster, PA, 7/1992 - 12/1993.
Family Practice Residency, Lancaster General Hospital, Lancaster, PA, 7/1989 - 6/1992.

Certification

Diplomate, American Board of Family Practice, 1992-1999; re-certified 1998-2005, 2004-2014; 2014-2024.
Fellow, American Board of Family Practice, 8/2003.
Certificate in Medical Management, American College of Physician Executives and Carnegie Mellon University, 2/24/2002.
BLS (expires 3/3/2017)
ACLS (expires 3/7/2016)
NRP (expires 10/7/2016)

Licensure

New Hampshire ([redacted]), 11/3/1993 - present (expires 6/30/2017).
Pennsylvania (#MD-044412-L), 8/6/1991 - present (expires 12/31/2016).
DEA, 1992 - present (expires 2/28/2018).

Hospital Affiliation

Active Medical Staff, Androscoggin Valley Hospital, Berlin, NH, 2/1994 - present.
Active Medical Staff, Lancaster General Hospital, Lancaster, PA, 7/1992 - 12/1993.

Medical Management and Leadership Experience

Senior Vice President and Chief Medical Officer
Androscoggin Valley Hospital (AVH), Berlin, NH, 11/2013 - present.

- Serve as the leader for clinical care, quality, and patient safety for this 25-bed Critical Access Hospital (CAH) with annual revenue of approximately $88 million and 310 employees. Ensure the delivery of high quality, comprehensive, accessible, and cost-effective health care to patients.
- Serve as second-in-command to Chief Executive Officer.
- Promote effective communication among the Medical Staff and workforce members, ensuring accountability and alignment.
- Facilitate physician engagement in the design, development, and management of care processes along the continuum of care in order to coordinate all of the patients' healthcare needs for better outcomes in quality and cost of care, all with alignment around the patient experience.
- Together with CEO's of Coos County hospitals, lead design of the health system of the future for the county to include clinical integration, population health, and community care organization (CCO) development. Facilitate use of best practices, evidenced-based guidelines, and patient-centered interventions across the care continuum.
- Ensure a high level of patient satisfaction with care and communication provided by employed practitioners.
- Champion effective use of medical informatics (e.g., EMR, CPOE).
- Oversee development and integration of quality programs for the hospital and affiliated entities, such as through the Northern NH Healthcare Collaborative (NNHHC).
- Foster relationships and partnerships with other healthcare organization, hospitals, and other entities (e.g., federal and state correctional facilities, nursing homes, home health agencies, hospice) to meet the changing healthcare needs of organization and community.
- Responsible for the quality and patient safety program, including an effective peer review program.
- Oversee 5 emergency medicine (EM) physicians (8,500 visits/year) and outreach (specialty) clinics.
- Oversee hospitalist program (4 physicians + per diems).
- Oversee the Occupational Health Program.
- Serve as senior manager for the Laboratory department (5/2014 to present), which has 18 staff and annual gross patient care revenues of $11 million.
- Served as senior manager for the Cardiopulmonary and Imaging departments (5/2014 to 1/2015, 6/2015 to 9/2015). These two departments include approximately 20 staff and annual gross patient care revenues of $19 million.
- Provide consultative leadership for AVH Surgical Associates, a 19-practitioner specialty physician practice. Collaborate with Executive Director and Hospital CEO related to key operations and strategic planning.
- Coordinate use of locum tenens physicians for Hospital and specialty physician practice.
- Conduct hospital-wide practitioner recruitment program (successfully recruited a general surgeon 6/2014; orthopedic physician assistant 8/2014; family practice hospitalist 10/2014; OB/GYN 12/2014; pain management NP 2/2014; ENT PA 3/2014; currently recruiting for a FP hospitalist, orthopedic surgeon, and urologist).
- Serve as Medical Director for this CAH.

Senior Vice President of Medical Affairs and Clinical Services
Androscoggin Valley Hospital (AVH), Berlin, NH, 1/2003 – 11/2013.

- Oversaw all non-nursing clinical departments, including Cardiopulmonary, Laboratory, Nutrition, Imaging Services, and Rehabilitation Services for this 25-bed rural community hospital with annual revenue of approximately $95 million and 350 employees. These five departments included approximately 70 staff and annual gross patient care revenues of $80 million.
- Oversaw the following clinical support and administrative departments: Occupational Health Program and Care Management (through 2/2013). These two departments included approximately 6 staff.

MAP

- Was responsible for 7 department directors.
- Served as next-in-command to the CEO for the organization.
- Oversaw 5 emergency medicine (EM) physicians (8,000 visits/year) and outreach (specialty) clinics.
- Oversaw AVH Surgical Associates, a hospital-owned specialty physician practice developed in 7/04. Practice included 19 practitioners: 3 orthopedic surgeons, 1 orthopedic physician assistant, an ENT surgeon/allergist, an ENT nurse practitioner, an audiologist, 3 OB/GYN physicians, 3 general surgeons, 2 part-time urologists, 1 neurologist, a neurology physician assistant, 1 diabetes nurse practitioner/CDE, 1 sleep medicine specialist, 1 pulmonologist; 3 hospitalists (+ per diem's), 1 anesthesiologist, and 1 CRNA. Responsibilities included operations, planning, marketing, financial management, and regulatory compliance, as well as collaboration with and supervision of specialty practice manager. Specialty practice included a manager and support staff of 35; annual gross patient care revenues of $11 million.
- Conducted hospital-wide practitioner recruitment program (successfully recruited a radiologist 2/2004; an ENT surgeon 1/2005 and ENT/allergy nurse practitioner 7/2009; audiologist 3/2005; orthopedic surgeon 7/2005 and 5/2012; emergency medicine physician 9/2005, 5/2008, 6/2009, 9/2013; OB/GYN 10/2005, 1/2006, and 7/2009; general surgeon 2/2007 and 9/2007; hospitalist 3/2009, 8/2009, and 9/2009; neurologist 5/2009; neurology physician assistant 11/2009; sleep medicine physician 11/2010; pulmonologist 7/2012; diabetes nurse practitioner/CDE 9/2012).
- Led many hospital-wide quality initiatives.
- Served as key liaison with various other health care agencies, hospitals, payers, etc.
- Served as Medical Director for this Critical Access Hospital (as of 1/1/2005).
- Developed hospitalist program (1/2009).
- Oversaw Quality Management and Corporate Compliance (until 7/2005) and Employee Health Program (until 8/2005).
- Oversaw Mountain Health Services (MHS), a multi-specialty primary care practice, 1/2003 - 3/2004. Responsible for the overall operation of MHS, including supervision of two mid-level managers; 55 support staff in reception, medical records, nursing, and office laboratory; and 21 practitioners. Annual gross revenue of approximately $4 million.

Associate Medical Director
Coos County Family Health Services (CCFHS), Berlin, NH, 3/2004 - 4/2009.

- Served as part-time Medical Director for the Page Hill primary care office with its 6 physicians and 2 midlevel practitioners. CCFHS is a Federally Qualified Health Center (FQHC); during period of service, had 3 offices in Berlin/Gorham area and as many as 29 practitioners (12 family practitioners, 4 internists, 2 pediatricians, 1 OB/GYN, 1 podiatrist, and 9 midlevel practitioners). MHS merged into CCFHS 3/28/2004 for community benefit and operational efficiency.
- Oversaw all medical care and clinical services at this site, ensured high quality care and compliance with practice standards and various regulations, resolved patient/staff complaints, and facilitated team work and problem resolution with other departments.
- Supervised all practitioners at this site, developed corrective action plans as needed for clinical and behavioral issues, and collaborated with CCFHS Medical Director as needed. Assisted with recruitment and retention of practitioner staff.
- Actively participated as member of CCFHS's practice management team, along with COO, CEO, and other senior managers.
- Promoted optimal use of electronic health record (GE Medical System's *Centricity,* formerly *Logician*) as a super user/teacher in effort to make it easier to deliver the right care at the right time to each patient while adhering to recognized "best practice" standards and ensuring patient safety.

Vice President of Medical Affairs
Androscoggin Valley Hospital (AVH), Berlin, NH, 3/2000 - 1/2003.

- Oversaw Mountain Health Services (MHS), a multi-specialty primary care practice; ER physicians (8,500 visits/year); outreach (specialty) clinics; utilization review program; occupational health program; and employee health program for this 64-bed rural community hospital with annual revenue of approximately

$28 - $34 million.

- Managed and ensured recruitment, retention, clinical quality, patient satisfaction, diversity of clinical services, credentialing, compliance, and performance improvement for MHS, a hospital-owned physicians' practice, designated as a provider-based Rural Health Clinic (RHC), with offices in Gorham and Berlin. Practitioner staff included 7 family physicians, 4 general internists, 2 pediatricians, 1 ER-only physician, 1 podiatrist, 3 family nurse practitioners, and 3 physician assistants. Annual revenue of approximately $4 million.
- Was responsible for the overall operation MHS, including supervision of two mid-level managers; 45 support staff in reception, medical records, nursing, and office laboratory; and 21 practitioners. Reported to the hospital CEO.
- Prepared practitioner contracts, maintained compensation policy, and conducted performance reviews.
- Served as key liaison among various payers, hospital utilization review (UR) staff, and hospital fiscal staff to ensure favorable contracts for reimbursement and achievable targets for medical management.
- Maximized practitioner productivity through ongoing analysis and refining of schedules, systems, practitioner skill sets, use of support staff, etc.
- Promoted flexible scheduling of practitioners to meet patient demand, organizational needs, and personal desires of practitioners.
- Ensured practice exceeded provider-based Rural Health Clinic (RHC) productivity screens to maximize reimbursement from Medicare and Medicaid.
- Conducted frequent coding/compliance audits, and educated practitioners and staff accordingly.
- Effectively aligned physicians, other practitioners, and hospital through team building, consensus, sensitivity to political and fiscal realities, negotiation, and education.
- Deployed laptop computers to all practitioners' desks to improve access and timeliness of medical information, including use of AVH's clinical information system, major tertiary care hospital's clinical information system, AVH internal e-mail, and internet access (2001).
- Through physician education, system development, and medical management, lowered bed days per 1,000 for one managed care company (2,500 local members) at AVH by 49% (from 207 to 105 bed days) with substantial financial benefit to AVH (2000-2001).
- Recruited 2 internists and facilitated their training in echo and stress echo interpretation (2000-2001).
- Developed and championed program to use skilled nursing facility (SNF) beds at AVH, increasing SNF days by 93% in a two-year period (1999-2001), increasing net revenue by $750,000 annually, and decreasing acute length of stay (LOS) by 19%.
- Recruited 6 practitioners to replace departing staff and to expand staff (1999).
- Markedly expanded coverage by visiting specialists for AVH clinics in cardiology, rheumatology, and neurology (1998-2000).

President
Mountain Health Services (MHS), Berlin/Gorham, NH, 6/1998 - 3/2000.

- Was responsible for the operation, planning, marketing, and finances of this multi-specialty primary care practice (described above), including approximately 17 practitioners and 38 support staff. Reported to the chairman of the board of directors.
- Coordinated four-person management team.
- Ensured practice met or exceeded various managed care quality standards, earning corresponding bonuses.
- Developed and adhered to budget; maintained A/R at 45-50 days; facilitated annual increase in office visits and gross revenue.
- Persuaded 2 major managed care companies to make several beneficial changes in policy and contracts, with financial benefit to MHS.

- Led efforts to convert this independent Rural Health Clinic (RHC) into a provider-based RHC as of 1/1/2000 for enhanced reimbursement (over $250,000 annually) and operational efficiencies. (NorthCare was parent corporation for MHS, Androscoggin Valley Hospital, AVH Foundation, and NorthCare Health Services. As of 1/1/2000, MHS became a division of Androscoggin Valley Hospital.)
- Successfully developed and staffed an Orthopedic Clinic with locum tenens physicians (6/1999-8/2000) when hospital's only orthopedic surgeon relocated with short notice; orthopedic surgical procedures actually increased during this time compared to historical trends.
- Designed and received board approval for a practitioner recruitment and retention plan, which was then successfully implemented (1999).
- Through physician education, system development, and medical management, lowered bed days per 1,000 for one managed care company (3,300 local members) by 32% (from 225 to 152 bed days) and decreased average length of stay (LOS) by 30% with substantial financial benefit to hospital (1998-1999).
- Led efforts to enable practice to achieve *Healthy People 2000 Award* from the State of NH Immunization Program (over 90% immunization rate for children under age 2 years) in 1998 and 1999.
- Developed a hospitalist program for MHS practice; recruited and hired hospitalist (1998).

Medical Director
Mountain Health Services (MHS), Berlin/Gorham, NH, 10/1994 - 6/1998.

- Managed various clinical and performance improvement activities for this multi-specialty primary care practice (described on page 4).
- Analyzed practice patterns, coding patterns, and financial data and recommended improvements.
- Instructed practitioners about proper coding, managed care medicine, finances, and other changes in health care.
- Assisted with recruitment and retention of physicians and other practitioners.
- Reported to and worked closely with President of MHS and Board of Directors.
- Developed on-call schedules and systems for all PCPs in community. Developed a "community call" rotation for three local PCP practices (later expanding to four practices) in 1/1998, with substantial improvement in physician quality of life and job satisfaction, enhanced collegiality among medical groups, and improved retention.
- Designed and successfully implemented algorithms for rapid treatment of minor illnesses (e.g., Strep pharyngitis, conjunctivitis) without a practitioner visit during period when practice had substantial capitated population (1998).
- Developed practice's internet web site (1998).

Member
Chief Medical Officer Networking Group, Foundation for Health Communities, Concord, NH, 2/2007 - present.

- Serve as 1 of about 15 Chief Medical Officers and/or Vice Presidents of Medical Affairs from many of NH's 26 hospitals for networking, leadership, and management/clinical collaboration opportunities. Group meets quarterly with periodic e-mail discussions in between meetings.

Member
Board of Trustees, Foundation for Health Communities, 4/2011 - present.

- Serve a 3-year term on this 30-member, multi-stakeholder, non-profit board to advance health care in NH. Stakeholders include hospitals, insurers, NH Hospital Association, other healthcare organizations, and lay representatives. Topics recently discussed range from healthcare reform to community-based wellness promotion to collaborative strategies to improve quality and safety of healthcare.
- Participate in quarterly board meetings with occasional extra meetings or conference calls.

Member
Board of Trustees, NH Hospital Association, 9/2014 - present.

- Serve a 3-year term on this 16-member, non-profit board to represent hospitals and other healthcare organizations and to help them pursue common goals and meet common needs. Works to preserve regulatory and business climates that support both the clinical and economic performance of healthcare organizations, expand access to coverage and care, enhance the future viability of essential community providers, and improve public confidence in hospitals and healthcare statewide.

- Most members are hospital CEO's; the 3 other physician members no longer maintain a clinical practice. One of two representatives from northern NH.
- Advocate for NH hospitals, public policy, and advance health care and health care delivery systems in NH. Topics recently discussed range from healthcare reform to collaborations/affiliations, population health and cost control, MET/DSH agreement, re-authorization of the NH Health Protection Plan, reforming workers' compensation and improving access to mental health services.
- Participate in quarterly board meetings with occasional extra meetings or conference calls, as well as annual three-day meeting/conference.

Member
Clinical Quality Improvement Committee (CQIC), Anthem/Blue Cross of NH, 10/2003 – 4/2014.

- Served as one of 15 physicians from NH on this committee, which provided advice concerning the design, implementation, and oversight of Anthem's clinically oriented quality activities. Only physician representative from northern tier of state (north of Laconia).
- Committee reviewed individual Quality Program Description Activities, as well as Medical Technology and Medical Management Policies; reviewed reports from the Credentials Committee, Quality Complaints, Anthem Pharmacy Management, Behavior Health representatives, Government Affairs, and other representatives. Facilitated compliance with recommendations/criteria of the National Committee for Quality Assurance (NCQA). Recommended actions and policy revisions to Anthem's Quality Council and senior management team.
- Participated in meetings every 2-4 months and occasional e-mail discussions. Compensated for such participation.

Member
Anthem Northeast Physician Guideline Subcommittee, 3/2005 -4/2014.

- Served as one of 3 physicians from NH on this subcommittee, along with physician representatives from Maine and Connecticut. Provided practicing physician input and discussion about the Plan's guidelines for preventive care and selected medical conditions (e.g., diabetes, ADHD, depression, CHF).
- Participated in teleconference meetings twice annually with occasional e-mail discussions. Compensated for such participation.

Member
Preventing Harm in New Hampshire Hospitals Task Force, NH Hospital Association & Foundation for Healthy Communities, Concord, NH, 8/2010 – 1/2012.

- Served as 1 of 3 physicians (and only one from a rural or Critical Access Hospital) on this task force, seeking to identify best clinical areas of focus to eliminate harm in NH hospitals by 2015. Task force reviewed literature and recommended multiple strategies to eliminate harm for selected measures (e.g., urinary catheter-associated infections, adverse effects of anticoagulant therapy) based on measurable, effective, evidence-based interventions that may be appropriate in various settings/hospital cultures.

Member
Quality and Medical Management Committee, NH Medicaid and Schaller Anderson Medical Administrators, 3/2008 - 12/2009.

- Served as 1 of 4 physicians from NH on this committee, which provided advice and made recommendations to the Chief Medical Officer and Quality Management Oversight Committee of Schaller Anderson (owned by Aetna) regarding the development and implementation of its quality improvement program for NH Medicaid recipients. Schaller Anderson was contracted by NH Medicaid to assess recipients' care, delivery systems, and recipient satisfaction while optimizing health outcomes and managing costs through comprehensive and integrated activities (Enhanced Care Coordination Program).
- Committee reviewed quality of care or service and patient safety issues, evaluates results of quality improvement activities (e.g., HEIDIS reports, data sets), made recommendations to improve the care and services provided to high risk Medicaid members, evaluated utilization data and recommended actions, reviewed and recommended policies, and encouraged collaboration with the health care community at large to improve recipients' outcomes and to support community health initiatives.
- Participated in meetings at least 6 times per year (in person or via teleconference) and occasional e-mail discussions. Compensated for such participation.

MMP

Medical Advisor
North Country Cares (NCC), Berlin/Gorham, NH, 3/2002 - 12/2007.

- Served as 1 of 3 medical advisors for this non-profit organization dedicated to providing access to health care services for the uninsured (non-Medicaid eligible) and under-insured; facilitating obtaining health care, insurance, and medication for this population; educating patients about health issues/systems; coordinating clients' health care; improving the health status of the community; and enrolling practitioners and hospitals to accept such clients for a nominal copayment in lieu of full fee or bad debt write off.
- Facilitated collaborative relationships among practitioners and hospitals to enable NCC to respond to clients' needs.
- Oversaw medical protocols (e.g., office versus ER treatment for minor health conditions).
- Advised NCC staff about provider-related issues.

Member
Anthem/Blue Cross of NH Rural Health Coalition Advisory Committee, 7/2002 - 3/2005.

- Served as member from physician/hospital constituency of 12 northern NH hospitals and their medical communities, along with several appointed members of Anthem/Blue Cross of NH, on this group, whose goal was to enhance communication between the insurer and the RHC provider community, ensure quality- and cost-appropriate health care to Anthem members, and to promote collaboration between the RHC communities and Anthem/Blue Cross of NH.
- Advisory Committee was developed to replace the RHC Joint Steering Committee (see below), which could no longer function in its prior capacity as of 6/30/2002, because financial risk was no longer shared among with 12 RHC communities and Anthem (new contract).
- Participated in quarterly meetings and frequent e-mail discussions.

Member
Rural Health Coalition Community Medical Leadership Committee, Anthem/Blue Cross of NH, 7/2002-10/2003.

- Represented Berlin medical community on this committee to provide a forum for communication between Anthem/Blue Cross and the 12 provider communities of northern NH and to facilitate continuous improvement initiatives in clinical quality, medical management, and health risk management.
- Medical Leadership Committee was developed to replace, in many ways, the Community Medical Advisor position (see below), which could no longer function in its prior capacity as of 6/30/2002, because financial risk was no longer shared among with 12 RHC communities and Anthem (new contract).
- Participated in quarterly meetings and frequent e-mail discussions with other committee members and Anthem/Blue Cross representatives. Conducted periodic on-site medical management meetings with Anthem/Blue Cross staff and key local hospital staff.

Member
Anthem/Blue Cross of NH Rural Health Coalition Joint Steering Committee, 7/1998 - 6/2002.

- Served as one of three elected members from physician/hospital constituency, along with three appointed members of Anthem/Blue Cross of NH, on this steering committee for a risk-sharing arrangement among 12 northern NH hospitals, their medical communities, and the insurance carrier (approximately 49,000 covered lives as of 2002).
- Committee's major responsibilities, through monthly meetings, included development of policies for the coalition communities to follow, analyzing trends in clinical and financial performance and recommending appropriate actions, and negotiating contractual issues.
- Participated in monthly meetings and frequent e-mail and teleconference discussions.
- Served as chairman 7/1999 - 6/2000.

Community Medical Advisor
Anthem/Blue Cross of NH, 2/1997 - 6/2002.

- Supported Anthem/Blue Cross medical policies and facilitate continuous improvement efforts in clinical quality, medical management, and health risk management as a paid Medical Advisor.
- Led/educated community's medical staff about managed care issues, analysis of cost/utilization data, disease management programs, clinical pathways, formulary compliance and specific pharmacy initiatives, best

practices, and the community's risk-sharing arrangement with Anthem/Blue Cross.
- Researched areas of concern or under performance, analyze data and trends, and develop action plans for identified issues/deficiencies.
- Participated in quarterly medical management meetings with Anthem/Blue Cross representatives and quarterly Medical Advisor meetings (with 11 other such advisors). Chaired community panel meetings 2-4 times/year.

Also see Medical Leadership Activities and Community Service, pages 11-13.

Note that several medical management positions were held simultaneously with clinical position(s).

Clinical Experience

Family Physician
Coos County Family Health Services, Berlin, NH, 3/2004 - present.
- Provide full-scope family medical care in this Federally Qualified Health Center (FQHC) with 3 offices in Berlin/Gorham area and 28 other practitioners (11 family practitioners, 4 internists, 2 pediatricians, 1 OB/GYN, 1 podiatrist, and 9 midlevel practitioners). MHS merged into CCFHS 3/28/2004 for community benefit and operational efficiency.
- Provide care of same scope and in same settings as with MHS (below); halted nursing home care 9/2012.
- Use electronic health record (GE Medical System's *Centricity,* formerly *Logician*) for all ambulatory patient encounters.
- Serve as clinician for 4-6 half-days/week through 12/2011; 3-4 half-days/week since then.
- Provided 50% of full adult and pediatric on-call duties compared to other primary care physicians in group due to medical management responsibilities (through 4/2009, when inpatient and on-call responsibilities were transferred to AVH hospitalist program due to re-organization of services in community).
- Consistently one of the most productive practitioners in this large group based on visits/day, gross charges/day, average charge/visit, and work RVU/clinic hour.

Family Physician
Androscoggin Valley Hospital Hospitalist Program, Berlin, NH, 4/2009 - present.
- Provide pediatric on-call duties approximately 8 to 12 nights per month for this 25-bed Critical Access Hospital and for Coos County Family Health Services (through on-call coverage agreement with AVH). Includes response to outpatient phone calls, inpatient admissions, consultations in Emergency Department when requested, and attendance at high risk deliveries to care for newborn (including neonatal resuscitation if indicated).
- Provide adult on-call duties approximately 2-5 nights per month, with similar scope of duties as above through 4/2015; 0-2 nights per month since then. Includes admissions and consultations throughout hospital, including 5-bed ICU.
- Provide adult and pediatric inpatient rounding services for approximately 6 days per quarter (weekends and holidays) through 4/2015; infrequently thereafter.
- Provided 12-hour hospitalist shift coverage approximately 1-3 days or nights per quarter through 4/2015.

Family Physician
Mountain Health Services (became a division of Androscoggin Valley Hospital 1/2000), Berlin, NH, 2/1994 - 3/2004.
- Provided full-scope family medical care in hospital-owned practice setting with other family physicians, general internists, pediatricians, and midlevel practitioners. Care provided in office, hospital, nursing homes, and patients' homes.
- Procedural skills included minor skin surgery, cryotherapy, Norplant and IUD insertion/removal, endometrial biopsy, neonatal circumcision, joint injections, and flexible sigmoidoscopy.
- Care included emphasis on adults, geriatrics, and complex medical problems with a small pediatric practice and young, well adult practice.
- Consistently was one of the most productive practitioners in group based on visits and gross charges.
- Practiced full-time 2/1994 - 6/1998; part-time (50%-70% clinical) due to medical management responsibilities,

7/1998 - 3/2004 (see pages 2-5). Performed proportional share of adult and pediatric on-call duties, 2/1994 - 4/2003; then 50% of full on-call duties due to increased medical management responsibilities.

Family Physician
St. Luke Medical Center, Berlin, NH, 2/1994 - 2/2002.

- Provided part-time obstetric care in conjunction with an obstetrician and a certified nurse-midwife as only OB providers at our rural hospital. Trio combined for 110-130 deliveries/year; 10-20 vaginal deliveries/year performed by me. Was on-call one-third of the time.
- Assisted with C sections.
- Rendered low to high risk obstetrical care, including management of many medical complications of pregnancy, preterm labor, pre-eclampsia, gestational diabetes, twins, and VBACs.

House Physician
Lancaster General Hospital, Lancaster, PA, 7/1990 - 12/1993.

- Provided in-hospital patient care for several physician groups 9 p.m. to 6 a.m., including phone calls, evaluation and treatment of acutely ill or unstable patients, and selected admissions at this 555-bed hospital (usually 2-4 shifts/month).

Urgent Care Physician
Fast Care Division of Emergency Medicine Department, Lancaster General Hospital, Lancaster, PA, 7/1993 - 12/1993.

- Served urgent care needs of ambulatory patients, including orthopedics, lacerations, injuries and minor medical illnesses in high-volume setting (usually 3-5 shifts/month as sole physician).

Clinic Physician
STD Clinic, Planned Parenthood of Lancaster Country, Lancaster, PA, 9/1990 - 12/1993.

- Examined, screened, treated, and counseled patients with, and at risk for, sexually transmitted diseases (usually 1-2 evenings/month).
- Coordinated physician scheduling.

Communications Experience

Medical Editor (consultant), AAFP Foundation, 1/1991 - 12/1993.

- Edited selected patient educational materials, including scripts for audio educational messages.

Medical and Scientific Editor (consultant), 5/1984 - 9/1986.

University of Vermont College of Medicine, Burlington, VT
Departments of Anatomy and Neurobiology, Biochemistry, Pathology, and Pediatrics

Wright State University School of Medicine, Dayton, OH
Departments of Ophthalmology, Otolaryngology, and Surgery

The Ohio State University College of Nursing, Columbus, OH
Department of Life Span Process

HBJ Healthcare Publications, Cleveland, OH

AlphaMed Press, Inc., Dayton, OH

Drug Intelligence & Clinical Pharmacy, Cincinnati, OH

MacAulay-Brown, Inc., Dayton, OH

- Edited and substantially revised manuscripts published in *American Journal of Clinical Pathology, American*

Journal of Pathology, Archives of Dermatology, Archives of Pathology and Laboratory Medicine, Cancer Research, Human Pathology, Proceedings of the National Academy of Science, and *Toxicology and Applied Pharmacology.*

- Edited chapters on diabetes for two pathology textbooks.
- Edited several grant proposals to government agencies.
- Edited 250-page set of course notes for Gross Anatomy.
- Designed, wrote, and substantially revised 300-page set of course notes for Microanatomy (histology).
- Edited manuscripts for *Urology Times*, a healthcare tabloid.
- Edited manuscripts accepted, and provisionally accepted, for publication in the *International Journal of Cell Cloning.*
- Edited manuscripts accepted for publication in *Drug Intelligence & Clinical Pharmacology*, a peer-reviewed journal.
- Edited hundreds of two-page entries for the *Engineering Data Compendium: Human Perception and Performance*, aimed at designers of simulators and operational displays/controls. Entries summarized research into basic sensory characteristics, performance, and the human-machine interface.

Editor (consultant), Miami University, Department of English faculty, Oxford, OH, 6/1984 - 8/1985.

- Edited articles published in the *Journal of Technical Writing & Communications, Research in the Teaching of English,* and *Technical Communication.*
- Edited a chapter on survey methodology published in *Writing in Nonacademic Settings.*
- Wrote abstracts for several publications.

Peer Review Experience

Family Practice Management, 2007-present.
Family Medicine, 2002-present.
American Family Physician, 1993-1994.
North American Primary Care Research Group (NAPCRG) annual conference, 1993-1994.

Publications and Professional Presentations

Shute, KM & Kimber, RG. H. influenza intraamniotic infection with intact membranes. *Journal of the American Board of Family Practice*, 1994, 7(4), 335-342.

Zervanos, NJ & Shute, KM. Acute, disruptive cough: Symptomatic therapy for a nagging problem. *Postgraduate Medicine*, March 1994, 1995(4), 153-168.

Shute, KM. Androscopy [letter]. *Journal of Family Practice*, 1991, 33(5), 447.

Shute, KM. An Internship in Scientific Communications with the Bob Hipple Laboratory for Cancer Research and AlphaMed Press, Inc. Master's thesis, Department of English, Miami University, Oxford, OH, 1984.

Shute, KM. Among the missing [letter]. *Hippocrates*, Nov./Dec. 1993, 8.

Shute, KM & Paist SSP. The electronic E-book and your hospital mainframe computer: Are they compatible? Lecture-discussion at 27th annual spring conference of the Society of Teachers of Family Medicine, Atlanta, GA, May 1, 1994.

Shute, KM & King, EA. Enhancing the value of patient care conferences. Seminar at the Northeast Regional Meeting of the Society of Teachers of Family Medicine, Akron, OH, October 22, 1993.

Shute, KM. STDs: Making patient education work. Practice tip at the 12th annual Conference on Patient Education, Kansas City, MO, September 15, 2000.

MAP

Community Health Presentations

Advance Directives and End of Life Planning, Health Education Lecture Series with Diane M. Lysitt, Androscoggin Valley Hospital, Berlin, NH, March 12, 2001.

Osteoporosis: Strategies for Prevention and Treatment, Women's Wellness Day, Berlin, NH, April 4, 1998.

How to Combat Family History of Diseases, Health Education Lecture Series, Androscoggin Valley Hospital, Berlin, NH, February 9, 1998.

Fighting the Odds Maker: How to Combat Family History of Cancer and Other Medical Conditions, Women's Wellness Day, Berlin, NH, April 5, 1997.

New Methods of Contraception, Health Education Lecture Series, Androscoggin Valley Hospital, Berlin, NH, October 17, 1994.

New Patterns of Obstetrical Care, Health Education Lecture Series with Guy Beauboeuf, MD, and Tricia Shute, CNM, Androscoggin Valley Hospital, Berlin, NH, April 11, 1994.

Medical Leadership Activities and Community Service

Medical Staff of Androscoggin Valley Hospital, Berlin, NH

- President of Medical Staff, 10/1998 - 9/1999 and 4/2000 - 9/2000
- Vice President of Medical Staff, 10/1997 - 9/1998
- Secretary/treasurer of Medical Staff, 10/1996 - 9/1997
- Chairman, Medical Executive Committee, 10/1998 - 9/1999 and 4/2000 - 9/2000
- Member, Medical Executive Committee, 10/1995 - 9/2001
- Member, Bylaws Committee, 10/2011 - present
- Member, Credentials Committee, 10/1994 - 9/1995, 10/2008- present
- Chairman, Credentials Committee, 10/2012- 9/2014
- Vice Chairman, Credentials Committee, 10/2010-9/2012
- Member, Leadership Council, 2/2015- present
- Member, Physician Information Management Committee, 10/2011 – present
- Chairman, Physician Information Management Committee, 10/2013-9/2014
- Vice Chairman, Physician Information Management Committee, 10/2012- 9/2013
- Member, Professional Advisory Committee, Home Health and Hospice Services, 10/1994 - 9/1995 and 10/2001 - 9/2010.
- Member, Quality Management Committee, 10/2003 – 9/2014
- Member, Quality Evaluation Committee, 10/2014- present
- Chairman, Physicians' Information Management Task Force, 7/1998 - 6/2003

Androscoggin Valley Hospital, Berlin, NH

- Medical Director, Critical Access Hospital, 1/2005 - present
- Medical Director, Clinical Nutrition Services, 10/1994 - 9/2010; 10/2014 - present
- Medical Director, Hospitalist Program, 10/2009 - present
- Medical Director, Oncology Program, 12/2002 - 9/2005
- Medical Director, Outreach Clinics, 12/2002 - present
- Medical Director, Patient and Family Services, 10/1994 - 1/2005
- Chairman, CAH Oversight Committee, 5/2006 - present
- Member, CAH/NHU/AVH Surgical Associates Steering Committee, 1/2005 - 1/2006
- Member, Corporate Compliance Committee, 5/2000 – 12/2013

WMP

- Chairman, Heart Failure/Pneumonia Quality Improvement Leadership Team, 5/2010 – 12/2013
- Member, Infection Control Committee, 8/2010 - present
- Member, Information Management Committee, 8/1995 - 12/2005; 1/2008 - present
- Member, Information Systems Steering Committee, 1/2005 - 10/2007
- Member, Joint CPOE Advisory Committee, 4/2012- 11/2015
- Chairman, Joint CPOE Advisory Committee, 10/2012- 11/2015
- Member, Facility Planning Committee, 7/1998 – present
- Member, Medical Practice Manager (MPM – ambulatory EMR) Advisory Committee, 10/2011-10/2012
- Member, Physician Coding Group, 10/2006 – 12/2014
- Member, Provider Compensation Committee, 8/2015 - present
- Member, Quality Committee, Board of Directors, 9/2004 – present
- Chairman, Quality Committee, Board of Directors, 10/2015 - present
- Member, Radiation Safety Committee, 1/2006 – present
- Member, Readmission Prevention Team, 1/2015 - present
- Member, Restraint Ad Hoc Team, 11/2005 - 6/2007
- Member, Root Cause Analysis Team, 5/2007 - present
- Member, SNF Improvement Team, 5/2000 - 12/2003
- Member, Surgical Services Business Committee, 10/2010 - present
- Member, UR Task Force, 2/1999 - 3/2000
- Member, Women's Wellness Day Planning Committee, 8/1995 - 5/2002
- Member, Women's Services Medical Provider Team, 3/2000 - 2/2002
- Member, Obstetrics Marketing Task Force, 2/1994 - 10/1999

Coos County Family Health Services, Berlin, NH

- Member, Centricity (formerly Logician) Clinical Team, 5/2005 – present
- Member, Extended Hours Task Force, 3/2015 - present
- Member, Pharmacy Issues Committee, 11/2004 – 12/2013
- Chair, PCP Recruitment Task Force, 10/2006 - 1/2009
- Member, Joint Steering Committee for Merger of Coos County Family Health Services (CCFHS) and Mountain Health Services (MHS), 9/2002 - 3/2004.
- Co-chair, Clinical Committee for Merger of CCFHS and MHS, 12/2002 - 3/2004
- Member, Human Resources Committee for Merger of CCFHS and MHS, 2/2003 - 3/2004
- Member, Logician (EMR) Implementation Team, 11/2003 - 3/2004
- Member, Practitioner Scheduling Team, 11/2003 - 3/2004

Mountain Health Services, Berlin, NH

- Member, Board of Directors, 7/1998 - 3/2000

NorthCare, Inc., Berlin, NH

- Member, Board of Directors, 5/1995 - 4/1998
- Chairman, Information Systems Task Force, 4/1998 - 11/1999

NorthCare Health Services, Inc., Berlin, NH

- Member, Board of Directors, 5/2003 - present.

Northern New Hampshire Healthcare Collaborative, LLC, Lancaster, NH

- Chair, Quality Council, for this collaborative for three Critical Access Hospitals in Coos County, NH, 9/2012-6/2015

Dartmouth-Hitchcock Medical Center, Lebanon, NH

- Member, Referral Services Steering Committee, 3/2001 - 6/2007
- Member, Advisory Board, Norris Cotton Cancer Center North, 9/2005 – 12/2010

American College of Healthcare Executives, Indianapolis, IN

- Member, Advisory Council for Local Reagent, 2005-06

American Association for Physician Leaders (formerly American College of Physician Executives), Tampa, FL

- Physician Executive Advisor, 4/2002 - present

Family Practice Residency Program, Lancaster General Hospital, Lancaster, PA

- Chief Resident, 1/1991 - 12/1991
- Resident Coordinator, 1/1990 - 12/1990
- Member, Curriculum Committee, 6/1992 - 12/1993
- Member, Patient Education Committee, 11/1992 - 12/1993
- Co-chair, Residency Education Evaluation Project, 6/1990 - 6/1992
- Member, Intern-Resident Education Committee, 1/1990 - 12/1991
- Editor, Family Practice Program Procedure Manual, Core Curriculum, Personnel Policies and Procedures, 1/1990 - 6/1990 and 2/1991 - 4/1991
- Member, Steering Committee to Evaluate Residency Program Post Match, 3/1990 - 4/1990

Planned Parenthood of Lancaster County, Lancaster, PA

- Member, Medical Affiliate Committee, 7/1990 - 12/1993

Pennsylvania Academy of Family Physicians

- Chair, Pennsylvania Resident Assembly, 5/1991 - 4/1992
- Resident Representative, Board of Directors, 5/1991 - 4/1992
- Member, Commission on Resident and Student Affairs, 5/1991 - 6/1993
- Member, Leadership Task Force, 9/1992 - 6/1993
- Alternate Resident Delegate, Congress of Delegates, 6/1992
- Resident Delegate, Congress of Delegates, 6/1990

American Academy of Family Physicians

- Pennsylvania State Delegate to National Congress of Family Practice Residents, 8/1990
- Participant, National Congress of Family Practice Residents, 1990-1992

Professional Memberships

American Academy of Family Physicians, 7/1989 - present
American Association for Physician Leadership (formerly American College of Physician Executives), 7/1997 - present
American College of Healthcare Executives, 8/2002 - present
American Medical Association, 9/2001 – 12/2013
American Society for Colposcopy and Cervical Pathology, 12/1993 - 12/1995
American Society of Professionals in Patient Safety, 1/2014 - present
Association of Reproductive Health Professionals, 5/1992 - 12/1998
Medical Group Managers Association, 1/1995 - present
National Rural Health Association, 1/1995 - present
New Hampshire Academy of Family Physicians, 1/1994 - present
Northern New England Association of Healthcare Executives, 4/2005 - present
Pennsylvania Academy of Family Physicians, 7/1989 - 12/1993
Society of Teachers of Family Medicine, 9/1990 - 12/2004

Honors and Awards

Cambridge Who's Who, 2010
Who's Who among Executives and Professionals, 2010-2011
Biltmore Who's Who Registry of Executives and Professionals, 2008 and 2009
Madison Who's Who of Executives and Professionals, 2006-2007
Excellence in Diabetic Care Award, Coos County Family Health Services, 2006 – present (annual winner)

Staff Person of the Year, Coos County Family Health Services, 2005*
America's Registry of Outstanding Professionals, 2003
Honored Member - Strathmore's Who's Who, 2002-2003
Who's Who in Medicine and Healthcare, 2002-2003
National Registry of Who's Who, 2001

*First time in the nine-year existence of this recognition that it was presented to a physician.

Outstanding Young Americans, 1998
Who's Who Among Rising Young Americans, 1992
Recipient, Resident Educational Grant to the 12th annual Conference on Patient Education, Kansas City, MO, 9/1990
Edward E. Friedman Award for Promise of Excellence in the Practice of Family Medicine, University of Vermont College of Medicine, 5/1989
Alpha Omega Alpha, 10/1988
Lange Medical Publications Award, 5/1988
Phi Beta Kappa, 1982
Mortar Board, 1982
Omnicron Delta Kappa, 1982
Dean's List, Ohio Wesleyan University, 1979-1983
National Dean's List, 1980-1982

Various other departmental and university honors as an undergraduate

References

Available upon request.

Revised 12/2015

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ANDROSCOGGIN VALLEY HOSPITAL
BERLIN, NEW HAMPSHIRE 03570

SENIOR VICE PRESIDENT
CHIEF MEDICAL OFFICER
August 30, 2016

Job Summary

As an integral part of the executive management team, the Senior Vice President, Chief Medical Officer (CMO), is responsible for directly contributing to the achievement of the organization's mission; the creation and maintenance of a sustainable business model; and a culture committed to quality and continuous improvement.

Responsible to ensure the effectiveness of the Hospitalists, Emergency Department Physicians, Quality and Patient Safety, and Occupational Health, ensuring the delivery of high quality medical care in a collaborative and collegial manner. Addresses issues with providers related to schedules and on call responsibilities. Ensures Hospitalist and Emergency Department practitioner coverage, ensuring budget compliance. Responsible for all locum coverage including the qualifications and acceptability of all locums. Responsibilities must be carried out in a manner which optimizes the financial integrity of the organization and the development, motivation and direction of staff.

Responsible for supporting physician engagement in the design, development, and management of care processes along the continuum of care in order to coordinate all of the patients' healthcare needs for better outcomes in quality and cost of care, all with alignment around the patient experience.

The CMO participates in policy and decision-making process, thereby assuming a multi-disciplinary perspective while addressing the specific responsibilities of the Medical Staff. Coordinates and effectively communicates to Medical Staff regarding all activities, policies, and information impacting them. In addition to serving in a medical administrative position, the CMO devotes one and one-half days per week to the delivery of patient care services. Serves as Chairperson of the Critical Access Oversight Committee and Board Quality Committee and is the Critical Access Hospital Medical Director. Participates on various committees, including Corporate Compliance, Information Management, and Facility Planning. Attends meetings of the Hospital Board of Directors and other affiliate boards as requested by the President.

Responsible for the coordination, planning, implementation and participation in Hospital-wide quality activities that monitor patient care, patient safety, administrative, and economic outcomes. In conjunction with Quality and Patient Safety Director, responsible for planning, developing, implementing, coordinating and administering the Hospital-wide quality program to achieve widespread measurable improvements in the quality of care delivered across the entire care continuum. Develops and implements innovative, cost effective strategies to improve quality of care and service. Identifies the need to develop performance improvement teams and initiates same. Routinely monitors pertinent standards and regulations. Establishes the required and desired data/indicators for the program. Oversees collection and analysis of data including, but not limited to, incident reports, medication occurrences, patient and family complaints, and customer satisfaction surveys. Develops mechanism to disseminate quality information to committees, divisions, departments, the governing body and others. Oversees care quality, and coordinates peer reviews. Identifies trends in variances in quality, and intervenes through provider education and quality awareness.

Continuously and strategically improves quality in a manner that allows the organization to successfully negotiate the transition from volume-based care to value-based care by, among other tactics, developing and implementing a LEAN culture model.

Oversees development and integration of quality programs for Hospital and affiliated entities, such as through the Northern New Hampshire Healthcare Collaborative (NNHHC). Chairs the NNHHC Quality Council. Collaborates with other CMOs and quality program staff to enhance and standardize quality and patient safety programs.

In conjunction with the Quality and Patient Safety Director, conducts an annual appraisal of the quality program and recommends revisions. Responsible for providing quarterly reports to the AVH Board of Directors, relating specifically to Hospital-wide quality initiatives. Utilizes the results to improve the quality of service provided. Ensures a timely response to employee and customer inquiries. Focuses on customer satisfaction through anticipation of customer needs and the development and implementation of action designed to meet those needs.

Responsible to develop a "Just Culture" methodology to address corrective action to ensure patient safety, quality of care, and satisfaction. The CMO is at all times the paramount advocate and guardian of patient care. Ensures compliance with the requirements of CMS and other licensing, accrediting, and regulatory agencies, as well as with all Hospital and Medical Staff policies and standards. Responsible to ensure that all requirements relating to CMS surveys have been met.

In conjunction with the Chief Nursing Officer/VP Patient Care Services, is responsible to ensure that the Hospital always meets regulatory requirements as a Critical Access Hospital, including adhering to the 25-bed limit and average length of stay for inpatients. Maintains an awareness of legal and regulatory responsibilities imposed by governmental agencies and others as they impact inpatient care and Critical Access status. Conducts a thorough assessment of programs, operations, systems and opportunities for improvement.

Responsible for overall patient care in the organization. Ensures delivery of high quality, comprehensive, accessible, and cost-effective health care to patients. Oversees, and is responsible for clinical activities related to the delivery of medical services by employed, contracted and independent providers, including provision of high quality care, cost management, and utilization management. Assures that policies, procedures, and standards describe and guide the provision of medical care required by all patients served by the Hospital.

Ensures high level of patient satisfaction with care and communication provided by employed practitioners. Develops a strong working relationship with all employed and non-employed providers. Works to develop effective interaction and collaboration with nursing and other professionals. Develops and maintains a service culture that minimizes patient complaints and maximizes patient satisfaction. Responsible for resolving patient complaints about provider services and appropriateness of charges. Facilitates and implements a corrective action policy to address Medical Staff and allied health staff concerns. Assures review and follow-up on patient concerns and complaints, providing prompt and courteous customer service. Responsible for the promotion of the Hospital and its services.

Encourages use of triage algorithms, care maps, clinical pathways, disease management strategies, and evidence-based practice guidelines, as appropriate. Promotes alignment of practitioner/Hospital relationships in the service area. Assists with developing affiliations with other hospitals and integrated delivery systems as requested by the President.

Documents events that may be of value in defending or pursuing legal actions. Promotes strategies of clinical practice and documentation that minimize medicolegal risks for practitioners, ancillary staff, and Hospital. Collaborates with the Vice President, Administrative Services, and legal counsel about medicolegal actions involving the Hospital.

Promotes effective communication among the Medical Staff and workforce members, ensuring accountability and alignment. In conjunction with Executive Director, Specialty Practice, ensures that providers meet the standards of care determined by the organization in the following categories: provider productivity (wRVU's); patient accessibility; measures of quality identifiers; adherence to policies, procedures, and pathways; compliance with EMR and CPOE expectations; peer and staff collegiality; patient satisfaction; documentation and coding compliance; evidence-based standards of care; community involvement; outreach; and commitment. Serves as liaison to independent providers and primary care providers to develop strong practitioner relations with and loyalty to AVH. Oversees and provides direction to primary care in the community and AVH's role in the provision of such services.

Fosters relationships with outside concerns and enhances relationships with various business partners (i.e. Veterans Administration Clinic, Department of Corrections, and Federal Bureau of Prisons). Assists in the development, planning and implementation of any proposed affiliation and serves as point of contact for Department of Corrections and Federal Bureau of Prisons. Collaborates with Executive Director, Specialty Practice, and selected department managers to achieve such objectives.

Oversees the occupational health program to ensure the development and marketing of successful services to the Hospital and other corporate customers.

Works with operations, serving as a resource for clinical integration.

On an annual basis, formally conducts performance appraisals for Hospitalists, Emergency Department Physicians,

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and Occupational Health practitioner, addressing professional development, accomplishments, and goals.

In conjunction with Executive Director, Specialty Practice, the CMO is responsible for the overall recruitment of providers, including hospitalist, Emergency Department physicians , surgeons, specialists, and temporary or locum tenens practitioners. Orients, trains, and monitors newly employed and affiliated practitioners. Leads the ongoing standardization and optimization of practices and activities in practitioner recruiting and practitioner compensation models. Assesses and develops practitioner contracts. Develops and maintains practitioner compensation programs.

As part of an integrated healthcare network, develops and implements a continuum of accountable care (e.g., Community Care Organization - CCO, Accountable Care Organization - ACO) to meet goals for patient quality, safety, access, health outcomes, and utilization. Develops a best-practice continuum of care delivery system. Works closely with Executive Director, Specialty Practice, providing clinical support in the development of various programs.

Responsible to strengthen finances to facilitate the provision of new services, alignment and integration efforts, and to develop a sustainable business model that manages Medicare PPS payments. Assists in assessing the addition of new services. Vigilantly assesses the need for service growth and expansion, and makes recommendations for such accordingly based on financial and market analysis. Works with Senior Director Patient Experience and Marketing to market new programs. Serves as a liaison with other physicians, healthcare agencies/systems, and third party payers in the community, region, and state.

Monitors volume and appropriate utilization of resources. Assesses all transfers. Vigorously pursues market share, and adopts strategy to mitigate leakage on patients who require services that can be competently provided in the North Country. Develops a long-term program to effectively reduce leakage.

Responsible for engaging AVH workforce members and leaders in the implementation of strategic plans, maximizing productivity and efficiency and consistently seeking opportunities to enhance revenue and efficiencies. Consistently seeks new and innovative ways to provide needed services at a reduced cost. Provides growth and learning opportunities for emerging leaders. Aligns skills and responsibilities so that AVH and its leaders can succeed.

Serves as physician resource on medical informatics, electronic medical records and CPOE. Serves as an active member of various Information Technology committees.

Identifies and develops opportunities for provider development and learning opportunities and curriculum. Attends continuing education programs to enhance current level of management, professional, and medical skills.

Participates in Hospital-wide safety programs and demonstrates an understanding of safety issues and practices in all aspects of work.

Builds effective relationships within and outside the organization. Demonstrates the ability to work collaboratively with others. Adapts readily and appropriately to unforeseen challenges. Demonstrates flexibility and adjusts to changing work demands. Pursues responsibilities in a focused, positive, and enthusiastic manner. Effectively communicates with President, fellow senior managers, managers, Medical Staff, co-workers, other Hospital staff, outside organizations, visitors, patients and their families. Actively participates in committee assignments. Focuses on customer satisfaction through anticipation of customer needs and the development and implementation of action designed to meet those needs. Demonstrates innovation and creativity in the provision of services. Manages time effectively to ensure that deadlines are met and that personal priorities support organizational objectives. Demonstrates an understanding of the relationship between personal responsibilities and overall organizational goals/strategies and acts accordingly. Demonstrates professionalism through the maintenance of clear professional and ethical guidelines/boundaries as well as through self-presentation (dress, language, and behavior).

The CMO plays a key role in the development of a regional health care system through supporting a system wide organizational culture that fosters cooperation and harmonious relations between system and hospital corporations, their employees and management and medical staffs. The CMO guides the coordination, integration, and standardization of clinical activities which are designed to meet the stated mission of the organization while optimizing operations across all entities.

This position involves exposure to blood, body fluids, and tissues.

Education, Training, and Experience

Must be a licensed physician. Board certification in a primary care specialty preferred. Graduate degree in medical management, business administration, health care administration, communications, psychology, or related field is desirable. At least five years of clinical practice experience preferred. Successful administrative and leadership experience in a medical group or healthcare organization. Prior success in motivating staff and bringing groups together as effective teams to ensure high quality outcomes, problem resolution, and program development. Strong decision-making and analytical skills. Ability to develop and maintain effective relationships, as well as ability to engender respect and trust, with medical and administrative staff, patients, and the public. Ability to negotiate, influence, and navigate in a politically-complex environment. Understanding of health insurance and provider payment methodologies. Ability to communicate effectively in writing and verbally. Knowledge of computer programs and applications. Knowledge of Meditech Health Information System desired.

Physical Demands

Occasional lifting and carrying of objects up to 15 pounds. This position requires the ability to sit and stand for prolonged periods. Working with a computer is required. Walking, seeing, hearing and speaking.

Job Relationships

Workers Supervised: Hospitalists, Emergency Department Physicians, and Occupational Health staff.

Supervised By: President.

Promotion From: No formal line of promotion.

Promotion To: No formal line of promotion.

Keith Shute, MD, MMM (incumbent)
Senior Vice President – Chief Medical Officer

August 30, 2016
Date

Linda A. Arsenault
Director, Human Resources

Michael D. Peterson, FACHE
President

Brian O'Hearn MBA, BSN, CEN

[redacted]

Phone: [redacted]

Executive Summary

A seasoned executive nurse with 25 years of leadership experience. Utilizing a patient's first philosophy and a transformational leadership style, my focus has been on improving the provision of care through team formation. Having a fundamental belief in relationship based care, I have strived to build relationships with the medical staff (understanding a physician's expectation of care and then delivering). These relationships form a foundation necessary to drive performance and metrics.

Education

M.B.A.	Binghamton University Binghamton, NY	2000
B.S.N.	Binghamton University Binghamton, NY	1986
A.S.	Broome Community College Binghamton, NY	1982

Certifications

Peripherally Inserted Central Catheter Certification Unity Hospital, Rochester NY	2017
Board Certification in Emergency Nursing Providence, Rhode Island	2012
Certification in Palliative Care Harvard University, Boston Massachusetts	2010
Peripherally Inserted Central Catheter Certification Albany Medical Center	2001
Oncology Nurse Certification Binghamton, New York	2004

Brian O'Hearn MBA, BSN, CEN

[redacted]
[redacted]

Phone: [redacted]
email: [redacted]

Leadership Experience

Androscoggin Valley Hospital 2/16 – Present
Vice President of Patient Care and CNO

NHS Solutions 8/15 – 02/16
Interim CNO for AVH
Employed by NHS initially as the hospital was entering transition – original plan was to convert to permanent hire at AVH after six months.

The First String Healthcare Inc 01/15 – 05/15
Nurse Executive/Consultant
Interim Director of Medical/Surgical/Telemetry nursing at Texas Health Alliance. Responsible for a 34 bed unit and 60 FTEs. Assignment January 12 through May 4, 2015.

Vice President of Patient Care Services 11/12 – 12/14
Chief Nursing Officer
Samaritan Medical Center
Watertown, NY
A 290 bed medical center in Jefferson County, New York. Samaritan operates two nursing homes, a home health agency, has affiliations with regional critical access hospitals.

Director of Emergency Services 05/10 – 10/12
Rhode Island Hospital - Lifespan
Providence, Rhode Island
Rhode Island Hospital's Emergency Department is one of the busiest in the nation and is the only Level I Trauma Center in Rhode Island and Southeastern Massachusetts. The hospital is an academic medical center, affiliated with Brown University.

Vice President of Patient Care Services 01/07 – 04/10
Saints Medical Center
Lowell, Massachusetts
A 250-bed acute care hospital in North Eastern Massachusetts. Lowell is the fourth largest city in the Commonwealth. Saints merged with Lowell General Hospital in 2012

Vice President of Patient Care Services 05/05 – 12/07
St. James Mercy Health System
Catholic Health East
A 119-bed acute care hospital in rural western NY and a member of Catholic Health East. CEO transition in 2006 offered the opportunity to function as Interim COO.

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[redacted]
[redacted]
Phone: [redacted]
email: [redacted]

Vice President of Patient Care Services 09/00 – 04/05
Administrator for Home Health Services
Bon Secours Venice Healthcare Corporation
Venice, Florida
A 312-bed acute care medical center in Florida's gulf coast region. In addition to acute care, responsibilities included outpatient service lines including home health and DME. In 2004, Venice expanded cardio-vascular services to include open-heart surgery. In 2005, the Hospital sold to HCA.

Director of Infusion Services 1991- 09/00
United Health Services, Inc.
Vestal, NY
System based Licensed Agency – Infusion, Respiratory and HME services. Responsible for Clinical operations. Located in the Southern Tier of NY and the Northern Tier of Pennsylvania. Service area included 7 counties in NY and PA.

Nursing Department 1985 - 1987
Our Lady of Lourdes Hospital 1989 - 1991
Binghamton, NY
Experience ranged from nursing graduate to clinical management. Critical Care, Respiratory, Oncology, Med/Surgical Nursing.
Opened Surgical Step-Down Unit. ACLS Certification. Preceptor for nursing graduates.

Adjunct Clinical Instructor 1987 - 1988
SUNY Delhi
Delhi, NY
Responsible for teaching and evaluating nursing students in the clinical setting.

Nursing Department 1987 - 1989
O'Connor Hospital
Delhi, NY
32-bed acute care hospital in rural NY setting. Gained ER, M/S, ICU and OR experience. Transport volunteer for critically ill patients to trauma center in Oneonta NY.

Professional Associations

White Mountain Community College Nursing Advisory Board	2015 - present
Jefferson Community College Nursing Advisory Board	2012 - 2014
Middlesex Community College Nursing Advisory Board	2007 - 2010
American Red Cross - Merrimack Valley	2007 - 2009

[redacted]
Phone: [redacted]
email: [redacted]

Alfred State College Nursing Advisory Board	2005 - 2007
Co-Chair: Relay for Life	2005 - 2007
Home and Health Board of Directors	2005 - 2007
Keiser College Nursing Advisory Board	2003 - 2005
Leadership Sarasota, Sarasota County, Florida	2002 - 2005
Oncology Nurses Association	1996 - 2000

PRESENTATIONS

Catholic Home Heath Symposium, St. Pete Beach, Fl. 2001, 2002 and 2003

Analyzing the Financial Impact of Throughput and Creating Retro Flow Strategies, IQPC Conference, Atlanta, Ga. April 2004.

Analyzing the Financial Impact of Throughput and Creating Retro Flow Strategies, IQPC Conference, Miami, Fl. October 2004.

Improving ED throughput and patient satisfaction: Poster Presentation, Premier Break through (Quest) Annual Conference, San Antonio TX, November 2014

ANDROSCOGGIN VALLEY HOSPITAL
BERLIN, NEW HAMPSHIRE 03570

CNO, Vice President, Patient Care Services
February 29, 2016

Job Summary

As an integral part of the executive management team, the CNO, Vice President, Patient Care Services must be aware, accept and integrate Androscoggin Valley Hospital's core values in decision making and in behaviors and actions. Is responsible for directly contributing to the achievement of the organization's mission; the creation and maintenance of a sustainable business model; a culture committed to quality and continuous improvement, along with the development of a leadership capacity across all divisions. Achieving these high level goals will set the priorities for the day-to-day responsibilities that fall within the detailed job description. In addition, the CNO, Vice President, Patient Care Services, provides the leadership and direction necessary to achieve the goals and objectives of the Hospital and its affiliates. Responsibilities must be carried out in a manner which optimizes the financial integrity of the organization and the development, motivation and direction of all staff in the hospital. As a member of the Senior Management Team, shares responsibility of administrative and clinical call.

In collaboration with the President and Senior Vice President, Chief Medical Officer, leads the executive management team, providing the direction necessary to achieve the goals of the Hospital and its affiliates. Maintains an open and candid relationship with the senior team, working closely with the Senior Vice President, Chief Medical Officer on various clinical responsibilities. Develops and leads a cohesive management team, promoting open and honest communication in a supportive environment while challenging them to achieve higher levels of performance, productivity and accountability.

Assists with the administration and coordination of Hospital activities. Demonstrates thorough understanding and support of Hospital policies and procedures. Consults with and keeps the President informed regarding operational issues. Assists in the development, planning and implementation of any proposed affiliation. Reviews and revises as necessary policies, procedures, and plans. Recommends changes to more effectively carry out Hospital objectives.

Establishes and monitors standards of performance among all subordinates, and ensures that standards are being consistently met. Improves subordinates performance through ongoing counseling, coaching, delegation and feedback practices. Conducts performance appraisals. Maintains morale by meeting the professional and personal needs of employees to the extent possible. Creates and maintains an environment conducive to high employee morale and group cohesiveness.

Nursing Division: The CNO, Vice President, Patient Care Services, directs all activities of the nursing division through the assurance of sound practices, quality patient care and compliance with all Hospital, Medical Staff and accrediting agencies' policies and standards. The CNO, Vice President, Patient Care Services, participates in the overall policy and decision making process, thereby assuming a multi-disciplinary perspective while addressing the specific responsibilities of the nursing division (Education, Emergency Department, Medical/Surgical Unit, Care Management, Intensive Care Unit, Nursing Administration, EMS Coordinator, Surgical Services, Women's Services, and Quality/Patient Safety, inclusive of Infection Control, Compliance and Survey Readiness).

The CNO, Vice President, Patient Care Services, establishes standards of practice and develops, in concert with other members of the staff as appropriate, policies and procedures, standards of patient care, standards of practice and exercises final authority over them. Assures that policies, procedures and standards describe and guide the provision of patient care required by all patients served by the Hospital. Is responsible for all activity on all nursing units. Exhibits ability to strategically develop progressive methods in staffing/operations to ensure optimum efficiency in resource utilization.

Provides opportunities for training, continuing development, and education of employees. Responsible for Hospital-wide mandatories training as well as coordination of Hospital-wide educational activities. Ensures clinical competencies of staff. Assists with the planning, development and presentation of community education programs. Keeps up to date on current personnel management skills and techniques.

Responsible for all care management, utilization review, discharge planning, and social work processes for the

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Hospital. Oversees the development of strategies, policies, and procedures to ensure successful care management operations consistent with any managed care contracts entered into by the Hospital. Responsible to ensure that the Hospital always meets regulatory requirements as a Critical Access Hospital, including adhering to the 25-bed limit and average length of stay for inpatients. Maintains an awareness of legal and regulatory responsibilities imposed by governmental agencies and others as they impact inpatient care and Critical Access status. Conducts a thorough assessment of programs, operations, systems and opportunities for improvement.

Coordinates activities on an organizationally-wide basis to include:

CMS Survey: Has ultimate responsibility for successfully fulfilling standards, regulations, and criteria of licensing and accrediting agencies. Informs administrative staff, medical staff, and patient care staff of changes in statutes, regulations, and policies. Responsible for fulfilling all requirements relating to CMS surveys. Ensures compliance with the requirements of CMS and State of New Hampshire Pharmacy Board. Ensures compliance with the requirements of all licensing, accrediting, and regulatory agencies, as well as with all Hospital and Medical Staff policies and standards.

Food Service: In conjunction with the Food Service Director, is responsible for the overall supervision and coordination of the functions and activities of the Food Service, Cafeteria and Nutrition Services departments. Ensures communication between the Food Service Department and the Clinical Nutrition Services Department to assure conformance with food quality standards and patient tray line functions.

Imaging, Cardiopulmonary/Respiratory, Cardiac Rehab and Sleep Center - In conjunction with the Imaging/Cardiopulmonary Director, is responsible for the technical and administrative direction of the Imaging and Cardiopulmonary Department, inclusive of Cardiac Rehab and Sleep Center. Ensures plans, development and implementation of departmental programs and operation to meet the needs of the organization, department, patients, Catholic Medical Center and community.

Key Strategic Advisor - Assists with the organization's strategic planning process. Maintains awareness of changes in healthcare, and the potential impact on financial stability and operations of acute care hospitals. Helps build a culture that is adaptable to change. Prepares and implements initiatives which complements the Hospital's goals and business strategies and to align to an evolving marketplace. Ensures that tactical objectives are consistent with corporate strategic objective and develops methods for consistent review of quality compliance/results. Develops processes of continuous improvement. Works to ensure that projects are completed timely and within budget. Evaluates vendor proposals to ensure integration and adherence to specifications.

Laboratory - In conjunction with the Laboratory Director, is responsible for the technical operation and administrative supervision of Laboratories, Blood Bank and Pathology. Ensures Laboratory operations meet the needs of organization, department, staff and patients.

Pharmacy - Ensures the Pharmacy maintains an environment which is in compliance with all laws, statutes, rules, regulations and standards of any and all governmental authorities and applicable regulatory and accreditation bodies. Ensures compliance with the requirements of the DEA, the New Hampshire Board of Pharmacy and other accrediting and regulatory agencies concerning the receipt, storage, distribution and use of pharmaceuticals.

Quality: In conjunction with Chief Medical Officer, oversees the coordination, planning, implementation and participation in Hospital-wide quality activities that monitor patient care, administrative, and economic outcomes. In conjunction with Quality/Patient Safety Director, responsible for planning, developing, implementing, coordinating and administering the Hospital-wide quality program to achieve widespread measurable improvements in the quality of care delivered across the entire care continuum. Routinely monitors pertinent standards and regulations. Establishes the required and desired data/indicators for the program. Oversees collection and analysis of data including, but not limited to, incident reports, medication occurrences, patient and family complaints, and customer satisfaction surveys. Develops mechanism to disseminate quality information to committees, divisions, departments, the governing body and others. Conducts an annual appraisal of the quality program and recommends revisions. Responsible for providing quarterly reports to the AVH Board of Directors, relating specifically to Hospital-wide

quality initiatives. Utilizes the results to improve the quality of service provided. Ensures a timely response to employee and customer requests. Focuses on customer satisfaction through anticipation of customer needs and the development and implementation of action designed to meet those needs.

Participates in the Hospital admission system for the purpose of coordinating patient requirements for quality care with available resources. Develops and implements the Hospital's plan for providing quality care. Oversees the implementation and maintenance of an effective program to monitor, evaluate, and improve the quality of care delivered to patients.

Rehabilitation Services - Responsible for the oversight of the clinical operation and administrative supervision of the Rehabilitation Services Department, including physical, occupational and speech therapy, at all locations of service. Ensures the programs meet the needs of the organization, department, agencies served by contract, staff, patients, and community and to facilitate continuity of care for patients.

Volunteer Services - Oversees volunteer programs and services, including in-house volunteers, junior volunteers, Hospice volunteers, Moose Valley Wellness Team and AVH Auxiliary. Serves as Hospital representative on all Hospital Auxiliary issues. Coordinates activities when necessary to assist Auxiliary. Fosters relationships and provides guidance to ensure Auxiliary remains a viable part of the Hospital in fund raising and other activities. Supervises staff and functions of the Volunteer Department and Gift Shop.
Is responsible to develop, organize and lead a creative, visionary, multi-functional, customer-focused work team. Instrumental in developing and maintaining a positive environment. Responsible for promoting a quality and service excellence culture. Assures the effective and efficient operation through design, implementation, and maintenance of systems and proper utilization of human resources. Establishes, reviews, and updates short- and long-term goals in order to be consistent with Hospital-wide plans. Analyzes, selects, and implements programs necessary to achieve the goals and strategic plans of the Hospital. Demonstrates innovation and creativity in the provision of services. Organizes structure in a manner that results in efficiency, effectiveness, and responsiveness. Executes problem identification, data gathering, and implementation of strategy actions that are in the best interest of the Hospital and its mission, values, and philosophy. Assesses the internal and external environment, determines the impact on department(s), and makes appropriate managerial changes. Discerns opportunities available and assesses the impact of various options. Maintains documentation and statistics as necessary. Manages time effectively to ensure that deadlines are met. Ensures departments meet or exceed benchmark data for comparable sized hospitals.

Establishes policies, procedures and job descriptions necessary for effective and efficient systems and management of human resources. Reviews and revises annually or more often, as necessary.

Represents the Hospital within the community and on a state-wide and national basis, as appropriate, to promote a continuity of care between the Hospital and other health care providers.

Coordinates the activities with other Hospital departments and assures a well-integrated plan of operation compatible with organizational objectives and the Hospital mission.

Demonstrates positive human relations skills, utilizing effective leadership. Maintains a sensitive, fair, and impartial approach to dealing with employees. Delegates authority as necessary. Motivates employees through use of positive reinforcement and recognition of employee problems with efforts to resolve these problems. Establishes and monitors standards of performance among all subordinates, and ensures that standards are being consistently met. Conducts regular and timely employee performance evaluations. Improves subordinates performance through ongoing counseling, coaching, delegation and feedback practices. Is responsible to create and maintain an environment conducive to high employee morale and group cohesiveness. Actively participates in various committee assignments, chairing the Board Quality Committee and Ethics Committee. Conducts meetings to maintain two-way communication, problem solving, and information passing at minimum of once per month. Assures the competence of staff through active participation in the recruitment, interviewing, and selection of employees. Assumes responsibility for a comprehensive orientation program that is documented for each new employee.

Possesses critical thinking skills. Offers insightful and innovation contributions to complex situations. Generates alternative hypotheses to explain information, observations, or data. Conceptualizes issues from different points of view. Incorporates value consideration in decision-making. Acts in the best interest of the Hospital. Pursues responsibilities in a focused, positive, and enthusiastic manner.

Develops, recommends, and implements comprehensive, realistic annual operating and capital budgets (adjusted for volume) that reflect departmental needs based on changing external and internal environments. Establishes priorities, and directs resource consumption according to predetermined plans and controls. Utilizes sound budgeting techniques. Utilizes and allocates materials and space efficiently and effectively. Manages the department in a cost-effective manner by utilizing current materials management techniques, maximizing human resources, and continuously reevaluating the manner in which services are delivered. Prepares periodic reports of budget variances. Participates in product evaluation activities as necessary, and promotes product standardization whenever possible. Maintains a defined level of productivity. Responsible for pursuing and achieving established service, quality, productivity and financial goals and benchmarks (AMS).

Promotes the maintenance of a safe environment and enforces the observation of safety related policies, guidelines, and standards among staff. Actively participates in department/Hospital wide safety programs and demonstrates an understanding of safety issues and practices in all aspects of work.

Adheres to all pertinent departmental and Hospital policies. Promotes and maintains an environment which is in compliance with federal, state and local regulations, accrediting agencies, and as delineated in the Hospital Corporate Compliance Program.

Assumes overall responsibility for Hospital-wide operations pursuant to the Hospital policy on Line of Authority.

Maintains utmost confidentiality in all aspects of duties.

This position may involve exposure to blood, body fluids or tissues.

Builds effective relationships within and outside the organization. Demonstrates the ability to work collaboratively with others. Adapts readily and appropriately to unforeseen challenges. Demonstrates flexibility and adjusts to changing work demands. Pursues responsibilities in a focused, positive, and enthusiastic manner. Effectively communicates with President, fellow division heads, managers, Medical Staff, nursing and other staff, outside organizations, visitors, patients and their families. Actively participates in committee assignments. Focuses on customer satisfaction through anticipation of customer needs and the development and implementation of action designed to meet those needs. Demonstrates innovation and creativity in the provision of services. Manages time effectively to ensure that deadlines are met and that personal priorities support organizational objectives. Demonstrates an understanding of the relationship between departmental/personal responsibilities and overall organizational goals/strategies and acts accordingly. Demonstrates professionalism through the maintenance of clear professional and ethical guidelines/ boundaries as well as through self-presentation (dress, language, and behavior). This position involves no direct or potential exposure to blood, body fluids, or tissues.

Education, Training and Experience

Must be licensed by the State of New Hampshire Board of Nursing. A Master's Degree in Healthcare Administration, Business Administration, or professional certification preferred. Corresponding professional experience in management, systems, and/or finance preferred. Requires seven to ten years of management experience of which five years shall be in a senior leadership role. Five years of experience in the health care field required. Strong clinical operations and support services experience. Prior experience in multi-hospital affiliations and joint ventures preferred.. Excellent leadership and organizational skills are essential, with orientation to detail and accuracy. Must possess highly developed written and verbal skills. Must be highly motivated, self-directed, and capable of gathering data and making sound decisions. Must be knowledgeable of current theoretical and practical approaches to the delivery of care and the strategies for examining and applying relevant concepts. Knowledge of current principles of leadership, management and performance improvement a must. Prior experience with Meditech

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a plus.

Physical Demands

Occasional lifting and carrying of objects up to 15 pounds. This position requires the ability to sit for prolonged periods. Seeing, Hearing, Speaking.

Job Relationships

Workers Supervised: Emergency Department Director, EMS Coordinator, Food Service Director, Hospital Coordinators, Imaging/Cardiopulmonary/Respiratory/Cardiac Rehab and Sleep Center Director, Laboratory Director, Nutrition Services Director, Medical/Surgical/ICU Director, Pharmacy Director, Surgical Services Director and Women's Services Coordinator.

Supervised By: President

Promotion From: No formal line of promotion.

Promotion To: No formal line of promotion.

Linda A. Arsenault
Director, Human Resources

Michael D. Peterson
President

Department	Name	License	Lic Number	St.	Exp. Date
ASA UROLOGY	DENNERY,MORICE P.	L-MD	[redacted]	NH	6/30/2018
ASA PAIN CLINIC	ACKERSON,CARMEN J	L-APN	[redacted]	NH	12/29/2018
ASA PAIN CLINIC	REID,SUZANNE	L-APN	[redacted]	NH	7/24/2018
ASA PAIN CLINIC	REID,SUZANNE	L-RN	[redacted]	NH	7/24/2018
ASA PAIN CLINIC	HIRSCHFELD,CHARISSE N	L-LNP	[redacted]	NH	7/12/2019
ASA PULMONOLOGY	HALLE,TRICIA A	L-RN	[redacted]	NH	10/10/2018
ASA PULMONOLOGY	SIMON,PEGGY M	L-MD	[redacted]	NH	6/30/2018
ASA ADMIN	TUPICK,ANDREA K	L-RN	[redacted]	NH	5/11/2020
ASA ENT.	KARDELL,RICHARD G	L-DO	[redacted]	NH	6/30/2018
ASA ENT.	WITT,TIFFANI N	L-PHYA	[redacted]	NH	12/31/2018
ASA GENERAL SURG	DANIELSON,KENNETH S.	L-MD	[redacted]	NH	6/30/2018
ASA GENERAL SURG	LAZARON,VICTOR	L-MD	[redacted]	NH	6/30/2019
ASA GENERAL SURG	DOUGHERTY,JOSEPH W MD	L-MD	[redacted]	NH	6/30/2020
ASA NURSING	CHAREST,SYLVIA L	L-RN	[redacted]	NH	3/14/2019
ASA NURSING	CARTER,SUZANNE EM	L-RN	[redacted]	NH	2/8/2019
ASA NURSING	BELANGER,JENNAH L	L-MED TECH	[redacted]	NH	5/31/2019
ASA NURSING	REYNOLDS,JANET M	C-CMA	[redacted]		10/31/2022
ASA NURSING	LAVOIE,JANET K	C-CMA	[redacted]		6/30/2019
ASA NURSING	LEDGER,KELSEY L	C-CMA	[redacted]		7/31/2018
ASA NURSING	LEDGER,KELSEY L	L-MED TECH	[redacted]	NH	5/31/2019
ASA NURSING	TARDIFF,BRITTANY A	C-CMA	[redacted]		3/31/2020
ASA NURSING	NORTON,STEPHANIE A	L-RN	[redacted]	NH	1/22/2020
ASA NURSING	MENCIO,MARIA J	L-RN	[redacted]	NH	7/22/2019
ASA NURSING	PRICE,STEPHANIE M	L-RN	[redacted]	NH	1/18/2019
ASA NURSING	FLYNN,MIRANDA L	L-MED TECH	[redacted]	NH	5/31/2019
ASA NURSING	FLYNN,MIRANDA L	C-CMA	[redacted]		7/31/2022
ASA NURSING	MORENCY,AMBER E	C-CMA	[redacted]		7/31/2022
ASA NURSING	KELLEY,ANGELA M	L-RN	[redacted]	NH	8/27/2018
ASA NURSING	REMILLARD,MANDY R	C-CMA	[redacted]	NH	2/28/2023
ASA NURSING	DUPUIS,JENNIFER M	L-MED TECH	[redacted]	NH	5/31/2019
ASA NURSING	DUPUIS,JENNIFER M	C-CMA	[redacted]		8/20/2018
ASA NURSING	COUTURE,LINDSEY M	L-PN	[redacted]	NH	6/6/2019

MDP

ASA OB/GYN.	PLOCIENNIK,KRZYSZTOF Z	L-MD	[redacted]	NH	6/30/2019
ASA OB/GYN.	BRADLEY,CYNTHIA M	L-MD	[redacted]		6/30/2019
ASA ORTHOPAEDIC	LORENZ,RICHARD J JR	L-PHYA	[redacted]	NH	12/31/2018
ASA ORTHOPAEDIC	LORENZ ARMSTRONG,JESSICA G	L-PHYA	[redacted]	NH	12/31/2018
ASA ORTHOPAEDIC	FITZMORRIS,CHRISTOPHER P	L-DO	[redacted]	NH	6/30/2018
ASA SLEEP EXP	DELLAVALLA,JOSEPH P	L-MD	[redacted]	NH	6/30/2018
ASA-HOSPITALIST	MCDOWELL,JOHN A	L-MD	[redacted]	NH	6/30/2020
ASA-HOSPITALIST	BEALS,BRIAN M	L-MD	[redacted]	NH	6/30/2020
ASA-HOSPITALIST	CARDENAS,JAVIER D	L-MD	[redacted]	NH	6/30/2019
ASA-HOSPITALIST	CULLAMAR,ERWIN KURT T.	L-MD	[redacted]	NH	6/30/2018
ASA-HOSPITALIST	MALLARI,MARGARET Q	L-MD	[redacted]	NH	6/30/2019
ASA-HOSPITALIST	SCHERER,MAGDALENA J	L-MD	[redacted]	NH	6/30/2018
ASA-HOSPITALIST	LUCAS,AMY	L-PHYA	[redacted]	NH	12/31/2018
ASA-HOSPITALIST	HOPE,TODD D MD	L-MD	[redacted]	NH	6/30/2018
ASA-HOSPITALIST	PATRICK,MAHALA R	L-MD	[redacted]		6/30/2018
ASA-HOSPITALIST	MONTMINY,JOHN M	L-DO	[redacted]	NH	6/30/2018
ASA-NEUROLOGY	ENGSTRAND,BEATRICE C	L-MD	[redacted]	NH	6/30/2020
CARDIAC REHAB EXP	CLOUTIER,WANDA L	L-RN	[redacted]	NH	4/15/2019
CARDIOLOGY EXP	RILEY,MITZI J	L-ULTRATEC	[redacted]		12/31/2018
CARDIOLOGY EXP	PATUTO,ALEXANDRA N	L-ULTRATEC	[redacted]		12/31/2018
CARDIOLOGY EXP	WEBB,ALICIA N	R-RT	[redacted]	NH	12/31/2019
CARE MANAGEMENT	FLINT,KAREN A	L-RN	[redacted]	NH	3/10/2020
CARE MANAGEMENT	SMITH,KAREN A	L-RN	[redacted]	NH	7/19/2019
CARE MANAGEMENT	REMILLARD,ROBERTA A	L-PN	[redacted]	NH	9/28/2019
CEO ADMIN	SHUTE,KEITH M	L-MD	[redacted]	NH	6/30/2019
E/R MD EXP	KERNAN,DONALD	L-MD	[redacted]	NH	6/30/2020
E/R MD EXP	RUEDIGER,ARTHUR A	L-DO	[redacted]	NH	6/30/2018
E/R MD EXP	WISE,ROBERT J	L-DO	[redacted]	NH	6/30/2018
E/R MD EXP	KOSSAYDA,NORMAN P	L-MD	[redacted]	NH	6/30/2019
E/R MD EXP	LANGWEILER,CLIFFORD B	L-MD	[redacted]	NH	6/30/2019
E/R MD EXP	KNIGHT,RANDOLPH R.	L-MD	[redacted]	NH	6/30/2019
E/R MD EXP	PINKERTON,F NIKKI	L-MD	[redacted]	NH	6/30/2018
EMERGENCY EXP	DUPUIS,LANA M	L-RN	[redacted]	NH	7/29/2018
EMERGENCY EXP	DONCASTER,REBECCA A	L-RN	[redacted]	ME	6/30/2019

MP

EMERGENCY EXP	PEABODY,KAREN L	L-RN	[redacted]	NH	12/25/2018
EMERGENCY EXP	BLAIS,MICHELE B	L-RN	[redacted]	NH	12/24/2018
EMERGENCY EXP	OSULLIVAN,DARLENE A	L-RN	[redacted]	NH	8/7/2018
EMERGENCY EXP	ST ONGE,JANET I	L-RN	[redacted]	NH	5/27/2019
EMERGENCY EXP	RAMSEY GAGNE,KAREN L	L-RN	[redacted]	NH	5/1/2019
EMERGENCY EXP	STEPHENSON,AARON D	L-RN	[redacted]	NH	6/14/2019
EMERGENCY EXP	MILLER,CHAD G	L-EMTP	[redacted]	NH	3/31/2020
EMERGENCY EXP	LETENDRE,SUSAN A	L-RN	[redacted]	NH	6/9/2020
EMERGENCY EXP	EICHLER,KAREN M	L-RN	[redacted]	NH	9/23/2019
EMERGENCY EXP	HOWRY,ASHLEY A	L-RN	[redacted]	NH	5/28/2019
EMERGENCY EXP	HALLGREN,JILLIAN R	L-RN	[redacted]	NH	12/16/2019
EMERGENCY EXP	GALLIGAN,PATRICK L	L-EMTA	[redacted]	NH	3/31/2019
EMERGENCY EXP	GAGNE,PAUL A.	L-EMTA	[redacted]	NH	3/31/2020
EMERGENCY EXP	FOUNTAIN,DARLENE C	L-RN	[redacted]	NH	7/21/2018
HUMAN RESOURCES	*DROUIN-WOOD,CAROLYN B.	L-RN	[redacted]	NH	6/3/2020
HUMAN RESOURCES	WILLIAMS,GRAHAM C	L-CRNA	[redacted]	NH	10/26/2018
HUMAN RESOURCES	WOOD,JOHN RODGER	L-MD	[redacted]	NH	6/30/2019
HUMAN RESOURCES	CORRIVEAU,LUC G	L-CRNA	[redacted]	NH	8/3/2019
HUMAN RESOURCES	PETERSON,NORETTA E	L-CRNA	[redacted]	NH	5/14/2019
HUMAN RESOURCES	BOULEY,PAMELA M	L-CRNA	[redacted]	NH	9/23/2019
HUMAN RESOURCES	ALONZO,JOSHUA A	L-PHAR	[redacted]	NH	12/31/2018
ICU EXP	LECLERC,KATHIE A	L-RN	[redacted]	NH	2/8/2019
ICU EXP	HORNE,DIANE M	L-RN	[redacted]	NH	11/4/2018
ICU EXP	BROWN,SUZANNE G	L-RN	[redacted]	NH	9/15/2019
ICU EXP	LEVEILLE,RACHEL L	L-RN	[redacted]	NH	3/9/2019
ICU EXP	NEIL,BRUCE G	L-RN	[redacted]	NH	8/16/2019
ICU EXP	VASHAW,HEATHER A	L-RN	[redacted]	NH	10/26/2019
ICU EXP	BERNIER,ELAINE M	L-RN	[redacted]	NH	3/22/2019
ICU EXP	PELLETIER,BRANDEE D	L-RN	[redacted]	NH	10/31/2019
ICU EXP	BRIGHAM,CHELSEA M	L-RN	[redacted]	NH	12/12/2018
IN-SERVICE EDUC	BERTHIAUME,TAMMY L	L-RN	[redacted]	NH	9/23/2018
INFO SYSTEMS	SANFORD,JOEL A	L-PHAR	[redacted]	NH	12/31/2018
MED ADMN CLINIC (M	BERTIN ROY,KAREN	L-RN	[redacted]	NH	10/26/2018
MED/SURG EXP	ACCARDI,LISE S	L-RN	[redacted]	NH	9/13/2018

MAP

MED/SURG EXP	HORNE,DONNA L	L-RN	[redacted]	NH	3/25/2020
MED/SURG EXP	LESSARD,LOUISE A	L-RN	[redacted]	NH	4/5/2020
MED/SURG EXP	DUMOULIN,LORRAINE J	L-RN	[redacted]	NH	3/11/2020
MED/SURG EXP	CHARRON,PAMELA C	L-RN	[redacted]	NH	10/26/2019
MED/SURG EXP	LEMOINE,JEANNE D	L-RN	[redacted]	NH	5/1/2019
MED/SURG EXP	OSULLIVAN,ANN M	L-RN	[redacted]	NH	8/25/2018
MED/SURG EXP	CHARRON,KIMBERLY A	L-NA	[redacted]	NH	4/14/2020
MED/SURG EXP	PATRY,LEE ANN	L-RN	[redacted]	NH	12/3/2019
MED/SURG EXP	SUPRY,KAREN M	L-NA	[redacted]	NH	3/17/2019
MED/SURG EXP	VALLIERE,PAMELA J	L-NA	[redacted]	NH	10/2/2019
MED/SURG EXP	RIFF,LINDA S	L-NA	[redacted]	NH	3/1/2020
MED/SURG EXP	CHEVARIE,RENEE A	L-RN	[redacted]	NH	11/12/2018
MED/SURG EXP	JAMESON,DONNA L	L-NA	[redacted]	NH	4/25/2019
MED/SURG EXP	RIENDEAU,ARLENE M	L-RN	[redacted]	NH	10/13/2018
MED/SURG EXP	LAPOINTE,MARISA A	L-RN	[redacted]	NH	6/2/2018
MED/SURG EXP	CARRIER,AMANDA L	L-RN	[redacted]	NH	1/26/2020
MED/SURG EXP	POULIN,LOUIS M	L-RN	[redacted]	NH	12/21/2018
MED/SURG EXP	PLANTE,MALLORY L	L-RN	[redacted]	NH	4/14/2019
MED/SURG EXP	FLYNN,STEVEN A	L-NA	[redacted]	NH	10/7/2018
MED/SURG EXP	COTE,BECKY E	L-RN	[redacted]	ME	7/1/2019
MED/SURG EXP	SCHOENBECK,JOY V	L-RN	[redacted]	NH	2/22/2019
MED/SURG EXP	BENJAMIN,CAYLA L	L-RN	[redacted]	NH	1/19/2019
MED/SURG EXP	BRADY,ABIGAIL J	L-RN	[redacted]	NH	2/14/2020
MED/SURG EXP	MCDONOUGH,ANGELA M	L-NA	[redacted]	NH	4/14/2019
MED/SURG EXP	DUBAY,AMANDA C	L-NA	[redacted]	NH	12/6/2019
MED/SURG EXP	LUSSIER,HEATHER L	L-NA	[redacted]	NH	11/18/2019
MED/SURG EXP	WILSON,MERRILEE	L-RN	[redacted]	NH	12/1/2019
MED/SURG EXP	NEIL,JORDAN B	L-RN	[redacted]	NH	5/3/2019
MED/SURG EXP	RINCON,PATRICIA	L-RN	[redacted]	NH	11/1/2018
MED/SURG EXP	COUCHON,KIMBERLEE D	L-NA	[redacted]	NH	9/27/2019
MED/SURG EXP	GUNTERMAN,VICTORIA R	L-RN	[redacted]	TN	12/31/2019
MED/SURG EXP	DOUGHERTY,KATHRYN J	L-RN	[redacted]	ME	9/27/2019
NURSING ADMINISTRA	ROY,GAYE C	L-RN	[redacted]	NH	9/1/2019
NURSING ADMINISTRA	COLBATH,JOHN D.	L-RN	[redacted]	NH	6/21/2019

MAP

NURSING ADMINISTRA	LARY,MARYANN	L-RN	[redacted]	NH	6/24/2020
NURSING ADMINISTRA	LANGLOIS,ANNE W	L-RN	[redacted]	NH	7/8/2019
NURSING ADMINISTRA	OHEARN,BRIAN J	L-RN	[redacted]	NH	12/8/2018
NUTRITION SERVICES	BALON,ROBERTA O	L-DIETN	[redacted]	NH	6/30/2019
OCCU HEALTH EXP	LESSARD,SUSAN M	L-APN	[redacted]	NH	6/23/2020
OCCU HEALTH EXP	LESSARD,SUSAN M	L-RN	[redacted]	NH	6/23/2020
OCCU THERPY EXP	CHAUVETTE,LYNN L	L-OT	[redacted]	NH	12/31/2019
OCCU THERPY EXP	GORDON,NANCY L.	L-OT	[redacted]	NH	12/31/2019
OCCU THERPY EXP	DAVIS BERNIER,ALISON N	L-OT	[redacted]	NH	12/31/2019
OCCU THERPY EXP	REARDON,AMANDA	L-OT	[redacted]	NH	12/31/2019
OCCU THERPY EXP	REARDON,AMANDA	C-CHT	[redacted]		12/31/2022
OCCU THERPY EXP	KELLEY,ERIN B	L-OT	[redacted]	NH	12/31/2019
OCCU THERPY EXP	THIBAULT,KYLA L	L-OT	[redacted]	NH	12/31/2019
OCCU THERPY EXP	THIBAULT,KYLA L	C-CHT	[redacted]		12/31/2018
OCCU THERPY EXP	HOOD,MEGAN A	L-OT	[redacted]	NH	12/31/2019
OPERATNG RM EXP	ALONZO,TERESA A	L-RN	[redacted]	NH	5/4/2019
OPERATNG RM EXP	TANGUAY,SANDRA A	L-PN	[redacted]	NH	7/4/2020
OPERATNG RM EXP	GLENNEY,PATRICIA A	L-RN	[redacted]	NH	8/26/2019
OPERATNG RM EXP	BOUDREAU,LORI A	L-RN	[redacted]	NH	12/14/2018
OPERATNG RM EXP	HALLGREN,BERNADETTE M	L-RN	[redacted]	NH	2/11/2019
OPERATNG RM EXP	ROUSSEAU,JESSICA L	L-RN	[redacted]	NH	2/4/2019
OPERATNG RM EXP	POULIN,BARBARA A	L-RN	[redacted]	NH	11/11/2019
OPERATNG RM EXP	FARRIS,ELIZABETH C	L-RN	[redacted]	NH	7/29/2018
OPERATNG RM EXP	MURPHY,MONTE LOU	L-RN	[redacted]	NH	3/12/2020
OPERATNG RM EXP	KELLY,AMY L	L-MED TECH	[redacted]	NH	4/30/2019
OPERATNG RM EXP	DESMARAIS,JACLYN J	L-RN	[redacted]	NH	6/12/2019
OPERATNG RM EXP	RANCLOES,ELIZABETH C	L-RN	[redacted]	NH	6/16/2018
OPERATNG RM EXP	THOMASON,LUKE A	L-MED TECH	[redacted]	NH	11/30/2018
PHARMACY EXP	DESMOND,DENNIS J	L-PHAR	[redacted]	NH	12/31/2018
PHARMACY EXP	GAGNE,AMANDA E	C-PHARTEC	[redacted]	NH	3/31/2019
PHARMACY EXP	CAUGHEY,ROBERT A.	C-PHARTEC	[redacted]	NH	3/31/2019
PHARMACY EXP	WANG,LIMEI	L-PHAR	[redacted]	NH	12/31/2018
PHARMACY EXP	BERGERON,NICOLE L	C-PHARTEC	[redacted]	NH	3/31/2019
PHYS THERPY EXP	FOX,CLARE L	L-PHYSIC	[redacted]	NH	12/31/2018

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PHYS THERPY EXP	GAGNON,DEBRA L.	L-PHYSICA	[redacted] NH	12/31/2018
PHYS THERPY EXP	GORHAM,DIANE M	L-PHYSIC	[redacted] NH	12/31/2018
PHYS THERPY EXP	SCHOFIELD,STEVEN R	L-PHYSIC	[redacted] NH	12/31/2018
PHYS THERPY EXP	WILEY,HEATHER M	L-PHYSIC	[redacted] NH	12/31/2018
PHYS THERPY EXP	EASTMAN,DEREK C	L-PHYSIC	[redacted] NH	12/31/2018
PHYS THERPY EXP	GILBERT,CORYLEEN B	L-PHYSIC	[redacted] NH	12/31/2018
PHYS THERPY EXP	SAMEL,ERIN E	L-PHYSIC	[redacted] NH	12/31/2018
PHYS THERPY EXP	ELLIS,BENJAMIN W	L-PHYSIC	[redacted] NH	12/31/2018
PHYS THERPY EXP	WELLS,MARTHA L	L-PHYSIC	[redacted] NH	12/31/2018
PHYS THERPY EXP	CHESTER,HEIDI L	L-PHYSICA	[redacted] NH	12/31/2018
PHYS THERPY EXP	ST CYR,MEREDITH L	L-PHYSIC	[redacted] NH	12/31/2018
PLANT SERVICES	LESSARD,GREGORY P	L-ELECT	[redacted] NH	7/31/2019
PLANT SERVICES	CHABOT,WILLIAM J	L-ELECT	[redacted] NH	9/30/2020
RADIOLOGY EXP	COUTURE,WAYNE S	L-RADTEC	[redacted]	12/31/2018
RADIOLOGY EXP	DUCHESNE,PHILIP H	L-RADTEC	[redacted]	1/31/2019
RADIOLOGY EXP	BEAULAC,LISE A	L-RADTEC	[redacted]	5/31/2019
RADIOLOGY EXP	HALLE,MELISSA N	L-RADTEC	[redacted] NH	1/31/2019
RADIOLOGY EXP	GILLESPIE,ROBERT E JR	L-NUCLTEC	[redacted]	6/30/2019
RADIOLOGY EXP	LAVERTY,GINGER B	L-RADTEC	[redacted]	2/28/2019
RADIOLOGY EXP	BOUCHER,KHRISTINE A	L-RADTEC	[redacted] NH	4/30/2019
RADIOLOGY EXP	MCCAULEY,GENE F	L-RADTEC	[redacted]	2/28/2019
RADIOLOGY EXP	STEWART,STEPHEN P	L-RADTEC	[redacted]	2/28/2019
RADIOLOGY EXP	HUOT,PAULA L	L-RADTEC	[redacted]	7/31/2018
RADIOLOGY EXP	CARTIER,MARK S	L-ULTRATEC	[redacted]	12/31/2018
RADIOLOGY EXP	RAMSAY,MICHAEL J	L-RADTEC	[redacted]	12/31/2018
RESP THERPY EXP	BAKER,GARY W	R-RT	[redacted] NH	12/31/2019
RESP THERPY EXP	GALLIGAN,EDWARD J	R-RT	[redacted] NH	12/31/2019
RESP THERPY EXP	MORIN,JENNIFER L.	R-RT	[redacted] NH	12/31/2019
RESP THERPY EXP	FORTIN,PAMELA R	R-RT	[redacted] NH	12/31/2019
RESP THERPY EXP	PLAIR,ROBERT G	R-RT	[redacted] NH	12/31/2019
RESP THERPY EXP	MARTIN,DENIS O	R-RT	[redacted] NH	12/31/2019
SLEEP LAB EXP	BONNEY,ROXANNE L	L-PN	[redacted] NH	6/17/2020
WOMENS' SERVICES	ALONZO,DEBORAH J	L-RN	[redacted] NH	3/28/2020
WOMENS' SERVICES	DORVAL,KARIN D	L-RN	[redacted] NH	2/22/2020

WOMENS' SERVICES	LAROCHE,ANNE M	L-RN		[redacted]	NH	3/29/2020
WOMENS' SERVICES	DEROSIER,LISA A	L-RN		[redacted]	NH	3/7/2020
WOMENS' SERVICES	THERRIEN,DEBRA S	L-RN		[redacted]	NH	7/20/2018
WOMENS' SERVICES	LANDRY,JANICE L	L-RN		[redacted]	NH	2/13/2020
WOMENS' SERVICES	WHITE,SERENA B	L-RN		[redacted]	NH	7/12/2018
WOMENS' SERVICES	MACDONALD,EMILY L	L-RN		[redacted]		4/26/2019
WOMENS' SERVICES	DUBORD,KIMBERLY L	L-RN		[redacted]	NH	4/8/2020
WOMENS' SERVICES	WOODWARD,REBECCA D	L-RN		[redacted]	NH	6/26/2019
WOMENS' SERVICES	VALLIERE,NATALIE A	L-RN		[redacted]	NH	7/27/2019
WOMENS' SERVICES	BEALS,WENDY L	L-RN		[redacted]	NH	9/5/2019
WOMENS' SERVICES	BEALS,WENDY L	C-IBCLC	[redacted]			12/31/2018
WOMENS' SERVICES	LAMBERT,STACIE L	L-RN		[redacted]	NH	6/18/2019

MDP

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF LEGAL AND REGULATORY SERVICES
HEALTH FACILITIES ADMINISTRATION
129 PLEASANT STREET, CONCORD, NH 03301

ANNUAL LICENSE CERTIFICATE

Under provisions of New Hampshire Revised Statutes Annotated Chapter RSA 151, this annual license certificate is issued to:

Name: ANDROSCOGGIN VALLEY HOSPITAL
Located at: 59 PAGE HILL RD
BERLIN NH 03570

To Operate: Hospital Subtype: Critical Access

This annual license certificate is effective under the conditions and for the period stated below:

License#: [redacted]
Effective Date: 04/01/2018 Expiration Date: 03/31/2019

Administrator: MICHAEL PETERSON
Medical Director: KEITH M SHUTE MD

Number of Beds: 25

Chief Legal Officer

MDP

BerryDunn

[redacted]

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

and

ADDITIONAL INFORMATION

Nine Months Ended September 30, 2016 and Twelve Months Ended December 31, 2015

With Independent Auditor's Report

[redacted]

BerryDunn

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Androscoggin Valley Hospital, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Androscoggin Valley Hospital, Inc. and Subsidiaries, which comprise the consolidated balance sheets as of September 30, 2016 and December 31, 2015, and the related consolidated statements of operations, changes in net assets, and cash flows for the nine months ended September 30, 2016 and for the twelve months ended December 31, 2015, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Androscoggin Valley Hospital, Inc. and Subsidiaries as of September 30, 2016 and December 31, 2015, and the results of their operations, changes in their net assets, and their cash flows for the nine months ended September 30, 2016 and the twelve months ended December 31, 2015, in accordance with U.S. generally accepted accounting principles.

The Board of Directors
Androscoggin Valley Hospital, Inc. and Subsidiaries

Other Matter

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. Schedules 1 and 2 are presented for purposes of additional analysis, rather than to present the financial position and results of operations of the individual organizations, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
January 31, 2017

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2016 and December 31, 2015

ASSETS

	2016	2015
Current assets		
Cash and cash equivalents	**$ 7,989,969**	$ 2,730,868
Patient accounts receivable, less estimated uncollectibles and contractual allowances (2016 - $6,726,397; 2015 - $7,328,980)	**6,970,261**	7,563,464
Other accounts receivable	**1,552,848**	1,873,270
Supplies	**612,678**	601,341
Prepaid expenses and other current assets	**491,152**	1,067,760
Total current assets	**17,616,908**	13,836,703
Assets limited as to use	**23,534,240**	24,585,649
Property and equipment, net	**14,058,268**	15,348,822
Deferred compensation investments	**4,046,105**	3,550,289
Total assets	**$59,255,521**	$ 57,321,463

The accompanying notes are an integral part of these consolidated financial statements.

LIABILITIES AND NET ASSETS

	2016	2015
Current liabilities		
Current portion of long-term debt	**$ 3,318,217**	$ 1,027,862
Accounts payable and accrued expenses	**3,058,122**	3,508,416
Accrued salaries and related amounts	**2,093,811**	2,468,167
Estimated third-party payor settlements	**1,144,100**	2,893,433
Total current liabilities	**9,614,250**	9,897,878
Estimated third-party payor settlements	**10,614,800**	6,383,000
Long-term debt, excluding current portion	**16,510,621**	9,787,181
Pension liability	**-**	11,730,377
Deferred compensation	**4,046,105**	3,550,289
Total liabilities	**40,785,776**	41,348,725
Net assets		
Unrestricted	**18,425,983**	15,928,976
Permanently restricted	**43,762**	43,762
Total net assets	**18,469,745**	15,972,738
Total liabilities and net assets	**$59,255,521**	$57,321,463

MOP

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidated Statements of Operations

Nine Months Ended September 30, 2016 and Twelve Months Ended December 31, 2015

	2016	2015
Unrestricted revenues and gains		
Patient service revenue (net of contractual allowances and discounts)	$ 44,797,693	$ 53,664,311
Less provision for bad debts	1,475,530	2,051,915
Net patient service revenue	43,322,163	51,612,396
Other revenues	2,222,669	3,410,290
Total unrestricted revenues and gains	45,544,832	55,022,686
Expenses		
Salaries, wages, and fringe benefits	20,824,711	28,526,227
Supplies and other expenses	15,861,544	19,572,432
Medicaid enhancement tax	2,051,360	2,061,711
Insurance	492,950	361,018
Depreciation and amortization	1,804,009	2,440,093
Interest expense	474,989	384,229
Total operating expenses	41,509,563	53,345,710
Operating income	4,035,269	1,676,976
Nonoperating gains (losses)		
Investment (loss) income	(260,906)	530,883
Net periodic pension adjustment	(13,486,933)	(1,623,365)
Contributions and program support, net of expenses	(12,514)	(10,116)
Community benefit grant	(433,484)	(652,652)
Other non-operating	(190,000)	-
Nonoperating losses, net	(14,383,837)	(1,755,250)
Deficiency of revenues and gains over expenses and losses	(10,348,568)	(78,274)
Net unrealized gains (losses) on investments	465,018	(1,206,221)
Change in net assets to recognize funded status of pension plan	12,380,557	1,460,990
Increase in unrestricted net assets	$ 2,497,007	$ 176,495

The accompanying notes are an integral part of these consolidated financial statements.

MAP

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Net Assets

Nine Months Ended September 30, 2016 and Twelve Months Ended December 31, 2015

	Unrestricted	Permanently Restricted	Total
Balances, January 1, 2015	$ 15,752,481	$ 43,762	$ 15,796,243
Deficiency of revenues and gains over expenses and losses	(78,274)	-	(78,274)
Net unrealized losses on investments	(1,206,221)	-	(1,206,221)
Change in net assets to recognize funded status of pension plan	1,460,990	-	1,460,990
Net increase in net assets	176,495	-	176,495
Balances, December 31, 2015	15,928,976	43,762	15,972,738
Deficiency of revenues and gains over expenses and losses	**(10,348,568)**	**-**	**(10,348,568)**
Net unrealized gains on investments	**465,018**	**-**	**465,018**
Change in net assets to recognize funded status of pension plan	**12,380,557**	**-**	**12,380,557**
Net increase in net assets	**2,497,007**	**-**	**2,497,007**
Balances, September 30, 2016	**$ 18,425,983**	**$ 43,762**	**$ 18,469,745**

The accompanying notes are an integral part of these consolidated financial statements.

MAP

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Nine Months Ended September 30, 2016 and Twelve Months Ended December 31, 2015

	2016	2015
Cash flows from operating activities		
Increase in net assets	$ 2,497,007	$ 176,495
Adjustments to reconcile increase in net assets to net cash (used) provided by operating activities		
Depreciation and amortization	1,804,009	2,440,093
Loss on disposal of property and equipment	30,216	7,922
Net realized and unrealized (gains) losses on investments	(231,334)	625,791
Provision for bad debts	1,475,530	2,051,915
Change in net assets to recognize funded status of pension plan	(12,380,557)	(1,460,990)
(Increase) decrease in		
Patient accounts receivable	(882,327)	(3,615,033)
Other accounts receivable	320,422	(24,093)
Supplies	(11,337)	(261,253)
Prepaid expenses and other current assets	576,608	22,517
Increase (decrease) in		
Accounts payable and accrued expenses	(450,294)	578,031
Accrued salaries and related amounts	(374,356)	137,117
Estimated third-party payor settlements	2,482,467	280,700
Pension liability	650,180	1,623,365
Net cash (used) provided by operating activities	(4,493,766)	2,582,577
Cash flows from investing activities		
Proceeds from sale of investments	24,841,525	7,243,337
Purchases of investments	(23,558,782)	(7,568,522)
Purchases of property and equipment	(534,266)	(1,951,766)
Net cash provided (used) by investing activities	748,477	(2,276,951)
Cash flows from financing activities		
Payments on long-term debt	(3,066,610)	(1,300,266)
Proceeds from issuance of long-term debt	12,071,000	-
Net cash provided (used) by financing activities	9,004,390	(1,300,266)
Net increase (decrease) in cash and cash equivalents	5,259,101	(994,640)
Cash and cash equivalents, beginning of year	2,730,868	3,725,508
Cash and cash equivalents, end of year	$ 7,989,969	$ 2,730,868
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 474,989	$ 384,229

The accompanying notes are an integral part of these consolidated financial statements.

MPP

Nature of Business

Androscoggin Valley Hospital, Inc. is a critical access hospital providing inpatient, outpatient, emergency care, specialty care and physician/provider services to residents of Berlin, New Hampshire and the surrounding communities. The Hospital's subsidiaries include Northcare, the former parent of the Hospital, Androscoggin Valley Hospital Foundation, Inc. (Foundation), a company formed to conduct fund raising activities and manage trusteed investments that support health-related community programs, and Mountain Health Services, Inc. (MHS), which owned and leased a medical office building. MHS has become an inactive entity. Androscoggin Valley Hospital, Inc. and Subsidiaries will be collectively referred to herein as the "Hospital."

On June 30, 2015 the Hospital along with three other hospitals in the North Country region of New Hampshire, Littleton Regional Hospital, Upper Connecticut Valley Hospital, and Weeks Medical Center, signed an Affiliation Agreement. The Boards of each of the hospitals approved the affiliation documents which consist of an Affiliation Agreement, Management Services Agreement, and proposed Bylaw changes. The application to the New Hampshire Attorney General's office and Charitable Trust Unit was approved in December 2015. On April 1, 2016, the hospitals closed on the formation of the new parent organization, North Country Healthcare. North Country Healthcare was established to coordinate activities of the four hospitals and affiliated home health operating company. As a result of the affiliation, North Country Healthcare is the new parent of the Hospital.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Androscoggin Valley Hospital Inc., Northcare, the Foundation, and MHS. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents include short-term investments which have a maturity of three months or less when purchased, and exclude amounts limited as to use by Board designation.

MOP

Patient Accounts Receivable

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. In evaluating the collectibility of patient accounts receivable, the Hospital analyzes its past results and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Data for each major payor source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. For receivables relating to self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts in the period of service based on past experience, which indicates that many patients are unable or unwilling to pay amounts for which they are financially responsible. The difference between the standard rates (or discounted rates if negotiated or eligible) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged against the allowance for doubtful accounts.

During 2016, the Hospital increased its estimate of the allowance for doubtful accounts from $1,627,009 to $1,799,999. During 2015, the Hospital decreased its estimate from $2,018,796 to $1,627,009. The changes in the allowances are due to fluctuations in accounts receivable balances and a change in the allowance methodology for 2016. During 2016 and 2015, write-offs were $1,228,668 and $1,793,853, respectively. These changes resulted from trends experienced in the collection of amounts from self-pay patients and have declined through expanded coverage provided through the Affordable Care Act.

Investments and Investment Income

Investments are reported as assets limited as to use and deferred compensation investments. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in the excess (deficiency) of revenues and gains over expenses and losses unless the income or loss is restricted by donor or law. Unrealized gains and temporary unrealized losses on investments are excluded from this measure.

Investments are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets and statements of operations and changes in net assets.

Assets Limited as to Use

Assets limited as to use include designated assets set aside by the Board of Directors for future capital improvements over which the Board retains control, and which it may at its discretion subsequently use for other purposes.

MDP

Supplies

Supplies are carried at the lower of cost (determined by the first-in, first-out method) or market.

Property and Equipment

Property and equipment acquisitions are recorded at cost or, if contributed, at fair value determined at the date of donation, less accumulated depreciation. The Hospital's policy is to capitalize expenditures for major improvements and charge maintenance and repairs currently for expenditures which do not extend the useful lives of the related assets. The provision for depreciation has been computed using the straight-line method at rates which are intended to amortize the cost of assets over their estimated useful lives.

Bond Issuance Costs

The costs incurred to obtain long-term financing are being amortized by the straight-line method over the repayment period of the related debt. The costs are included in long-term debt in the balance sheet.

Employee Fringe Benefits

The Hospital has an "earned time" plan which provides benefits to employees for paid leave hours. Under this plan, each employee earns paid leave for each period worked. These hours of paid leave may be used for vacations, holidays, or illnesses. Hours earned, but not used, are vested with the employee. The Hospital accrues a liability for such paid leave as it is earned. The earned time plan does not cover the providers.

Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from established rates. Payment arrangements include prospectively-determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are recorded on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

The Hospital pays a health care provider tax of 5.5% on certain net patient service revenue, which is reported as Medicaid enhancement tax in the statements of operations.

Charity Care

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net revenue. The cost of charity care provided was approximately $483,000 in 2016 and $406,000 in 2015. The cost is estimated by applying the ratio of total cost to total charges associated with providing such care.

Operating Income (Loss)

For purposes of display, transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported in operating income (loss). Gain or (loss) on disposal of property and equipment and investment income used to fund interest expense and other operating expenses are also included in operating income (loss). Peripheral or incidental transactions are reported as nonoperating gains (losses), which primarily include certain investment income (losses), contributions and support of community programs, and community benefit grants.

Deficiency of Revenues and Gains Over Expenses and Losses

The consolidated statements of operations include the deficiency of revenues and gains over expenses and losses. Changes in unrestricted net assets which are excluded from this measure, consistent with industry practice, include unrealized gains and temporary unrealized losses on investments other than trading securities, and the change in net assets to recognize the funded status of the pension plan.

Income Taxes

Androscoggin Valley Hospital, Inc. and Subsidiaries are non-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code and therefore are exempt from federal income taxes on related income.

Functional Expenses

The Hospital provides general health care services to residents within its geographic location. Expenses related to providing these services for the nine months ended September 30, 2016 and twelve months ended December 31, 2015 are as follows:

	2016	2015
Program services	**$ 36,943,511**	$ 47,477,682
General and administrative	**4,566,052**	5,868,028
	$ 41,509,563	$ 53,345,710

Subsequent Events

For purposes of the preparation of these financial statements in conformity with U.S. generally accepted accounting principles, management has considered transactions or events occurring through January 31, 2017, which was the date the financial statements were issued.

2. Assets Limited as to Use

The composition of assets limited as to use as of September 30 and December 31 are as follows:

	2016	2015
Cash and short-term investments	$ 2,867,178	$ 4,077,293
U.S. Treasury securities and other government-sponsored enterprises	10,896,267	259,445
Corporate bonds	-	4,133,171
Exchange traded funds	4,839,845	4,515,682
Mutual funds	4,829,127	7,754,107
Alternative investments	101,823	3,845,951
	$23,534,240	$24,585,649

The following table sets forth a summary of the fair value of the Hospital's alternative investments at September 30, 2016 and December 31, 2015, using a reported net asset value per share:

Investment	2016	2015	Redemption Frequency	Redemption Notice Period	Other Redemption Restrictions
The Ivory Offshore Flagship Fund	$ -	$ 1,759,371	Quarterly	45 days	If the Company withdraws all of its investment balance in the Fund, there is a 5% withhold until the Fund completes its annual audit, at which time the remaining 5% is distributed to the Company.
The Ironwood Institutional Fund	101,823	2,086,580	Semi-annual	95 days	In the event the Company withdraws all of its investment balance in the Fund, there is a 5% withhold until the Fund completes its annual audit, at which time the remaining 5% is distributed to the Company.
	$ 101,823	$ 3,845,951			

There are no capital commitments outstanding at September 30, 2016.

MPP

Investment income and gains (losses) for assets limited as to use, cash equivalents, and other investments are comprised of the following for the nine months ended September 30 and the twelve months ended December 31:

	2016	2015
Income (losses)		
Interest and dividend income	$ 194,685	$ 441,520
Realized (losses) gains on sales of securities	(233,684)	580,430
Management fees	(43,611)	(72,898)
	$ (82,610)	$ 949,052
Other changes in unrestricted net assets		
Change in net unrealized gains (losses)	$ 465,018	$ (1,206,221)

Income on investments is reported as follows:

	2016	2015
Other revenues	$ 178,296	$ 418,169
Nonoperating (losses) gains	(260,906)	530,883
	$ (82,610)	$ 949,052

3. Property and Equipment

As of September 30 and December 31, the major categories of property and equipment are as follows :

	2016	2015
Land	$ 77,592	$ 77,592
Land improvements	1,294,799	1,294,799
Buildings and fixtures	22,126,622	22,050,574
Fixed equipment	7,798,636	7,699,758
Major moveable equipment	17,181,211	17,449,166
	48,478,860	48,571,889
Less accumulated depreciation	34,799,599	33,577,754
	13,679,261	14,994,135
Construction in progress	379,007	354,687
	$14,058,268	$15,348,822

4. Long-Term Debt

Long-term debt consists of the following as of September 30 and December 31:

	2016	2015
New Hampshire Health and Education Facilities Authority (NHHEFA) Revenue Bonds, Androscoggin Valley Hospital Issue, Series 2012 (including $67,913 and $77,318 of unamortized bond issuance costs in 2016 and 2015, respectively).		
Term bonds $2,000,000 and $12,500,000 maturing on April 1, 2019 and 2027, respectively, payable in equal monthly installments of $26,428 and $88,530, including interest at 2.951% and 3.312%, respectively.	**$ 10,043,894**	$ 10,815,043
Note payable in varying monthly installments including interest at 4.29%, payable through October 2022; collateralized by certain investments.	**9,784,944**	-
	19,828,838	10,815,043
Less current portion	**3,318,217**	1,027,862
Long-term debt, excluding current portion	**$ 16,510,621**	$ 9,787,181

The NHHEFA Revenue Bonds (Androscoggin Valley Hospital Issue, Series 2012) in the amount of $14,500,000 were issued in March 2012 for the purpose of refinancing existing indebtedness and retiring the Hospital's interest rate swap contract. The Revenue Bonds consist of two term bonds in the amounts of $2,000,000 and $12,500,000. The terms of the bonds are seven years and ten years (with a five-year renewal option), respectively. A negative-negative pledge agreement was provided as security.

The note payable in the amount of $12,071,000 issued in April 2016 consists of two phases: a Pre-Medicare Reimbursement Phase and a Post-Medicare Reimbursement Phase. The conversion from the Pre-Medicare Reimbursement Phase to the Post-Medicare Reimbursement Phase shall happen upon the Hospital's receipt of all Medicare reimbursement proceeds associated with the termination of the Hospital's pension plan.

Prior to the conversion date, the Hospital will make monthly payments of fixed principal in the amount of $60,000 plus accrued interest. In addition, upon receipt by the Hospital of Medicare reimbursement proceeds associated with the termination of the pension plan, the proceeds shall immediately be paid towards the principal of the outstanding balance of the loan.

On the conversion date, in the event the outstanding balance of the loan exceeds $6,000,000, the Hospital shall make a principal reduction payment to reduce the balance of the loan to $6,000,000. Thereafter, monthly payments of the loan will convert to principal and interest in an amount sufficient to fully amortize the outstanding balance on the loan through October 2022.

MDP

The Series 2012 Revenue Bond Agreement and note payable contains various restrictive covenants, which include compliance with certain financial ratios and a detail of events constituting defaults. The Hospital is in compliance with these requirements at September 30, 2016.

Scheduled and estimated principal repayments on long-term debt are as follows:

Year ending September 30,	
2017 (included in current liabilities)	$ 3,318,217
2018	4,805,131
2019	1,819,036
2020	1,750,699
2021	1,819,811
Thereafter	6,315,944
	$ 19,828,838

5. Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare

The Hospital was granted Critical Access Hospital (CAH) status. Under CAH, the Hospital is reimbursed 101% of allowable costs for its inpatient, outpatient, and swing-bed services provided to Medicare beneficiaries. The 101% is currently reduced by a federal sequestration of 2%. For providers and certain lab services, the Hospital is paid on a fee schedule.

The Hospital is reimbursed for cost reimbursable items at tentative rates, with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through December 31, 2011.

Medicaid

Inpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively-determined rates per day of hospitalization. The prospectively-determined per-diem rates are not subject to retroactive adjustment. Outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The Hospital is reimbursed at a prior year tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the fiscal intermediary. The Hospital's Medicaid cost reports have been audited by the fiscal intermediary through December 31, 2011.

Provider services are paid based on a fee schedule.

Commercial Insurers

Services rendered to commercial subscribers are reimbursed at submitted charges less a negotiated discount or established fees. The amounts paid to the Hospital are not subject to any settlements.

Overall

Revenues from Medicare and Medicaid programs accounted for approximately 52% and 14%, respectively, of the Hospital's patient revenue for the nine months ended September 30, 2016, and 53% and 15%, respectively, of the Hospital's patient revenue for the twelve months ended December 31, 2015. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. In 2016 net patient service revenue decreased by approximately $1,376,000 and in 2015, net patient service revenue increased by approximately $1,798,000, respectively, due to changes in prior year estimated third party settlements.

Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized during the nine months ended September 30, 2016 and the twelve months ended December 31, 2015 totaled $44,797,693 and $53,664,311, respectively, of which $44,412,629 and $52,964,751, respectively, were revenues from third-party payors and $385,064 and $699,560, respectively, were revenues from self-pay patients.

Gross patient service revenue, contractual allowances, and other allowances consisted of the following for the nine months ended September 30 and the twelve months ended December 31:

	2016	2015
Patient services		
Inpatient	**$ 15,486,702**	$ 20,193,900
Outpatient	**44,364,313**	53,539,923
Provider services	**9,993,037**	11,522,402
Gross patient service revenue	**69,844,052**	85,256,225
Less Medicare and Medicaid allowances	**14,898,609**	21,652,947
Less other contractual allowances	**9,534,241**	9,309,541
Less charity care allowances	**613,509**	629,426
Patient service revenue (net of contractual allowances and discounts)	**44,797,693**	53,664,311
Less provision for bad debts	**1,475,530**	2,051,915
Net patient service revenue	**$ 43,322,163**	$ 51,612,396

Under the State of New Hampshire's Medicaid program, the Hospital recognizes disproportionate share payment revenue which amounted to $3,097,629 and $2,997,268 for 2016 and 2015, respectively, and is recorded in net patient service revenue. Because the methodologies used to determine disproportionate share payments remain unsettled, the Hospital has reserved a portion of the amount received.

6. Pension Plan and Other Deferred Compensation

The Hospital had a non-contributory defined benefit pension plan covering substantially all of its employees which was terminated in late April 2016.

The following table sets forth the funded status of the defined benefit plan and amounts recognized in the Company's financial statements as of and for the nine months ended September 30 and the twelve months ended December 31:

	2016	2015
Change in benefit obligation		
Benefit obligation at beginning of year	$ 24,670,157	$ 26,358,580
Interest cost	276,697	995,755
Actuarial loss (gain)	1,463,311	(876,329)
Benefits paid	-	(1,807,849)
Plan settlement	(26,410,165)	-
Benefit obligation at end of period	$ -	$ 24,670,157
Change in plan assets		
Fair value of plan assets at beginning of year	$ 12,939,780	$ 14,790,578
Actual return (loss) on plan assets	318,830	(42,949)
Employer contribution	13,233,371	-
Benefits paid	-	(1,807,849)
Plan settlement	(26,410,165)	-
Service cost	(81,816)	-
Fair value of plan assets at end of period	$ -	$ 12,939,780
Funded status		
Benefit obligation	$ -	$ (24,670,157)
Fair value of plan assets	-	12,939,780
	$ -	$ (11,730,377)

MAP

	2016	2015
Components of net periodic benefit cost		
Service cost	$ 81,816	$ -
Interest cost	276,697	995,755
Expected return on plan assets	(182,048)	(573,144)
Amortization of unrecognized net actuarial loss	802,067	1,200,754
Settlement expense	12,508,401	-
Net periodic benefit cost	$ 13,486,933	$ 1,623,365
Accumulated benefit obligation	$ -	$ (24,670,157)

The assumptions used in the measurement of the Hospital's benefit obligation are shown in the following table:

	2016	2015
Weighted average assumption at December 31:		
Discount rate:		
For determining net periodic benefit cost	- %	3.82 %
For determining benefit obligation	-	3.82
Expected return on plan assets	-	4.00

The expected return assumption reflects the shift in investments to annuity contracts at December 31, 2015.

Additional Benefit Plans

In December 2006, the Hospital established a contributory defined contribution plan available to substantially all employees. The Hospital's policy under the defined contribution plan is to fund its portion of amounts due under the plan on a current basis and to recognize expense as incurred. During 2016 and 2015, the Hospital contributed $240,377 and $298,448 to this plan, respectively.

The Hospital also maintains a nonqualified deferred compensation plan which was established for a select group of management or highly compensated employees. The amounts contributed to the plan by the Hospital and employees are recognized as an asset and a corresponding liability in the financial statements.

7. Concentrations of Credit Risk

The Hospital grants credit without collateral to its patients. The mix of receivables from patients and third-party payors was as follows as of September 30 and December 31:

	2016	2015
Medicare	41 %	33 %
Medicaid	15	16
Commercial insurances and other	35	41
Patients	9	10
	100 %	100 %

The Hospital maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Hospital has not experienced any losses in such accounts. Hospital management believes it is not exposed to any significant risk on cash and cash equivalents.

8. Commitments and Contingencies

Malpractice Loss Contingencies

The Hospital insures its medical malpractice risks on a claims-made basis under a policy which covers all employees of the Hospital. A claims-made policy provides specified coverage for claims reported during the policy term. The policy contains a provision which allows the Hospital to purchase "tail" coverage for an indefinite period of time to avoid any lapse in insurance coverage. The Hospital is subject to complaints, claims and litigation due to potential claims which arise in the normal course of doing business. U.S. generally accepted accounting principles require the Hospital to accrue the ultimate cost of malpractice claims when the incident that gives rise to the claim occurs, without consideration of insurance recoveries. Expected recoveries are presented as a separate asset. The Hospital has evaluated its exposure to losses arising from potential claims and determined that no such accrual is necessary as of September 30, 2016 and December 31, 2015. The Hospital has obtained coverage on a claims-made basis and anticipates that such coverage will be available going forward.

Asset Retirement Obligation

Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic (ASC) 410, *Asset Retirement and Environmental Obligations*, requires entities to record asset retirement obligations at fair value if they can be reasonably estimated. The State of New Hampshire requires special disposal procedures relating to building materials containing asbestos. The Hospital building contains some encapsulated asbestos, but a liability has not been recognized. This is because there are no current plans to renovate or dispose of the building that would require the removal of the asbestos; accordingly, the liability has an indeterminate settlement date and its fair value cannot be reasonably estimated.

MDF

Community Benefit Grant

The Hospital and Coos County Family Health Services (CCFHS) have entered into an agreement whereby the Hospital will provide funding in the form of a community benefit grant to CCFHS for the purpose of supporting a portion of the otherwise uncompensated costs incurred by CCFHS for provider services. The terms of the agreement require that the Hospital provide CCFHS with the agreed-upon community benefit grant funds on July 1 of the appropriate grant year. The amount of the community benefit grant to be awarded is determined on an annual basis in accordance with the terms of the agreement. The initial term of the community benefit grant agreement expires December 31, 2023. Grant expense of $433,484 and $652,652 was incurred for the nine months ended September 30, 2016 and twelve months ended December 31, 2015, respectively.

In February 2009, the community benefit grant was renegotiated to the following payment schedule, contingent upon CCFHS achieving certain annual encounter levels:

On July 1	Not to Exceed
2011 - 2022	$700,000
2023	$350,000

Negotiations between the Hospital and CCFHS are currently occurring to revise this agreement. Based on the most recent discussions, the proposed Primary Care Support is $475,000 for years 2017-2023. In addition, as part of this agreement, the Hospital will establish a Community Initiative Grant Fund (CIF) that will be used to fund community initiatives designed to provide or enhance health care services to the medically underserved residents of Coos County. Once an agreement has been finalized, the CIF concept will require Board ratification from both organizations.

9. Fair Value Measurement

FASB ASC 820, *Fair Value Measurement,* defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Assets and liabilities measured at fair value on a recurring basis, and reconciliations to related amounts reported in the balance sheet, are summarized below.

	Total	Fair Value Measurements at September 30, 2016, Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 2,867,178	$ 2,867,178	$ -	$ -
U.S. Treasury securities and other government-sponsored enterprises	10,896,267	10,896,267	-	-
Exchange traded funds	4,839,845	4,839,845	-	-
Mutual funds:				
Value funds	1,444,622	1,444,622	-	-
Balanced funds	1,353,574	1,353,574	-	-
Bond funds	435,408	435,408	-	-
Growth funds	1,214,511	1,214,511	-	-
International funds	381,012	381,012	-	-
Total mutual funds	4,829,127	4,829,127	-	-
Total assets limited as to use reported at fair value	23,432,417	$ 23,432,417	$ -	$ -
Investments measured at net asset value	101,823			
Total assets limited as to use	$ 23,534,240			
Investments to fund deferred compensation				
Mutual funds				
Specialty funds	$ 37,414	$ 37,414	$ -	$ -
Balanced funds	2,836,898	2,836,898	-	-
Small cap	72,384	72,384	-	-
Mid cap	70,275	70,275	-	-
Large cap	201,518	201,518	-	-
Fixed income funds	624,882	624,882	-	-
International funds	202,734	202,734	-	-
Total mutual funds	$ 4,046,105	$ 4,046,105	$ -	$ -

MP

	Total	Fair Value Measurements at December 31, 2015, Using: Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 4,077,293	$ 4,077,293	$ -	$ -
U.S. Treasury securities and other government-sponsored enterprises	259,445	259,445	-	-
Corporate bonds	4,133,171	-	4,133,171	-
Exchange traded funds	4,515,682	4,515,682	-	-
Mutual funds:				
Value funds	506,983	506,983	-	-
Balanced funds	1,043,880	1,043,880	-	-
Bond funds	2,097,024	2,097,024	-	-
Growth funds	2,225,040	2,225,040	-	-
Fixed income funds	542,339	542,339	-	-
International funds	1,338,841	1,338,841	-	-
Total mutual funds	7,754,107	7,754,107	-	-
Total assets limited as to use measured at fair value	20,739,698	$ 16,606,527	$ 4,133,171	$ -
Investments measured at net asset value	3,845,951			
Total assets limited as to use	$ 24,585,649			
Investments to fund deferred compensation				
Mutual funds				
Balanced funds	$ 3,550,289	$ 3,550,289	$ -	$ -
Total mutual funds	$ 3,550,289	$ 3,550,289	$ -	$ -

	Total	Fair Value Measurements at December 31, 2015, Using: Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments - held by defined benefit pension plan (Note 6):				
Cash and cash equivalents	$ 429,374	$ 429,374	$ -	$ -
U.S. Treasury securities and other government-sponsored enterprises	4,549,089	4,549,089	-	-
Corporate bonds	510,823	-	510,823	-
Mutual funds				
Bond funds	409,897	409,897	-	-
Total mutual funds	409,897	409,897	-	-
Total measured at fair value	5,899,183	$ 5,388,360	$ 510,823	$ -
Investments measured at net asset value	48,290			
Annuity contracts measured at net asset value	6,992,307			
Total	$ 12,939,780			

The fair value for Level 2 assets is primarily based on quoted market prices of comparable securities, interest rates, and credit risk. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

MDP

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidating Balance Sheets

September 30, 2016
(with comparative totals for December 31, 2015)

ASSETS

	Androscoggin Valley Hospital, Inc.	Northcare,	Androscoggin Valley Hospital Foundation, Inc.	Mountain Health Services, Inc.	Eliminations	**2016 Consolidated**	2015 Consolidated
Current assets							
Cash and cash equivalents	$ 7,919,303	$ -	$ -	$ 70,666	$ -	**$ 7,989,969**	$ 2,730,868
Patient accounts receivable, net	6,970,261	-	-	-	-	**6,970,261**	7,563,464
Other accounts receivable	1,552,848	-	-	-	-	**1,552,848**	1,873,270
Supplies	612,678	-	-	-	-	**612,678**	601,341
Prepaid expenses and other current assets	491,152	-	-	-	-	**491,152**	1,067,760
Total current assets	17,546,242	-	-	70,666	-	**17,616,908**	13,836,703
Assets limited as to use, excluding current portion	21,152,887	-	2,381,353	-	-	**23,534,240**	24,585,649
Property and equipment, net	14,055,630	2,638	-	-	-	**14,058,268**	15,348,822
Other assets							
Advances to affiliates	518,581	-	-	-	518,581	**-**	-
Deferred compensation investments	4,046,105	-	-	-	-	**4,046,105**	3,550,289
Total other assets	4,564,686	-	-	-	518,581	**4,046,105**	3,550,289
Total assets	$ 57,319,445	$ 2,638	$ 2,381,353	$ 70,666	$ 518,581	**$ 59,255,521**	$ 57,321,463

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidating Balance Sheets

September 30, 2016
(with comparative totals for December 31, 2015)

LIABILITIES AND NET ASSETS (DEFICIT)

	Androscoggin Valley Hospital, Inc	Northcare	Androscoggin Valley Hospital Foundation, Inc.	Mountain Health Services, Inc.	Eliminations	**2016 Consolidated**	2015 Consolidated
Current liabilities							
Current portion of long-term debt	$ 3,318,217	$ -	$ -	$ -	$ -	**$ 3,318,217**	$ 1,027,862
Accounts payable and accrued expenses	3,058,122	-	-	-	-	**3,058,122**	3,508,416
Accrued salaries and related amounts	2,093,811	-	-	-	-	**2,093,811**	2,468,167
Estimated third-party payor settlements	1,144,100	-	-	-	-	**1,144,100**	2,893,433
Total current liabilities	9,614,250	-	-	-	-	**9,614,250**	9,897,878
Advances from affiliates	-	518,581	-	-	518,581	-	-
Estimated third-party payor settlements	10,614,800	-	-	-	-	**10,614,800**	6,383,000
Long-term debt, excluding current portion	16,510,621	-	-	-	-	**16,510,621**	9,787,181
Pension liability	-		-	-	-	-	11,730,377
Deferred compensation	4,046,105	-	-	-	-	**4,046,105**	3,550,289
Total liabilities	40,785,776	518,581	-	-	518,581	**40,785,776**	41,348,725
Net assets (deficit)							
Unrestricted	16,533,669	(515,943)	2,337,591	70,666	-	**18,425,983**	15,928,976
Permanently restricted	-	-	43,762	-	-	**43,762**	43,762
Total net assets (deficit)	16,533,669	(515,943)	2,381,353	70,666	-	**18,469,745**	15,972,738
Total liabilities and net assets (deficit)	$ 57,319,445	$ 2,638	$ 2,381,353	$ 70,666	$ 518,581	**$ 59,255,521**	$ 57,321,463

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES **Schedule 2**

Consolidating Statements of Operations

Nine Months Ended September 30, 2016
(with comparative totals for twelve months ended December 31, 2015)

	Androscoggin Valley Hospital, Inc.	Northcare	Androscoggin Valley Hospital Foundation, Inc.	Mountain Health Services, Inc.	Eliminations	**2016 Consolidated**	2015 Consolidated
Unrestricted revenues and gains							
Patient service revenue (net of contractual allowances and discounts)	$ 44,797,693	$ -	$ -	$ -	$ -	**$ 44,797,693**	$ 53,664,311
Less provision for bad debts	1,475,530	-	-	-	-	**1,475,530**	2,051,915
Net patient service revenue	43,322,163	-	-	-	-	**43,322,163**	51,612,396
Other revenues	2,200,902	-	21,760	7	-	**2,222,669**	3,410,290
Total unrestricted revenues and gains	45,523,065	-	21,760	7	-	**45,544,832**	55,022,686
Expenses							
Salaries, wages, and fringe benefits	20,824,711	-	-	-	-	**20,824,711**	28,526,227
Supplies and other expenses	15,860,143	-	1,401	-	-	**15,861,544**	19,572,432
Medicaid enhancement tax	2,051,360	-	-	-	-	**2,051,360**	2,061,711
Insurance	492,950	-	-	-	-	**492,950**	361,018
Depreciation and amortization	1,801,227	2,782	-	-	-	**1,804,009**	2,440,093
Interest expense	474,989	-	-	-	-	**474,989**	384,229
Total operating expenses	41,505,380	2,782	1,401	-	-	**41,509,563**	53,345,710
Operating (loss) income	4,017,685	(2,782)	20,359	7	-	**4,035,269**	1,676,976
Nonoperating gains (losses)							
Investment (loss) income	(201,587)	-	(59,319)	-	-	**(260,906)**	530,883
Net periodic pension adjustment	(13,486,933)	-	-	-	-	**(13,486,933)**	(1,623,365)
Contributions and program support, net of expenses	16,566	-	(29,080)	-	-	**(12,514)**	(10,116)
Community benefit grant	(433,484)	-	-	-	-	**(433,484)**	(652,652)
Other non-operating	(190,000)	-	-	-	-	**(190,000)**	-
Nonoperating losses, net	(14,295,438)	-	(88,399)	-	-	**(14,383,837)**	(1,755,250)
(Deficiency) excess of revenues and gains over expenses and losses	(10,277,753)	(2,782)	(68,040)	7	-	**(10,348,568)**	(78,274)
Net unrealized gains (losses) on investments	295,809	-	169,209	-	-	**465,018**	(1,206,221)
Change in net assets to recognize funded status of pension plan	12,380,557	-	-	-	-	**12,380,557**	1,460,990
Increase (decrease) in unrestricted net assets (deficit)	$ 2,398,613	$ (2,782)	$ 101,169	$ 7	$ -	**$ 2,497,007**	$ 176,495

BerryDunn

[redacted]

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

Year Ended September 30, 2017 and Nine Months Ended September 30, 2016

With Independent Auditor's Report

[redacted]

BerryDunn

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Androscoggin Valley Hospital, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Androscoggin Valley Hospital, Inc. and Subsidiaries, which comprise the consolidated balance sheets as of September 30, 2017 and 2016, and the related consolidated statements of operations, changes in net assets, and cash flows for the year ended September 30, 2017 and nine months ended September 30, 2016, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Androscoggin Valley Hospital, Inc. and Subsidiaries as of September 30, 2017 and 2016, and the results of their operations, changes in their net assets, and their cash flows for the year ended September 30, 2017 and the nine months ended September 30, 2016, in accordance with U.S. generally accepted accounting principles.

MDF

Other Matter

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. Schedules 1 and 2 are presented for purposes of additional analysis, rather than to present the financial position and results of operations of the individual organizations, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
January 31, 2018

MBP

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2017 and 2016

ASSETS

	2017	2016
Current assets		
Cash and cash equivalents	**$ 5,598,106**	$ 7,989,969
Patient accounts receivable, less estimated uncollectibles and contractual allowances (2017 - $10,532,492; 2016 - $6,726,397)	**5,179,690**	6,970,261
Other accounts receivable	**1,388,646**	1,552,848
Supplies	**578,254**	612,678
Prepaid expenses and other current assets	**1,279,130**	491,152
Total current assets	**14,023,826**	17,616,908
Assets limited as to use	**26,856,231**	23,534,240
Property and equipment, net	**14,132,369**	14,058,268
Due from affiliates	**90,864**	-
Deferred compensation investments	**4,802,525**	4,046,105
Total assets	**$59,905,815**	$ 59,255,521

The accompanying notes are an integral part of these consolidated financial statements.

LIABILITIES AND NET ASSETS

	2017	2016
Current liabilities		
Current portion of long-term debt	**$ 1,852,277**	$ 3,318,217
Accounts payable and accrued expenses	**2,554,802**	3,058,121
Accrued salaries and related amounts	**2,009,122**	2,093,811
Estimated third-party payor settlements	**1,048,315**	1,144,100
Total current liabilities	**7,464,516**	9,614,249
Estimated third-party payor settlements	**13,079,280**	10,614,800
Long-term debt, excluding current portion	**11,366,601**	16,510,621
Deferred compensation	**4,802,525**	4,046,105
Total liabilities	**36,712,922**	40,785,775
Net assets		
Unrestricted	**23,149,131**	18,425,984
Permanently restricted	**43,762**	43,762
Total net assets	**23,192,893**	18,469,746
Total liabilities and net assets	**$59,905,815**	$59,255,521

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidated Statements of Operations

Year Ended September 30, 2017 and Nine Months Ended September 30, 2016

	2017	2016
Unrestricted revenues and gains		
Patient service revenue (net of contractual allowances and discounts)	$ 58,217,181	$ 44,797,693
Less provision for bad debts	3,618,541	1,475,530
Net patient service revenue	54,598,640	43,322,163
Other revenues	3,117,739	2,222,669
Total unrestricted revenues and gains	57,716,379	45,544,832
Expenses		
Salaries, wages, and fringe benefits	28,137,181	20,824,711
Supplies and other expenses	20,907,309	15,861,544
Medicaid enhancement tax	1,932,403	2,051,360
Insurance	514,528	492,950
Depreciation	2,308,509	1,794,604
Interest expense	638,262	484,394
Total operating expenses	54,438,192	41,509,563
Operating income	3,278,187	4,035,269
Nonoperating gains (losses)		
Investment income (loss)	847,426	(260,906)
Net periodic pension adjustment	-	(13,486,933)
Contributions and program support, net of expenses	(26,706)	(12,514)
Community benefit grant	(349,898)	(433,484)
Other non-operating losses	(92,484)	(190,000)
Nonoperating gains (losses), net	378,338	(14,383,837)
Excess (deficiency) of revenues and gains over expenses and losses	3,656,525	(10,348,568)
Net unrealized gains on investments	1,066,622	465,018
Change in net assets to recognize funded status of pension plan	-	12,380,557
Increase in unrestricted net assets	$ 4,723,147	$ 2,497,007

The accompanying notes are an integral part of these consolidated financial statements.

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ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Net Assets

Year Ended September 30, 2017 and Nine Months Ended September 30, 2016

	Unrestricted	Permanently Restricted	Total
Balances, January 1, 2016	$ 15,928,977	$ 43,762	$ 15,972,739
Deficiency of revenues and gains over expenses and losses	(10,348,568)	-	(10,348,568)
Net unrealized gains on investments	465,018	-	465,018
Change in net assets to recognize funded status of pension plan	12,380,557	-	12,380,557
Net increase in net assets	2,497,007	-	2,497,007
Balances, September 30, 2016	18,425,984	43,762	18,469,746
Excess of revenues and gains over expenses and losses	**3,656,525**	**-**	**3,656,525**
Net unrealized gains on investments	**1,066,622**	**-**	**1,066,622**
Net increase in net assets	**4,723,147**	**-**	**4,723,147**
Balances, September 30, 2017	**$ 23,149,131**	**$ 43,762**	**$ 23,192,893**

The accompanying notes are an integral part of these consolidated financial statements.

MAP

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Year Ended September 30, 2017 and Nine Months Ended September 30, 2016

	2017	2016
Cash flows from operating activities		
Increase in net assets	$ 4,723,147	$ 2,497,007
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities		
Depreciation and amortization	2,321,049	1,804,009
Net realized and unrealized gains on investments	(1,982,259)	(231,334)
Provision for bad debts	3,618,541	1,475,530
Change in net assets to recognize funded status of pension plan	-	(12,380,557)
(Increase) decrease in		
Patient accounts receivable	(1,827,970)	(882,327)
Other accounts receivable	164,202	320,422
Supplies	34,424	(11,337)
Prepaid expenses and other current assets	(787,978)	576,608
Due from affiliates	(90,864)	-
Increase (decrease) in		
Accounts payable and accrued expenses	(503,319)	(450,294)
Accrued salaries and related amounts	(84,689)	(374,356)
Estimated third-party payor settlements	2,368,695	2,482,467
Pension liability	-	650,180
Net cash provided (used) by operating activities	7,952,979	(4,523,982)
Cash flows from investing activities		
Proceeds from sale of investments	14,808,068	24,841,525
Purchases of investments	(16,147,800)	(23,558,782)
Purchases of property and equipment	(2,382,610)	(504,050)
Net cash (used) provided by investing activities	(3,722,342)	778,693
Cash flows from financing activities		
Payments on long-term debt	(6,622,500)	(3,066,610)
Proceeds from issuance of long-term debt	-	12,071,000
Net cash (used) provided by financing activities	(6,622,500)	9,004,390
Net (decrease) increase in cash and cash equivalents	(2,391,863)	5,259,101
Cash and cash equivalents, beginning of year	7,989,969	2,730,868
Cash and cash equivalents, end of year	$ 5,598,106	$ 7,989,969
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 625,722	$ 474,989

The accompanying notes are an integral part of these consolidated financial statements.

Nature of Business

Androscoggin Valley Hospital, Inc. is a critical access hospital providing inpatient, outpatient, emergency care, specialty care and physician/provider services to residents of Berlin, New Hampshire and the surrounding communities. The Hospital's subsidiaries include Northcare, the former parent of the Hospital, Androscoggin Valley Hospital Foundation, Inc. (Foundation), a company formed to conduct fund-raising activities and manage trusteed investments that support health-related community programs, and Mountain Health Services, Inc. (MHS), which owned and leased a medical office building. MHS has become an inactive entity. Androscoggin Valley Hospital, Inc. and Subsidiaries are collectively referred to herein as the "Hospital."

On June 30, 2015, the Hospital along with three other hospitals in the North Country region of New Hampshire, Littleton Regional Hospital, Upper Connecticut Valley Hospital, and Weeks Medical Center, signed an Affiliation Agreement. The Boards of each of the hospitals approved the affiliation documents which consist of an Affiliation Agreement, Management Services Agreement, and proposed Bylaw changes. The application to the New Hampshire Attorney General's office and Charitable Trust Unit was approved in December 2015. On April 1, 2016, the hospitals closed on the formation of the new parent organization, North Country Healthcare. North Country Healthcare was established to coordinate activities of the four hospitals and affiliated home health operating company. As a result of the affiliation, North Country Healthcare is the parent of the Hospital.

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Androscoggin Valley Hospital Inc., Northcare, the Foundation, and MHS. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents include short-term investments which have a maturity of three months or less when purchased, and exclude amounts limited as to use by Board designation.

Patient Accounts Receivable

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. In evaluating the collectibility of patient accounts receivable, the Hospital analyzes its past results and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Data for each major payor source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. For receivables relating to self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Hospital analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts in the period of service based on past experience, which indicates that many patients are unable or unwilling to pay amounts for which they are financially responsible. The difference between the standard rates (or discounted rates if negotiated or eligible) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged against the allowance for doubtful accounts.

During 2017, the Hospital increased its estimate of the allowance for doubtful accounts from $1,799,999 to $4,636,756. The increase in the allowance is due to an increase in accounts receivable and a change in the allowance methodology to fully reserve third-party payor accounts receivable over 180 days. During 2017 and 2016, write-offs were $1,124,609 and $1,228,668, respectively.

Investments and Investment Income

Investments are reported as assets limited as to use and deferred compensation investments. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in the excess (deficiency) of revenues and gains over expenses and losses unless the income or loss is restricted by donor or law. Unrealized gains and temporary unrealized losses on investments are excluded from this measure.

Investments are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets and statements of operations and changes in net assets.

Assets Limited as to Use

Assets limited as to use include designated assets set aside by the Board of Directors for future capital improvements over which the Board retains control, and which it may at its discretion subsequently use for other purposes.

Supplies

Supplies are carried at the lower of cost (determined by the first-in, first-out method) or market.

Property and Equipment

Property and equipment acquisitions are recorded at cost or, if contributed, at fair value determined at the date of donation, less accumulated depreciation. The Hospital's policy is to capitalize expenditures for major improvements and charge maintenance and repairs currently for expenditures which do not extend the useful lives of the related assets. The provision for depreciation has been computed using the straight-line method at rates which are intended to amortize the cost of assets over their estimated useful lives.

Bond Issuance Costs

The costs incurred to obtain long-term financing are being amortized by the straight-line method over the repayment period of the related debt. The costs are included in long-term debt in the balance sheets.

Employee Fringe Benefits

The Hospital has an "earned time" plan which provides benefits to employees for paid leave hours. Under this plan, each employee earns paid leave for each period worked. These hours of paid leave may be used for vacations, holidays, or illnesses. Hours earned, but not used, are vested with the employee. The Hospital accrues a liability for such paid leave as it is earned. The earned time plan does not cover the providers.

Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from established rates. Payment arrangements include prospectively-determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are recorded on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

The Hospital pays a healthcare provider tax of 5.5% on certain net patient service revenue, which is reported as Medicaid enhancement tax in the statements of operations.

Charity Care

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net revenue. The cost of charity care provided was approximately $656,000 in 2017 and $365,000 in 2016. The cost is estimated by applying the ratio of total cost to total charges associated with providing such care.

Operating Income

For purposes of display, transactions deemed by management to be ongoing, major, or central to the provision of healthcare services are reported in operating income. Gain or (loss) on disposal of property and equipment and investment income used to fund interest expense and other operating expenses are also included in operating income. Peripheral or incidental transactions are reported as nonoperating gains (losses), which primarily include certain investment income (losses), contributions and support of community programs, community benefit grants, and pension plan settlement (Note 6).

Excess (Deficiency) of Revenues and Gains Over Expenses and Losses

The consolidated statements of operations include the excess (deficiency) of revenues and gains over expenses and losses. Changes in unrestricted net assets which are excluded from this measure, consistent with industry practice, include unrealized gains and temporary unrealized losses on investments other than trading securities, and the change in net assets to recognize the funded status of the pension plan.

Income Taxes

Androscoggin Valley Hospital, Inc. and Subsidiaries are non-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code and therefore are exempt from federal income taxes on related income.

Functional Expenses

The Hospital provides general healthcare services to residents within its geographic location. Expenses related to providing these services for the twelve months ended September 30, 2017 and nine months ended September 30, 2016 are as follows:

	2017	2016
Program services	**$ 48,994,373**	$ 37,334,729
General and administrative	**5,443,819**	4,174,834
	$ 54,438,192	$ 41,509,563

Subsequent Events

For purposes of the preparation of these financial statements in conformity with U.S. generally accepted accounting principles, management has considered transactions or events occurring through January 31, 2018, which was the date the financial statements were issued.

2. Assets Limited as to Use

The composition of assets limited as to use as of September 30, 2017 and 2016 is as follows:

	2017	2016
Cash and short-term investments	$ 4,590,725	$ 2,867,178
U.S. Treasury securities and government-sponsored enterprises	4,067,210	10,896,267
Corporate bonds	398,268	-
Exchange traded funds	6,895,117	4,839,845
Mutual funds	10,904,911	4,829,127
Alternative investments	-	101,823
	$26,856,231	$23,534,240

Investment income and gains (losses) for assets limited as to use, cash equivalents, and other investments are comprised of the following for the year ended September 30, 2017 and nine months ended September 30, 2016:

	2017	2016
Income (losses)		
Interest and dividend income	$ 353,095	$ 194,685
Realized gains (losses) on sales of securities	915,637	(233,684)
Management fees	(87,272)	(43,611)
	$ 1,181,460	$ (82,610)
Other changes in unrestricted net assets		
Change in net unrealized gains	$ 1,066,622	$ 465,018

Income on investments is reported as follows:

	2017	2016
Other revenues	$ 334,034	$ 178,296
Nonoperating gains (losses)	847,426	(260,906)
	$ 1,181,460	$ (82,610)

3. Property and Equipment

As of September 30, 2017 and 2016, the major categories of property and equipment were as follows :

	2017	2016
Land	$ 77,592	$ 77,592
Land improvements	1,396,822	1,294,799
Buildings and fixtures	22,420,732	22,126,622
Fixed equipment	7,263,508	7,798,636
Major moveable equipment	18,389,993	17,181,211
	49,548,647	48,478,860
Less accumulated depreciation	35,706,576	34,799,599
	13,842,071	13,679,261
Construction in progress	290,298	379,007
	$ 14,132,369	$ 14,058,268

Depreciation expense for the year ended September 30, 2017 and nine months ended September 30, 2016 was $2,308,509 and $1,794,604, respectively.

4. Long-Term Debt

Long-term debt consists of the following as of September 30, 2017 and 2016:

	2017	2016
New Hampshire Health and Education Facilities Authority (NHHEFA) Revenue Bonds, Androscoggin Valley Hospital Issue, Series 2012. Term bonds $2,000,000 and $12,500,000 maturing on April 1, 2019 and 2022, respectively, payable in equal monthly installments of $26,428 and $88,530, including interest at 2.951% and 3.312%, respectively.	$ 9,040,726	$ 10,111,807
Note payable in varying monthly installments including interest at 4.29%, payable through October 2022; collateralized by certain investments.	4,233,525	9,784,944
Total long-term debt, before unamortized bond issuance costs	13,274,251	19,896,751
Unamortized bond issuance costs	(55,373)	(67,913)
	13,218,878	19,828,838
Less current portion	1,852,277	3,318,217
Long-term debt, excluding current portion	$ 11,366,601	$ 16,510,621

The NHHEFA Revenue Bonds (Androscoggin Valley Hospital Issue, Series 2012) in the amount of $14,500,000 were issued in March 2012 for the purpose of refinancing existing indebtedness and retiring the Hospital's interest rate swap contract. The Revenue Bonds consist of two term bonds in the amounts of $2,000,000 and $12,500,000. The terms of the bonds are seven years and ten years (with a five-year renewal option), respectively. A negative-negative pledge agreement was provided as security.

The note payable in the amount of $12,071,000 issued in April 2016 consists of two phases: a Pre-Medicare Reimbursement Phase and a Post-Medicare Reimbursement Phase. The conversion from the Pre-Medicare Reimbursement Phase to the Post-Medicare Reimbursement Phase occurred upon the Hospital's receipt of all Medicare reimbursement proceeds associated with the termination of the Hospital's pension plan in May 2017.

Prior to the conversion date, the Hospital was required to make monthly payments of fixed principal in the amount of $60,000 plus accrued interest. Subsequent to the conversion date, the loan was amortized through October 2022 with fixed monthly payments of approximately $77,500 including principal and interest.

The Series 2012 Revenue Bond Agreement and note payable contain various restrictive covenants, which include compliance with certain financial ratios and a detail of events constituting defaults. The Hospital is in compliance with these requirements at September 30, 2017.

Scheduled and estimated principal repayments on long-term debt are as follows:

Year ending September 30,	
2018 (included in current liabilities)	$ 1,852,277
2019	1,734,907
2020	1,668,707
2021	1,735,049
2022	6,283,311
	$ 13,274,251

5. Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare

The Hospital was granted Critical Access Hospital (CAH) status. Under CAH status, the Hospital is reimbursed 101% of allowable costs for its inpatient, outpatient, and swing-bed services provided to Medicare beneficiaries. The 101% is currently reduced by a federal sequestration of 2%. For providers and certain lab services, the Hospital is paid on a fee schedule.

The Hospital is reimbursed for cost reimbursable items at tentative rates, with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been settled by the Medicare fiscal intermediary through December 31, 2011.

Medicaid

Inpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively-determined rates per day of hospitalization. The prospectively-determined per-diem rates are not subject to retroactive adjustment. Outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The Hospital is reimbursed at a prior year tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the fiscal intermediary. The Hospital's Medicaid cost reports have been settled by the fiscal intermediary through December 31, 2011.

Provider services are paid based on a fee schedule.

Commercial Insurers

Services rendered to commercial subscribers are reimbursed at submitted charges less a negotiated discount or established fees. The amounts paid to the Hospital are not subject to any settlements.

Overall

Revenues from Medicare and Medicaid programs accounted for approximately 52% and 14%, respectively, of the Hospital's patient revenue for the twelve months ended September 30, 2017 and nine months ended September 30, 2016. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. In 2017, net patient service revenue increased by approximately $5,032,000 due to changes in prior year estimates and the favorable results of Medicare cost report reopenings and disproportionate share hospital program audits. In 2016, net patient service revenue decreased by approximately $1,376,000, respectively, due to changes in prior year estimated third-party settlements.

Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized during the year ended September 30, 2017 and nine months ended September 30, 2016 totaled $58,217,181 and $44,797,693, respectively, of which $57,869,211 and $44,412,629, respectively, were revenues from third-party payors and $347,970 and $385,064, respectively, were revenues from self-pay patients.

Gross patient service revenue, contractual allowances, and other allowances consisted of the following for the year ended September 30, 2017 and nine months ended September 30, 2016:

	2017	2016
Patient services		
Inpatient	$ 17,460,582	$ 15,486,702
Outpatient	59,431,217	44,364,313
Provider services	11,862,864	9,993,037
Gross patient service revenue	88,754,663	69,844,052
Less contractual allowances	29,467,404	24,432,850
Less charity care allowances	1,070,078	613,509
Patient service revenue (net of contractual allowances and discounts)	58,217,181	44,797,693
Less provision for bad debts	3,618,541	1,475,530
Net patient service revenue	$ 54,598,640	$ 43,322,163

Under the State of New Hampshire's Medicaid program, the Hospital recognizes disproportionate share payment revenue which amounted to $3,721,170 and $3,097,629 for 2017 and 2016, respectively, and is recorded in net patient service revenue. Because the methodologies used to determine disproportionate share payments remain unsettled, the Hospital has reserved a portion of the amount received.

Long-term estimated third-party payor settlements consist of estimates related to Medicare's potential disallowance of Medicaid enhancement tax as an allowable cost and state disproportionate share pending settlements. Due to unresolved issues at the federal level for both matters, the Hospital has classified the balances as long-term.

6. Pension Plan and Other Deferred Compensation

The Hospital had a non-contributory defined benefit pension plan covering substantially all of its employees which was terminated in April 2016.

The following table sets forth the funded status of the defined benefit plan and amounts recognized in the Company's financial statements as of the nine months ended September 30, 2016:

Change in benefit obligation	
Benefit obligation at beginning of year	$ 24,670,157
Interest cost	276,697
Actuarial loss	1,463,311
Plan settlement	(26,410,165)
Benefit obligation at end of period	$ -
Change in plan assets	
Fair value of plan assets at beginning of year	$ 12,939,780
Actual return on plan assets	318,830
Employer contribution	13,233,371
Plan settlement	(26,410,165)
Service cost	(81,816)
Fair value of plan assets at end of period	$ -
Components of net periodic benefit cost	
Service cost	$ 81,816
Interest cost	276,697
Expected return on plan assets	(182,048)
Amortization of unrecognized net actuarial loss	802,067
Settlement expense	12,508,401
Net periodic benefit cost	$ 13,486,933

In December 2006, the Hospital established a contributory defined contribution plan available to substantially all employees. The Hospital's policy under the defined contribution plan is to fund its portion of amounts due under the plan on a current basis and to recognize expense as incurred. During 2017 and 2016, the Hospital contributed $295,295 and $240,377 to this plan, respectively.

The Hospital also maintains a nonqualified deferred compensation plan which was established for a select group of management or highly-compensated employees. The amounts contributed to the plan by the Hospital and employees are recognized as an asset and a corresponding liability in the financial statements.

7. Concentrations of Credit Risk

The Hospital grants credit without collateral to its patients. The mix of receivables from patients and third-party payors was as follows as of September 30:

	2017	2016
Medicare	41 %	41 %
Medicaid	15	15
Commercial insurances and other	34	35
Patients	10	9
	100 %	100 %

The Hospital maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Hospital has not experienced any losses in such accounts. Hospital management believes it is not exposed to any significant risk on cash and cash equivalents.

8. Related Party Transactions

As a member of North Country Healthcare, the Hospital shares in various services with the other member hospitals and the parent. For the year ended September 30, 2017, the Hospital billed other member hospitals $32,727 and expensed $948,546 for shared services. At September 30, 2017, $90,864 was due from the member hospitals and the parent.

Total expenses billed by other members are as follows:

	2017
Upper Connecticut Valley Hospital	$ 43,995
Weeks Medical Center	5,383
Littleton Regional Hospital	66,610
North Country Home Health & Hospice Agency, Inc.	84,542
North Country Healthcare	728,218
Total	$ 928,748

9. Commitments and Contingencies

Malpractice Loss Contingencies

The Hospital insures its medical malpractice risks on a claims-made basis under a policy which covers all employees of the Hospital. A claims-made policy provides specified coverage for claims reported during the policy term. The policy contains a provision which allows the Hospital to purchase "tail" coverage for an indefinite period of time to avoid any lapse in insurance coverage. The Hospital is subject to complaints, claims and litigation due to potential claims which arise in the normal course of doing business. U.S. generally accepted accounting principles require the Hospital to accrue the ultimate cost of malpractice claims when the incident that gives rise to the claim occurs, without consideration of insurance recoveries. Expected recoveries are presented as a separate asset. The Hospital has evaluated its exposure to losses arising from potential claims and determined that no such accrual is necessary as of September 30, 2017 and 2016. The Hospital has obtained coverage on a claims-made basis and anticipates that such coverage will be available going forward.

Asset Retirement Obligation

Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic (ASC) 410, *Asset Retirement and Environmental Obligations*, requires entities to record asset retirement obligations at fair value if they can be reasonably estimated. The State of New Hampshire requires special disposal procedures relating to building materials containing asbestos. The Hospital building contains some encapsulated asbestos, but a liability has not been recognized. This is because there are no current plans to renovate or dispose of the building that would require the removal of the asbestos; accordingly, the liability has an indeterminate settlement date and its fair value cannot be reasonably estimated.

Community Benefit Grant

The Hospital and Coos County Family Health Services (CCFHS) have entered into an agreement whereby the Hospital will provide funding in the form of a community benefit grant to CCFHS for the purpose of supporting a portion of the otherwise uncompensated costs incurred by CCFHS for provider services. The terms of the agreement require that the Hospital provide CCFHS with the agreed-upon community benefit grant funds on July 1 of the appropriate grant year. The amount of the community benefit grant to be awarded is determined on an annual basis in accordance with the terms of the agreement. The initial term of the community benefit grant agreement expires July 31, 2023. Grant expense of $349,898 and $433,484 was incurred for the year ended September 30, 2017 and nine months ended September 30, 2016, respectively.

In June 2017, the community benefit grant was renegotiated to the following payment schedule, contingent upon CCFHS achieving certain annual encounter levels:

On July 1	Not to Exceed
2017 - 2023	$475,000

In addition, as part of this agreement, the Hospital will establish a Community Initiative Grant Fund that will be used to fund community initiatives designed to provide or enhance healthcare services to the medically underserved residents of Coos County.

10. Fair Value Measurement

FASB ASC 820, *Fair Value Measurement,* defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Assets and liabilities measured at fair value on a recurring basis, and reconciliations to related amounts reported in the balance sheet, are summarized below.

	Total	Fair Value Measurements at September 30, 2017, Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 4,590,725	$ 4,590,725	$ -	$ -
U.S. Treasury securities and government-sponsored enterprises	4,067,210	4,067,210	-	-
Corporate bonds	398,268	-	398,268	-
Exchange traded funds	6,895,117	6,895,117	-	-
Mutual funds:				
Value funds	2,448,189	2,448,189	-	-
Balanced funds	2,512,376	2,512,376	-	-
Bond funds	2,674,036	2,674,036	-	-
Growth funds	2,155,154	2,155,154	-	-
International funds	1,115,156	1,115,156	-	-
Total mutual funds	10,904,911	10,904,911	-	-
Total assets limited as to use reported at fair value	$ 26,856,231	$ 26,457,963	$ 398,268	$ -
Investments to fund deferred compensation				
Mutual funds				
Specialty funds	$ 49,909	$ 49,909	$ -	$ -
Balanced funds	3,422,049	3,422,049	-	-
Small cap	98,582	98,582	-	-
Mid cap	102,577	102,577	-	-
Large cap	261,116	261,116	-	-
Government bond	12,946	12,946	-	-
Fixed income funds	580,625	580,625	-	-
International funds	274,721	274,721	-	-
Total mutual funds	$ 4,802,525	$ 4,802,525	$ -	$ -

	Total	Fair Value Measurements at September 30, 2016, Using Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 2,867,178	$ 2,867,178	$ -	$ -
U.S. Treasury securities and government-sponsored enterprises	10,896,267	10,896,267	-	-
Exchange traded funds	4,839,845	4,839,845	-	-
Mutual funds:				
Value funds	1,444,622	1,444,622	-	-
Balanced funds	1,353,574	1,353,574	-	-
Bond funds	435,408	435,408	-	-
Growth funds	1,214,511	1,214,511	-	-
International funds	381,012	381,012	-	-
Total mutual funds	4,829,127	4,829,127	-	-
Total assets limited as to use measured at fair value	23,432,417	$ 23,432,417	$ -	$ -
Investments measured at net asset value	101,823			
Total assets limited as to use	$ 23,534,240			
Investments to fund deferred compensation				
Mutual funds				
Specialty funds	$ 37,414	$ 37,414	$ -	$ -
Balanced funds	2,836,898	2,836,898	-	-
Small cap	72,384	72,384	-	-
Mid cap	70,275	70,275	-	-
Large cap	201,518	201,518	-	-
Fixed income funds	624,882	624,882	-	-
International funds	202,734	202,734	-	-
Total mutual funds	$ 4,046,105	$ 4,046,105	$ -	$ -

The fair value for Level 2 assets is primarily based on quoted market prices of comparable securities, interest rates, and credit risk. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

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SUPPLEMENTARY INFORMATION

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidating Balance Sheets

September 30, 2017
(with comparative totals for 2016)

ASSETS

	Androscoggin Valley Hospital, Inc.	Northcare.	Androscoggin Valley Hospital Foundation, Inc.	Mountain Health Services, Inc.	Eliminations	**2017 Consolidated**	2016 Consolidated
Current assets							
Cash and cash equivalents	$ 5,527,433	$ -	$ -	$ 70,673	$ -	**$ 5,598,106**	$ 7,989,969
Patient accounts receivable, net	5,179,690	-	-	-	-	**5,179,690**	6,970,261
Other accounts receivable	1,388,646	-	-	-	-	**1,388,646**	1,552,848
Supplies	578,254	-	-	-	-	**578,254**	612,678
Prepaid expenses and other current assets	1,279,130	-	-	-	-	**1,279,130**	491,152
Total current assets	13,953,153	-	-	70,673	-	**14,023,826**	17,616,908
Assets limited as to use, excluding current portion	24,169,401	-	2,686,830	-	-	**26,856,231**	23,534,240
Property and equipment, net	14,132,369	-	-	-	-	**14,132,369**	14,058,268
Other assets							
Due from affiliates	90,864	-	-	-	-	**90,864**	-
Advances to affiliates	559,946	-	-	-	559,946	**-**	-
Deferred compensation investments	4,802,525	-	-	-	-	**4,802,525**	4,046,105
Total other assets	5,453,335	-	-	-	559,946	**4,893,389**	4,046,105
Total assets	$ 57,708,258	$ -	$ 2,686,830	$ 70,673	$ 559,946	**$ 59,905,815**	$ 59,255,521

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES

Consolidating Balance Sheets

September 30, 2017
(with comparative totals for 2016)

LIABILITIES AND NET ASSETS (DEFICIT)

	Androscoggin Valley Hospital, Inc	Northcare	Androscoggin Valley Hospital Foundation, Inc.	Mountain Health Services, Inc.	Eliminations	**2017 Consolidated**	2016 Consolidated
Current liabilities							
Current portion of long-term debt	$ 1,852,277	$ -	$ -	$ -	$ -	**$ 1,852,277**	$ 3,318,217
Accounts payable and accrued expenses	2,554,802	-	-	-	-	**2,554,802**	3,058,121
Accrued salaries and related amounts	2,009,122	-	-	-	-	**2,009,122**	2,093,811
Estimated third-party payor settlements	1,048,315	-	-	-	-	**1,048,315**	1,144,100
Total current liabilities	7,464,516	-	-	-	-	**7,464,516**	9,614,249
Advances from affiliates	-	518,580	41,366	-	559,946	-	-
Estimated third-party payor settlements	13,079,280	-	-	-	-	**13,079,280**	10,614,800
Long-term debt, excluding current portion	11,366,601	-	-	-	-	**11,366,601**	16,510,621
Deferred compensation	4,802,525	-	-	-	-	**4,802,525**	4,046,105
Total liabilities	36,712,922	518,580	41,366	-	559,946	**36,712,922**	40,785,775
Net assets (deficit)							
Unrestricted	20,995,336	(518,580)	2,601,702	70,673	-	**23,149,131**	18,425,984
Permanently restricted	-	-	43,762	-	-	**43,762**	43,762
Total net assets (deficit)	20,995,336	(518,580)	2,645,464	70,673	-	**23,192,893**	18,469,746
Total liabilities and net assets (deficit)	$ 57,708,258	$ -	$ 2,686,830	$ 70,673	$ 559,946	**$ 59,905,815**	$ 59,255,521

ANDROSCOGGIN VALLEY HOSPITAL, INC. AND SUBSIDIARIES **Schedule 2**

Consolidating Statements of Operations

Year Ended September 30, 2017
(with comparative totals for nine months ended September 30, 2016)

	Androscoggin Valley Hospital, Inc.	Northcare	Androscoggin Valley Hospital Foundation, Inc.	Mountain Health Services, Inc.	Eliminations	**2017 Consolidated**	2016 Consolidated
Unrestricted revenues and gains							
Patient service revenue (net of contractual allowances and discounts)	$ 58,217,181	$ -	$ -	$ -	$ -	**$ 58,217,181**	$ 44,797,693
Less provision for bad debts	3,618,541	-	-	-	-	**3,618,541**	1,475,530
Net patient service revenue	54,598,640	-	-	-	-	**54,598,640**	43,322,163
Other revenues	3,067,175	-	50,557	7	-	**3,117,739**	2,222,669
Total unrestricted revenues and gains	57,665,815	-	50,557	7	-	**57,716,379**	45,544,832
Expenses							
Salaries, wages, and fringe benefits	28,137,181	-	-	-	-	**28,137,181**	20,824,711
Supplies and other expenses	20,907,309	-	-	-	-	**20,907,309**	15,861,544
Medicaid enhancement tax	1,932,403	-	-	-	-	**1,932,403**	2,051,360
Insurance	514,528	-	-	-	-	**514,528**	492,950
Depreciation and amortization	2,305,872	2,637	-	-	-	**2,308,509**	1,794,604
Interest expense	638,262	-	-	-	-	**638,262**	484,394
Total operating expenses	54,435,555	2,637	-	-	-	**54,438,192**	41,509,563
Operating income (loss)	3,230,260	(2,637)	50,557	7	-	**3,278,187**	4,035,269
Nonoperating gains (losses)							
Investment income (loss)	759,936	-	87,490	-	-	**847,426**	(260,906)
Net periodic pension adjustment	-	-	-	-	-	**-**	(13,486,933)
Contributions and program support, net of expenses	24,163	-	(50,869)	-	-	**(26,706)**	(12,514)
Community benefit grant	(349,898)	-	-	-	-	**(349,898)**	(433,484)
Other non-operating losses	(92,484)	-	-	-	-	**(92,484)**	(190,000)
Nonoperating gains (losses), net	341,717	-	36,621	-	-	**378,338**	(14,383,837)
Excess (deficiency) of revenues and gains over expenses and losses	3,571,977	(2,637)	87,178	7	-	**3,656,525**	(10,348,568)
Net unrealized gains on investments	889,690	-	176,932	-	-	**1,066,622**	465,018
Change in net assets to recognize funded status of pension plan	-	-	-	-	-	**-**	12,380,557
Increase (decrease) in unrestricted net assets (deficit)	$ 4,461,667	$ (2,637)	$ 264,110	$ 7	$ -	**$ 4,723,147**	$ 2,497,007

ANDROSCOGGIN VALLEY HOSPITAL

Balance Sheet

April 2018

ASSETS	2018 Actual April 2018	2018 Actual March 2018	Inc/(Dec) Over Prior Year	Change	Last Year Apr-17
CURRENT ASSETS					
Cash & Cash Equivalents	4,411,419	2,862,853	(928,710)	-32.4%	5,340,129
Patients Accounts Receivable, net	4,886,678	4,853,323	(1,966,806)	-40.5%	6,853,484
Other Accounts Receivable	459,782	424,585	(330,015)	-77.7%	789,797
Other Accounts Receivable - DSH	3,278,919	2,951,027	129,819	4.4%	3,149,100
Supplies	611,326	612,512	797	0.1%	610,529
Prepaid Expenses and other Current Assets	1,285,308	1,438,989	480,132	33.4%	805,176
Third-Party Payor Settlements - Current	650,954	-	(828,902)		1,479,856
Total **Current Assets**	**$15,584,386**	**$13,143,289**	**($3,443,685)**	**-26.2%**	**$19,028,071**
Assets limited as to use	20,099,424	22,530,319	(2,105,436)	-9.3%	22,204,860
Property and equipment, net	13,783,133	13,935,861	(369,004)	-2.6%	14,152,137
Other Assets					
Advances to Affiliates	518,580	518,580	-	0.0%	518,580
Deferred compensation	4,805,116	4,805,116	756,420	15.7%	4,048,696
Third-Party Payor Settlements - Long Term	397,600	397,600	-	0.0%	397,600
Total **Other Assets**	$5,721,296	$5,721,296	$756,420	13.2%	4,964,876
Total **Assets**	**$55,188,239**	**$55,330,765**	**($5,161,705)**	**-9.3%**	**$60,349,944**

LIABILITIES AND NET ASSETS	2018 Actual April 2018	2018 Actual March 2018	Inc/(Dec) Over Prior Year	Change	Last Year Apr-17
CURRENT LIABILITIES					
Current Portion of Long-Term Debt	1,779,429	1,779,429	-	0.0%	1,779,429
Accounts Payable & Accrued Expenses	1,352,043	1,312,231	(895,902)	-68.3%	2,247,945
Accrued Expenses - MET	2,060,125	1,800,000	1,836,675	102.0%	223,450
Accrued Salaries & Related Amounts	2,821,919	2,475,252	625,151	25.3%	2,196,768
Third-Party Payor Settlements - Current	212,894	82,519	(3,343,116)	-4051.3%	3,556,010
Total **Current Liabilities**	**$8,226,410**	**$7,449,431**	**($1,777,192)**	**-23.9%**	**$10,003,602**
Estimated third-party payor settlements	13,086,661	15,609,195	1,475,162	9.5%	11,611,499
Long-Term Debt, Excluding Current Portion	8,601,452	8,674,648	(6,720,042)	-77.5%	15,321,494
Deferred Compensation	4,802,525	4,802,525	753,829	15.7%	4,048,696
Total **Liabilities**	**$34,717,048**	**$36,535,799**	**($6,268,243.00)**	**-17.2%**	**40,985,291**
Unrestricted Net Assets	20,998,281	20,998,281	4,458,844	21.2%	16,539,437
Current Year Income	**(527,090)**	(2,203,315)	**($3,352,306)**		**2,825,216**
Total **Liabilities & Net Assets**	**$55,188,239**	**$55,330,765**	**($5,161,705)**	**-9.3%**	**$60,349,944**

5/21/2018

MP

ANDROSCOGGIN VALLEY HOSPITAL
STATEMENT OF OPERATIONS
APRIL 2018

CURRENT MONTH						YEAR TO DATE				
ACTUAL	BUDGET	VARIANCE	% VAR	PRIOR YR		ACTUAL	BUDGET	VARIANCE	% VAR	PRIOR YR
					GROSS REVENUE					
$6,760,945	$6,524,487	$236,458	3.6%	$6,122,884	Hospital	$45,775,008	$47,854,766	($2,079,758)	-4.3%	$45,072,484
$1,021,442	$1,360,085	($338,643)	-24.9%	$1,001,242	Physicians' practices	$6,747,585	$8,965,708	($2,218,123)	-24.7%	$6,996,850
$7,782,387	$7,884,572	($102,185)	-1.3%	$7,124,126	Total	$52,522,593	$56,820,474	($4,297,881)	-7.6%	$52,069,334
					DEDUCTIONS FROM REVENUE					
$2,250,853	$3,639,414	($1,388,761)	-38.2%	$2,673,847	Contractual Allowances	$21,505,139	$26,334,365	($4,829,226)	-18.3%	$21,231,788
$131,903	$54,480	$77,423	142.1%	$100,940	Free care	$544,211	$395,748	$148,463	37.5%	$582,285
($581,502)	$96,397	($677,899)	-703.2%	$300,553	Provision for bad debt	$902,890	$708,149	$194,741	27.5%	$975,807
1,801,054	3,790,291	($1,989,237)	-52.5%	$3,075,340	Total	$22,952,240	$27,438,262	($4,486,022)	-16.3%	$22,789,890
23%	48%			43%	% of Gross	44%	48%			44%
					NET PATIENT REVENUE					
$5,981,333	$4,094,281	$1,887,052	46.1%	$4,048,787	Hospital services	$29,570,353	$29,382,212	$188,141	0.6%	$28,278,444
$327,892	$361,225	($33,333)	-9.2%	$270,000	Medicaid DSH payment	$2,195,244	$2,528,576	($333,332)	-13.2%	$1,890,000
$6,309,225	$4,455,506	$1,853,719	41.6%	$4,318,787	Total	$31,765,597	$31,910,788	($145,191)	-0.5%	$31,169,444
					OTHER REVENUE					
$138,572	$165,888	($27,316)	-16.5%	$187,712	Other operating revenue	$1,117,008	$1,161,217	($44,209)	-3.8%	$1,144,733
$6,447,797	$4,621,394	$1,826,403	39.5%	$4,506,499	*TOTAL OPERATING REVENUE*	$32,882,605	33,072,005	($189,400)	-0.6%	$32,314,177
					EXPENSES					
$2,147,113	$1,941,610	$205,503	10.6%	$1,826,001	Salaries & wages	$13,776,007	$13,755,661	$20,346	0.1%	$13,284,032
$574,041	$429,594	$144,347	33.6%	$526,580	Employee benefits	$4,008,891	$3,077,035	$931,856	30.3%	$3,210,762
$283,877	$447,050	($163,173)	-36.5%	$531,290	Contracted wage & fees	$2,832,487	$3,127,850	($295,363)	-9.4%	$3,316,713
$343,613	$415,882	($72,270)	-17.4%	$325,466	Purchased services	$2,610,528	$3,057,054	($446,526)	-14.6%	$2,289,182
$536,175	$583,470	($47,295)	-8.1%	$523,181	Supplies	$3,726,338	$4,084,340	($358,002)	-8.8%	$3,789,147
$276,848	$312,514	($35,669)	-11.4%	$264,594	Other expense	$1,964,962	$2,159,806	($174,844)	-8.1%	$1,638,777
$56,038	$62,938	($6,900)	-11.0%	$62,413	Utilities	$422,349	$440,566	($18,217)	-4.1%	$409,320
$34,318	$47,083	($12,767)	-27.1%	$10,048	Insurance	$337,589	$329,593	$7,996	2.4%	$302,697
$186,708	$209,461	($22,753)	-10.9%	$136,747	Depreciation & amortization	$1,455,548	$1,466,229	($10,681)	-0.7%	$1,358,802
$30,852	$38,333	($7,481)	-19.5%	$54,485	Interest	$252,844	$268,333	($15,689)	-5.8%	$403,313
$260,125	$200,000	$60,125	30.1%	$266,088	Medicaid Enhancement Tax	$1,492,860	$1,400,000	$92,860	6.6%	$1,578,588
$4,729,704	$4,688,045	$41,659	0.9%	$4,526,893	Total	$32,890,183	$33,166,457	($276,274)	-0.8%	$31,781,433
$1,718,093	($66,651)	$1,784,744	103.9%	-$20,394	*OPERATING MARGIN*	($7,578)	($94,452)	$86,874	-92.0%	$532,744
					NON-OPERATING GAINS (LOSSES)					
$10,585	-	$10,585		$159,029	Unrealized gains (losses)	($976,435)	$0	($976,435)		$894,096
($52,434)	($20,363)	($32,071)	-157.5%	$217,413	Other Non Operating Items	$456,923	($142,540)	$599,463	420.6%	$1,398,375
($41,889)	($20,363)	($21,506)	105.6%	$376,442	Total	($519,512)	($142,540)	($376,972)	264.5%	$2,292,471
$1,676,224	($87,014)	$1,763,238	-2026.4%	$358,048	*TOTAL MARGIN*	($527,090)	($236,992)	($290,098)	122.4%	$2,825,215

NCH north country healthcare

Androscoggin Valley Hospital

Date: June 7, 2018

NH Department of Corrections
Contracts Administrator
P.O. Box 1806
Concord, NH 03301

Re: Non-Disclosure of Right to Know Information

To Whom It May Concern:

RFP 18-08-GFMED permits the submission of a Non-Disclosure Right to Know Information Letter by the bidder identifying information in its bid that is exempt from disclosure pursuant to NHRSA 91-A-5 or is otherwise protected under New Hampshire State law. Androscoggin Valley Hospital herein submits its letter and identifies those items in its bid that would be exempt from disclosure. Our Credentialing Review Committee's process of analyzing and reviewing National Practitioner Data Bank (NPDB) reports as well as any additional information obtained for providers who are seeing employment with the company.

Exhibit A. including all pricing information is confidential as defined in NHRSA 91-A-5 (IV) and not subject to disclosure.

Sincerely,

Michael D. Peterson, FACHE
President