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Lori A. Shibinette
Commissioner

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF THE COMMISSIONER

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9200 1-800-852-3345 Ext. 9200
Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

May 12, 2020

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

INFORMATIONAL ITEM

Pursuant to RSA 4:45, RSA 4:47, and Section 4 of Executive Order 2020-04 as extended by Executive Orders 2020-05 and 2020-08, Governor Sununu has authorized the Department of Health and Human Services, Division of Public Health Services, to enter into **Retroactive, Sole Source** contracts with the vendors listed below, in the amount of $1,400,000 to provide telemedicine services for uninsured residents of New Hampshire who are experiencing COVID-19 related signs or symptoms and to have one vendor provide the coordination of testing for long-term health care workers, with the option to extend in accordance with the terms included in these agreements, from the dates below through June 30, 2020 and July 31, 2020 for Convenient MD. 100% General Funds.

Vendor Name	Vendor Code	Area Served	Contract Amount	Retroactive Date
Amoskeag Health	157274-B001	Manchester and Greater Manchester Area	$100,000	April 10, 2020
Coos County Family Health Services	155327-B001	Coos County	$100,000	April 10, 2020
Convenient MD, LLC. And Convenient MD Holdings, LLC	TBD	Bedford, Belmont, Concord, Dover, Exeter, Stratham, Keene, Littleton, Merrimack, Nashua, Portsmouth, and Windham/Greater Salem.	$1,000,000	March 25, 2020 for telemedicine services and April 15, 2020 for long-term health care worker testing
Greater Seacoast Community Health	154703-B001	Seacoast	$100,000	April 13, 2020
Lamprey Health Care	177677-R001	Rockingham County	$100,000	April 10, 2020
		Total:	$1,400,000	

Funds are available in the following account for State Fiscal Year 2020, with the authority to adjust budget line items within the price limitation through the Budget Office, if needed and justified.

05-95-95-950010-56760000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: COMMISSIONER'S OFFICE, OFFICE OF THE COMMISSIONER, OFFICE OF BUSINESS OPERATIONS

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2020	103-502664	Contracts for Oper Svc	95010999	$1,400,000
			Total	$1,400,000

EXPLANATION

This item is **Retroactive** and **Sole Source** to allow the Department to quickly provide telemedicine services to uninsured residents and testing for long-term healthcare workers to effectively respond to the COVID 19 Pandemic.

The purpose of this contract is to provide uninsured residents of New Hampshire medical services to treat the signs and symptoms of COVID-19, during the State of Emergency. Uninsured individuals typically seek non-emergent care at hospitals, due to hospitals requirement to provide care to uninsured patients. The Department anticipates this spring the COVID-19 pandemic will cause a surge of individuals to seek medical attention at hospitals. In preparation the Department needs to provide an alternative to uninsured residents who are experiencing signs or symptoms of COVID-19. In addition, Convenient MD is going to create mobile collection sites near each long-term facility within the area served to collect COVID-19 samples from health care workers. This will help ensure critical health care workers have access to testing daily to protect high-risk populations from potential infection.

The exact number of uninsured residents of the State of New Hampshire served from March 24, 2020 to June 30, 2020 will depend on the trajectory of the COVID-19 pandemic. An estimated 6,646 samples will be collected from health care workers at the mobile sites.

The vendors will be providing telemedicine visits to individuals who are uninsured and reside in New Hampshire to treat the signs or symptoms of COVID-19. If the vendor's healthcare provider orders a COVID-19 test, vendors will coordinate the specimen collection, processing, coordination with a reference laboratory for testing and communication with the uninsured individuals concerning the test results and recommendations for further treatment based on the test results. Furthermore, Convenient MD will be setting up and operating mobile collection sites near all long term care facilities within their area served eleven (11) hours per day/ seven (7) days a week. The vendor will provide two (2) teams, with six (6) members each to collect samples from long-term care health care workers. The vendor will complete the testing at an estimated rate of 4.25 collections per hour per clinical team member on site, for a capacity of 200 collections per team per day. At the end of each day of testing, the vendor will coordinate testing with a laboratory. This action will be completed within seventeen (17) days from the first on-site service.

As referenced in the attached Agreement, the parties have the option to extend in accordance with the terms of this Agreement contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval.

Area served: Statewide

Source of Funds: 100% General Funds

Respectfully submitted,

Lori A. Shibinette
Commissioner

AGREEMENT BETWEEN

THE STATE OF NEW HAMPSHIRE
DEAPRTMENT OF HEALTH AND HUMAN SERVICES,
DIVISION OF PUBLIC HEALTH

AND

Amoskeag Health

This Agreement dated this 8th day of April 2020 is entered into by and between the State of New Hampshire, Department of Health and Human Services, Division of Public Health ("DPH"), and Amoskeag Health having their principal office at 145 Hollis Street, Manchester, NH (hereafter, collectively, "Amoskeag Health").

WHEREAS, consistent with the Governor's Executive Order 2020-04, DPH is working to respond to the growing outbreak of COVID-19;

WHEREAS, approximately 81,000 residents of New Hampshire are uninsured, many of whom may need medical services to treat the signs and symptoms of COVID-19;

WHEREAS, uninsured individuals typically seek non-emergent care at hospitals, due to the hospitals' capacity and ability to provide uncompensated care to the residents of NH,

WHEREAS, in preparation for the hospital surge expected as a result of the COVID-19 outbreak, DPH must manage the availability of hospital services available to all residents of NH,

WHEREAS, Amoskeag Health is the owner and operator of a Federally Qualified Health Center (FQHC), Planned Parenthood Clinic, or FQHC Look-a-Like;

WHEREAS, Amoskeag Health has the capacity to offer non-emergent services to uninsured individuals at a discounted rate paid for by the Department of Health and Human Services; and

WHEREAS, by providing for the uninsured individuals to receive non-emergent care at these FQHCs, DPH is better able to keep hospital services available for those needing emergency care for the treatment of COVID-19;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree:

1. Services to be provided:

A. Amoskeag Health shall provide telemedicine visits to individuals who are uninsured and reside in New Hampshire to triage, screen, and treat the signs or symptoms of COVID-19 during the State of Emergency in New Hampshire declared pursuant to Executive Order 2020-04.

Telemedicine visits provided by Amoskeag Health for individuals for issues unrelated to COVID-19 shall not be included within the services to be rendered under the Agreement.

C. Amoskeag Health shall commence the services on upon signing by both parties.

2. Payment for Services:

A. For each telemedicine visit provided under this Agreement, DPH shall pay Amoskeag Health $99.00.

B. DPH reserves the right to offset from any amounts otherwise payable to Amoskeag Health 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.

C. Amoskeag Health shall submit an invoice to DHHS by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. Amoskeag Health shall ensure the invoice is completed, dated and returned to DHHS in order to initiate payment. The invoice shall include: name of patient seen and the date of service.

D. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to Mary.Calise@dhhs.nh.gov, or invoices may be mailed to:

Mary Calise
Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

F. The State shall make payment to Amoskeag Health within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.

3. Price Limitation:

A. The total to be paid or reimbursed under this Agreement from DPH to Amoskeag Health shall not exceed $100,000.00. If the volume of uninsured individuals receiving care and/or testing under this Agreement is high, DPH and Amoskeag Health may increase this limit upon mutual agreement by the parties with appropriate approvals as required pursuant to the laws of the State of New Hampshire for government contracting.

B. Notwithstanding any provision of this Agreement to the contrary, all obligations of DPH hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the scope of service.

4. Effective Date and Duration: The Term of this Agreement shall commence upon the signing by both parties and shall terminate on June 30, 2020, unless sooner terminated or extended in accordance with the terms of this Agreement.

5. Indemnification: Unless otherwise exempted by law, Amoskeag Health shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omissions of Amoskeag Health, or subcontractors, including but not limited to negligent, reckless or intentional conduct. The State shall not be liable for any costs incurred by Amoskeag Health arising under this paragraph. 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 shall survive the termination of this Agreement.

6. Confidentiality: Any and all confidential information obtained or received by Amoskeag Health shall be kept confidential and shall not be disclosed to anyone for any reason. "Confidential Information" means all information owned, managed, created, or received from the Individuals, DPH, any other agency of the State, or any medical provider, that is protected by Federal or State information security, privacy or confidentiality laws or rules. Confidential Information includes, but is not limited to, Derivative Data, protected health information (PHI), personally identifiable information (PII), federal tax information (FTI), Social Security Administration information (SSA) and criminal justice information services (CJIS) and any other sensitive confidential information provided under the Agreement. This covenant shall survive the termination of the Agreement.

7. Assignment: Amoskeag Health shall not assign any interest in this Agreement without prior written notice, which shall be provided to DPH at least fifteen (15) days prior to the assignment, and a written consent of DPH. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

8. Modification: No modification of this Agreement shall be binding upon the other Party unless made in writing and agreed upon by both Parties to this Agreement. Either Party may terminate this Agreement for any reason or for no reason upon thirty (30) days written notice to the other Party.

9. Severability: In the event that any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected and shall remain in full force and affect.

10. Jurisdiction: This Agreement shall be governed by, interpreted and enforced under the laws of the State of New Hampshire without making reference to its conflicts of laws or choice of laws provisions. The Parties consent to a state court located in the state of New Hampshire as having the sole jurisdiction of any and all controversies that may arise under this Agreement.

11. Entire Agreement: This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

DULY signed and authorized by:

Lori Shibinette	
State of New Hampshire, Department of Health and Human Services, Division of Public Health	Kris McCracken, President/CEO) Amoskeag Health
4/10/2020	04/08/2020
Date	Date

The preceding Agreement, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

04/17/2020
Date

Takhmina Rakhmatova
Name:
Title:

I hereby certify that the foregoing Agreement was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

_____
Date

_____
Name:
Title:

(2)

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 AMOSKEAG HEALTH is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 07, 1992. 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; and the attached is a true copy of the list of documents on file in this office.

Business ID: 175115
Certificate Number: 0004694687

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 6th day of January A.D. 2020.

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, David Crespo, Secretary of the Board of Directors of Amoskeag Health, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Amoskeag Health.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 3, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Kris McCracken, President/CEO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Amoskeag Health to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 4/14/2020

Signature of Elected Officer
Name: David Crespo
Title: Secretary of the Board of Directors

MANCCOM-01 PCANTLIN

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 1/22/2020

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 License # AGR8160
Clark Insurance
One Sundial Ave Suite 302N
Manchester, NH 03103

CONTACT NAME:
PHONE (A/C, No, Ext): (603) 622-2855 FAX (A/C, No): (603) 622-2854
E-MAIL ADDRESS: info@clarkinsurance.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Selective Insurance Company of the Southeast	39926
INSURER B : Citizens Ins Co of America	31534
INSURER C : AIX Specialty Insurance Co	12833
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Amoskeag Health
145 Hollis Street
Manchester, NH 03101

COVERAGES CERTIFICATE NUMBER: 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						EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE [X] OCCUR			S 2291045	11/1/2019	11/1/2020	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 300,000
							MED EXP (Any one person)	$ 10,000
							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							$
A	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	ANY AUTO			S 2291045	11/1/2019	11/1/2020	BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY X SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			S 2291045	11/1/2019	11/1/2020	EACH OCCURRENCE	$ 4,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$ 4,000,000
	DED RETENTION $							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N			WBVH092216	11/1/2019	11/1/2020	X PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) N/A						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
C	FTCA Gap Liability			L1VA515491	7/1/2019	7/1/2020	Each Incident	1,000,000
C	FTCA Gap Liability			L1VA515491	7/1/2019	7/1/2020	Aggregate	3,000,000

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

CERTIFICATE HOLDER

State of New Hampshire
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

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

AMOSKEAG HEALTH

MISSION

To improve the health and well-being of our patients and the communities we serve by providing exceptional care and services that are accessible to all.

VISION

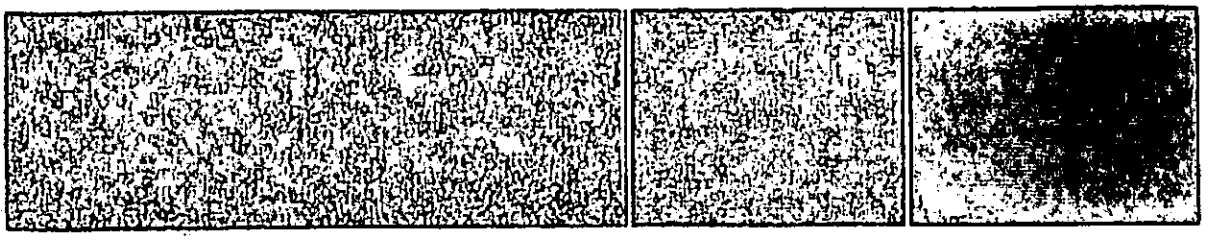
We envision a healthy and vibrant community with strong families and tight social fabric that ensures everyone has the tools they need to thrive and succeed.

CORE VALUES

We believe in:

- Promoting wellness and empowering patients through education
- Removing barriers so that our patients achieve and maintain their best possible health
- Providing exceptional, evidence-based and patient-centered care
- Fostering an environment of respect, integrity and caring where all people are treated equally with dignity and courtesy

BerryDunn

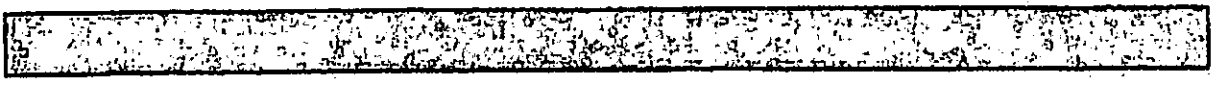


AMOSKEAG HEALTH

FINANCIAL STATEMENTS

June 30, 2019 and 2018

With Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Manchester Community Health Center
d/b/a Amoskeag Health

We have audited the accompanying financial statements of Manchester Community Health Center d/b/a Amoskeag Health, which comprise the balance sheets as of June 30, 2019 and 2018, and the related statements of operations, functional expenses, changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Manchester Community Health Center d/b/a Amoskeag Health as of June 30, 2019 and 2018, and the results of its operations, changes in its net assets and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2019 Manchester Community Health Center d/b/a Amoskeag Health adopted new accounting guidance, Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
November 8, 2019

MANCHESTER COMMUNITY HEALTH CENTER
D/B/A AMOSKEAG HEALTH

Balance Sheets

June 30, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 1,368,835	$ 1,045,492
Patient accounts receivable, net	1,890,683	1,784,891
Grants and other receivables	1,063,463	523,673
Other current assets	174,461	185,012
Total current assets	4,497,442	3,539,068
Property and equipment, net	4,397,203	4,650,347
Total assets	$ 8,894,645	$ 8,189,415

LIABILITIES AND NET ASSETS

Current liabilities		
Line of credit	$ 450,000	$ 1,185,000
Accounts payable and accrued expenses	576,623	583,461
Accrued payroll and related expenses	1,210,890	1,116,406
Current maturities of long-term debt	46,368	53,722
Total current liabilities	2,283,881	2,938,589
Long-term debt, less current maturities	1,594,959	1,153,279
Total liabilities	3,878,840	4,091,868
Net assets		
Without donor restrictions	4,409,285	3,392,211
With donor restrictions	606,520	705,336
Total net assets	5,015,805	4,097,547
Total liabilities and net assets	$ 8,894,645	$ 8,189,415

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

MANCHESTER COMMUNITY HEALTH CENTER
D/B/A AMOSKEAG HEALTH

Statements of Operations

Years Ended June 30, 2019 and 2018

	2019	2018
Operating revenue		
Patient service revenue	$10,543,526	$ 9,898,890
Provision for bad debts	(380,456)	(749,930)
Net patient service revenue	10,163,070	9,148,960
Grants, contracts and support	8,260,664	7,304,866
Other operating revenue	546,428	180,701
Net assets released from restriction for operations	1,066,720	1,027,841
Total operating revenue	20,036,882	17,662,368
Operating expenses		
Salaries and wages	11,994,846	11,109,774
Employee benefits	2,270,095	2,206,269
Program supplies	525,199	501,734
Contracted services	2,175,172	2,381,708
Occupancy	716,607	671,108
Other	841,861	760,400
Depreciation and amortization	428,159	402,532
Interest	100,845	91,771
Total operating expenses	19,052,784	18,125,296
Excess (deficiency) of revenue over expenses	984,098	(462,928)
Net assets released from restriction for capital acquisition	32,976	764,059
Increase in net assets without donor restrictions	$ 1,017,074	$ 301,131

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

MANCHESTER COMMUNITY HEALTH CENTER
D/B/A AMOSKEAG HEALTH

Statements of Functional Expenses

Years Ended June 30, 2019 and 2018

	2019											
	Healthcare Services								Administrative and Support Services			
	Non-clinical Support Services	Enabling Services	Behavioral Health	Pharmacy	Medical	Special Medical Programs	Community Services	Total Healthcare Services	Facility	Marketing and Fundraising	Administration	Total
Salaries and wages	$ 1,697,621	$ 510,217	$ 1,752,659	$ 34,993	$ 5,377,237	$ 845,292	$ 115,735	$10,333,754	$ 120,979	$ 144,863	$ 1,395,250	$11,994,846
Employee benefits	323,075	97,869	330,299	6,406	932,471	164,397	20,419	1,874,936	22,428	27,986	344,745	2,270,095
Program supplies	1,047	5,896	39,987	254,261	217,078	5,211	1,030	524,510	412	120	157	525,199
Contracted services	76,373	251,088	202,352	336,857	445,115	395,557	220,523	1,927,865	21,225	21,502	204,580	2,175,172
Occupancy	121,143	16,549	105,959	4,260	687,382	116,132	-	1,051,425	(516,379)	17,186	164,375	716,607
Other	58,708	6,528	109,127	482	137,613	31,160	25,718	369,336	56,513	36,580	379,432	841,861
Depreciation and amortization	-	-	3,530	-	45,077	474	-	49,081	255,603	-	123,475	428,159
Interest	-	-	-	-	-	-	-	-	39,219	-	61,626	100,845
Total	$ 2,277,967	$ 888,147	$ 2,543,913	$ 637,259	$ 7,841,973	$ 1,558,223	$ 383,425	$16,130,907	$ -	$ 248,237	$ 2,673,640	$19,052,784

	2018											
	Healthcare Services								Administrative and Support Services			
	Non-clinical Support Services	Enabling Services	Behavioral Health	Pharmacy	Medical	Special Medical Programs	Community Services	Total Healthcare Services	Facility	Marketing and Fundraising	Administration	Total
Salaries and wages	$ 1,550,575	$ 511,036	$ 1,360,597	$ 66,637	$ 5,125,736	$ 834,055	$ 206,923	$ 9,655,559	$ 45,163	$ 134,754	$ 1,274,298	$11,109,774
Employee benefits	363,556	121,183	322,169	15,812	678,442	170,542	48,042	1,719,746	8,984	30,312	447,227	2,206,269
Program supplies	75	19,582	15,791	229,960	227,957	5,422	2,406	501,143	118	-	473	501,734
Contracted services	110,040	192,406	209,630	313,746	419,183	363,843	388,039	1,996,887	19,492	49,221	316,108	2,381,708
Occupancy	107,090	14,643	93,948	3,770	597,530	102,757	-	919,738	(408,934)	15,207	145,097	671,108
Other	35,997	6,526	33,188	383	126,640	34,815	47,644	287,193	57,639	27,650	387,918	760,400
Depreciation and amortization	-	-	-	-	26,580	127	-	26,707	242,096	-	133,729	402,532
Interest	-	-	-	-	-	-	-	-	35,442	-	56,329	91,771
Total	$ 2,167,283	$ 867,376	$ 2,035,323	$ 630,308	$ 7,202,068	$ 1,511,561	$ 693,054	$15,106,973	$ -	$ 257,144	$ 2,761,179	$18,125,296

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

MANCHESTER COMMUNITY HEALTH CENTER
D/B/A AMOSKEAG HEALTH

Statements of Changes In Net Assets

Years Ended June 30, 2019 and 2018

	2019	2018
Net assets without donor restrictions		
Excess (deficiency) of revenue over expenses	$ 984,098	$ (462,928)
Net assets released from restriction for capital acquisition	32,976	764,059
Increase in net assets without donor restrictions	1,017,074	301,131
Net assets with donor restrictions		
Contributions	1,000,880	1,585,719
Net assets released from restriction for operations	(1,066,720)	(1,027,841)
Net assets released from restriction for capital acquisition	(32,976)	(764,059)
Decrease in net assets with donor restrictions	(98,816)	(206,181)
Change in net assets	918,258	94,950
Net assets, beginning of year	4,097,547	4,002,597
Net assets, end of year	$ 5,015,805	$ 4,097,547

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

MANCHESTER COMMUNITY HEALTH CENTER
D/B/A AMOSKEAG HEALTH

Statements of Cash Flows

Years Ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Change in net assets	$ 918,258	$ 94,950
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Provision for bad debts	380,456	749,930
Depreciation and amortization	428,159	402,532
Equity in earnings from limited liability company	-	(2,291)
Contributions and grants for long-term purposes	-	(475,001)
(Increase) decrease in the following assets		
Patient accounts receivable	(486,248)	(533,881)
Grants and other receivables	(539,790)	476,961
Prepaid expenses	10,551	(30,721)
Increase (decrease) in the following liabilities		
Accounts payable and accrued expenses	(6,838)	(152,163)
Accrued payroll and related expenses	94,484	57,126
Net cash provided by operating activities	799,032	587,442
Cash flows from investing activities		
Capital expenditures	(174,314)	(1,012,051)
Net cash used by investing activities	(174,314)	(1,012,051)
Cash flows from financing activities		
Contributions and grants for long-term purposes	-	475,001
Proceeds from line of credit	-	450,000
Payments on line of credit	(235,000)	(75,000)
Payments on long-term debt	(66,375)	(51,790)
Net cash (used) provided by financing activities	(301,375)	798,211
Net increase in cash and cash equivalents	323,343	373,602
Cash and cash equivalents, beginning of year	1,045,492	671,890
Cash and cash equivalents, end of year	$ 1,368,835	$ 1,045,492
Supplemental disclosures of cash flow information		
Cash paid for interest	$ 100,845	$ 91,771
Non-cash transactions		
Line of credit refinanced as long-term debt	$ 500,000	$ -

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

1. Summary of Significant Accounting Policies

Organization

Manchester Community Health Center d/b/a Amoskeag Health (the Organization) is a not-for-profit corporation organized in New Hampshire. The Organization is a Federally Qualified Health Center (FQHC) providing high-quality, comprehensive family oriented primary healthcare services which meet the needs of a diverse community, regardless of age, ethnicity or income.

Recently Adopted Accounting Pronouncement

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the ASU, net asset reporting is streamlined and clarified. The existing three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance simplified the reporting of deficiencies in endowment funds and clarified the accounting for the lapsing of restrictions on gifts to acquire property, plant and equipment. New disclosures which highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements have been added. The ASU also imposes several new requirements related to reporting expenses. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to 2018; however, there was no impact to total net assets, results of operations or cash flows.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which requires the Organization to report information in the financial statements according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of operations and changes in net assets as net assets released from restriction. Donor-restricted contributions whose restrictions are met in the same year as received are reflected as contributions without donor restrictions in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP generally 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Organization is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and petty cash funds.

The Organization has cash deposits in major financial institutions which exceed federal depository insurance limits. The Organization has not experienced losses in such accounts and management believes the credit risk related to these deposits is minimal.

Grants and Other Receivables

Grants and other receivables are stated at the amount management expects to collect from outstanding balances. All such amounts are considered collectible, including distributions from the Eva M. Montembeault Revocable Trust in the amount of $450,000 at June 30, 2019.

The Organization receives a significant amount of grants from the U.S. Department of Health and Human Services (DHHS). As with all government funding, these grants are subject to reduction or termination in future years. For the years ended June 30, 2019 and 2018, grants from DHHS (including both direct awards and awards passed through other organizations) represented approximately 61% and 76%, respectively, of grants, contracts and support revenue.

Investment in Limited Liability Company

The Organization is one of eight partners who each made a capital contribution of $500 to Primary Health Care Partners (PHCP). The purposes of PHCP are: (i) to engage and contract directly with the payers of health care to influence the design and testing of emerging payment methodologies; (ii) to achieve the three part aim of better care for individuals, better health for populations and lower growth in expenditures in connection with both governmental and non-governmental payment systems; (iii) to undertake joint activities to offer access to high quality, cost effective medical, mental health, oral health, home care and other community-based services, based upon the medical home model of primary care delivery, that promote health and well-being by developing and implementing effective clinical and administrative systems in a manner that is aligned with the FQHC model; and to lead collaborative efforts to manage costs and improve the quality of primary care services delivered by health centers operated throughout the state of New Hampshire; and (iv) to engage in any and all lawful activities, including without limitation the negotiation of contracts, agreements and/or arrangements (with payers and other parties). The Organization's investment in PHCP is reported using the equity method and the investment amounted to $22,589 at June 30, 2019 and 2018 and is included in other current assets on the accompanying balance sheets.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method.

Gifts of long-lived assets such as land, buildings or equipment are reported as net assets without donor restrictions, and excluded from the excess (deficiency) of revenue over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Patient Service Revenue

Patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

340B Drug Pricing Program

The Organization, as an FQHC, is eligible to participate in the 340B Drug Pricing Program. The program requires drug manufacturers to provide outpatient drugs to FQHCs and other identified entities at a reduced price. The Organization contracts with local pharmacies under this program. The local pharmacies dispense drugs to eligible patients of the Organization and bill Medicare, Medicaid managed care companies and commercial insurances on behalf of the Organization. Reimbursement received by the pharmacies is remitted to the Organization, less dispensing and administrative fees. Gross revenue generated from the program is included in patient service revenue. The cost of drug replenishments and fees related to the program are included in program supplies and contracted services, respectively, in the accompanying statements of operations and functional expenses.

Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, interest, and office and occupancy costs, which are allocated on a square-footage basis, as well as the shared systems technology fees for the Organization's medical records and billing system, which is allocated based on the percentage of patients.

Excess (Deficiency) of Revenue Over Expenses

The statements of operations reflect the excess (deficiency) of revenue over expenses. Changes in net assets without donor restrictions which are excluded from the excess (deficiency) of revenue over expenses include contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

Subsequent Events

For purposes of the preparation of these financial statements, management has considered transactions or events occurring through November 8, 2019, the date that the financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the financial statements.

2. Availability and Liquidity of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize the investment of its available funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities and general administration, as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Organization had working capital of $2,213,561 and $600,479 at June 30, 2019 and 2018, respectively. The Organization had average days cash and cash equivalents on hand (based on normal expenditures) of 27 and 22 at June 30, 2019 and 2018, respectively.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses and scheduled principal payments on debt, were as follows:

	2019	2018
Cash and cash equivalents	$ 1,368,835	$ 1,045,492
Accounts receivable, net	1,890,683	1,784,891
Grants and other receivables	1,063,463	523,673
Financial assets available	4,322,981	3,354,056
Less net assets with donor restrictions	606,520	606,520
Financial assets available for current use	$ 3,716,461	$ 2,747,536

The Organization's goal is generally to have, at the minimum, the Health Resources and Services Administration (HRSA) recommended days cash on hand for operations of 30 days.

The Organization has a $1,000,000 line of credit, as discussed in more detail in Note 5. As of June 30, 2019, $550,000 remained available on the line of credit.

3. Accounts Receivable

Patient accounts receivable consisted of the following:

	2019	2018
Patient accounts receivable	$ 3,115,302	$ 2,906,188
Contract 340B pharmacy program receivables	106,443	97,783
Total patient accounts receivable	3,221,745	3,003,971
Allowance for doubtful accounts	(1,331,062)	(1,219,080)
Patient accounts receivable, net	$ 1,890,683	$ 1,784,891

The Organization grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Primary payers representing 10% or more of the Organization's gross patient accounts receivable are as follows:

	2019	2018
Medicare	13 %	13 %
Medicaid	26 %	23 %

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of patient accounts receivable, the Organization analyzes its past history and identifies trends for each individual payer. In addition, balances in excess of one year are 100% reserved. Management regularly reviews data about revenue in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts.

A reconciliation of the allowance for uncollectible accounts follows:

	2019	2018
Balance, beginning of year	$ 1,219,080	$ 1,702,394
Provision for bad debts	380,456	749,930
Write-offs	(268,474)	(1,233,244)
Balance, end of year	$ 1,331,062	$ 1,219,080

The increase in the allowance is due to an increase in balances over 240 days old.

4. Property and Equipment

Property and equipment consists of the following:

	2019	2018
Land	$ 81,000	$ 81,000
Building and leasehold improvements	5,125,647	5,109,921
Furniture and equipment	2,120,471	1,961,844
Total cost	7,327,118	7,152,765
Less accumulated depreciation	2,929,915	2,502,418
Property and equipment, net	$ 4,397,203	$ 4,650,347

The Organization made renovations to certain buildings with Federal grant funding. In accordance with the grant agreements, a Notice of Federal Interest (NFI) is required to be filed in the appropriate official records of the jurisdiction in which the property is located. The NFI is designed to notify any prospective buyer or creditor that the Federal Government has a financial interest in the real property acquired under the aforementioned grant; that the property may not be used for any purpose inconsistent with that authorized by the grant program statute and applicable regulations; that the property may not be mortgaged or otherwise used as collateral without the written permission of the Associate Administrator of the Office of Federal Assistance Management (OFAM), HRSA; and that the property may not be sold or transferred to another party without the written permission of the Associate Administrator of OFAM, HRSA.

5. Line of Credit

The Organization had a $1,500,000 line of credit demand note with a local banking institution through April 15, 2019 at which time the credit line was reduced to $1,000,000. The line of credit is collateralized by all assets. The interest rate is LIBOR plus 3.5% (5.91% at June 30, 2019). There was an outstanding balance on the line of credit of $450,000 and $1,185,000 at June 30, 2019 and 2018, respectively.

6. Long-Term Debt

Long-term debt consists of the following:

	2019	2018
Note payable, with a local bank (see terms below)	$ 1,634,694	$ 1,194,313
Note payable, New Hampshire Health and Education Facilities Authority (NHHEFA), payable in monthly installments of $513, including interest at 1.00%, due July 2020, collateralized by all business assets	6,633	12,688
Total long-term debt	1,641,327	1,207,001
Less current maturities	46,368	53,722
Long-term debt, less current maturities	$ 1,594,959	$ 1,153,279

The Organization had a promissory note with Citizens Bank, N. A. (Citizens), collateralized by real estate, with a balloon payment due December 1, 2018 and which was refinanced in April 2019 for $1,670,000 with NHHEFA participating in the lending for $450,000 of the note payable. Monthly payments of $8,595, including interest fixed at 3.76%, are based on a 25 year amortization schedule and are to be paid through April 2026, at which time a balloon payment will be due for the remaining balance, collateralized by real estate.

Scheduled principal repayments of long-term debt for the next five years and thereafter follows:

2020	$ 46,368
2021	42,505
2022	43,616
2023	45,308
2024	46,912
Thereafter	1,416,618
Total	$ 1,641,327

The Organization is required to meet an annual minimum working capital and debt service coverage debt covenants as defined in the loan agreement with Citizens. In the event of default, Citizens has the option to terminate the agreement and immediately request payment of the outstanding debt without notice of any kind to the Organization. The Organization is in compliance with all loan covenants at June 30, 2019.

7. Net Assets With Donor Restrictions

Net assets with donor restrictions for specific purposes consisted of cash and cash equivalents and grants and other receivables due within a year and were restricted for the following purposes:

	2019	2018
Purpose restricted:		
Healthcare services	$ 344,323	$ 365,301
Child health services	140,226	162,045
Capital improvements	20,613	76,632
Perpetual in nature:		
Available to borrow for working capital as needed	101,358	101,358
Total	$ 606,520	$ 705,336

8. Patient Service Revenue

Patient service revenue follows:

	2019	2018
Gross charges	$18,103,265	$17,126,053
Contract 340B pharmacy revenue	1,553,866	1,343,871
Total gross revenue	19,657,131	18,469,924
Contractual adjustments	(7,174,190)	(6,929,944)
Sliding fee scale discounts	(1,939,415)	(1,641,090)
Total patient service revenue	$10,543,526	$ 9,898,890

Revenue from Medicaid accounted for approximately 53% and 51% of the Organization's gross patient service revenue for the years ended June 30, 2019 and 2018, respectively. No other individual payer represented more than 10% of the Organization's gross patient service revenue.

Laws and regulations governing the Medicare, Medicaid and 340B programs are complex and subject to interpretation. The Organization believes that it is in compliance with all laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare, Medicaid and 340B. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known.

A summary of the payment arrangements with major third-party payers follows:

Medicare

The Organization is reimbursed for the medical care of qualified patients on a prospective basis, with retroactive settlements related to vaccine costs only. The prospective payment is based on a geographically-adjusted rate determined by Federal guidelines. Overall, reimbursement is subject to a maximum allowable rate per visit. The Organization's Medicare cost reports have been audited by the Medicare administrative contractor through June 30, 2018.

Medicaid and Other Payers

The Organization also has entered into payment agreements with Medicaid and certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Organization under these agreements includes prospectively-determined rates per visit and contractually obligated payment rates which may be less than the Organization's public fee schedule.

Charity Care

The Organization provides care to patients who meet certain criteria under its sliding fee discount policy without charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue. The Organization estimates the costs associated with providing charity care by calculating the ratio of total cost to total charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care. The estimated cost of providing services to patients under the Organization sliding fee discount policy amounted to $2,217,386 and $1,882,644 for the years ended June 30, 2019 and 2018, respectively. The Organization is able to provide these services with a component of funds received through local community support and federal and state grants.

9. Retirement Plan

The Organization has a defined contribution plan under Internal Revenue Code Section 403(b) that covers substantially all employees. The Organization contributed $309,981 and $338,779 for the years ended June 30, 2019 and 2018, respectively.

10. Medical Malpractice Insurance

The Organization is protected from medical malpractice risk as an FQHC under the Federal Tort Claims Act (FTCA). The Organization has additional medical malpractice insurance, on a claims-made basis, for coverage outside the scope of the protection of the FTCA. As of the year ended June 30, 2019, there were no known malpractice claims outstanding which, in the opinion of management, will be settled for amounts in excess of both FTCA and additional medical malpractice insurance coverage, nor are there any unasserted claims or incidents which require loss accrual. The Organization intends to renew the additional medical malpractice insurance coverage on a claims-made basis and anticipates that such coverage will be available.

11. Lease Commitments

The Organization leases office space and certain other office equipment under noncancelable operating leases. Future minimum lease payments under these leases are:

2020	$ 172,099
2021	139,989
2022	110,803
2023	78,057
2024	59,565
Total	$ 560,513

Rent expenses amounted to $199,895 and $241,375 for the years ended June 30, 2019 and 2018, respectively.

AMOSKEAG HEALTH BOARD OF DIRECTORS AS OF 03/02/2020

Catherine Marsellos	Paralegal	Consumer
Mohammad "Saleem" Yusuf	Professor of IT/Software Development	Consumer
David Crespo	Field Consultant	Consumer
Angelia Chen-Shadeed	Caregiver	Consumer
Dennis "Danny" Carlsen	Landlord	Consumer
Maria Mariano	Retired	Consumer
Phillip Adams	Carpenter	Consumer
David Hildenbrand	COO	Consumer
Kathleen Davidson	Atty	Non-Consumer
Richard Elwell	Consultant	Non-Consumer
Dawn McKinney	Policy Director	Non-Consumer
Thomas Lavole	Insurance Broker	Non-Consumer
Christian Scott	Director of Talent Acquisition	Non-Consumer
Madhab Gurung	Direct Support Professional	Consumer
Debra (Debbie) Manning	Health Care Consultant Software	Consumer

Kristen McCracken, MBA

Objective

To work for an organization with a clear vision, philanthropic community involvement, well-respected leadership, a strong strategic plan, and a corporate culture that is motivating and inclusive.

Education

Undergraduate Degree: 1991 Mt. Holyoke College, Major: Psychology, Minor: Latin American Studies

Graduate Degree: 2000 Rivier College, MBA Health Care Administration

Qualifications

Areas of Experience:

- Community Health
- Primary Care
- Behavioral Health
- Electronic Medical Records
- Substance Abuse, HIV/AIDS
- Domestic Violence
- Rape Crisis
- Culturally Diverse Populations
- Federally Funded Programs
- Joint Commission Accreditation
- Fundraising
- Board of Directors

Skill Sets:

- Operations Management
- Strategic Planning
- Budget Development
- Grant Writing/Report Management
- Group Facilitation
- Regulatory Compliance
- Staff Supervision
- Project Management
- Quality Improvement/Data Mgmt.
- Community Collaboration
- Facilities Oversight
- Program Development

Professional Experience

2013-Present: **President and CEO**- Manchester Community Health Center

- Oversee all service programs provided by MCHC to ensure that client needs are met and quality standards are maintained and monitored in an efficient, cost effective manner by: supervising program personnel; annually assessing relevance of current programs to community needs; achieving and maintaining appropriate accreditation and/or licenses for programs.
- Ensure that MCHC services are consistent with its mission, vision, and strategic plan to ensure that programming is relevant to existing and emerging client and community needs.
- With the Board Strategic Planning Committee, develop and assist with the planning, execution and evaluation of a fund raising program. Establish and maintain a rapport with corporate sponsors, major contributors, directors, volunteers, civic organizations, and other parties in which the Center does business.
- Recommend a staffing pattern to ensure efficient management and operation of all programs and activities.
- Serve as the primary staff resource for MCHC Board of Directors to ensure effective use of and communication with trustees.
- Ensure that MCHC activities are operated in a cost-effective, efficient manner to ensure ongoing financial stability
- Call and preside at regular meetings with staff to ensure adequate communication between staff, to give the opportunity to share ideas and concerns, to coordinate efforts, and to ensure appropriate standardization of policies and procedures.

- Recommend and communicate necessary policies and procedures to ensure adherence to management, program service, fiscal and accounting standards, and standards of good personnel procedures.
- Develop, coordinate, and maintain effective relationships between MCHC and other groups (such as State legislature, public and private health, welfare and service agencies, media, etc.,) to create public and professional understanding and support of the organization's objectives and activities.

2000-Present: **Director of Operations**- Manchester Community Health Center, Manchester, NH. In collaboration with other Senior Management staff, the DOO assumes responsibility for the day-to-day management of operations of the health center:

- Responsible for multiple departments, including Ancillary Staff, Nursing, Medical Assistants, Medical Records, Volunteers, Interpreters, and Business Office Staff.
- Collaborate with other senior management team members in overseeing health center operations, policy and program development, staff supervision, and overall program management of the organization.
- Maintaining continuity and quality of care for clients, including oversight of Patient Satisfaction programs, and co-responsibility for implementation of Quality Improvement Initiatives. Responsible for Patient Centered Medical Home and Meaningful Use activities.
- Primary responsibility for data analysis related to quality of care initiatives
- Key role in the development of center-wide goals and representing the Health Center in various community settings.
- Project Manager for the EMR (Electronic Medical Record)called Centricity (EMR & PM) including initial setup and implementation, ongoing support and development
- Participate in Board of Directors meetings, and several board and staff committees, including Safety, Personnel, Ethics, Strategic Planning, QI, Corporate Compliance, Medical Advisory Committee
- Direct staff and management team supervision, grant writing, project management, regulatory compliance, community collaborations, cultural competency, budget development, and other operational activities.
- Facilitation of employee satisfaction survey development, administration and response
- Oversight and development of ancillary services including interpretation, transportation, nutrition, dental collaboration grants and behavioral health.
- Special initiatives including Medical Home certification, Meaningful Use planning, Joint Commission accreditation, and similar ventures

1997-2000: **Family Services Manager**- Manchester Community Health Center, Manchester, NH. Responsible for the management of the behavioral health services, care management, nutrition, interpretation, and coordination of ancillary services programming.

1996-1997: **Crisis Outreach Counselor**- Manchester Community Health Center, Manchester, NH. Provided crisis intervention to patients identified by provider staff as high risk. Complete psycho-social intakes on new patients. Performed outreach services to patients who have fallen out of care. Coordinated care with medical team and behavioral health staff.

1995-1996: **Clinician I**- Habit Management Institute, Lawrence, MA.

- Substance Abuse individual counseling
- Methadone treatment planning
- Substance abuse education
- Facilitation of support groups
- Admission/discharge planning, and community networking.

1993-1995: **Case Manager/Volunteer Coordinator, Fundraising Coordinator**- River Valley AIDS Project, Springfield, MA.

- Volunteer Program Coordinator responsibilities included developing and maintaining a volunteer program for the agency, networking, training, design and implementation, volunteer support, and monthly billing/statistics.
- Development Coordinator responsibilities included creating a fundraising donor base, initiating the development of new fundraising events, facilitating relationships with corporate sponsors, maintaining quarterly newsletters, and facilitating the following committees: Anthology Committee, Dinner for Friends Committee, Gay Men's Focus Group, Fundraising Committee, and the Children Orphaned by AIDS Committee.
- During first year of employment functioned as a Case Manager, with responsibilities including referrals, trainings, translation, support groups, counseling, advocacy, and monthly billing. Created the first public Resource Library for HIV/AIDS in Western MA, developed a donation program, and developed a Speaker's Bureau program, as well as supervised interns and trained new staff.

1990-1993: **Rape Crisis Counselor, Children's Advocate/Counselor**- YWCA, Springfield, MA.

- Rape Crisis Counselor: responsible for essentially all aspects of programming including statistics for grant reporting, billing records, case records, and individual, couples and family counseling services. Also responsible for legal and medical advocacy, educational trainings, and hotline/on-call responsibilities. Facilitated four support groups for adults, teens, Spanish speaking women, and teenagers who had re-perpetrated their sexual abuse.
- Children's Advocate: responsible for individual counseling, a children's support group, and working with the referral needs of the children in the battered women's shelter. As a member of the Counseling team: answered hotline calls, provided individual counseling, kept case files, ran in-house support groups, and provided traditional case management.

[redacted]

Spanish (Verbal and Written)

[redacted]

- Board of Directors, NH Minority Health Coalition 1999-2002
- Medical Interpretation Advisory Board 2002-2008
- Chair, Data Subcommittee: NH Health & Equity Partnership
- Diversity Task Force, State of NH DHHS 2002-Present
- Healthcare for the Homeless Advisory Board 2004-Present
- Volunteer: B.R.I.N.G. ITI Program
- Business Partnership Committee: Project Search
- Adult Literacy Volunteer: 2009-2010
- Advisory Board: Nursing Diversity Pipeline
- Advisory Committee: HPOP (Health Professionals Opportunities Project)

[redacted]

I enjoy tennis, hiking, reading, gardening, travel and family activities.

[redacted]

1. Claudia Cunningham, RN, MBA (Previous Supervisor at MCHC) 603-942-7025
2. Gavin Muir, MD, Quality Director of MCHC (Colleague) 603-935-5223
3. Greg White, CFO at Lowell Family Health Center (Colleague) 603-673-8873
4. Tina Kenyon, RN, MSW at Dartmouth Family Practice Residency (Colleague in Community) 603-568-3417

J. GAVIN MUIR

EDUCATION

PRINCETON UNIVERSITY, Princeton, NJ
M.S. in Ecology and Evolutionary Biology, 1991
Senior Thesis: "The Mating and Grazing Habits of Feral Horses on Shackleford Banks"

TEMPLE UNIVERSITY SCHOOL OF MEDICINE, Philadelphia, PA
M.D. 1995

SOUTHERN COLORADO FAMILY MEDICINE RESIDENCY,
Pueblo, CO, July 1995- June 1998

EXPERIENCE

MANCHESTER COMMUNITY HEALTH CENTER, Manchester, NH
Family Practice Physician, March 2011- current

Medical Director, September 2000 - March 2011

Family Practice Physician, August 1998 – September 2000

ELLIOT HOSPITAL, Manchester, NH
Medical Director of Peer Review, 2008 - present

ELLIOT HOSPITAL, Manchester, NH
Chair, Department of Medicine, 2006 - 2008

LICENSURE & CERTIFICATION

New Hampshire State Medical License	6/30/2012
DEA Certification	1/31/2012
ABFM Board Certified	12/31/2015

NALS/PALS/ALSO certified
Active Staff, Elliot Hospital, Manchester, NH

MEMBERSHIPS

The American Academy of Family Physicians
American Medical Association
New Hampshire Medical Society

AWARDS

New Hampshire Union Leader *Forty Under 40*. 2006
New Hampshire Academy of Family Physicians' Physician of the Year, 2013

Elizabeth (Betsy) Burtis

PROVEN LEADERSHIP

Results-oriented leader with an established record of building and nurturing strong teams and cross-disciplinary relationships. Creative and innovative thinker adept at managing projects from initiation to completion. Highly skilled in the design and implementation of new systems and processes, and managing change efforts to promote organizational effectiveness and efficiency. Resourceful and persuasive self-starter with unquestioned integrity, enthusiasm, excellent judgment and the conviction to act decisively.

AREAS OF EXCELLENCE

Quality & Performance Improvement . . . Workforce Development . . . Planning & Project Management . . . Customer Service
Collaborative & Strengths-Based Supervision . . . Written & Oral Communication Skills . . . Facilitation, Teaching and Training

PROFESSIONAL EXPERIENCE

AMERICAN RED CROSS, Concord, New Hampshire
Program Manager, Nurse Assistant Training – May 2017 – Current
Direct a team of twenty clinical instructors and administrative staff in the provision of high-quality nurse assistant education throughout the states of New Hampshire and Vermont. Market program and establish collaborations with employers and workforce development groups to meet the critical shortage of nursing assistants in the area.
Key Contributions:

- Secured five new contracts and partnerships with hospitals, long-term care facilities and high schools.
- Initiated organization-wide process improvement team for customer tracking procedures in Salesforce.
- Scored 95% manager effectiveness in employee engagement survey, exceeding organizational benchmark by seven points.
- Executed the successful recertification process with state boards of nursing and departments of education.
- Completed People Management Development Program (leadership development) curriculum.

MANCHESTER COMMUNITY COLLEGE, Manchester, New Hampshire
Adjunct Faculty – March 2016 – Current
Teaching classroom-based, online and hybrid first year seminar course to new students. Developed course content and activities to support first-year student success and retention. Competency in building and maintaining coursework in Blackboard and Canvas online learning software.

ASCENTRIA CARE ALLIANCE, Concord, New Hampshire
Organizational Learning & Development Manager - December 2015 – May 2017
Generated new program for staff and organizational development for a 1300+ employee, multi-state nonprofit human services agency.
Key Contributions:

- Developed first organizational training plan to meet accreditation criteria for Council on Accreditation.
- Collaborated with senior leadership to design the first employee engagement survey and developed action plan for follow up on results.
- Created annual mandatory education process to address safety and compliance training gaps and meet accreditation standards.
- Adopted and implemented an e-learning system for all employees.
- Designed and delivered leadership training sessions.

Program Manager, Health Profession Opportunity Project - 2011 to 2015
Built new federally-funded healthcare workforce development program from the ground up. Led team of ten professionals in identifying, motivating, training and placing low-income, motivated individuals into health careers.
Key Contributions:

- Managed five-year $1.9 million federally funded grant and came in under budget each year.
- Directed employment program producing 88% job placement rate.
- Collaborated with State and Federal entities in administration of the federal grant: NH Office of Health Equity, US Department of Labor, NH Workforce Investment Board.
- Analyzed labor market information and trends to guide students in career choices and fill community healthcare employer needs.
- Identified marketing and recruitment opportunities and performed outreach to potential students and employers.

TRAINING CONSULTANT, Self-Employed, Derry, New Hampshire
Independent Consultant - 2009 to 2011
Partnered with organizations and workplaces to impact positive change.

- New Hampshire Technical Institute, Concord, NH - delivered job search strategies and customer service workshops.
- New Hampshire Humanities Council, Concord, NH – facilitated ongoing community conversations about New Hampshire and immigration utilizing the Civic Reflections model of literature based civic dialogues.
- Tufts Medical Center Residency Program, Boston, MA – led cultural effectiveness workshops for new resident orientation.
- Caritas Norwood Hospital, Norwood, MA – consulted with Quality Management to design programming aimed at improving interdisciplinary teamwork and communication.

SOUTHERN NEW HAMPSHIRE HEALTH SYSTEM, Nashua, New Hampshire
Manager, Training and Development, 2002-2009
Designed and delivered comprehensive training and development programs across a 2000+ employee health system. Served as instructional designer, consultant, coach, and facilitator to senior leadership, departments, teams, and committees on topics such as leadership impact, conflict resolution, alignment with strategic organizational goals, effective communication and process improvement. Guided the organizational Cultural Effectiveness, Domestic Violence and Service Recovery Teams.
Key Contributions:

- Increased employee participation at in-house training programs by 30% annually.
- Improved training results and accountability by implementing post-training action plan and follow-up process.
- Implemented and managed annual safety education program resulting in 100% employee participation, exceeding the Joint Commission's requirements for compliance.
- Devised and delivered Process Improvement Studio Course, a hands-on series in which employees applied tools and techniques such as flowcharting, data collection and analysis, lean processes, and root cause analyses to processes in their own departments.
- Created and managed annual Quality Fair to celebrate and inspire broader interest in process improvement. Entries required to show results impacting organizational core values. Approximately 20 entries and 400 visitors each year.

Associate Director, Foundation Medical Partners, 2001-2002
Managed four family practice sites, analyzed and supervised operations of Institute for Health and Wellness (an integrated holistic health center), developed leadership development programs, recruited physicians, and served as project manager for electronic medical record selection process.

Practice Manager, Foundation Medical Partners, 2000-2001
Managed operations for three behavioral health practices. Selected, hired, and led 25 clinical and administrative staff. Developed and administered budgets. Planned and executed merger of two practices, which reduced overhead expenses and allowed the operation to provide a wider range of clinical services.

CENTER FOR LIFE MANAGEMENT, Derry, New Hampshire
Director, Adult Outpatient Program, 1997-2000
Promoted to this position to oversee operations for community behavioral health center serving adults and children. Selected, hired, and led a team of 15 clinical and administrative staff in three sites.

Site Administrator, 1995-1997 & Office Manager, 1994-1995
Directed administrative functions and managed facilities for two outpatient clinics; managed seven administrative staff. Enhanced patient co-pay collections, initiated patient intake and insurance verification process.

EARLY CAREER; CURRY COLLEGE
Higher education administrator managing student-housing program in progressive roles. Supervised professional and student staff, led judicial affairs program, taught first year seminar. Handpicked by senior leadership to head a student retention project.

EDUCATION

LINKAGE INCORPORATED, DEPAUL UNIVERSITY | *Certificate in Organizational Development*
THE UNIVERSITY OF VERMONT | *Master of Education, Higher Education Administration*
BOSTON UNIVERSITY | *Bachelor of Arts, History*

SELECTED TRAINING & CERTIFICATIONS

CORPORATION FOR POSITIVE CHANGE | *Foundations of Appreciative Inquiry (4 days)*
INTERACTION INSTITUTE FOR SOCIAL CHANGE | *The Masterful Trainer (2 days), Essential Facilitation (3 days), Facilitative Leadership (2 days)*
AHA! PROCESS, INC. | *Bridges Out of Poverty (2 days)*

David P. Wagner, MURP, MHCM, CMPE

Operations and Compliance Executive

Over 10 years guiding successful financial and operational compliance in healthcare facilities

Proven and repeated success guiding finance, compliance and reporting operations for healthcare organizations with emphasis on Federally Qualified Health Centers (FQHCs). Expert at financial management, guiding billing and reimbursement strategies to optimize revenue. Extensive knowledge of healthcare regulatory requirements, including detailed knowledge of the HRSA 330 program, guiding policy and program implementations to develop facility adherence.

Highlights of Expertise

- Interim CFO / CFO Coaching
- Operational Dashboards
- Compliance Auditing
- Staff Training Programs
- Build / Rebuild Financial Operations
- Budgeting / Budget Administration
- Regulatory Reporting
- Process Improvement
- Risk Identification / Avoidance
- Data Management / Analysis

Career Experience

FQHC Consultants, Inc., Miami, Florida

Consult with recipients of HRSA 330 programs to ensure grant compliance and provide technical assistance optimizing program success.

DIRECTOR / FISCAL, COMPLIANCE, AND OPERATIONAL CONSULTANT (1986 to Present)

Assist Federally Qualified Health Centers (FQHCs) and Rural Health Centers (RHCs) maintain quality, financial, and governance compliance with HRSA 330 program guidelines. Perform operational site visits to evaluate facility compliance with program terms.

- Acted as Interim CFO / CFO coach for organizations growing into needing a full-time CFO, those who recently lost a CFO and needing a bridge until a permanent placement is hired, and those with controllers growing into the CFO role.
- Helped grantees meet quality measures through performance of Quality Improvement Plan Do Study Act cycles including data review, systems and chart audits, and quality reporting.
- Maintained organizational compliance with regulatory requirements encompassing fraud, waste, and abuse, physician self-referral, anti-kickback, HIPAA, and Medicare and Medical billing compliance.
- Boosted financial performance through analysis and reporting of financial data and design, implementation, and review of systems for financial monitoring including billing, collections, payroll, and accounts payable.
- Built operational dashboards to communicate financial and operational metrics with variance analysis against budgetary and operational goals to ensure easy communication with board, leadership, and staff.
- Collaborated with clients to develop and submit all required reporting, documentation, and applications to adhere with HRSA 330 requirements.

Genuine Health Group, Miami, Florida

Guided strategic direction and policy development to support organizational compliance with healthcare regulatory requirements including those for the Medicare Shared Savings Program (MSSP) ACO while aligning operational activities with organizational goals.

continued...

CHIEF COMPLIANCE OFFICER (2017 to 2019)

Led implementation and design of quality reporting infrastructure and compliance programs including staff training. Assisted Medical Director in providing strategic direction to compliance and quality measures in alignment with organizational goals.

- Promoted quality through continuous provider training on efficient use of quality reporting dashboards for on-going quality management.
- Ensured accurate quality submissions and CMS quality validation study defense while building department from the ground-up.
- Met continued compliance goals through education of staff members including training the data collection team on reporting measures, data collection, and process level quality measures validation and reporting.
- Drew beneficiaries into the system providing growth through strategic partnerships with participants and liaising with provider groups.
- Improved data analysis and quality reporting through implementation of Arcadia Analytics system.

Baroma Health Partners, Miami, Florida

Handled management of all operations through strategic policy and program development to ensure financial success, regulatory compliance, and business growth.

DIRECTOR OF QUALITY AND CHIEF COMPLIANCE OFFICER (2014 to 2016)

Audited operations to ensure efficient operations providing top-level patient care while growing revenue. Managed financial performance developing routine reporting to monitor success and identify areas of improvement.

- Guided successful compliance through design, implementation, and management of strategic program including auditing, training, and reporting on all quality and regulatory requirements according to MSSP program guidelines.
- Crafted programs and strategic dashboards to improve quality and decrease costs throughout the ACO in collaboration with care coordinator.
- Wrote and gained approval for application for Next Generation ACO model with the CMS Innovation Center.
- Implemented Health Endeavors program to promote care management and quality reporting.
- Led top-down compliance through design of training for Board of Directors including development of a dashboard for quality tracking, reporting, and improvement tracking.

Banyan Community Health Center, Miami, Florida

Drove operational efficiency through staff education and implementation of multiple systems overseeing quality, reporting, and compliance.

INTERIM CHIEF OPERATING OFFICER (2012 to 2013)

Developed programs, policies, and procedures to guide operational functions for efficiency and quality while optimizing organizational performance. Managed all implementations and projects to improve operations and provide strategic business growth.

- Guided contracting with Medicare and Medicaid managed care plans including design and implementation of credential tracking system.
- Developed top-level teams through design and implementation of physician training encompassing coding, billing, systems, and overall operations.

continued...

- Maintained regulatory compliance through managing reporting to HRSA including NCC update reports, UDS reports, and FFR.
- Led 330 Grant compliance through writing and editing of policy and procedure manuals and prepared site for first HRSA visit.
- Grew patient census through crafting and implementing community outreach including promotion to the local community and developing health screening protocols for local events.
- Maximized reimbursement through tailoring of the billing system, implementation of a peer review system, and establishment of the Billing and Reimbursement Compliance Program.

Additional Experience

Vice President of Operations (2011 to 2012) • Daughters of Charity Services of New Orleans, New Orleans, Louisiana

Clinic Operations Manager – Ochsner Baptist (2010 to 2011) • Ochsner Health System, New Orleans, Louisiana

Director of Operations, Multispecialty Group Practice (2008 to 2010) • Crescent City Physicians, Inc., New Orleans, Louisiana

Education & Credentials

Executive Master of Healthcare Management

University of New Orleans, New Orleans, Louisiana
Summa cum Laude

Master of Urban and Regional Planning, Real Estate Development and Finance Concentration

University of New Orleans, New Orleans, Louisiana
Summa cum Laude

Bachelor of Business Administration, International Business and Finance

Loyola University, New Orleans, Louisiana

Certifications and Licenses

- LEAN/Six Sigma Green Belt (In Certification for Black Belt Status)
- Certified Medical Practice Executive – American College of Medical Practice Executives

Affiliations

- Medical Group Management Association (MGMA) – Member
- New Orleans MGMA Chapter – Vice President, 2011-2012
- South Florida MGMA – Secretary, 2012-2014
- The Honor Society of Phi Kappa Phi – Member
- Sigma Iota Epsilon, The National Honorary and Professional Management Fraternity – Member
- The International Honor Society, Beta Gamma Sigma – Member
- American College of Healthcare Executives – Former Member
- Professional Association of Health Care Office Management Association – Former Member

Military Service

- U.S. Airforce Reserve – Production Control / Civil Engineering Assistant

AMOSKEAG HEALTH

Key Personnel

PRIMARY CARE SERVICES

SFY20: April 1, 2020 - June 30, 2020 (3 months)

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Kris McCracken	Chief Executive Officer	$49,998.00	0%	$0.00
Gavin Muir, MD	Chief Medical Officer	$72,342.40	0%	$0.00
Janet Langlois	Chief Financial Officer	$37,044.80	0%	$0.00
David Wagner	Chief Operating Officer	$37,502.40	0%	$0.00
Betsy Burtis	Chief Officer for Integrated Health	$28,745.60	0%	$0.00

AMOSKEAG HEALTH

Key Personnel

PRIMARY CARE SERVICES

July 1, 2020 - June 30, 2021 (12 months)

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Kris McCracken	Chief Executive Officer	$199,992.00	0%	$0.00
Gavin Muir, MD	Chief Medical Officer	$289,369.60	0%	$0.00
Janet Langlois	Chief Financial Officer	$148,179.20	0%	$0.00
David Wagner	Chief Operating Officer	$150,009.60	0%	$0.00
Betsy Burtis	Chief Officer for Integrated Health	$114,982.40	0%	$0.00

AGREEMENT BETWEEN

THE STATE OF NEW HAMPSHIRE
DEAPRTMENT OF HEALTH AND HUMAN SERVICES,
DIVISION OF PUBLIC HEALTH

AND

COOS COUNTY FAMILY HEALTH SERVICES

This Agreement dated this 10th day of April 2020 is entered into by and between the State of New Hampshire, Department of Health and Human Services, Division of Public Health ("DPH"), and Coos County Family Health Services having their principal office at 133 Pleasant Street in Berlin, NH (hereafter, collectively, "CCFHS").

WHEREAS, consistent with the Governor's Executive Order 2020-04, DPH is working to respond to the growing outbreak of COVID-19;

WHEREAS, approximately 81,000 residents of New Hampshire are uninsured, many of whom may need medical services to treat the signs and symptoms of COVID-19;

WHEREAS, uninsured individuals typically seek non-emergent care at hospitals, due to the hospitals' capacity and ability to provide uncompensated care to the residents of NH,

WHEREAS, in preparation for the hospital surge expected as a result of the COVID-19 outbreak, DPH must manage the availability of hospital services available to all residents of NH,

WHEREAS, CCFHS is the owner and operator of a Federally Qualified Health Center (FQHC), Planned Parenthood Clinic, or FQHC Look-a-Like;

WHEREAS, CCFHS has the capacity to offer non-emergent services to uninsured individuals at a discounted rate paid for by the Department of Health and Human Services; and

WHEREAS, by providing for the uninsured individuals to receive non-emergent care at these locations, DPH is better able to keep hospital services available for those needing emergency care for the treatment of COVID-19;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree:

1. Services to be provided:

A. CCFHS shall provide telemedicine visits to individuals who are uninsured and reside in New Hampshire to triage, screen, and treat the signs or symptoms of COVID-19 during the State of Emergency in New Hampshire declared pursuant to Executive Order 2020-04.

Telemedicine visits provided by CCFHS for individuals for issues unrelated to COVID-19 shall not be included within the services to be rendered under the Agreement.

B. At the conclusion of a telemedicine visit with a CCFHS healthcare provider in which the provider has ordered a SARS-CoV-2 (virus that causes COVID-19) test, CCFHS shall coordinate the specimen collection, processing, coordination with a reference laboratory for testing, and communication with the uninsured individual concerning the test result and recommendations for further treatment based on the test result.

C. CCFHS shall commence the services upon signature of both parties.

2. Payment for Services:

A. For each telemedicine visit provided under this Agreement, DPH shall pay CCFHS $99.00.

B. DPH reserves the right to offset from any amounts otherwise payable to CCFHS 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.

C. CCFHS shall submit an invoice to DHHS by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. CCFHS shall ensure the invoice is completed, dated and returned to DHHS in order to initiate payment. The invoices shall include: name of patient seen and the date of service.

D. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to Mary.Calise@dhhs.nh.gov, or invoices may be mailed to:

Mary Calise
Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

F. The State shall make payment to CCFHS within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.

3. Price Limitation:

A. The total to be paid or reimbursed under this Agreement from DPH to CCFHS shall not exceed $100,000.00. If the volume of uninsured individuals receiving care and/or testing under this Agreement is high, DPH and CCFHS may increase this limit upon mutual agreement by the parties with appropriate approvals as required pursuant to the laws of the State of New Hampshire for government contracting.

B. Notwithstanding any provision of this Agreement to the contrary, all obligations

of DPH hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the scope of service.

4. Effective Date and Duration: The Term of this Agreement shall commence upon signature from both parties and shall terminate on June 30, 2020, unless sooner terminated or extended in accordance with the terms of this Agreement.

5. Indemnification: Unless otherwise exempted by law, CCFHS shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omissions of CCFHS, or subcontractors, including but not limited to negligent, reckless or intentional conduct. The State shall not be liable for any costs incurred by CCFHS arising under this paragraph. 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 shall survive the termination of this Agreement.

6. Confidentiality: Any and all confidential information obtained or received by CCFHS shall be kept confidential and shall not be disclosed to anyone for any reason. "Confidential Information" means all information owned, managed, created, or received from the Individuals, DPH, any other agency of the State, or any medical provider, that is protected by Federal or State information security, privacy or confidentiality laws or rules. Confidential Information includes, but is not limited to, Derivative Data, protected health information (PHI), personally identifiable information (PII), federal tax information (FTI), Social Security Administration information (SSA) and criminal justice information services (CJIS) and any other sensitive confidential information provided under the Agreement. This covenant shall survive the termination of the Agreement.

7. Assignment: CCFHS shall not assign any interest in this Agreement without prior written notice, which shall be provided to DPH at least fifteen (15) days prior to the assignment, and a written consent of DPH. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

8. Modification: No modification of this Agreement shall be binding upon the other Party unless made in writing and agreed upon by both Parties to this Agreement. Either Party may terminate this Agreement for any reason or for no reason upon thirty (30) days written notice to the other Party.

9. Severability: In the event that any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected and shall remain in full force and affect.

10. Jurisdiction: This Agreement shall be governed by, interpreted and enforced under the laws of the State of New Hampshire without making reference to its conflicts of laws or choice of laws provisions. The Parties consent to a state court located in the state of New Hampshire as having the sole jurisdiction of any and all controversies that may arise under this Agreement.

11. Entire Agreement: This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

DULY signed and authorized by:

Lori Shibinette
State of New Hampshire, Department of Health and Human Services, Division of Public Health

4/10/2020
Date

Kel Gordon
CCFHS

4/10/2020
Date

The preceding Agreement, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

04/17/2020
Date

Takhmina Rakhmatova
Name:
Title:

I hereby certify that the foregoing Agreement was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

_____
Date

_____
Name:
Title:

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 COOS COUNTY FAMILY HEALTH SERVICES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on December 14, 1979. 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: 63204
Certificate Number : 0004488016

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2019.

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, H. Guyford Stever, Jr., Board President hereby certify that:
(Name of duly elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Coos County Family Health Services.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on January 16, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Ken Gordon, CEO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Coos County Family Health Services to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for thirty (30) days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 4/16/2020

H. Guyford Stever

Signature of Elected Officer
Name:
Title:
H. Guyford Stever, Jr.
Board President

Rev. 03/24/20

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 07/15/2019

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 FIA/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Janice Jobin PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 645-4331 E-MAIL ADDRESS: jjobin@crossagency.com
INSURED Coos County Family Health Services, Inc. 133 Pleasant Street Berlin NH 03570-2006	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Philadelphia Indemnity Ins Co — 18058 INSURER B: MEMIC Indemnity Company — 11030 INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: 19-20 All lines 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 [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER [ ] POLICY [X] PRO-JECT [ ] LOC [ ] OTHER			PHPK1839700	07/01/2019	07/01/2020	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 1,000,000 $ 20,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
A	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY			PHPK1839698	07/01/2019	07/01/2020	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) Uninsured motorist BI-	$ 1,000,000 $ $ $ $ 1,000,000
A	[X] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [X] RETENTION $ 10,000			PHUB634941	07/01/2019	07/01/2020	EACH OCCURRENCE AGGREGATE	$ 3,000,000 $ 3,000,000 $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [N] If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		3102802240 (3a) NH	07/01/2019	07/01/2020	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
A	Employee Dishonesty			PHPK1839700	07/01/2019	07/01/2020	Limit	300,000

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

State of NH Department of Health & Human Services is included as additional insured with respects to the CGL as per written contract. Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER

NH Department of Health & Human Services
29 Hazen Drive
Concord NH 03301-6504

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

Michael Gravin

coös county
Family Health

54 Willow Street
Berlin, NH 03570-1800
Ph: 1-603-752-3669
Fax: 1-603-752-3027

133 Pleasant Street
Berlin, NH 03570-2006
Ph: 1-603-752-2040
Fax: 1-603-752-7797

2 Broadway Street
Gorham, NH 03581-1597
Ph: 1-603-466-2741
Fax: 1-603-466-2953

59 Page Hill Road
Berlin, NH 03570-3568
Ph: 1-603-752-2900
Fax: 1-603-752-3727

MISSION OF
COÖS COUNTY FAMILY HEALTH SERVICES

Improving the health and wellbeing of our community through the provision of health and social services of the highest quality.

VISION OF
COÖS COUNTY FAMILY HEALTH SERVICES

Creating a healthier future through education, prevention and access to care.

VALUES OF
COÖS COUNTY FAMILY HEALTH SERVICES

Respect	We treat everyone in our community - patients, their families and our colleagues with dignity and respect regardless of their income, social status, race, religion or other factors.
Integrity	Adhere to the highest standards of professionalism, ethics and personal responsibility.
Compassion	Provide the best care, treating patients and family members with sensitivity and empathy.
Healing	Inspire hope and nurture the well-being of the whole person, respecting their physical, emotional and spiritual needs.
Teamwork	Value the contributions of all, blending the skills of individual staff members and community members for the benefit of all.
Innovation	Infuse and energize the organization, enhancing the lives of those we serve through the creative ideas and unique talents of each employee.
Excellence	Deliver the best outcomes and highest quality service through the dedicated efforts of every team member.
Stewardship	Sustain and reinvest in our mission by wisely managing our human, natural and material resources.

(Mission Statement)
Board Approved 1/16/2020

BerryDunn

coos county
Family Health

FINANCIAL STATEMENTS

and

REPORTS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS AND UNIFORM GUIDANCE

June 30, 2019 and 2018

With Independent Auditor's Report

BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Coos County Family Health Services, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of Coos County Family Health Services, Inc. (the Organization), which comprise the balance sheets as of June 30, 2019 and 2018, and the related statements of operations, functional expenses, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2019 and 2018, and the results of its operations, changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2019 the Organization adopted new accounting guidance, Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*. Our opinion is not modified with respect to this matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2019 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
September 19, 2019

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Balance Sheets

June 30, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 3,287,120	$ 1,973,813
Patient accounts receivable, net	1,621,203	1,664,499
Grants receivable	490,405	272,269
Other current assets	128,437	125,577
Total current assets	5,527,165	4,036,158
Investments	775,824	750,000
Assets limited as to use	592,197	612,624
Beneficial interest in funds held by others	25,695	26,180
Property and equipment, net	2,372,916	2,273,388
Total assets	$ 9,293,797	$ 7,698,350

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued expenses	$ 261,712	$ 308,377
Accrued payroll and related expenses	841,827	738,762
Deferred revenue	106,500	31,500
Total current liabilities	1,210,039	1,078,639
Total liabilities	1,210,039	1,078,639
Net assets		
Without donor restrictions	7,979,651	6,496,643
With donor restrictions	104,107	123,068
Total net assets	8,083,758	6,619,711
Total liabilities and net assets	$ 9,293,797	$ 7,698,350

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

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Statements of Operations

Years Ended June 30, 2019 and 2018

	2019	2018
Operating revenue		
Patient service revenue	$11,651,530	$10,167,944
Provision for bad debts	(331,129)	(187,040)
Net patient service revenue	11,320,401	9,980,904
Grants, contracts, and contributions	3,477,052	3,315,147
Other operating revenue	142,683	145,677
Net assets released from restriction for operations	18,651	60,470
Total operating revenue	14,958,787	13,502,198
Operating expenses		
Salaries and benefits	9,759,994	9,259,273
Other operating expenses	3,658,426	3,366,669
Depreciation	263,186	249,132
Total operating expenses	13,681,606	12,875,074
Net income	1,277,181	627,124
Other revenue and gains		
Investment income	24,704	3,586
Change in fair value of investments	7,890	-
Total other revenue and gains	32,594	3,586
Excess of revenue over expenses	1,309,775	630,710
Net assets released from restriction for capital acquisition	173,233	108,079
Increase in net assets without donor restrictions	$ 1,483,008	$ 738,789

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

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Statements of Functional Expenses

Years Ended June 30, 2019 and 2018

	2019		
	Healthcare Services	Administration and Support Services	Total
Salaries and wages	$ 6,583,139	$ 937,986	$ 7,521,125
Employee benefits	1,944,872	293,997	2,238,869
Contract services	424,356	74,354	498,710
Program supplies	488,057	-	488,057
340B program expenses	1,174,469	-	1,174,469
Occupancy	350,904	49,946	400,850
Other operating expenses	959,626	136,714	1,096,340
Depreciation	230,393	32,793	263,186
Total operating expenses	$ 12,155,816	$ 1,525,790	$ 13,681,606

	2018		
	Healthcare Services	Administration and Support Services	Total
Salaries and wages	$ 6,163,190	$ 866,910	$ 7,030,100
Employee benefits	1,925,774	303,399	2,229,173
Contract services	518,240	66,442	584,682
Program supplies	412,982	-	412,982
340B program expenses	969,888	-	969,888
Occupancy	347,682	48,898	396,580
Other operating expenses	903,383	99,154	1,002,537
Depreciation	218,414	30,718	249,132
Total operating expenses	$ 11,459,553	$ 1,415,521	$ 12,875,074

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

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Statements of Changes in Net Assets

Years Ended June 30, 2019 and 2018

	2019	2018
Net assets without donor restrictions		
Excess of revenue over expenses	$ 1,309,775	$ 630,710
Net assets released from restriction for capital acquisition	173,233	108,079
Increase in net assets without donor restrictions	1,483,008	738,789
Net assets with donor restrictions		
Grants, contracts, and contributions	174,308	132,236
Net assets released from restriction for operations	(18,651)	(60,470)
Net assets released from restriction for capital acquisition	(173,233)	(108,079)
Change in fair value of beneficial interest in funds held by others	(1,385)	1,828
Decrease in net assets with donor restrictions	(18,961)	(34,485)
Change in net assets	1,464,047	704,304
Net assets, beginning of year	6,619,711	5,915,407
Net assets, end of year	$ 8,083,758	$ 6,619,711

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

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Statements of Cash Flows

Years Ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Change in net assets	$ 1,464,047	$ 704,304
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Provision for bad debts	331,129	187,040
Depreciation	263,186	249,132
Change in fair value of investments	(7,890)	-
Contributions for long-term purposes	(174,308)	(108,999)
Change in fair value of beneficial interest in funds held by others	1,385	(1,828)
(Increase) decrease in the following assets		
Patient accounts receivable	(287,833)	(309,249)
Grants receivable	(218,136)	(46,258)
Other current assets	(2,860)	17,339
Increase (decrease) in the following liabilities		
Accounts payable and accrued expenses	(46,665)	31,666
Accrued payroll and related expenses	103,065	(89,995)
Deferred revenue	75,000	31,500
Net cash provided by operating activities	1,500,120	664,652
Cash flows from investing activities		
Purchase of investments	(17,934)	(750,000)
Capital acquisitions	(362,714)	(157,090)
Decrease in assets limited as to use	20,427	45,791
Transfer of endowment assets to perpetual trust held by others	(900)	(5,000)
Net cash used by investing activities	(361,121)	(866,299)
Cash flows from financing activities		
Payments on long-term debt	-	(301,477)
Contributions for long-term purposes	174,308	108,999
Net cash provided (used) by financing activities	174,308	(192,478)
Net increase (decrease) in cash and cash equivalents	1,313,307	(394,125)
Cash and cash equivalents, beginning of year	1,973,813	2,367,938
Cash and cash equivalents, end of year	$ 3,287,120	$ 1,973,813

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

1. Summary of Significant Accounting Policies

Organization

Coos County Family Health Services, Inc. (the Organization) is a not-for-profit corporation organized in New Hampshire. The Organization is a Federally Qualified Health Center (FQHC) which provides outpatient health care, dental and disease prevention services to residents of Coos County, New Hampshire, through direct services, referral and advocacy.

Recently Adopted Accounting Pronouncement

In August 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*, which makes targeted changes to the not-for-profit financial reporting model. The ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the ASU, net asset reporting is streamlined and clarified. The existing three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance simplified the reporting of deficiencies in endowment funds and clarified the accounting for the lapsing of restrictions on gifts to acquire property, plant, and equipment. New disclosures which highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements have been added. The ASU also imposes several new requirements related to reporting expenses. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to 2018; however, there was no impact to total net assets, results of operations or cash flows.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which requires the Organization to report information in the financial statements according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received and the conditions are met. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of operations as "net assets released from restriction."

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is a public charity under Section 501(c)(3) of the Internal Revenue Code. As a public charity, the Organization is exempt from state and federal income taxes on income earned in accordance with its tax exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

The Organization has cash deposits in major financial institutions which exceed federal depository insurance limits. The Organization has not experienced losses in such accounts and management believes the credit risk related to these deposits is minimal.

Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. All such amounts are considered collectible.

The Organization receives a significant amount of grants from the U.S. Department of Health and Human Services (DHHS). As with all government funding, these grants are subject to change in future years. For the years ended June 30, 2019 and 2018, grants from DHHS (including both direct awards and awards passed through other organizations) represented approximately 69% and 66%, respectively, of grants, contracts and contributions.

Investments

The Organization reports investments at fair value. Investments include assets held for long-term purposes. Accordingly, investments have been classified as non-current assets on the accompanying balance sheets regardless of maturity or liquidity. The Organization has established policies governing long-term investments.

The Organization has elected the fair value option for valuing its investments, which consolidates all investment performance activity within the other revenue and gains section of the statements of operations. The election was made because the Organization believes reporting the activity as a single amount provides a clearer measure of the investment performance.

Investment income and the change in fair value are included in the excess of revenue over expenses, unless otherwise stipulated by the donor or State Law. Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. 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 financial statements.

Assets Limited as to Use

Assets limited as to use include cash and cash equivalents designated by the Board of Directors for future working capital needs and donor-restricted grants and contributions.

Beneficial Interest in Funds Held by Others

The Organization is a beneficiary of an agency endowment fund at The New Hampshire Charitable Foundation (the Foundation). Pursuant to the terms of the resolution establishing the fund, property contributed to the Foundation is held as a separate fund designated for the benefit of the Organization. In accordance with its spending policy, the Foundation makes distributions from the fund to the Organization. The distributions are approximately 4% of the market value of the fund per year. The Organization's interest in the fund is recognized as net assets with donor restrictions.

Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation. Provision for depreciation is computed using the straight-line method over the useful lives of the related assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as net assets without donor restrictions, and excluded from the excess of revenue over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Patient Service Revenue

Patient service revenue is reported at the estimated net realizable amounts from patients, third party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

340B Drug Pricing Program

The Organization, as an FQHC, is eligible to participate in the 340B Drug Pricing Program. The program requires drug manufacturers to provide outpatient drugs to FQHC's and other identified entities at a reduced price. The Organization contracts with local pharmacies under this program. The local pharmacies dispense drugs to eligible patients of the Organization and bill Medicare and commercial insurances on behalf of the Organization. Reimbursement received by the pharmacies is remitted to the Organization, less dispensing and administrative fees. Gross revenue generated from the program is included in patient service revenue. The cost of drug replenishments and contracted expenses incurred related to the program are included in other operating expenses.

Functional Expenses

The Organization provides various services to residents within its geographic location. As the Organization is a service organization, expenses are allocated between healthcare services and administrative support based on the percentage of direct care wages to total wages, with the exception of program supplies and contract 340B program expenses which are 100% healthcare in nature and contract services which are allocated based on the nature of the service being provided.

Donated Goods and Services

The Organization acts as a conduit for pharmaceutical company patient assistance programs. The Organization provides assistance to patients in applying for and distributing prescription drugs under the programs. The value of the prescription drugs distributed by the Organization to patients is not reflected in the accompanying financial statements. The Organization estimates that the value of prescription drugs distributed by the Organization for the years ended June 30, 2019 and 2018 was $2,284,175 and $2,183,864, respectively.

Various programs' help and support for the daily operations of the Organization's Response Program were provided by the general public of the surrounding communities. The donated services have not been reflected in the accompanying financial statements because they do not meet the criteria for recognition (specialized skills that would be purchased if not donated). Management estimates the fair value of donated services received but not recognized as revenues was $140,256 and $132,525 for the years ended June 30, 2019 and 2018, respectively. The Response Program also receives donated supplies to be used for program activities. The fair value of supplies recognized as revenues was $5,345 and $10,165 for the years ended June 30, 2019 and 2018, respectively.

Excess of Revenue Over Expenses

The statements of operations reflect the excess of revenue over expenses. Changes in net assets without donor restrictions which are excluded from the excess of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using grants and contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

Subsequent Events

For purposes of the preparation of these financial statements, management has considered transactions or events occurring through September 19, 2019, the date that the financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the financial statements.

2. Availability and Liquidity of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize the investment of its available funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities and general administration, as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Organization had working capital of $4,317,126 and $2,957,519 at June 30, 2019 and 2018, respectively. The Organization had average days (based on normal expenditures) cash on hand (including investments and assets limited as to use for working capital) of 125 and 94 at June 30, 2019 and 2018, respectively.

Financial assets and liquid resources available within one year for general expenditure, such as operating expenses, were as follows as of June 30:

	2019	2018
Cash and cash equivalents	$ 3,287,120	$ 1,973,813
Patient accounts receivable, net	1,621,203	1,664,499
Grants receivable	490,405	272,269
Investments	775,824	750,000
Assets limited as to use for working capital	519,079	515,736
Financial assets available to meet general expenditures within one year	$ 6,693,631	$ 5,176,317

The Organization's goal is generally to have, at the minimum, the Health Resources and Services Administration recommended days cash on hand for operations of 30 days and 90 days cash in reserve.

The Organization has an available $500,000 line of credit as described in Note 6.

3. Patient Accounts Receivable

Patient accounts receivable consisted of the following as of June 30:

	2019	2018
Medical and dental patient accounts receivable	$ 1,132,537	$ 1,111,015
Contract 340B pharmacy program receivables	726,666	761,484
Total patient accounts receivable	1,859,203	1,872,499
Allowance for doubtful accounts	(238,000)	(208,000)
Patient accounts receivable, net	$ 1,621,203	$ 1,664,499

The Organization grants credit without collateral to its patients, most of whom are local residents and are insured under third party payer agreements. Primary payers representing 10% or more of the Organization's gross patient accounts receivable are as follows:

	2019	2018
Medicare	27 %	35 %
Medicaid	19 %	17 %
Blue Cross	13 %	15 %

Primary payers representing 10% or more of the Organization's gross contract 340B pharmacy program receivables are as follows:

	2019	2018
Walmart Stores, Inc.	84 %	75 %
Walgreens Co.	14 %	16 %

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of patient accounts receivable, the Organization analyzes its past history and identifies trends for each funding source. Management regularly reviews data about revenue in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts.

A reconciliation of the allowance for uncollectible accounts at June 30 is as follows:

	2019	2018
Balance, beginning of year	$ 208,000	$ 281,000
Provision	331,129	187,040
Write-offs	(301,129)	(260,040)
Balance, end of year	$ 238,000	$ 208,000

4. Investments

FASB Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants and 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 fair value hierarchy within FASB ASC Topic 820 distinguishes three levels of inputs that may be utilized when measuring 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 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.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value measured on a recurring basis:

	Investments at Fair Value as of June 30, 2019			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 61,788	$ -	$ -	$ 61,788
Corporate bonds	-	381,444	-	381,444
Government securities	-	332,592	-	332,592
Total investments	$ 61,788	$ 714,036	$ -	$ 775,824

	Investments at Fair Value as of June 30, 2018			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 49,520	$ -	$ -	$ 49,520
Corporate bonds	-	400,990	-	400,990
Government securities	-	299,490	-	299,490
Total investments	$ 49,520	$ 700,480	$ -	$ 750,000

Corporate bonds and government securities are valued based on quoted market prices of similar assets.

5. Property and Equipment

Property and equipment consists of the following:

	2019	2018
Land and improvements	$ 153,257	$ 153,257
Building and improvements	3,257,829	3,233,370
Furniture, fixtures, and equipment	2,400,427	2,129,449
Total cost	5,811,513	5,516,076
Less accumulated depreciation	3,438,597	3,242,688
Property and equipment, net	$ 2,372,916	$ 2,273,388

In 2010, the Organization made renovations to certain buildings with Federal grant funding under the ARRA – Capital Improvement Program. In 2014, the Organization also made renovations to certain buildings with Federal grant funding under the ACA – Capital Development Program. In accordance with the grant agreements, a Notice of Federal Interest (NFI) is required to be filed in the appropriate official records of the jurisdiction in which the property is located. The NFI is designed to notify any prospective buyer or creditor that the Federal Government has a financial interest in the real property acquired under the aforementioned grant; that the property may not be used for any purpose inconsistent with that authorized by the grant program statute and applicable regulations; that the property may not be mortgaged or otherwise used as collateral without the written permission of the Associate Administrator of the Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA); and that the property may not be sold or transferred to another party without the written permission of the Associate Administrator of OFAM, HRSA.

6. Line of Credit

The Organization has a $500,000 line of credit with a local bank, which automatically renews annually in December. The line of credit is collateralized by the Organization's business assets with interest at the prime rate plus 1.50% (7.00% at June 30, 2019). There was no outstanding balance at June 30, 2019 and 2018.

7. Net Assets

Net assets were as follows as of June 30:

	2019	2018
Net assets without donor restrictions		
Undesignated	$ 7,460,572	$ 5,980,907
Designated for working capital	519,079	515,736
Total	$ 7,979,651	$ 6,496,643
Net assets with donor restrictions for specific purpose		
Healthcare services - temporary in nature	76,229	94,880
Endowment - permanent in nature	27,878	28,188
Total	$ 104,107	$ 123,068

8. Patient Service Revenue

Patient service revenue is as follows:

	2019	2018
Gross charges	$ 10,339,495	$ 9,310,013
Contract 340B pharmacy program revenue	3,400,987	2,552,170
Total gross revenue	13,740,482	11,862,183
Contractual adjustments	(1,667,537)	(1,383,837)
Sliding fee scale discounts	(421,415)	(310,402)
Total patient service revenue	$ 11,651,530	$ 10,167,944

Primary payers representing 10% or more of the Organization's gross patient service revenue are as follows:

	2019	2018
Medicare	28 %	33 %
Medicaid	26 %	24 %
Blue Cross	17 %	18 %
Harvard Pilgrim	8 %	12 %

The Organization has agreements with the Centers for Medicare and Medicaid Services. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Organization believes that it is in compliance with all laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known.

The Organization is a non-principal participant in the National Rural ACO 13 LLC (the ACO). The mission of the ACO is better health for populations, better care for individuals, and lower growth in health care expenditures. As a participant in the ACO, the Organization intends to work with the ACO, and other ACO participants and providers, to manage and coordinate care for Medicare fee-for-service beneficiaries, and to be accountable for the quality, cost and overall care of its patients. Pursuant to its operating agreement, the ACO will distribute shared savings it receives from Medicare in a predetermined ratio to the Organization, as applicable.

A summary of the payment arrangements with major third party payers follows:

Medicare

The Organization is reimbursed for the care of qualified patients on a prospective basis, with retroactive settlements related to vaccine costs only. The prospective payment is based on a geographically-adjusted rate determined by Federal guidelines. Overall, reimbursement is subject to a maximum allowable rate per visit. The Organization's Medicare cost reports have been audited by the Medicare administrative contractor through June 30, 2017.

Medicaid and Other Payers

The Organization also has entered into payment agreements with Medicaid and certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Organization under these agreements includes prospectively determined rates per visit and contractually obligated payment rates which may be less than the Organization's public fee schedule.

Charity Care

The Organization provides care to patients who meet certain criteria under its sliding fee discount policy without charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.The Organization estimates the costs associated with providing charity care by calculating the ratio of total cost to total charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care. The estimated cost of providing services to patients under the Organization sliding fee discount policy amounted to $506,377 and $392,464 for the years ended June 30, 2019 and 2018, respectively.

The Organization is able to provide these services with a component of funds received through local community support and federal and state grants.

9. Malpractice Insurance

The Organization is protected from medical malpractice risk as an FQHC under the Federal Tort Claims Act (FTCA). The Organization has additional medical malpractice insurance, on a claims-made basis, for coverage outside the scope of the protection of the FTCA. As of the year ended June 30, 2019, there were no known malpractice claims outstanding which in the opinion of management, will be settled for amounts in excess of both FTCA and additional medical malpractice insurance coverage, nor are there any unasserted claims or incidents which require loss accrual. The Organization intends to renew the additional medical malpractice insurance coverage on a claims-made basis and anticipates that such coverage will be available.

10. Retirement Plan

The Organization has a defined contribution plan under Internal Revenue Code Section 401(k) that cover substantially all employees. The Organization contributed $222,061 and $209,121 for the years ended June 30, 2019 and 2018, respectively.

11. Lease Commitments

The Organization leases office space and certain other office equipment under noncancelable operating leases. Future minimum lease payments under these leases are:

2020	$ 85,111
2021	90,797
2022	101,168
2023	112,783
2023	60,920
Total	$ 450,779

Rent expense amounted to $109,289 and $89,353 for the years ended June 30, 2019 and 2018, respectively.

SUPPLEMENTARY INFORMATION

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Passthrough Contract Number	Total Federal Expenditures
United States Department of Health and Human Services:			
Direct:			
Health Center Program Cluster			
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224		$ 475,731
Affordable Care Act (ACA) Grants for New and Expanded Services Under the Health Center Program	93.527		1,683,179
Total Health Center Program Cluster			2,158,910
Passthrough:			
State of New Hampshire Department of Health Human Services			
Maternal and Child Health Services Block Grant to the States	93.994	102-500731/90080000	7,678
Family Planning Services	93.217	102-500734/90080203	46,213
Temporary Assistance for Needy Families	93.558	502-500891/45130203	12,361
New Hampshire Coalition Against Domestic and Sexual Violence			
Injury Prevention and Control Research and State and Community Based Programs	93.136	n/a	9,540
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	n/a	66,147
Bi-State Primary Care Association, Inc.			
Grants to States to Support Oral Health Workforce Activities	93.236	n/a	139,037
Total United States Department of Health and Human Services			2,439,886
United States Department of Justice:			
Passthrough:			
New Hampshire Coalition Against Domestic and Sexual Violence			
Sexual Assault Services Formula Program	16.017	n/a	28,338
Crime Victim Assistance	16.575	n/a	215,407
Total United States Department of Justice			243,745
Total Expenditures of Federal Awards			$ 2,683,631

The accompanying notes are an integral part of this schedule.

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

1. **Summary of Significant Accounting Policies**

   Expenditures reported on the schedule of expenditures of federal awards (the Schedule) are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

2. **De Minimis Indirect Cost Rate**

   Coos County Family Health Services, Inc. (the Organization) has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. **Basis of Presentation**

   The Schedule includes the federal grant activity of the Organization. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Coos County Family Health Services, Inc.

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Coos County Family Health Services, Inc. (the Organization), which comprise the balance sheet as of June 30, 2019, and the related statements of operations, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 19, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Directors
Coos County Family Health Services, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
September 19, 2019

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Coos County Family Health Services, Inc.

Report on Compliance for The Major Federal Program

We have audited Coos County Family Health Services, Inc.'s (the Organization) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on its major federal program for the year ended June 30, 2019. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Organization's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on the Major Federal Program

In our opinion, Coos County Family Health Services, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

Board of Directors
Coos County Family Health Services, Inc.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
September 19, 2019

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2019

1. **Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued:		Unmodified		
Internal control over financial reporting:				
Material weakness(es) identified?	☐	Yes	☑	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	☐	Yes	☑	None reported
Noncompliance material to financial statements noted?	☐	Yes	☑	No

Federal Awards

Internal control over major programs:				
Material weakness(es) identified:	☐	Yes	☑	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	☐	Yes	☑	None reported
Type of auditor's report issued on compliance for major programs:		Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	☐	Yes	☑	No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
	Health Center Program Cluster

Dollar threshold used to distinguish between Type A and Type B programs:		$750,000		
Auditee qualified as low-risk auditee?	☑	Yes	☐	No

2. **Financial Statement Findings**

None

3. **Federal Award Findings and Questioned Costs**

None

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Board of Directors
Coos County Family Health Services, Inc.

We have audited the financial statements of Coos County Family Health Services, Inc. (the Organization) for the year ended June 30, 2019, and have issued our report thereon dated September 19, 2019. Professional standards require that we communicate to you the following information related to our audit.

REQUIRED COMMUNICATIONS

Our Responsibility under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards* and Uniform Guidance

As stated in our engagement letter dated June 10, 2019, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about compliance with the types of compliance requirements described in the OMB Compliance Supplement applicable to its major federal program for the purpose of expressing an opinion on the Organization's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Organization's compliance with those requirements.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies cost principles contained in the Uniform Guidance, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the financial statements. Effective in the year ended June 30, 2019, the Organization retrospectively adopted the provisions of the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-For-Profit Entities (Topic 958)*. The ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the ASU, net asset reporting is streamlined and clarified. The previous three category classification of net assets was replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance for classifying deficiencies in endowment funds and on accounting for the lapsing of restrictions on gifts to acquire property and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses. New or substantially modified disclosures in the financial statements are: Note 1 – *Basis of Presentation* and Note 2 – *Availability and Liquidity of Financial Assets*. Additionally, as a result of the new requirements related to the reporting of expenses, the financial statements have been expanded to include statements of functional expenses. The adoption had no effect on the Organization's total net assets, results of operations or cash flows for the years ended June 30, 2019 and 2018.

The application of existing policies was not otherwise changed during 2019. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent and clear. Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. The most significant of which relate to the adoption of ASU No. 2016-14 as discussed above.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

- Management's estimate for the allowance for uncollectible accounts, which is based on historical collections from both uninsured patients and insured patients.
- Management's estimate for third party contractual allowances, which is based on historical contractual adjustments as a percentage of gross revenue for all commercial payers, including Medicare and Medicaid.
- Management's estimate for third party cost settlements, which is based on previously settled cost reports.
- Management's estimate for cost allocations between healthcare services and administrative support services, which is based on healthcare wages as a percentage of total wages (with the exception of program supplies and 340B program expenses which are 100% attributable to healthcare services and contract services which are allocated based on the service purchased).
- Management's estimate of depreciation and amortization, which is based on the straight-line method in a manner intended to amortize the cost of the assets over their estimated useful lives.

We have reviewed the bases for the estimates to satisfy ourselves of their reasonableness in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. An audit adjustment is defined as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. There were no audit adjustments.

A passed audit adjustment is an adjustment that is not proposed as a current year audit adjustment because the dollar amount of the adjustment is not considered material to the financial statements. There were no passed audit adjustments in the current year.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated as of the date of this letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

INTERNAL CONTROL

In planning and performing our audit of the consolidated financial statements of the Organization as of and for the year ended June 30, 2019, in accordance with U.S. generally accepted auditing standards, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

EMERGING ISSUES

The following is a summary of emerging issues that may be relevant to the Organization relating to accounting, reporting and tax related topics.

Revenue Recognition

FASB ASU No. 2014-09, *Revenue from Contracts with Customers*, will be effective for the Organization for fiscal year ended June 30, 2020. The most significant impact of the ASU relates to the presentation of bad debts. Bad debts are now considered to be an inherent price concession (similar to a contractual allowance adjustment) and are no longer reported separately on the financial statements. Inherent price concessions should also be recorded when revenue is incurred, versus based on the aging of receivables. There are also additional required disclosures related to how revenue is recognized.

Accounting for Contributions

In June 2018, FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU will be effective for the Organization for fiscal year ended June 30, 2020. This ASU has two goals:

- Help organization's evaluate whether transactions should be accounted for as contributions or as exchange transactions; and
- Help determine whether a contribution is conditional or unconditional.

To determine whether the transactions are accounted for as a contribution or as an exchange transaction, the organization needs to determine if the funder receives direct benefit of roughly equal value to the resources it provides. In such a case, the transaction is considered an exchange transaction and is accounted for under ASU No. 2019-09, *Revenue from Contracts with Customers*. If the value the funder receives is incidental or indirect and the real benefit is to the general public, then the transaction is nonreciprocal (e.g. a contribution or a grant) and is accounted for under this ASU.

Once it has been determined that the transaction is a grant or contribution, the transaction has to be evaluated for conditions. Conditions must be met before the organization can recognize revenue. If there are no conditions, revenue can be recognized upon receipt.

The following two traits must be present to be considered to be a condition:

- A performance barrier that must be overcome for the recipient to be entitled to the funding (typically program focused and not administrative in nature such as providing informational reports); and
- Either a right of return of assets transferred or a right of release of a funder's obligation to transfer assets.

The biggest concern many organization have is whether this ASU will impact the recognition of the 330 grant revenue. While the ASU does result in the 330 grant being considered as a conditional grant, the fact that the Organization must incur qualifying expenses before being entitled to the funds does not change the timing for recognizing the grant revenue.

Preparing for the New Lease Standard

FASB ASU No. 2016-02, *Leases*, will be effective for the Organization for fiscal year ended June 30, 2021, although the FASB recently issued a proposed extension which may result in the ASU being effective in fiscal year 2022. Entities should begin preparing for this new standard by considering the following:

- What is an appropriate capitalization threshold for leases (on an individual and cumulative basis)?
- Will the entity require a lease accounting system (subject to amount and complexity of leases and staff capabilities)?
- Will debt covenants be impacted by the new standard? If yes, we recommend having a discussion with creditors prior to implementation to revise impacted agreements if necessary.

- Is there a process in place to accumulate and manage the Organization's leases? If not, the Organization should begin this process as soon as possible.

This ASU requires the recording of the right-to-use lease asset and the lease liability at the present value of the remaining future minimum lease payments. The ASU will be implemented using the modified retrospective approach, which means the leases will be remeasured as of the beginning of the earliest period presented in the financial statements (beginning of the previous fiscal year).

The ASU also requires additional qualitative and quantitative disclosures in the financial statements, including:

- A general description of the leases;
- The basis, terms, and conditions on which variable lease payments are determined, if applicable;
- The existence and terms and conditions of options to extend or terminate the lease (including options that have been recognized as part of the right-of-use assets and those that have not);
- The existence and terms and conditions of residual value guarantees provided by the Organization; and
- The restrictions or covenants imposed by leases (e.g. incurring additional financial obligations).

Exempt Organizations and the "Parking Tax"

In December 2018, the Internal Revenue Service (IRS) issued Notice 2018-99, which provided long-awaited guidance for the application of the Tax Cuts and Jobs Act (the Act) we brought to your attention last year.

Under the Act, nonprofit organizations are now subject to unrelated business income tax (UBIT) for certain disallowed qualified transportation fringe benefits, most notably, qualified parking. Qualified parking is defined as parking provided to an employee on or near the business premises of the employer or on or near a location from which the employee commutes to work. In a nutshell, if you provide parking to your employees, be it through a third-party parking garage, or a parking lot your organization either owns or leases, the organization is subject to UBIT on the cost of providing this benefit.

The costs paid to a third party for employee parking are taxable as unrelated business income and are subject to UBIT, up to the IRS limit of $260 per month. Any excess over the limitation is taxable compensation to the employee.

For organizations that own or lease all or a portion of a parking facility, the organization needs to determine the primary use of the parking spaces by counting the spaces during normal business hours on a typical business day. Spaces specifically reserved for the organization's employees are subject to a prorated share of parking expenses. If more than 50% of the remaining spaces are primarily used by employees rather than customers or the general public, then this ratio is multiplied by the parking expenses to determine the amount of parking expenses subject to UBIT. If the organization does not have reserves spaces and the number of spaces used by employees is less than 50% of the total spaces, the organization is not subject to UBIT.

Parking expenses include (but are not limited to) repairs, maintenance, utility costs, insurance, property taxes, interest, snow and ice removal, leaf removal, cleaning, landscape costs, parking lot attendant expenses, security, and rent or lease payments or a portion of a rent or lease payment (if not broken out separately).

IRS Work Plan

Each year the division within the IRS with oversight of exempt organizations publishes their Compliance Strategies for priority work in the upcoming year. The Fiscal Year 2019 Compliance Strategies include:

- Private benefit and inurement: organizations that show indicators of potential private benefit or inurement to individuals or private entities, including private foundation loans to disqualified persons.
- Worker classification: misclassified workers may result in incorrectly treating employees as independent contractors.
- Forms W-2/1099 matches: compare payments reported on Form 1099-Misc, with wages reported on Form W-2, and subject to FICA tax and income tax withholding.
- Backup withholding: mismatched and/or missing taxpayer identification numbers on Form 1099 may indicate failure to comply with backup withholding requirements.
- Financial Assistance Policy (FAP): tax-exempt hospitals that did not comply with Internal Revenue Code Section 501(r)(4).
- Federal Unemployment Tax Act (FUTA): exempt organizations that are required to, but fail to file Form 940.

The last bullet above may apply in situations where an organization that is exempt under Internal Revenue Code Section 501(c)(3) acts as a common paymaster or payroll agent for an organization that is exempt under a different code section, such as Section 501(c)(4). The FUTA exclusion applies only to organizations exempt under Section 501(c)(3). We recommend consulting your tax advisor if any of the above situations may apply to your organization.

****

This communication is intended solely for the information and use of the Board of Directors, Finance Committee, management, and others within the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
September 19, 2019

COOS COUNTY FAMILY HEALTH SERVICES, INC.
54 WILLOW STREET – BERLIN, NH 03570
752-3669
BOARD OF DIRECTORS

H. Guyford Stever, Jr., 2022 (4th)
PRESIDENT
Chair, Executive Committee

Patti Stolte, 2020 (1st)
VICE-PRESIDENT
Chair, Personnel Committee

Aline Boucher, 2020 (4th)
TREASURER
Chair, Finance/Development Committee

Pauline Tibbetts, 2020 (1st)
SECRETARY

Robert Pelchat, 2020 (6th)

Marge McClellan, 2020 (6th)

Roland Olivier, 2020 (2nd)
Chair, Health Care Reform Committee

David Morin, 2020 (2nd)
Chair, Governance Committee

Claudette Morneau, 2020 (1st)
Chair, Quality Improvement Committee

Kassie Eafrati, 2022 (1st)

Melanie Maynor, 2022 (1st)

Cynthia Desmond, 2022 (1st)

Gregg Marrer

Alana Scannell

KENNETH E. GORDON

PROFESSIONAL HISTORY

2/2015 – Present Coos County Family Health Services. 54 Willow Street, Berlin, NH 03570 (603) 752-3669 ext. 4018 kgordon@ccfhs.org

CHIEF EXECUTIVE OFFICER (2015 – Present)

- Responsible for the successful administration and overall direction of a $10.2M Community Health Center, including 6 sites and 10 programs. Major administrative responsibilities include: oversight of budget preparation and fiscal management, development and implementation of long and short-term planning, personnel management, grantsmanship and public relations. Includes extensive contact with the public and government officials as well as ongoing communications with 14 member volunteer Board of Directors, 120 paid staff and numerous volunteers.

ADMINISTRATOR: North Country Health Consortium, Littleton, New Hampshire (8/13 – 2/15)

- Provided administrative leadership of the North Country Accountable Care Organization, a non-profit entity comprised of four community health centers working in collaboration to improve the health and well-being of North Country residents.

EXECUTIVE DIRECTOR: Area Agency on Aging for Northeastern Vermont, St. Johnsbury, Vermont (9/02 – 7/13)

- Provided administrative leadership to a private, non-profit human service agency serving older adults and family caregivers.
- Financial management of the organization's budget.
- Supervision of clinical and administrative staff.

SOCIAL SERVICES COORDINATOR: Caledonia Home Health Care and Hospice, St Johnsbury, Vermont (8/97 - 8/02)

- Provided medical social work to individuals and families receiving home care and hospice services.
- Supervised and coordinated the work of four master's level staff members.
- Provided consultation to medical staff regarding psycho-social issues.
- Participated in discharge planning with other social service and health agencies.

CHILD PROTECTIVE SERVICE WORKER: Vermont Department of Social & Rehabilitation Services, St. Johnsbury, Vermont (5/96 - 8/97)

- Coordinated multidisciplinary treatment teams providing services to families.
- Psychosocial assessment & case planning.
- Care Management (Medicaid reimbursable).
- Individual and family counseling.
- Placement and supervision of children in foster care.
- Preparation of court reports.

ADOPTION SOCIAL WORKER: Vermont Department of Social & Rehabilitation Services, St. Johnsbury & Newport, Vermont (4/90 -9/94)

- Recruitment, training and assessment of adoptive applicants.
- Placement and supervision of abused and neglected children with adoptive families.
- Counseling with birth parents considering the voluntary relinquishment of a child.
- Consultation with casework staff regarding adoption issues.
- Preparation of adoption homes studies and probate court reports.

FOSTER CARE COORDINATOR: Vermont Department of Social & Rehabilitation Services, St. Johnsbury, Vermont (12/86 - 4/90)

- Managed a foster care program serving approximately fifty children.
- Fiscal administration, program planning and evaluation.
- Curriculum development and in-service training.

ASSISTANT DIRECTOR: Upward Bound Project, Lyndon State College (9/85 - 12/86)

- Co-directed a college preparatory program for disadvantaged youth.
- Formulated program goals and evaluated outcomes.
- Co-authored a successful federal grant proposal totaling more than $400.00.
- Training, supervision and evaluation of staff.
- Academic and career counseling.

EDUCATION

MASTERS OF SOCIAL WORK (M.S.W.) May 1996. University of Vermont

- 1st year field internship: Reach Up Program, Vermont Department of Social Welfare
- 2nd year clinical internship: Fletcher Allen Health Care, Inpatient Psychiatric Unit

BACHELOR OF SCIENCE (B.S.) Behavioral Science and Special Education. May, 1984. Lyndon State College, Lyndonville, Vermont

REFERENCES

Available upon request

Patricia A. Couture

Work History

1983- Present Coos County Family Health Services, Berlin, NH.

1991- Present: Chief Operating Officer/RN: Responsible for the day-to-day administration and overall activities of the clinical services in conjunction with the Medical Director and Chief Executive Officer. Major administrative responsibilities include: implement and monitor quality improvement programs; hire, train, supervise and evaluate employees; assist Chief Executive Officer with grant proposals; assist Medical Director with clinical policies and guidelines; perform medical record audits; implement all clinical schedules, and be familiar with all outpatient nursing functions. Responsible for the overall direction, coordination and evalution of Nursing, Medical Records, Pharmacy, Medical Support, Laboratory and Maintenance Services.

2011- Present: Corporate Compliance Officer: Responsible for the operation and management of the Compliance Program and reports to the CEO and Board of Directors.

1986-1991 Site Coordinator: Responsible for the coordination and evaluation of three programs: Family Planning/Women's Health, Sexually Transmitted Diseases, and HIV Counseling and Testing in three communities - Berlin, Lancaster and Colebrook. Administrative responsibilities included: trained, supervised and evaluated employees; assisted Executive Director with agency policies, procedure and protocols; and provided community education. Clinical responsibilities included: patient counseling, education, follow-up, documentation, laboratory services, referrals and nursing functions/procedures.

1983-1986 Clinical Nurse/Counselor: Responsible for outpatient clinical services and Family Planning/Women's Health counseling services.

1976-1983 St. Vincent de Paul Nursing Home, Berlin, NH.
LPN Charge Nurse: Nursing responsibilities included: responsible for 29 residents, supervised nurse's aides, prepared verbal/written reports, administration of medication, complete nursing care, transcribed physician orders, and documentation; nursing process, assessment, nursing diagnosis, care plan, outpatient goals, outcomes and nursing interventions.

1976-1977 Androscoggin Valley Hospital Berlin, NH
Private Duty Nurse: Complete nursing care.

Education:

Granite State College
Bachelor of Science in Healthcare Administration, 2007 December
Member of Alpha Sigma Lambda National Honor Society

New Hampshire Technical College, Berlin, NH
Associate Nursing Degree, 1989 (May)
Member of Phi Theta Kappa Honor Society

New Hampshire Vocational Technical College, Berlin, NH
Practical Nursing Diploma, 1976 (June)
Graduated with Honors

Berlin High School, Berlin, NH
Graduated 1975

License:

New Hampshire Board of Nursing, Concord, NH
Registered Nurse License, 1990 (July)
Practical Nurse License, 1976 (October)

Continued Education:

Nursing and Management Workshops, Seminars, National Conferences and Lectures.

References:

Available Upon Request

MELISSA M FRENETTE, CPA

FUNCTIONAL SUMMARY

Certified Public Accountant with over twelve years of experience in public accounting. Experienced in training and supervising staff, managing multiple on-going engagements and facilitating timely income tax filing and reporting for firm clients.

EMPLOYMENT

2007-Present Coos County Family Health Services Berlin, NH

Chief Financial Officer

- Oversee the general operation of the Finance and Purchasing Departments
- Analyzes available data and suggests way to improve agency's self sufficiency
- Prepares budgets, reports and studies for CCFHS and all funding sources
- Takes a leadership role in the annual financial audit
- Performs employee evaluations and assigns tasks as appropriate
- Attends applicable board and committee meetings
- Possesses a through working knowledge of cost reporting requirements

2004-2007 Malone, Dirubbo & Company/Phillips & AssociatesLincoln, NH

Senior Staff Accountant

- Conducted financial statement audits for multiple entities
- Prepared audited, reviewed, and compiled financial statements
- Compiled and prepared loan package information
- Consulted in business entity choices
- Prepared personal and business income tax returns
- Prepared personal and business income tax projections
- Prepared projected financial statements and cash flows
- Consulted in inventory cost methods
- Trained clients in use of accounting software

1995-2004 Driscoll & Company, PLLC Berlin, NH

Senior Staff Accountant/ Office Manager

- Supervised and trained office staff members
- Managed work flow for deadline achievement
- Installed and maintained accounting and tax software
- Prepared audited, reviewed, and compiled financial statements
- Prepared payroll tax returns
- Conducted 401(K) plan audits and financial statements

EDUCATION

1992-1995 Plymouth State University Plymouth, NH

B.S. Accounting, minor Mathematics

Graduated cum laude

COMMUNITY ACTIVITIES

Current Assistant Treasurer of Business Enterprise Development Corporation (BEDCO)

Former member Androscoggin Valley Economic Recovery (AVER) technology taskforce

PROFESSIONAL MEMBERSHIPS

American Institute of Certified Public Accountants

New Hampshire Society of Certified Public Accountants

CURRICULUM VITAE
William J. Gessner, MD

Professional Experience:

Medical Director – Coos County Family Health Services – August, 2014 – present

Staff Physician, Coos County Family Health Services - September, 2012 - present

Institute for Family Health – January – 2010 - August - 2012

Co-Medical Director – Hudson Valley Health Specialties - 2000 - 2012

Co-Medical Director - Ulster Greene ARC - 2000 - 2012

Medical Director - UGARC - 1994 - 2000

Medical Director - Ulster Association for Retarded Citizens (currently Ulster Greene ARC) Kingston, New York 1993 - Present

Medical Director - Ulster Rehabilitation Clinic
Kingston, New York 1993 - 2000

Co-Medical Director - Ulster Greene ARC
2000 - 2012

Co-Medical Director - Mountainside Residential Care Center
Margaretville, New York 1998 - 2012

Co-Medical Director - Margaretville Hospital
Margaretville, New York 2001 - 2012

Attending Physician, Kingston Family Practice Center
Kingston, New York 1991 - 2000

Senior VP Academic Affairs - Mid Hudson Family Health Institute
Kingston, New York 1991 - 2000

Program Director, Mid-Hudson Rural Family Practice Residency Program
Kingston, New York 1990 - 2000

Associate Program Director, Ulster County Rural Family Practice Residency Program
Kingston, New York 1985 - 1990

Assistant Program Director, Ulster County Rural Family Practice Residency Program
Kingston, New York 1984 - 1985

Attending Physician, Woodstock Family Health Center
Woodstock, New York 1983 - 1991

Medical Director, Woodstock Family Health Center
Woodstock, New York 1983 - 1984

Private Practice of Family Medicine
Newport, New Hampshire 1978 - 1983

Pre-Medical Education

College:	University of New Hampshire BA, Mathematics 1969 - 1973 Summa Cum Laude, Phi Beta Kappa

Medical Education

Medical School:	Dartmouth Medical School Hanover, New Hampshire 1972 - 1975 M. D. Degree Honors awarded in Internal Medicine Maternal and Child Health, Ambulatory Care
Internship:	University of Colorado Medical Center Family Medicine 1975 - 1976
Residency:	University of Colorado Medical Center Family Medicine 1976 - 1978

Medical Boards:

Diplomate, National Board of Medical Examiners
Diplomate, American Academy of Family Physicians

COOS COUNTY FAMILY HEALTH SERVICES, INC.

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Ken Gordon	CEO	$161,216	0%	0
Patricia Couture	COO	$136,365	5.5%	$7,500
Melissa Frenette	CFO	$130,582	0%	0
William Gessner, MD	Medical Director	$86,000	0%	0

AGREEMENT BETWEEN

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES,
DIVISION OF PUBLIC HEALTH SERVICES

AND

CONVENIENTMD, LLC and CONVENIENTMD
HOLDINGS, LLC

This Agreement is entered into by and between the State of New Hampshire, Department of Health and Human Services ("DHHS"), Division of Public Health Services ("DPHS"), and ConvenientMD, LLC and Convenient MD Holdings, LLC, both Delaware limited liability companies, registered as foreign limited liability companies in New Hampshire, and having their principal office in New Hampshire at 111 New Hampshire Avenue, Suite 2, Portsmouth, NH 03801 (hereafter, collectively, "hereafter, collectively, "Contractor"

WHEREAS, consistent with the Governor's Executive Order 2020-04, DPHS is working to respond to the growing outbreak of COVID-19;

WHEREAS, approximately 81,000 residents of New Hampshire are uninsured, many of whom may need medical services to treat the signs and symptoms of COVID-19;

WHEREAS, uninsured individuals typically seek non-emergent care at hospitals, due to the hospitals' capacity and ability to provide uncompensated care to the residents of NH;

WHEREAS, in preparation for the hospital surge expected as a result of the COVID-19 outbreak, DPHS must manage the availability of hospital services available to all residents of NH;

WHEREAS, ConvenientMD is the owner and operator of 11 walk-in care centers in New Hampshire, located and contactable as follows:

BEDFORD, 3 Nashua Road, Bedford, NH 03110, (603) 472-6700;
BELMONT, 77 Daniel Webster Highway, Belmont, NH 03220, (603) 737-0550;
CONCORD, 8 Loudon Road, Concord, NH 03301, (603) 226-9000;
DOVER, 14 Webb Place, Dover, NH 03820, (603) 742-7900;
EXETER/STRATHAM, 1 Portsmouth Avenue, Stratham, NH 03885, (603) 772-3600;
KEENE, 351 Winchester Street, Keene, NH 03431, (603) 352-3406;
LITTLETON, 551 Meadow Street, Littleton, NH 03561, (603) 761-3660;
MERRIMACK, 2 Dobson Way, Merrimack, NH 03054 (603) 471-6069;
NASHUA, 565 Amherst Street, Nashua, NH 03063, (603) 578-3347;
PORTSMOUTH, 599 Lafayette Road, Portsmouth, NH 03801, (603) 942-7900; and
WINDHAM/GREATER SALEM, 125 Indian Rock Road, Windham, NH 03087, (603) 890-6330;

WHEREAS, the Contractor has the capacity to offer non-emergent services to uninsured individuals at a discounted rate paid for by the Department of Health and Human Services; and

WHEREAS, by providing for the uninsured individuals to receive non-emergent care at these walk-in center locations, DPHS is better able to keep hospital services available for those needing emergency care for the treatment of COVID-19;

WHEREAS, long term care facilities provide services to some of the most vulnerable of New Hampshire's citizens;

WHEREAS, the State currently reported two outbreaks of COVID-19 in long term care facilities and 30% of our positive COVID-19 tests have been in health care workers;

WHEREAS, the State does not have the capacity to collect samples and test all health care workers for COVID-19 to limit exposure for the elderly cared for in these Long Term Care facilities;

WHEREAS, ConvenientMD has the capability and capacity to collect samples for testing for all health care workers in regions identified by the Commissioner of DHHS (Commissioner) as having the most need;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree:

1. Services provided by ConvenientMD

A. Services to be provided for the uninsured population:

i. The Contractor shall provide telemedicine visits to individuals who are uninsured and reside in New Hampshire to treat the signs or symptoms of COVID-19 during the State of Emergency in New Hampshire declared pursuant to Executive Order 2020-04. The Contractor shall provide such services in all of its walk-in centers located in New Hampshire.

Telemedicine visits provided by the Contractor for individuals for issues unrelated to COVID-19 shall not be included within the services to be rendered under the Agreement.

ii. At the conclusion of a telemedicine visit with the Contractor healthcare provider in which the provider has ordered a SARS-CoV-2 (virus that causes COVID-19) test, the Contractor shall coordinate the specimen collection, processing, coordination with a reference laboratory for testing, and communication with the uninsured individual concerning the test result and recommendations for further treatment based on the test result.

iii. The Contractor shall commence the services on March 25, 2020.

B. Services to be provided for health care workers in long term care:

i. ConvenientMD shall create several mobile collection sites at a location convenient to each long term care facility within the region(s) specified by the Commissioner.

ii. ConvenientMD shall provide two teams with 6 members each to collect samples from all health care workers willing to be tested in all long term care facilities in the region.

iii. ConvenientMD shall operate these mobile collection sites from 7am to 6pm, 7 days a week until collection has been completed for all long term care facilities within the region.

iv. Capacity assumptions:

a. Two hours of travel time between 7am and 6pm, with 8 hours on site at each facility
b. 4.25 collections per hour per clinical team member on site, for a total capacity of 200 collections per team per day.
c. Expected total samples collected: 6,646.

v. ConvenientMD shall send all samples collected in accordance with this Agreement to a laboratory for testing at the end of each day.

vi. Coordination with the long term care facilities will begin April 15, 2020. On-site services shall begin on or before April 20, 2020.

vii. These services are to be completed by the contractor within 17 days of the first on-site services.

viii. DPHS has the right to direct the contractor to serve long term care facilities in other regions if needed to maximize the testing of health care workers working in long term care facilities within the time frame noted in section 1.B.vii.

C. Services to be provided for health care workers in long term care:

i. ConvenientMD shall create several mobile collection sites at a location convenient to each long term care facility within Merrimack and Strafford counties and other regions specified by the Commissioner.

ii. ConvenientMD shall provide two teams with 6 members each to collect samples from all health care workers willing to be tested in all long term care facilities in the regions specified in 1.C.i above.

iii. ConvenientMD shall operate these mobile collection sites from 7am to 6pm, 7 days a week until collection has been completed for all long term care facilities within the regions specified in 1.C.i.

iv. Capacity assumptions:

a. Two hours of travel time between 7am and 6pm, with 8 hours on site at each facility
b. 4.25 collections per hour per clinical team member on site, for a total capacity of 200 collections per team per day.
c. Expected total samples collected: 2,715.

v. ConvenientMD shall send all samples collected in accordance with this Agreement to a laboratory for testing at the end of each day.

vi. Coordination with the long term care facilities will begin May 4, 2020. On-site services shall begin on or before May 6, 2020.

vii. These services are to be completed by the contractor within 10 days of the first on-site services.

viii. DPHS has the right to direct the contractor to serve long term care facilities in other regions if needed to maximize the testing of health care workers working in long term care facilities within the time frame noted in section 1.C.vii.

2. Payment for Services:

A. For each telemedicine visit provided under Section 1.A., DPHS shall pay the Contractor $99.00.

B. For SARS-CoV-2 virus testing provided under this Agreement, the Contractor shall require the laboratory conducting the test to bill the Contractor and DPHS shall reimburse the Contractor as prescribed below:

- LabCorp - $51.31
- Any other laboratory – Actual charge of the test plus $22.00.

C. For the SARS-CoV-2 telemedicine visit and related testing, the Contractor shall submit an invoice to DPHS by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to DPHS in order to initiate payment.

D. For all services and supplies required for the COVID-19 sample collection for health care workers in accordance with Section 1.B. of this Agreement, DPHS shall pay the Contractor a fee of $366,350.00. This fee will be invoiced in three (3) consecutive weekly installments of $122,116.67. The Contractor shall ensure the invoice is completed, dated and returned to DPHS in order to initiate payment.

E. For all services and supplies required for the COVID-19 sample collection for

health care workers in accordance with Section 1.C. of this Agreement, DPHS shall pay the Contractor a fee of $215,500.00. This fee will be invoiced in two (2) consecutive weekly installments of $107,750.00. The Contractor shall ensure the invoice is completed, dated and returned to DPHS in order to initiate payment.

F. DPHS 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.

G. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to DPHSContractBilling@dhhs.nh.gov, or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

H . The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for the services rendered as described in Section 1.A. and within seven (7) days of receipt of each invoice for the services rendered as decribed in Section 1.B., subsequent to approval of the submitted invoice and if sufficient funds are available.

3. Price Limitation:

A. The total to be paid or reimbursed under this Agreement from DPHS to the Contractor shall not exceed $1,000,000.00. If the volume of uninsured individuals receiving care and/or testing under this Agreement is high and/or DPHS wishes to engage the contractor for healthcare worker testing of additional long term care facilities as described in section 1.B., DPHS and the Contractor may increase this limit upon mutual agreement by the parties with appropriate approvals as required pursuant to the laws of the State of New Hampshire for government contracting.

B. Notwithstanding any provision of this Agreement to the contrary, all obligations of DPHS hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the scope of service.

4. Effective Date and Duration: The Term of this Agreement shall commence on March 24, 2020 and shall terminate on July 31, 2020, unless sooner terminated or extended in accordance with the terms of this Agreement. The parties may extend this Agreement for up to two (2) years, subject to the continued availability of funds, satisfactory Contractor performance, and approval of the Governor and Executive Council.

5. Indemnification: Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities

and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omissions of the Contractor, or subcontractors, including but not limited to negligent, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph. 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 shall survive the termination of this Agreement.

6. Confidentiality: Any and all confidential information obtained or received by The Contractor shall be kept confidential and shall not be disclosed to anyone for any reason. "Confidential Information" means all information owned, managed, created, or received from the Individuals, DPH, any other agency of the State, or any medical provider, that is protected by Federal or State information security, privacy or confidentiality laws or rules. Confidential Information includes, but is not limited to, Derivative Data, protected health information (PHI), personally identifiable information (PII), federal tax information (FTI), Social Security Administration information (SSA) and criminal justice information services (CJIS) and any other sensitive confidential information provided under the Agreement. This covenant shall survive the termination of the Agreement.

7. Assignment: The Contractor shall not assign any interest in this Agreement without prior written notice, which shall be provided to DPH at least fifteen (15) days prior to the assignment, and a written consent of DPH. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

8. Modification: No modification of this Agreement shall be binding upon the other Party unless made in writing and agreed upon by both Parties to this Agreement. Either Party may terminate this Agreement for any reason or for no reason upon thirty (30) days written notice to the other Party.

9. Severability: In the event that any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected and shall remain in full force and affect.

10. Jurisdiction: This Agreement shall be governed by, interpreted and enforced under the laws of the State of New Hampshire without making reference to its conflicts of laws or choice of laws provisions. The Parties consent to a state court located in the state of New Hampshire as having the sole jurisdiction of any and all controversies that may arise under this Agreement.

11. Insurance:

1.1. The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

1.1.1. commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000 per occurrence and $2,000,000 aggregate or excess; and

1.2. The policies described in subparagraph 5 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.

1.3. The Contractor shall furnish to the Department, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Department, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

12. Workers' Compensation:

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").

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. The Contractor shall furnish the Department, 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.

13. Entire Agreement: This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

This Agreement shall be retroactively effective to March 24, 2020, upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below, NH Department of Health and Human Services

4/30/2020

Date

Lori A. Shibinette

Name: Lori A. Shibinette
Title: Commissioner

ConvenientMD, LLC

4/30/2020

Date

Name: GARETH DICKENS
Title: Co-Founder & Executive Chairman

ConvenientMD Holdings, LLC

4/30/2020

Date

Name: GARETH DICKENS
Title: Co-Founder & Executive Chairman

The preceding Agreement, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

5/4/2020
Date

Takhmina Rakhmatova
Name:
Title:

I hereby certify that the foregoing Agreement was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

_____
Date

_____
Name:
Title:

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 CONVENIENTMD LLC is a Delaware Limited Liability Company registered to transact business in New Hampshire on March 06, 2012. 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: **667110**
Certificate Number: **0004861464**

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 27th day of March A.D. 2020.

William M. Gardner
Secretary of State

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 CONVENIENTMD HOLDINGS LLC is a Delaware Limited Liability Company registered to transact business in New Hampshire on December 16, 2014. 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: **718815**

Certificate Number: **0004861451**

IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 27th day of March A.D. 2020.

William M. Gardner

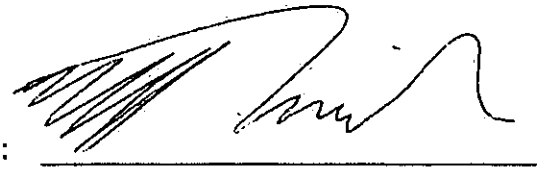
Secretary of State

Limited Partnership or LLC Certificate of Authority

I, Gareth Dickens, hereby certify that I am a Partner, Member, or Manager of ConvenientMD LLC and ConvenientMD Holdings LLC, both limited liability partnerships under RSA 304-B, limited liability professional partnerships under RSA 304-D, or limited liability companies under RSA 304-C.

I certify that I am authorized to bind the partnership or LLC. 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 partnership or LLC and that this authorization shall remain valid for thirty (30) days from the date of this Corporate Resolution.

Dated: April 3, 2020

Signature: 

Name: Gareth Dickens

Title: Co-Founder & Executive Chairman

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 03/26/2020

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 FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Pamela Bennett, CIC PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 845-4331 E-MAIL ADDRESS: pbennett@crossagency.com
INSURED ConvenientMD, LLC, ConvenientMD Holdings, LLC 111 New Hampshire Avenue, Suite 2 Portsmouth NH 03801	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Citizens Ins Co of America — 31534 INSURER B: MEMIC Indemnity Company — 11030 INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** 19-20 GL & WC **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 [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [ ] PRO-JECT [X] LOC [ ] OTHER:			ZBVD02404902	08/24/2019	08/24/2020	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ Included
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [Y] If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WCV 5107271 (3a.) MA ME NH	11/12/2019	11/12/2020	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	(3a.) NY $ 500,000 $ 500,000 $ 500,000
	WC Excluded Officers: Gareth Dickens, Maximillian Puyanic							

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

CERTIFICATE HOLDER

NH DHHS
129 Pleasant Street
Concord NH 03301

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

Lisa Kilg

AGREEMENT BETWEEN

THE STATE OF NEW HAMPSHIRE
DEAPRTMENT OF HEALTH AND HUMAN SERVICES,
DIVISION OF PUBLIC HEALTH

AND

GREATER SEACOAST COMMUNITY HEALTH

This Agreement dated this 10TH day of April 2020 is entered into by and between the State of New Hampshire, Department of Health and Human Services, Division of Public Health ("DPH"), and Greater Seacoast Community Health (GSCH) having their principal office at 311 Route 108, Somersworth, NH 03878.

WHEREAS, consistent with the Governor's Executive Order 2020-04, DPH is working to respond to the growing outbreak of COVID-19;

WHEREAS, approximately 81,000 residents of New Hampshire are uninsured, many of whom may need medical services to treat the signs and symptoms of COVID-19;

WHEREAS, uninsured individuals typically seek non-emergent care at hospitals, due to the hospitals' capacity and ability to provide uncompensated care to the residents of NH,

WHEREAS, in preparation for the hospital surge expected as a result of the COVID-19 outbreak, DPH must manage the availability of hospital services available to all residents of NH,

WHEREAS, GSCH is the owner and operator of a Federally Qualified Health Center (FQHC), Planned Parenthood Clinic, or FQHC Look-a-Like;

WHEREAS, GSCH has the capacity to offer non-emergent services to uninsured individuals at a discounted rate paid for by the Department of Health and Human Services; and

WHEREAS, by providing for the uninsured individuals to receive non-emergent care at these walk-in center locations, DPH is better able to keep hospital services available for those needing emergency care for the treatment of COVID-19;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree:

1. Services to be provided:

A. GSCH shall provide telemedicine visits to individuals who are uninsured and reside in New Hampshire to triage, screen, and treat the signs or symptoms of COVID-19 during the State of Emergency in New Hampshire declared pursuant to Executive Order 2020-04.

Telemedicine visits provided by GSCH for individuals for issues unrelated to COVID-19 shall not be included within the services to be rendered under the Agreement.

B. At the conclusion of a telemedicine visit with a GSCH healthcare provider in which the provider has ordered a SARS-CoV-2 (virus that causes COVID-19) test, GSCH shall coordinate the specimen collection, processing, coordination with a reference laboratory for testing, and communication with the uninsured individual concerning the test result and recommendations for further treatment based on the test result.

C. GSCH shall commence the services upon signature of both parties.

2. Payment for Services:

A. For each telemedicine visit provided under this Agreement, DPH shall pay GSCH $99.00.

B. DPH reserves the right to offset from any amounts otherwise payable to GSCH 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.

C. GSCH shall submit an invoice to DHHS by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. GSCH shall ensure the invoice is completed, dated and returned to DHHS in order to initiate payment. The invoices shall include: name of patient seen and the date of service.

D. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to Mary.Calise@dhhs.nh.gov, or invoices may be mailed to:

Mary Calise
Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

F. The State shall make payment to GSCH within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.

3. Price Limitation:

A. The total to be paid or reimbursed under this Agreement from DPH to GSCH shall not exceed $100,000.00. If the volume of uninsured individuals receiving care and/or testing under this Agreement is high, DPH and GSCH may increase this limit upon mutual agreement by the parties with appropriate approvals as required pursuant to the laws of the State of New Hampshire for government contracting.

B. Notwithstanding any provision of this Agreement to the contrary, all obligations

of DPH hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the scope of service.

4. Effective Date and Duration: The Term of this Agreement shall commence upon signature from both parties and shall terminate on June 30, 2020, unless sooner terminated or extended in accordance with the terms of this Agreement.

5. Indemnification: Unless otherwise exempted by law, GSCH shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omissions of GSCH, or subcontractors, including but not limited to negligent, reckless or intentional conduct. The State shall not be liable for any costs incurred by GSCH arising under this paragraph. 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 shall survive the termination of this Agreement.

6. Confidentiality: Any and all confidential information obtained or received by GSCH shall be kept confidential and shall not be disclosed to anyone for any reason. "Confidential Information" means all information owned, managed, created, or received from the Individuals, DPH, any other agency of the State, or any medical provider, that is protected by Federal or State information security, privacy or confidentiality laws or rules. Confidential Information includes, but is not limited to, Derivative Data, protected health information (PHI), personally identifiable information (PII), federal tax information (FTI), Social Security Administration information (SSA) and criminal justice information services (CJIS) and any other sensitive confidential information provided under the Agreement. This covenant shall survive the termination of the Agreement.

7. Assignment: GSCH shall not assign any interest in this Agreement without prior written notice, which shall be provided to DPH at least fifteen (15) days prior to the assignment, and a written consent of DPH. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

8. Modification: No modification of this Agreement shall be binding upon the other Party unless made in writing and agreed upon by both Parties to this Agreement. Either Party may terminate this Agreement for any reason or for no reason upon thirty (30) days written notice to the other Party.

9. Severability: In the event that any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected and shall remain in full force and affect.

10. Jurisdiction: This Agreement shall be governed by, interpreted and enforced under the laws of the State of New Hampshire without making reference to its conflicts of laws or choice of laws provisions. The Parties consent to a state court located in the state of New Hampshire as having the sole jurisdiction of any and all controversies that may arise under this Agreement.

11. Entire Agreement: This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

DULY signed and authorized by:

Lori Shibinette	Janet Cantech
State of New Hampshire, Department of Health and Human Services, Division of Public Health	GSCH
4/13/2020	April 10, 2020
Date	Date

The preceding Agreement, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

04/17/2020
Date

Takhmina Rakhmatova
Name:
Title:

I hereby certify that the foregoing Agreement was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

_____
Date

_____
Name:
Title:

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 GREATER SEACOAST COMMUNITY HEALTH is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on August 18, 1971. 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: 65587
Certificate Number: 0004593609

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 18th day of September A.D. 2019.

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Barbara Henry, of Greater Seacoast Community Health, do hereby certify that:

1. I am the duly elected Board Chair of Greater Seacoast Community Health;

2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of Greater Seacoast Community Health, duly held on January 27, 2020;

   Resolved: That this corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services for the provision of Public Health Services.

   Resolved: That the Chief Executive Officer, Janet Laatsch, is hereby authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of 4/10/2020, 2020.

IN WITNESS WHEREOF, I have hereunto set my hand as the Board Chair of Greater Seacoast Community Health this 10 day of April 2020.

Barbara Henry, Board Chair

STATE OF NH

COUNTY OF STRAFFORD

The foregoing instrument was acknowledged before me this 10TH day of April, 2020 by Barbara Henry.

Notary Public/Justice of the Peace

SIMONE R. TALBOT, Notary Public
State of New Hampshire
My Commission Expires September 13, 2022

My Commission Expires:

GOODCOM-01 PCANTLIN

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 4/8/2020

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 License # AGR8150 Clark Insurance One Sundial Ave Suite 302N Manchester, NH 03103	CONTACT NAME: PHONE (A/C, No, Ext): (603) 622-2855 FAX (A/C, No): (603) 622-2854 E-MAIL ADDRESS: info@clarkinsurance.com
INSURED Greater Seacoast Community Health dba Goodwin Community Health, Families First, SOS Community Organization, Lilac City Pediatrics 311 Route 108 Somersworth, NH 03878	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : Tri-State Insurance Company of Minnesota — 31003 INSURER B : Acadia — 31325 INSURER C : Technology Insurance Company — 42376 INSURER D : AIX Specialty Insurance Co — 12833 INSURER E : INSURER F :

COVERAGES CERTIFICATE NUMBER: 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 CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:			ADV5212020-16	1/1/2020	1/1/2021	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 300,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY X SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			CAA5331599-12	1/1/2020	1/1/2021	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
B	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $			CUA5214125-15	1/1/2020	1/1/2021	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ 1,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [N] If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		TWC3844860	1/1/2020	1/1/2021	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
D	FTCA GAP Prof Liab			LIV-A671986-05	1/1/2020	1/1/2021	Each Occurrence	1,000,000
D	FTCA GAP Prof Liab			LIV-A671986-05	1/1/2020	1/1/2021	Aggregate	3,000,000

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

CERTIFICATE HOLDER

Department of Health and Human Services
Attn: Mary Calise, Financial Manager
129 Pleasant Street
Concord, NH 03301

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

Nancy Ruth

Greater Seacoast Community Health

Mission

"To deliver innovative, compassionate, integrated health services and support that are accessible to all in our community, regardless of ability to pay."

Board Approved on 6-25-2018

BerryDunn

GREATER SEACOAST COMMUNITY HEALTH

Goodwin Community Health | Families First

FINANCIAL STATEMENTS

December 31, 2018

With Independent Auditor's Report

BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Greater Seacoast Community Health

We have audited the accompanying financial statements of Greater Seacoast Community Health (the Organization), which comprise the balance sheet as of December 31, 2018, and the related statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Greater Seacoast Community Health as of December 31, 2018, and the results of its operations, changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis-of-Matter

As discussed in Note 1 to the financial statements under the sub-heading "Organization", Greater Seacoast Community Health was formed on January 1, 2018 as a result of the merger of Goodwin Community Health and Families First of the Greater Seacoast. Our opinion is not modified with respect to this matter.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
May 20, 2019

GREATER SEACOAST COMMUNITY HEALTH

Balance Sheet

December 31, 2018

ASSETS

Current assets	
Cash and cash equivalents	$ 3,896,813
Patient accounts receivable, less allowance for uncollectible accounts of $422,413	1,560,698
Grants receivable	424,642
Inventory	143,250
Pledges receivable	263,557
Other current assets	57,987
Total current assets	6,346,947
Investments	1,112,982
Investment In limited liability company	38,201
Assets limited as to use	1,421,576
Property and equipment, net	6,107,219
Total assets	$15,026,925

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable and accrued expenses	$ 172,852
Accrued payroll and related expenses	1,075,463
Patient deposits	173,105
Deferred revenue	7,269
Total current liabilities and total liabilities	1,428,689
Net assets	
Without donor restrictions	11,824,495
With donor restrictions	1,773,741
Total net assets	13,598,236
Total liabilities and net assets	$15,026,925

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

GREATER SEACOAST COMMUNITY HEALTH

Statement of Operations

Year Ended December 31, 2018

Operating revenue and support	
Patient service revenue	$11,353,111
Provision for bad debts	(651,700)
Net patient service revenue	10,701,411
Grants, contracts, and contributions	7,713,908
Other operating revenue	368,017
Net assets released from restriction for operations	634,931
Total operating revenue and support	19,418,267
Operating expenses	
Salaries and benefits	14,715,120
Other operating expenses	4,446,874
Depreciation	349,661
Total operating expenses	19,511,655
Operating deficit	(93,388)
Other revenue and (losses)	
Investment income	48,204
Loss on disposal of assets	(6,874)
Change in fair value of investments	(95,246)
Total other revenue and (losses)	(53,916)
Deficiency of revenue over expenses and decrease in net assets without donor restrictions	$ (147,304)

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

GREATER SEACOAST COMMUNITY HEALTH

Statement of Changes in Net Assets

Year Ended December 31, 2018

Net assets without donor restrictions	
Deficiency of revenue over expenses and decrease in net assets without donor restrictions	$ (147,304)
Net assets with donor restrictions	
Contributions, net of uncollectible pledges	44,649
Investment income	37,790
Change in fair value of investments	(147,099)
Net assets released from restriction for operations	(634,931)
Decrease in net assets with donor restrictions	(699,591)
Change in net assets	(846,895)
Net assets, beginning of year	14,445,131
Net assets, end of year	$13,598,236

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

GREATER SEACOAST COMMUNITY HEALTH

Statement of Cash Flows

Year Ended December 31, 2018

Cash flows from operating activities	
Change in net assets	$ (846,895)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Provision for bad debts	651,700
Depreciation	349,661
Equity in earnings of limited liability company	2,395
Change in fair value of investments	242,345
Loss on disposal of assets	6,874
(Increase) decrease in	
Patient accounts receivable	(971,354)
Grants receivable	304,713
Inventory	101,604
Pledges receivable	300,635
Other current assets	(1,155)
Increase (decrease) in	
Accounts payable and accrued expenses	(138,262)
Accrued salaries and related amounts	33,819
Deferred revenue	(2,117)
Patient deposits	6,790
Net cash provided by operating activities	40,753
Cash flows from investing activities	
Capital acquisitions	(21,463)
Proceeds from sale of investments	198,458
Purchase of investments	(294,519)
Net cash used by investing activities	(117,524)
Net decrease in cash and cash equivalents	(76,771)
Cash and cash equivalents, beginning of year	3,973,584
Cash and cash equivalents, end of year	$ 3,896,813

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

1. Summary of Significant Accounting Policies

Organization

Greater Seacoast Community Health (the Organization) is a non-stock, not-for-profit corporation organized in New Hampshire. The Organization is a Federally Qualified Health Center (FQHC) that provides fully integrated medical, behavioral, oral health, recovery services and social support for underserved populations.

On January 1, 2018, Goodwin Community Health (GCH) and Families First of the Greater Seacoast (FFGS) merged to become Greater Seacoast Community Health. GCH and FFGS were not-for-profit corporations organized in New Hampshire. GCH and FFGS were both FQHCs providing similar services in adjoining and overlapping service areas and have worked collaboratively in the provision of healthcare services in the greater Seacoast area for many years. Given the compatibility of their missions, the adjacency of their service areas and their shared charitable missions of providing healthcare services to individuals living within the greater Seacoast service area, GCH and FFGS came to the conclusion that the legal and operational integration of their respective organizations into one legal entity would result in a more effective means of providing healthcare services in their combined service area.

The following summarizes amounts recognized by entity as of January 1, 2018:

	GCH	FFGS	Total
Assets			
Cash and cash equivalents	$ 3,379,361	$ 594,223	$ 3,973,584
Patient accounts receivable	906,747	334,297	1,241,044
Grants receivable	571,752	157,603	729,355
Inventory	244,854	-	244,854
Pledges receivable	-	564,192	564,192
Other current assets	33,159	23,673	56,832
Investments	1,085,684	18,019	1,103,703
Investment in limited liability company	20,298	20,298	40,596
Assets limited as to use	-	1,577,139	1,577,139
Property and equipment, net	5,883,017	559,274	6,442,291
Total assets	$ 12,124,872	$ 3,848,718	$ 15,973,590
Liabilities			
Accounts payable and accrued expenses	$ 125,513	$ 185,601	$ 311,114
Accrued payroll and related expenses	626,521	415,123	1,041,644
Patient deposits	87,632	78,683	166,315
Deferred revenue	7,386	2,000	9,386
Total liabilities	$ 847,052	$ 681,407	$ 1,528,459
Net assets			
Without donor restrictions	11,277,820	693,979	11,971,799
With donor restrictions	-	2,473,332	2,473,332
Total net assets	$ 11,277,820	$ 3,167,311	$ 14,445,131

There were no significant adjustments made to conform the individual accounting policies of the merging entities or to eliminate intra-entity balances.

Acquisition of Lilac City Pediatrics, P.A.

Effective July 1, 2018, the Organization entered into a business combination agreement with Lilac City Pediatrics, P.A. (LCP), a New Hampshire professional association providing quality pediatric healthcare services in the region served by the Organization. The agreement required the Organization to hire LCP employees, assume equipment and occupancy leases, and carry on the operations of LCP. The business combination provides the Organization's patients with additional and enhanced pediatric healthcare services, consistent with the Organization's mission. There was no consideration transferred as a result of the business combination and the assets acquired and liabilities assumed were not material.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-For-Profit Entities*, as described below. Under FASB ASC Topic 958 and FASB ASC Topic 954, *Health Care Entities*, all not-for-profit healthcare organizations are required to provide a balance sheet, a statement of operations, a statement of changes in net assets, and a statement of cash flows. FASB ASC Topic 954 requires reporting amounts for an organization's total assets, liabilities, and net assets in a balance sheet, reporting the change in an organization's net assets in statements of operations and changes in net assets, and reporting the change in its cash and cash equivalents in a statement of cash flows.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of operations and changes in net assets.

Recently Issued Accounting Pronouncement

In August 2016, FASB issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*, which makes targeted changes to the not-for-profit financial reporting model. The new ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the new ASU, net asset reporting is streamlined and clarified. The existing three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions."

The guidance for classifying deficiencies in endowment funds and on accounting for the lapsing of restrictions on gifts to acquire property and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses. The ASU is effective for the Organization for the year ended December 31, 2018.

Income Taxes

The Organization is a public charity under Section 501(c)(3) of the Internal Revenue Code (IRC). As a public charity, the Organization is exempt from state and federal income taxes on income earned in accordance with its tax-exempt purpose. Unrelated business income is subject to state and federal income tax. Management has evaluated the Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and petty cash funds.

Allowance for Uncollectible Accounts

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of patient accounts receivable, the Organization analyzes its past history and identifies trends for each funding source. In addition, patient balances receivable in excess of 90 days old are 100% reserved. Management regularly reviews data about revenue in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts.

A reconciliation of the allowance for uncollectible accounts at December 31, 2018 follows:

Balance, beginning of year	$ 270,416
Provision	651,700
Write-offs	(499,703)
Balance, end of year	$ 422,413

Grants Receivable

Grants receivable are stated at the amount management expects to collect from outstanding balances. All such amounts are considered collectible.

Inventory

Inventory consisting of pharmaceutical drugs is valued first-in, first-out method and is measured at the lower of cost or retail.

Investments

The Organization reports investments at fair value. Investments include donor endowment funds and assets held for long-term purposes. Accordingly, investments have been classified as non-current assets in the accompanying balance sheet regardless of maturity or liquidity. The Organization has established policies governing long-term investments, which are held within several investment accounts, based on the purposes for those investment accounts and their earnings.

The Organization has elected the fair value option for valuing its investments, which consolidates all investment performance activity within the other revenue and gains section of the statement of operations. The election was made because the Organization believes reporting the activity in a single performance indicator provides a clearer measure of the investment performance. Accordingly, investment income and the change in fair value are included in the deficiency of revenue over expenses, unless otherwise stipulated by the donor or State Law.

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. 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 sheet.

Investment in Limited Liability Company

The Organization is one of seven members of Primary Health Care Partners, LLC (PHCP). The Organization's investment in PHCP is reported using the equity method and the investment amounted to $38,201 at December 31, 2018.

Assets Limited As To Use

Assets limited as to use include investments held for others and donor-restricted contributions to be held in perpetuity and earnings thereon, subject to the Organization's spending policy as further discussed in Note 6.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method.

Gifts of long-lived assets, such as land, buildings, or equipment, are reported as net assets without donor restrictions and excluded from the deficiency of revenue over expenses unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Patient Deposits

Patient deposits consist of payments made by patients in advance of significant dental work based on quotes for the work to be performed.

Patient Service Revenue

Patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

340B Drug Pricing Program

The Organization, as an FQHC, is eligible to participate in the 340B Drug Pricing Program. The program requires drug manufacturers to provide outpatient drugs to FQHC's and other identified entities at a reduced price. The Organization operates a pharmacy and also contracts with local pharmacies under this program. The local pharmacies dispense drugs to eligible patients of the Organization and bill Medicare and commercial insurances on behalf of the Organization. Reimbursement received by the contracted pharmacies is remitted to the Organization, less dispensing and administrative fees. Gross revenue generated from the program is included in patient service revenue. Contracted expenses and drug costs incurred related to the program are included in other operating expenses. Expenses related to the operation of the Organization's pharmacy are categorized in the applicable operating expense classifications.

Donated Goods and Services

Various program help and support for the daily operations of the Organization's programs were provided by the general public of the communities served by the Organization. Donated supplies and services are recorded at their estimated fair values on the date of receipt. Donated supplies and services amounted to $41,119 for the year ended December 31, 2018.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received and the conditions are met. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of operations as "net assets released from restriction." Donor-restricted contributions whose restrictions are met in the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

Promises to Give

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. All pledges receivable are due within one year. Given the short-term nature of the Organization's pledges, they are not discounted and a reserve for uncollectible pledges has been established in the amount of $2,000 at December 31, 2018. Conditional promises to give are not included as revenue until the conditions are substantially met.

Deficiency of Revenue Over Expenses

The statement of operations reflects the deficiency of revenue over expenses. Changes in net assets without donor restrictions which are excluded from the deficiency of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

Subsequent Events

For purposes of the preparation of these financial statements, management has considered transactions or events occurring through May 20, 2019, the date that the financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the financial statements.

2. Availability and Liquidity of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to optimize the investment of its available funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities and general administration, as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Organization had working capital of $4,918,258 at December 31, 2018. The Organization had average days (based on normal expenditures) cash and cash equivalents on hand of 74 at December 31, 2018.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, were as follows as of December 31, 2018:

Cash and cash equivalents	$ 3,896,813
Investments	1,112,982
Patient accounts receivable, net	1,560,698
Grants receivable	424,642
Pledges receivable	263,557
Financial assets available for current use	$ 7,258,692

The Organization has certain long-term investments to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the information above. The Organization has other long-term investments and assets for restricted use, which are more fully described in Note 3, that are not available for general expenditure within the next year and are not reflected in the amount above.

3. Investments and Assets Limited as to Use

Investments, stated at fair value, consisted of the following:

Long-term investments	$ 1,112,982
Assets limited as to use	1,421,576
Total investments	$ 2,534,558

Assets limited as to use are restricted for the following purposes:

Assets held in trust under Section 457(b) deferred compensation plans	$ 26,763
Assets with donor restrictions	1,394,813
Total	$ 1,421,576

Fair Value of Financial Instruments

FASB ASC Topic 820, *Fair Value Measurement*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants and 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 fair value hierarchy within ASC Topic 820 distinguishes three levels of inputs that may be utilized when measuring 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 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.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 13,810	$ -	$ -	$ 13,810
Municipal bonds	-	288,679	-	288,679
Exchange traded funds	411,147	-	-	411,147
Mutual funds	1,820,922	-	-	1,820,922
Total investments	$ 2,245,879	$ 288,679	$ -	$ 2,534,558

Municipal bonds are valued based on quoted market prices of similar assets.

4. Property and Equipment

Property and equipment consisted of the following at December 31, 2018:

Land	$ 718,427
Building and improvements	5,857,428
Leasehold improvements	311,561
Furniture, fixtures, and equipment	2,667,663
Total cost	9,555,079
Less accumulated depreciation	3,447,860
Property and equipment, net	$ 6,107,219

The Organization's facility was built and renovated with federal grant funding under the ARRA - Capital Improvement Program and ACA - Capital Development Program. In accordance with the grant agreements, a Notice of Federal Interest (NFI) was required to be filed in the appropriate official records of the jurisdiction in which the property is located. The NFI is designed to notify any prospective buyer or creditor that the Federal Government has a financial interest in the real property acquired under the aforementioned grant; that the property may not be used for any purpose inconsistent with that authorized by the grant program statute and applicable regulations; that the property may not be mortgaged or otherwise used as collateral without the written permission of the Associate Administrator of the Office of Federal Assistance Management (OFAM) and the Health Resources and Services Administration (HRSA); and that the property may not be sold or transferred to another party without the written permission of the Associate Administrator of OFAM and HRSA.

5. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes:

Specific purpose	
Program services	$ 115,371
Passage of time	
Pledges receivable	263,557
Investments to be held in perpetuity, for which the income is without donor restrictions	1,394,813
Total	$ 1,773,741

Net assets released from net assets with donor restrictions were as follows:

Satisfaction of purpose - program services	$ 270,630
Passage of time - pledges receivable	291,384
Passage of time - endowment earnings	73,017
Total	$ 634,931

6. Endowments

Interpretation of Relevant Law

The Organization's endowments primarily consist of an investment portfolio managed by the Investment Sub-Committee. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as a donor-restricted endowment (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent donor-restricted endowment gifts and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund, if any, is classified as net assets with donor restrictions until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund;
(2) The purposes of the Organization and the donor-restricted endowment fund;
(3) General economic conditions;
(4) The possible effect of inflation and deflation;
(5) The expected total return from income and the appreciation of investments;
(6) Other resources of the Organization; and
(7) The investment policies of the Organization.

Spending Policy

The Organization has a policy of appropriating for expenditure an amount equal to 5% of the endowment fund's average fair market value over the prior 20 quarters. The earnings on the endowment fund are to be used for operations.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration (underwater). In the event the endowment becomes underwater, it is the Organization's policy to not appropriate expenditures from the endowment assets until the endowment is no longer underwater. There were no such deficiencies as of December 31, 2018.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed or meet designated benchmarks while incurring a reasonable and prudent level of investment risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a balanced emphasis on equity-based and income-based investments to achieve its long-term return objectives within prudent risk constraints.

Endowment Net Asset Composition by Type of Fund

The Organization's endowment consists of assets with donor restrictions only and had the following related activities for the year ended December 31, 2018.

Endowments, beginning of year	$ 1,577,139
Investment income	37,790
Change in fair value of investments	(147,099)
Spending policy appropriations	(73,017)
Endowments, end of year	$ 1,394,813

7. Patient Service Revenue

Patient service revenue follows:

Medicare	$ 1,173,771
Medicaid	4,107,002
Third-party payers and self pay	4,753,946
Total patient service revenue	10,034,719
Contracted pharmacy revenue	1,318,392
Total	$11,353,111

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Organization believes that it is in compliance with all laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known.

A summary of the payment arrangements with major third-party payers follows:

Medicare

The Organization is reimbursed for the medical care of qualified patients on a prospective basis, with retroactive settlements related to vaccine costs only. The prospective payment is based on a geographically-adjusted rate determined by Federal guidelines. Overall, reimbursement is subject to a maximum allowable rate per visit. The Medicare cost reports for GCH and FFGS have been audited by the Medicare administrative contractor through June 30, 2018 and June 30, 2017, respectively.

Medicaid and Other Payers

The Organization also has entered into payment agreements with Medicaid and certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Organization under these agreements includes prospectively-determined rates per visit, discounts from established charges and capitated arrangements for primary care services on a per-member, per-month basis.

Charity Care

The Organization provides care to patients who meet certain criteria under its sliding fee discount policy without charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify for charity care, they are not reported as net patient service revenue. The Organization estimates the costs associated with providing charity care by calculating the ratio of total cost to total charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for the sliding fee discount. The estimated cost of providing services to patients under the Organization this policy amounted to $1,756,052 for the year ended December 31, 2018.

The Organization is able to provide these services with a component of funds received through local community support and federal and state grants.

8. Retirement Plans

The Organization has a defined contribution plan under IRC Section 401(k) that covers substantially all employees. For the year ended December 31, 2018, the Organization contributed $194,214 to the plan.

The Organization has established a unqualified deferred compensation plan under IRC Section 457(b) for certain key employees of the Organization. The Organization did not contribute to the plan during the year ended December 31, 2018. The balance of the deferred compensation plan amounted to $26,763 at December 31, 2018.

9. Food Vouchers

The Organization acts as a conduit for the State of New Hampshire's Special Supplemental Food Program for Women, Infants and Children (WIC). The value of food vouchers distributed by the Organization was $1,136,875 for the year ended December 31, 2018. These amounts are not included in the accompanying financial statements as they are not part of the contract the Organization has with the State of New Hampshire for the WIC program.

10. Concentration of Risk

The Organization has cash deposits in major financial institutions which exceed federal depository insurance limits. The Organization has not experienced losses in such accounts and management believes the credit risk related to these deposits is minimal.

The Organization grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. At December 31, 2018, Medicaid represented 37% of gross accounts receivable. No other individual payer source exceeded 10% of the gross accounts receivable balance.

The Organization receives a significant amount of grants from the U.S. Department of Health and Human Services (DHHS). As with all government funding, these grants are subject to reduction or termination in future years. For the year ended December 31, 2018, grants from DHHS (including both direct awards and awards passed through other organizations) represented approximately 63% of grants, contracts, and contributions.

11. Functional Expense

The Organization provides various services to residents within its geographic location. Given the Organization is a service organization, expenses are allocated between healthcare services and administrative support based on the percentage of direct care wages to total wages, with the exception of program supplies which are 100% healthcare in nature. Expenses related to providing these services are as follows for the year ended December 31, 2018.

	Healthcare Services	Administrative and Support Services	Fundraising Services	Total
Salaries and benefits	$ 12,688,419	$ 1,458,660	$ 568,041	$ 14,715,120
Other operating expenses				
Contract services	925,980	144,869	15,112	1,085,961
Program supplies	1,217,994	-	-	1,217,994
Software maintenance	460,634	52,938	20,620	534,192
Occupancy	502,635	57,765	22,500	582,900
Other	862,256	88,360	75,211	1,025,827
Depreciation	301,513	34,651	13,497	349,661
Total	$ 16,959,431	$ 1,837,243	$ 714,981	$ 19,511,655

12. Commitments and Contingencies

Medical Malpractice Insurance

The Organization is protected from medical malpractice risk as an FQHC under the Federal Tort Claims Act (FTCA). The Organization has additional medical malpractice insurance, on a claims-made basis, for coverage outside the scope of the protection of the FTCA. As of the year ended December 31, 2018, there were no known malpractice claims outstanding which, in the opinion of management, will be settled for amounts in excess of both FTCA and additional medical malpractice insurance coverage, nor are there any unasserted claims or incidents which require loss accrual. The Organization intends to renew the additional medical malpractice insurance coverage on a claims-made basis and anticipates that such coverage will be available.

Leases

The Organization leases office space and certain other office equipment under noncancelable operating leases. Future minimum lease payments under these leases are as follows:

2019	$ 289,273
2020	76,992
2021	33,990
Total	$ 400,255

Rental expense amounted to $258,695 for the year ended December 31, 2018.

GREATER SEACOAST COMMUNITY HEALTH

Goodwin Community Health | Families First | Lilac City Pediatrics

Board of Directors
Calendar Year 2020

Name/Address	Phone/Email	Occupation
Chair Barbara Henry [redacted]	[redacted]	Retired Newspaper Publisher
Vice Chair Valerie Goodwin [redacted]	[redacted]	Retired Business **Consumer**
Board Treasurer Dennis Veilleux [redacted]	[redacted]	Accounting Manager
Board Secretary Jennifer Glidden [redacted]	[redacted]	DHHS Admin. Supervisor **Consumer**
Karin Bamdollar [redacted]	[redacted]	Export Manager **Consumer**
Don Chick [redacted]	[redacted]	Photographer **Consumer**
Jo Jordon [redacted]	[redacted]	Emergency Management
Abigail Sykas Karoutas [redacted]	[redacted]	Attorney **Consumer**
Allison Neal [redacted]	[redacted]	Education Consultant **Consumer**
Yulia Rothenberg [redacted]	[redacted]	Education Consultant **Consumer**
Stuart Scharff [redacted]	[redacted]	Business/Legal
Kathy Scheu [redacted]	[redacted]	Medical/Laboratory Product Sales
Dan Schwarz [redacted]	[redacted]	Attorney **Consumer**

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Name/Address	Phone/Email	Occupation
Jeffrey Segil, MD [redacted]	[redacted]	Physician-OB/GYN
James Sepanski [redacted]	[redacted]	Financial Executive
David B. Staples, DDS [redacted]	[redacted]	Dentist **Consumer**

JANET M. LAATSCH

Objective: To utilize my leadership skills to create a dynamic, sustainable non-profit organization.

WORK EXPERIENCE:

Goodwin Community Health (GCH)
Somersworth, NH **2001-Present**
Chief Executive Officer **2005-Present**

Accomplishments:

- Successfully retained all Directors and Physicians
- Built relationships with donors, foundations, local and state representatives and other non-profit and for-profit organizations
- Retention of an active Board of Directors
- Improvement of patient outcomes
- Successfully implemented mental health integration program
- Successfully acquired a for-profit mental health organization
- Developed a new partnership with Noble High School
- Developed a new partnership with Southeastern NH Services
- Obtained new grant funding of over $7.0 million
- Expansion of donor base
- Development of a corporate compliance program
- Merged the public health and safety council under AGCHC

Responsibilities:

- Oversight of operations, finance, personnel and fund development
- Grant writing and donor development
- New business development
- Compliance with all federal and state regulations
- Build relationships and partnerships locally and statewide
- Strategic planning
- Report directly to the Board of Directors

Finance Director **2002-2005**

Accomplishments:

- Brought in over $3.0 million in grant funds for the organization
- Obtained Federally Qualified Health Center status in 2004
- Designed and implemented a successful new dental program
- Achieved a financial surplus annually

Responsibilities:

- Responsible for all financial transactions, billing, collections, patient accounts
- Strategic planning as it relates to capital funding
- Budget development, cost/benefit analysis of existing programs and potential new programs
- Development and implementation of an annual development plan
- Research, write, submit and provide follow-up reports for grant funds

- Oversee human resource functions of the organization

Grant Writer/Per Diem Nurse 2001-2002

Grant Writing Services,
N. Hampton, NH
Sole Proprietor 1999-2001

Accomplishments:

- Successfully researched and submitted grants for health and educational organizations totaling over $150k

Responsibilities:

- Research private, industry, state and federal funds for non-profit organizations

North Shore Medical Center (Partners Health Care) 1991-1999
Salem, MA
Acting Chief Operations Officer for the
North Shore Community Health Center 1997-1999

Accomplishments:

- Successfully submitted their competitive Federal grant and other state grants
- Recruited a medical director and re-negotiated existing provider contracts to include productivity standards
- Re-designed operations to improve productivity
- Incorporated the hospital's medical residency program into the Health Center
- Achieved a financial surplus for the first time in five years
- Developed a quality improvement program and framework

Responsibilities:

- Placed at the Health Center by the North Shore Medical Center to revamp operations and improve the cash flow for the organization
- Reported directly to the Board of Directors

EDUCATION:

University of New Hampshire: Durham, N.H.	M.B.A. Concentration in Finance	1991
Northern Michigan University: Marquette, M.I.	B.S.N. Minor in Biology	1981

LICENSES/CERTIFICATES:
Real Estate Broker
N.H. Nursing License

PROFESIONAL:
Member of the National Association of Community Health Centers
Previous Board member of the United Way of the Greater Seacoast
Treasurer for the Health and Safety Council of Strafford County
Board member of the Community Health Network Access (CHAN)
Board member of the Rochester Rotary, slotted for President in 2011

Erin E. Ross

Objective

Obtain a position in Health Care, which will continue to build knowledge and skills from both education and experiences gained.

Qualifications

Mature, energetic individual possessing management experience, organizational skills, multi-tasking abilities, good work initiative and communicates well with internal and external contacts. Proficient in computer skills with a strong background using all applications within Microsoft Office programs.

Education

September 1998 – May 2002 **Bachelor of Science in Health Management & Policy**
University of New Hampshire
Durham, New Hampshire 03824

Related Experience

August 2006 – Present **Service Expansion Director**
Avis Goodwin Community Health Center

- Responsible for the overall function of the Winter St location of Avis Goodwin Community Health Center.
- Maintain all clinical equipment and order all necessary supplies.
- Coordinate the scheduling of all clinical and administrative staff in the office.
- Assist with the continued integration of dental services and now mental health services to existing primary care services.
- Assist with the integration of private OB/GYN practice into Avis Goodwin Community Health Center.
- Organize patient outcome data collection and quality improvement measures to monitor multiple aspects and assure sustainability for Avis Goodwin Community Health Center.

May 2005 – August 2006 **Site Manager, Dover Location**
Avis Goodwin Community Health Center

- Responsible for the overall function of the Dover location of Avis Goodwin Community Health Center.
- Maintain all clinical equipment and order all necessary supplies.
- Assist with the continued integration of dental services and now mental health services to existing primary care services.
- Coordinate the scheduling of all clinical and administrative staff in the office.
- Organize patient outcome data collection and quality improvement measures to monitor multiple aspects and assure sustainability for Avis Goodwin Community Health Center.

January 2005 – November 2005 **Front Office Manager**
Avis Goodwin Community Health Center

- Supervise, hire and evaluate front office staff of both Avis Goodwin Community Health Center locations.
- Develop and implement policies and procedures for the smooth functioning of the front office.

May 2004 – Present **Dental Coordinator**
Avis Goodwin Community Health Center

- Supervise, hire and evaluate dental staff, including Dental Assistant and Hygienists.
- Acted as general contractor during construction and renovation of existing facility for 4 dental exam rooms.
- Responsible for the operations of the dental center, development of educational programs for providers and staff and supervision of the school-based dental program.
- Developed policy and procedure manual, including OSHA and Infection Control protocols.
- Organize patient outcome data collection and quality improvement measures to monitor dental program and assure sustainability.
- Maintain all dental equipment and order all dental supplies.
- Coordinate grant fund requirements to multiple agencies on a quarterly basis.

- Oversee all aspects of billing for dental services, including training existing billing department staff.

July 2003 – May 2004 **Administrative Assistant to Medical Director**
Avis Goodwin Community Health Center

- Assist with Quality Improvement program by attending all meetings, generating monthly minutes documenting all aspects of the agenda and reporting quarterly data followed by the agency.
- Generate a monthly report reflecting provider productivity including number patients seen by each provider and no show and cancellation rates of appointments.
- Served as a liaison between patients and Chief Financial Officer to effectively handle all patient concerns and compliments.
- Established and re-created various forms and worksheets used by many departments.

December 2002 – May 2004 **Billing Associate**
Avis Goodwin Community Health Center

- Organize and respond to correspondence, rejections and payments from multiple insurance companies.
- Created an Insurance Manual for Front Office Staff and Intake Specialists as an aide to educate patients on their insurance.
- Responsible for credentialing and Re-credentialing of providers, including physicians, nurse practitioners and physician assistants, within the agency and to multiple insurance companies.
- Apply knowledge of computer skills, including Microsoft Office, Logician, PCN and Centricity.
- Designed a statement to generate from an existing Microsoft Access database for patients on payment plans to receive monthly statements.
- Assist Front Office Staff during times of planned and unexpected staffing shortages.

June 2002 - December 2002 **Billing Associate**
Automated Medical Systems
Salem, New Hampshire 03079

- Communicate insurance benefits and explain payments and rejections to patients about their accounts.
- Responsible for organizing and responding to correspondence received for multiple doctor offices.
- Determine effective ways for rejected insurance claims to get paid through communicating with insurance companies and patients.
- Apply knowledge of computer skills, including Microsoft Office, Accuterm and Docstar.

Work Experience

October 1998 – May 2002 **Building Manager**
Memorial Union Building – UNH
Durham, New Hampshire 03824

- Recognized as a Supervisor, May 2001-May 2002.
- Supervised Building Manager and Information Center staff.
- Responsible for managing and documenting department monetary transactions.
- Organized and led employee meetings on a weekly basis.
- Established policies and procedures for smooth functioning of daily events.
- Oversaw daily operations of student union building, including meetings and campus events.
- Served as a liaison between the University of New Hampshire, students, faculty and community.
- Organized and maintained a weekly list of rental properties available for students.
- Developed and administered new ideas for increased customer service efficiency.

References

Available upon request

Joann Buonomano, MD, FAAFP

Education

Duke University - FAHEC Family Practice Residency Program 1989 - 1992
- Chief Resident 1991-1992

Boston University School of Medicine 1985 - 1989
- Senior year symposium "War & Medicine"
- Pediatric rotation in Spanishtown, Jamaica

Boston University – Biology 1980 - 1984

Professional Experience

Ossipee Family Medicine Ossipee, NH 1995 - present
- One-year successful implementation of Greenway EMR system
- Off-campus department of a critical-access hospital
- Servicing economically diverse population in rural NH
- Two-physician team and solo practice experience
- Supervision of PA's and PA students
- Minor in-office procedures, Excisions/I &D/trigger point/joint injections
- Colposcopy, Cryosurgery
- Home visits for practice hospice patients
- Nursing home responsibilities
- Average 22-29 patients/day; night and weekend coverage

Rural Health Clinic status - Ossipee, NH 1995 - 2006
- In patient responsibilities, including ICU
- OB (w/o csxn). 30 deliveries/year
- Newborn care
- Prior clerkship site for third -year medical students MMC/UVM
- Grant Application submitted FQHC status 2005

Robeson Health Care Consortium, Pembroke, NC 1992 - 1995
Faculty appointment - UNC School of Medicine
Clerkship site for third- and fourth -year medical students

Committee Experience, Huggins Hospital, Wolfeboro, NH

Chairperson – Out-Patient Division 2012 - present
Chairperson – Clinical Quality Committee 2011 - 2012
Chairperson – Maternal Child Health Committee 2000 – 2005

Certifications and Licensure

NH State License #9369
Board Certified in Family Practice since 1992
ACLS (expires 1/2016)
PALS and ALSO (expired 5/2012)

Joann Buonomano MD, FAAFP

DEA # BB3224968

NPI # 1427022292

Professional References

2/5/14

Eric Lewis MD
Wolfeboro Family Medicine
Huggins Hospital
Cell # 603-651-7036
email: lewiserc@hotmail.com

Marcia Arsnow MD
Emergency room Physician
Huggins Hospital
Cell # 603-387-7328
Email: drmschneid@gmail.com

Vlasta Zdrnja MD
Queen City Internal Medicine
Manchester ,NH
Cell # 603-303-9588
Email:

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Janet Laatsch	Chief Executive Officer	$216,778	0%	$0
Erin Ross	Chief Financial Officer	$149,177	0%	$0
Joann Buonomano	Chief Medical Officer	$242,403	0%	$0

AGREEMENT BETWEEN

THE STATE OF NEW HAMPSHIRE
DEAPRTMENT OF HEALTH AND HUMAN SERVICES,
DIVISION OF PUBLIC HEALTH

AND

LAMPREY HEALTH CARE

This Agreement dated this 10th day of April 2020 is entered into by and between the State of New Hampshire, Department of Health and Human Services, Division of Public Health ("DPH"), and and Lamprey Health Care having their principal office at 207 S. Main Street, Newmarket, NH (hereafter, collectively, "Lamprey").

WHEREAS, consistent with the Governor's Executive Order 2020-04, DPH is working to respond to the growing outbreak of COVID-19;

WHEREAS, approximately 81,000 residents of New Hampshire are uninsured, many of whom may need medical services to treat the signs and symptoms of COVID-19;

WHEREAS, uninsured individuals typically seek non-emergent care at hospitals, due to the hospitals' capacity and ability to provide uncompensated care to the residents of NH,

WHEREAS, in preparation for the hospital surge expected as a result of the COVID-19 outbreak, DPH must manage the availability of hospital services available to all residents of NH,

WHEREAS, Lamprey is the owner and operator of a Federally Qualified Health Center (FQHC), Planned Parenthood Clinic, or FQHC Look-a-Like;

WHEREAS, Lamprey has the capacity to offer non-emergent services to uninsured individuals at a discounted rate paid for by the Department of Health and Human Services; and

WHEREAS, by providing for the uninsured individuals to receive non-emergent care at these locations, DPH is better able to keep hospital services available for those needing emergency care for the treatment of COVID-19;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree:

1. Services to be provided:

A. Lamprey shall provide telemedicine visits to individuals who are uninsured and reside in New Hampshire to triage, screen, and treat the signs or symptoms of COVID-19 during the State of Emergency in New Hampshire declared pursuant to Executive Order 2020-04.

Telemedicine visits provided by Lamprey for individuals for issues unrelated to COVID-19 shall not be included within the services to be rendered under the Agreement.

B. At the conclusion of a telemedicine visit with a Lamprey healthcare provider in which the provider has ordered a SARS-CoV-2 (virus that causes COVID-19) test, Lamprey shall coordinate the specimen collection, processing, coordination with a reference laboratory for testing, and communication with the uninsured individual concerning the test result and recommendations for further treatment based on the test result.

C. Lamprey shall commence the services upon the signing of this Agreement by both parties.

2. Payment for Services:

A. For each telemedicine visit provided under this Agreement, DPH shall pay Lamprey $99.00.

B. DPH reserves the right to offset from any amounts otherwise payable to Lamprey 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.

C. Lamprey shall submit an invoice to DHHS by the fifteenth (15th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. LAMPREY shall ensure the invoice is completed, dated and returned to DHHS in order to initiate payment. The invoices shall include: name of patient seen and the date of service.

D. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to Mary.Calise@dhhs.nh.gov, or invoices may be mailed to:

Mary Calise
Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

F. The State shall make payment to Lamprey within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.

3. Price Limitation:

A. The total to be paid or reimbursed under this Agreement from DPH to Lamprey shall not exceed $100,000.00. If the volume of uninsured individuals receiving care and/or testing under this Agreement is high, DPH and Lamprey may increase this limit upon mutual agreement by the parties with appropriate approvals as required pursuant to the laws of the State of New Hampshire for government contracting.

B. Notwithstanding any provision of this Agreement to the contrary, all obligations of DPH hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the scope of service.

4. Effective Date and Duration: The Term of this Agreement shall commence upon signature of this Agreement by both parties and shall terminate on June 30, 2020, unless sooner terminated or extended in accordance with the terms of this Agreement.

5. Indemnification: Unless otherwise exempted by law, Lamprey shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omissions of Lamprey, or subcontractors, including but not limited to negligent, reckless or intentional conduct. The State shall not be liable for any costs incurred by Lamprey arising under this paragraph. 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 shall survive the termination of this Agreement.

6. Confidentiality: Any and all confidential information obtained or received by Lamprey shall be kept confidential and shall not be disclosed to anyone for any reason. "Confidential Information" means all information owned, managed, created, or received from the Individuals, DPH, any other agency of the State, or any medical provider, that is protected by Federal or State information security, privacy or confidentiality laws or rules. Confidential Information includes, but is not limited to, Derivative Data, protected health information (PHI), personally identifiable information (PII), federal tax information (FTI), Social Security Administration information (SSA) and criminal justice information services (CJIS) and any other sensitive confidential information provided under the Agreement. This covenant shall survive the termination of the Agreement.

7. Assignment: Lamprey shall not assign any interest in this Agreement without prior written notice, which shall be provided to DPH at least fifteen (15) days prior to the assignment, and a written consent of DPH. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

8. Modification: No modification of this Agreement shall be binding upon the other Party unless made in writing and agreed upon by both Parties to this Agreement. Either Party may terminate this Agreement for any reason or for no reason upon thirty (30) days written notice to the other Party.

9. Severability: In the event that any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected and shall remain in full force and affect.

10. Jurisdiction: This Agreement shall be governed by, interpreted and enforced under the laws of the State of New Hampshire without making reference to its conflicts of laws or choice of laws provisions. The Parties consent to a state court located in the state of New Hampshire as having the sole jurisdiction of any and all controversies that may arise under this Agreement.

11. Entire Agreement: This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

DULY signed and authorized by:

Lori Shibinette	[signature]
State of New Hampshire, Department of Health and Human Services, Division of Public Health	Lamprey HEALTH CARE GREGORY WHITE, CEO
4/10/2020	4/10/2020
Date	Date

The preceding Agreement, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

04/17/2020
Date

Takhmina Rakhmatova
Name:
Title:

I hereby certify that the foregoing Agreement was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

_____
Date

_____
Name:
Title:

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 LAMPREY HEALTH CARE, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on August 16, 1971. 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: 66382
Certificate Number : 0004496055

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 11th day of April A.D. 2019.

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, Thomas C. Drew, hereby certify that:

1. I am a duly elected Clerk/Secretary/Officer of Lamprey Health Care, Inc.

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 25, 2020, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Gregory A. White, CEO, (may list more than one person)

is duly authorized on behalf of Lamprey Health Care, Inc. to enter into contracts or agreements with the State

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 4/1/2020

Signature of Elected Officer
Thomas C. Drew, Secretary, Lamprey Health Care

LAMPHEA-01 TFAGERSON

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 11/4/2019

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 License # 1780862 HUB International New England 100 Central Street, Suite 201 Holliston, MA 01746	CONTACT NAME: Dan Joyal PHONE (A/C, No, Ext): (774) 233-6208 FAX (A/C, No): E-MAIL ADDRESS: dan.joyal@hubinternational.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Philadelphia Indemnity Insurance Company	18058
INSURED Lamprey Health Care, Inc. 207 South Main Street Newmarket, NH 03857	INSURER B : Atlantic Charter Insurance Company	44326
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES CERTIFICATE NUMBER: 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			PHPK2002335	7/1/2019	7/1/2020	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ 20,000
							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 $							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WCA00545407	7/1/2019	7/1/2020	X PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: N	N/A					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 General Liability and Workers Compensation coverage.

CERTIFICATE HOLDER

NH DHHS
129 Pleasant Street
Concord, NH 03301

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

LAMPREY HEALTH CARE

Where Excellence and Caring go Hand in Hand

Our Mission

The mission of Lamprey Health Care is to provide high quality primary medical care and health related services, with an emphasis on prevention and lifestyle management, to all individuals regardless of ability to pay.

- We seek to be **a leader in providing access** to medical and health services that improve the health status of the individuals and families in the communities we serve.
- Our mission is to **remove barriers that prevent access to care**; we strive to eliminate such barriers as language, cultural stereotyping, finances and/or lack of transportation.
- Lamprey Health Care's **commitment to the community** extends to providing and/or coordinating access to a full range of comprehensive services.
- Lamprey Health Care is committed to achieving the highest level of patient satisfaction through a personal and caring approach and **exceeding standards of excellence in quality and service.**

Our Vision

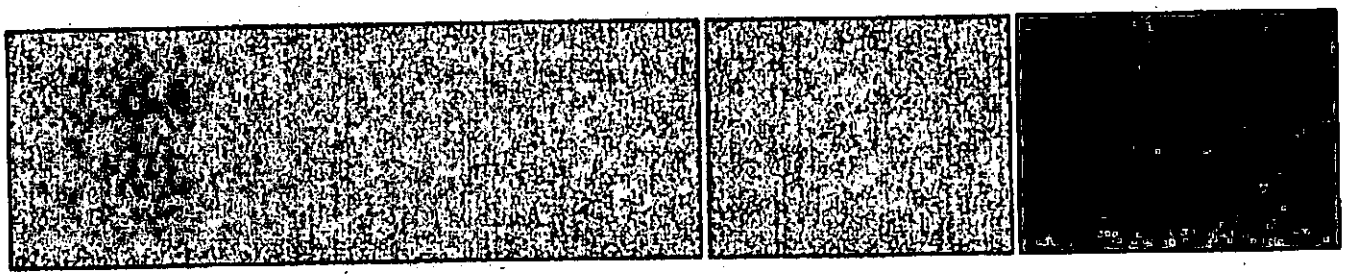
- We will be the **outstanding primary care choice** for our patients, our communities and our service area, and the standard by which others are judged.
- We will continue as **pacesetter** in the use of new knowledge for lifestyle improvement, quality of life.
- We will be a **center of excellence** in service, quality and teaching.
- We will be **part of an integrated system** of care to ensure access to medical care for all individuals and families in our communities.
- We will be an **innovator** to foster development of the best primary care practices, adoption of the tools of technology and teaching.
- We will **establish partnerships**, linkages, networks and referrals with other organizations to provide access to a full range of services to meet our communities' needs.

Our Values

- We exist to **serve the needs of our patients**.
- We value a positive **caring approach** in delivering patient services.
- We are committed to **improving the health** and total well-being of our communities.
- We are committed to **being proactive** in identifying and meeting our communities' health care needs.
- We provide a supportive environment for **the professional and personal growth, and healthy lifestyles of our employees**.
- We provide an **atmosphere of learning** and growth for both patients and employees as well as for those seeking training in primary care.
- We succeed by utilizing a **team approach** that values a positive, constructive commitment to Lamprey Health Care's mission.

Affirmed 12/18/2019

BerryDunn



LAMPREY HEALTH CARE

Where Excellence and Caring go Hand in Hand

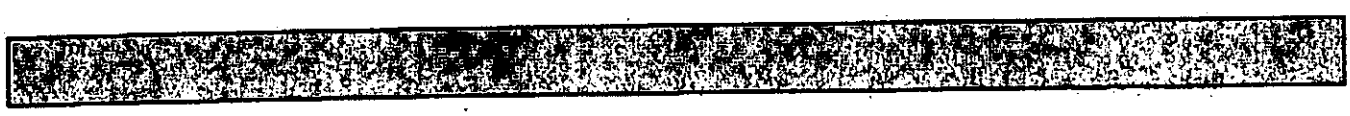
CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

September 30, 2019 and 2018

With Independent Auditor's Report



BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lamprey Health Care, Inc. and Friends of Lamprey Health Care, Inc.

We have audited the accompanying consolidated financial statements of Lamprey Health Care, Inc. and Friends of Lamprey Health Care, Inc., which comprise the consolidated balance sheets as of September 30, 2019 and 2018, and the related consolidated statements of operations, functional expenses, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated 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 Lamprey Health Care, Inc. and Friends of Lamprey Health Care, Inc. as of September 30, 2019 and 2018, and the results of their operations, changes in their net assets and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Change In Accounting Principles

As discussed in Note 1 to the financial statements, in 2019 Lamprey Health Care, Inc. and Friends of Lamprey Health Care, Inc. adopted new accounting guidance, Financial Accounting Standards Board Accounting Standards Updates No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958) and No. 2016-18, *Restricted Cash* (Topic 230). Our opinion is not modified with respect to these matters.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating balance sheets as of September 30, 2019 and 2018, and the related consolidating statements of operations and changes in net assets for the years then ended, are presented for purposes of additional analysis rather than to present the financial position and changes in net assets of the individual entities, 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 17, 2020

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidated Balance Sheets

September 30, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 1,422,407	$ 1,341,015
Patient accounts receivable, net	1,237,130	1,330,670
Grants receivable	452,711	228,972
Other receivables	236,798	172,839
Inventory	81,484	72,219
Other current assets	78,405	139,568
Total current assets	3,508,935	3,285,283
Investment in limited liability company	19,101	22,590
Assets limited as to use	2,943,714	3,205,350
Fair value of interest rate swap	13,512	-
Property and equipment, net	7,608,578	7,584,923
Total assets	$14,093,840	$14,098,146

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued expenses	$ 641,818	$ 438,830
Accrued payroll and related expenses	961,024	919,690
Deferred revenue	85,418	117,696
Current maturities of long-term debt	106,190	102,014
Total current liabilities	1,794,450	1,578,230
Long-term debt, less current maturities	2,031,076	2,134,337
Fair value of interest rate swap	-	13,404
Total liabilities	3,825,526	3,725,971
Net assets		
Without donor restrictions	9,732,208	10,061,029
With donor restrictions	536,106	311,146
Total net assets	10,268,314	10,372,175
Total liabilities and net assets	$14,093,840	$14,098,146

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

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidated Statements of Operations

Years Ended September 30, 2019 and 2018

	2019	2018
Operating revenue		
Patient service revenue	$ 9,143,768	$ 9,426,185
Provision for bad debts	(398,544)	(354,460)
Net patient service revenue	8,745,224	9,071,725
Grants, contracts and contributions	6,104,270	5,538,925
Other operating revenue	1,637,578	769,240
Net assets released from restrictions for operations	75,197	118,447
Total operating revenue	16,562,269	15,498,337
Operating expenses		
Salaries and wages	10,584,157	9,941,188
Employee benefits	1,993,787	1,688,571
Supplies	646,774	715,862
Purchased services	1,731,988	1,569,327
Facilities	580,711	594,355
Other operating expenses	697,570	537,414
Insurance	145,114	143,338
Depreciation	461,062	459,716
Interest	107,855	96,431
Total operating expenses	16,949,018	15,746,202
Deficiency of revenue over expenses	(386,749)	(247,865)
Change in fair value of interest rate swap	26,916	365
Net assets released from restrictions for capital acquisition	31,012	16,651
Decrease in net assets without donor restrictions	$ (328,821)	$ (230,849)

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

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidated Statement of Functional Expenses

Year Ended September 30, 2019

	Healthcare Services	AHEC/PHN	Transportation	Total Healthcare Services	Administration and Support Services	Total
Salaries and wages	$ 8,599,722	$ 418,785	$ 127,054	$ 9,145,561	$ 1,438,596	$ 10,584,157
Employee benefits	1,531,182	76,015	23,346	1,630,543	363,244	1,993,787
Supplies	614,628	12,839	47	627,514	19,260	646,774
Purchased services	892,684	225,590	407	1,118,681	613,307	1,731,988
Facilities	4,020	477	23,155	27,652	553,059	580,711
Other	283,801	157,524	120	441,445	256,125	697,570
Insurance	-	-	8,922	8,922	136,192	145,114
Depreciation	-	-	27,509	27,509	433,553	461,062
Interest	-	-	-	-	107,855	107,855
Allocated program support	886,269	-	-	886,269	(886,269)	-
Allocated occupancy costs	714,331	34,319	4,531	753,181	(753,181)	-
Total	$ 13,526,637	$ 925,549	$ 215,091	$ 14,667,277	$ 2,281,741	$ 16,949,018

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

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidated Statement of Functional Expenses

Year Ended September 30, 2018

	Healthcare Services	AHEC/PHN	Transportation	Total Healthcare Services	Administration and Support Services	Total
Salaries and wages	$ 8,000,572	$ 411,320	$ 120,008	$ 8,531,900	$ 1,409,288	$ 9,941,188
Employee benefits	1,315,582	70,805	20,049	1,406,436	282,135	1,688,571
Supplies	684,828	7,051	40	691,919	23,943	715,862
Purchased services	815,843	139,400	-	955,243	614,084	1,569,327
Facilities	4,402	480	20,945	25,827	568,528	594,355
Other	253,564	87,005	39	340,608	196,806	537,414
Insurance	-	-	8,696	8,696	134,642	143,338
Depreciation	-	-	28,093	28,093	431,623	459,716
Interest	-	-	-	-	96,431	96,431
Allocated program support	825,266	-	-	825,266	(825,266)	-
Allocated occupancy costs	930,169	36,593	4,831	971,593	(971,593)	-
Total	$ 12,830,226	$ 752,654	$ 202,701	$ 13,785,581	$ 1,960,621	$ 15,746,202

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

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidated Statements of Changes in Net Assets

Years Ended September 30, 2019 and 2018

	2019	2018
Net assets without donor restrictions		
Deficiency of revenue over expenses	$ (386,749)	$ (247,865)
Change in fair value of interest rate swap	26,916	365
Net assets released from restrictions for capital acquisition	31,012	16,651
Decrease in net assets without donor restrictions	(328,821)	(230,849)
Net assets with donor restrictions		
Contributions	205,027	71,205
Grants for capital acquisition	126,142	16,651
Net assets released from restrictions for operations	(75,197)	(118,447)
Net assets released from restrictions for capital acquisition	(31,012)	(16,651)
Increase (decrease) in net assets with donor restrictions	224,960	(47,242)
Change in net assets	(103,861)	(278,091)
Net assets, beginning of year	10,372,175	10,650,266
Net assets, end of year	$10,268,314	$10,372,175

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

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidated Statements of Cash Flows

Years Ended September 30, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Change in net assets	$ (103,861)	$ (278,091)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Provision for bad debts	398,544	354,460
Depreciation	461,062	459,716
Equity in earnings of limited liability company	3,489	(2,292)
Change in fair value of interest rate swap	(26,916)	(365)
Grants for capital acquisition	(126,142)	(16,651)
(Increase) decrease in the following assets:		
Patient accounts receivable	(305,004)	(614,015)
Grants receivable	(223,739)	247,179
Other receivable	(63,959)	(87,482)
Inventory	(9,265)	(8,640)
Other current assets	61,163	21,378
Increase (decrease) in the following liabilities:		
Accounts payable and accrued expenses	25,215	42,545
Accrued payroll and related expenses	41,334	39,213
Deferred revenue	(32,278)	28,656
Net cash provided by operating activities	99,643	185,611
Cash flows from investing activities		
Capital acquisitions	(306,944)	(173,745)
Cash flows from financing activities		
Grants for capital acquisition	126,142	16,651
Principal payments on long-term debt	(99,085)	(104,489)
Net cash provided (used) by financing activities	27,057	(87,838)
Net decrease in cash and cash equivalents and restricted cash	(180,244)	(75,972)
Cash and cash equivalents and restricted cash, beginning of year	4,546,365	4,622,337
Cash and cash equivalents and restricted cash, end of year	$ 4,366,121	$ 4,546,365
Breakdown of cash and cash equivalents and restricted cash, end of year		
Cash and cash equivalents	$ 1,422,407	$ 1,341,015
Assets limited as to use	2,943,714	3,205,350
	$ 4,366,121	$ 4,546,365
Supplemental disclosure of cash flow information		
Cash paid for interest	$ 107,856	$ 96,431
Capital expenditures included in accounts payable	$ 177,773	$ -

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

1. Summary of Significant Accounting Policies

Organization

Lamprey Health Care, Inc. (LHC) is a not-for-profit corporation organized in the State of New Hampshire. LHC is a Federally Qualified Health Center (FQHC) whose primary purpose is to provide high quality family health, medical and behavioral health services to residents of southern New Hampshire without regard to the patient's ability to pay for these services.

Subsidiary

Friends of Lamprey Health Care, Inc. (FLHC) is a not-for-profit corporation organized in the State of New Hampshire. FLHC's primary purpose is to support LHC. FLHC is also the owner of the property occupied by LHC's administrative and program offices in Newmarket, New Hampshire. LHC is the sole member of FLHC.

Principles of Consolidation

The consolidated financial statements include the accounts of LHC and its subsidiary, FLHC (collectively, the Organization). All significant intercompany balances and transactions have been eliminated in consolidation.

Recently Adopted Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the ASU, net asset reporting is streamlined and clarified. The existing three category classification of net assets was replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance on accounting for the lapsing of restrictions on gifts to acquire property and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses which resulted in the expansion of the consolidated financial statements to include statements of functional expenses. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to 2018. The adoption had no effect on the Organization's total net assets, results of operations, changes in net assets or cash flows for the year ended September 30, 2019. The adoption did result in a reclassification of net assets previously reported as net assets with donor restrictions to net assets without donor restrictions. This related to gifts received and used to acquire property and equipment and the restrictions on these gifts were previously released over the useful life of the acquired assets. Previously reported net assets with donor restrictions of $109,370 and $115,620 at September 30, 2018 and 2017, respectively, have been reclassified as net assets without donor restrictions.

In November 2016, FASB issued ASU No. 2016-18, *Restricted Cash* (Topic 230), which requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The ASU is effective for fiscal years beginning on or after December 15, 2018. The Organization adopted ASU No. 2016-18 in 2019, and restated its 2018 statement of cash flows to conform to the provisions thereof.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Organization to report information in the financial statements according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same year as received are reflected as contributions without donor restrictions in the accompanying financial statements.

Gifts of long-lived assets, such as land, buildings, or equipment, are reported as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

Both LHC and FLHC are public charities under Section 501(c)(3) of the Internal Revenue Code. As public charities, the entities are exempt from state and federal income taxes on income earned in accordance with their tax-exempt purposes. Unrelated business income is subject to state and federal income tax. Management has evaluated the Organization's tax positions and concluded that the Organization has no unrelated business income or uncertain tax positions that require adjustment to the consolidated financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of business checking and savings accounts as well as petty cash funds.

The Organization maintains cash balances at several financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At various times throughout the year, the Organization's cash balances may exceed FDIC insurance. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk.

Patient Accounts Receivable

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances. Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of patient accounts receivable, the Organization analyzes its past collection history and identifies trends for all funding sources in the aggregate. In addition, patient balances in excess of 120 days are 100% reserved. Management regularly reviews revenue and payer mix data in evaluating the sufficiency of the allowance for uncollectible accounts. Amounts not collected after all reasonable collection efforts have been exhausted are applied against the allowance for uncollectible accounts.

Grants and Other Receivables

Grants and other receivables are stated at the amount management expects to collect from outstanding balances. All such amounts are considered collectible.

The Organization receives a significant amount of grants from the U.S. Department of Health and Human Services (DHHS). As with all government funding, these grants are subject to reduction or termination in future years. For the years ended September 30, 2019 and September 30, 2018, grants from DHHS (including both direct awards and awards passed through other organizations) represented approximately 76% and 76%, respectively, of grants, contracts and contributions revenue.

Investment in Limited Liability Company

The Organization is one of eight partners who each made a capital contribution of $500 to Primary Health Care Partners (PHCP). The purposes of PHCP are: (i) to engage and contract directly with the payers of health care to influence the design and testing of emerging payment methodologies; (ii) to achieve the three part aim of better care for individuals, better health for populations and lower growth in expenditures in connection with both governmental and non-governmental payment systems; (iii) to undertake joint activities to offer access to high quality, cost effective medical, mental health, oral health, home care and other community-based services, based upon the medical home model of primary care delivery, that promote health and well-being by developing and implementing effective clinical and administrative systems in a manner that is aligned with the FQHC model; and to lead collaborative efforts to manage costs and improve the quality of primary care services delivered by health centers operated throughout the state of New Hampshire; and (iv) to engage in any and all lawful activities, including without limitation the negotiation of contracts, agreements and/or arrangements (with payers and other parties). The Organization's investment in PHCP is reported using the equity method and the investment amounted to $19,101 and $22,590 at September 30, 2019 and 2018, respectively.

Assets Limited as To Use

Assets limited as to use include cash and cash equivalents set aside under loan agreements for repairs and maintenance on the real property collateralizing the loan, assets designated by the Board of Directors for specific projects or purposes and donor-restricted contributions as discussed further in Note 7.

Property and Equipment

Property and equipment acquisitions are recorded at cost, less accumulated depreciation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method.

Patient Service Revenue

Patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

340B Drug Pricing Program

LHC, as an FQHC, is eligible to participate in the 340B Drug Pricing Program. The program requires drug manufacturers to provide outpatient drugs to FQHCs and other identified entities at a reduced price. LHC contracts with local pharmacies under this program. The local pharmacies dispense drugs to eligible patients of LHC and bill insurances on behalf of LHC. Reimbursement received by the pharmacies is remitted to LHC net of dispensing and administrative fees. Revenue generated from the program is included in patient service revenue net of third-party allowances. The cost of drug replenishments and contracted expenses incurred related to the program are included in other operating expenses.

Functional Expenses

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the Organization. Expenses which are allocated between program services and administrative support include employee benefits which are allocated based on direct wages, facilities and related costs which are allocated based upon square footage occupied by the program, and direct program support (billing and medical records) which is 100% attributable to healthcare services.

Deficiency of Revenue Over Expenses

The consolidated statements of operations reflect the deficiency of revenue over expenses. Changes in net assets without donor restriction which are excluded from this measure include contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets) and changes in fair value of an interest rate swap that qualifies for hedge accounting.

Subsequent Events

For purposes of the preparation of these financial statements, management has considered transactions or events occurring through January 17, 2020, the date that the financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the financial statements.

2. Availability and Liquidity of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and a line of credit.

The Organization had working capital of $1,714,485 and $1,707,053 at September 30, 2019 and 2018, respectively. The Organization had average days cash and cash equivalents on hand (based on normal expenditures) of 31 and 32 at September 30, 2019 and 2018, respectively.

Financial assets available for general expenditure within one year as of September 30 were as follows:

	2019	2018
Cash and cash equivalents	$ 1,422,407	$ 1,341,015
Patient accounts receivable, net	1,237,130	1,330,670
Grants receivable	452,711	228,972
Other receivables	236,798	172,839
Financial assets available	$ 3,349,046	$ 3,073,496

The Organization has certain board-designated assets limited to use which are available for general expenditure within one year in the normal course of operations upon obtaining approval from the Board of Directors. Accordingly, these assets have not been included in the qualitative information above. The Organization has other assets limited to use for donor-restricted purposes, which are more fully described in Note 7, are not available for general expenditure within the next year and are not reflected in the amounts above.

The Organization's goal is generally to have, at the minimum, the Health Resources and Services Administration recommended days cash and cash equivalents on hand for operations of 30 days.

The Organization has a $1,000,000 line of credit, as discussed in more detail in Note 5.

3. Patient Accounts Receivable

Patient accounts receivable consisted of the following:

	2019	2018
Patient accounts receivable	$ 1,397,194	$ 1,386,791
Contract 340B pharmacy program receivables	75,586	197,976
Total patient accounts receivable	1,472,780	1,584,767
Allowance for doubtful accounts	(235,650)	(254,097)
Patient accounts receivable, net	$ 1,237,130	$ 1,330,670

A reconciliation of the allowance for uncollectible accounts follows:

	2019	2018
Balance, beginning of year	$ 254,097	$ 233,455
Provision for bad debts	398,544	354,460
Write-offs	(416,991)	(333,818)
Balance, end of year	$ 235,650	$ 254,097

The Organization grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Primary payers representing 10% or more of the Organization's gross patient accounts receivable are as follows:

	2019	2018
Medicare	17 %	18 %
Medicaid	19 %	14 %
Anthem Blue Cross Blue Shield	*	13 %

* less than 10%

4. Property and Equipment

Property and equipment consists of the following:

	2019	2018
Land and improvements	$ 1,154,753	$ 1,154,753
Building and improvements	11,048,899	10,943,714
Furniture, fixtures and equipment	1,799,636	1,723,627
Total cost	14,003,288	13,822,094
Less accumulated depreciation	6,667,847	6,237,171
	7,335,441	7,584,923
Construction in progress	273,137	-
Property and equipment, net	$ 7,608,578	$ 7,584,923

During 2019, the Organization began to make renovations to the clinical building in Newmarket, New Hampshire. The project is estimated to cost approximately $780,000 and is expected to be completed and placed in service in December 2019. The project has been funded primarily through donor restricted contributions and debt.

The Organization has made renovations to certain buildings with federal grant funding. In accordance with the grant agreements, a Notice of Federal Interest (NFI) was filed in the appropriate official records of the jurisdiction in which the property is located. The NFI is designed to notify any prospective buyer or creditor that the Federal Government has a financial interest in the real property components acquired under the aforementioned grant; that the property may not be used for any purpose inconsistent with that authorized by the grant program statute and applicable regulations; that the property may not be mortgaged or otherwise used as collateral without the written permission of the Associate Administrator of the Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA); and that the property may not be sold or transferred to another party without the written permission of the Associate Administrator of OFAM and HRSA.

5. Line of Credit

The Organization has an available $1,000,000 revolving line of credit from a local bank through May 31 2021, with an interest rate of 5.50%. The line of credit is collateralized by all business assets. There was no outstanding balance as of September 30, 2019 and 2018.

6. Long-Term Debt

Long-term debt consists of the following:

	2019	2018
Promissory note payable to local bank; see terms outlined below.	$ 851,934	$ 875,506
5.375% promissory note payable to United States Department of Agriculture, Rural Development (Rural Development), paid in monthly installments of $4,949, which includes interest, through June 2026. The note is collateralized by all tangible property owned by the Organization. The note was paid off through refinancing that is effective in October 2019; see details below.	336,509	371,976
4.75% promissory note payable to Rural Development, paid in monthly installments of $1,892, which includes interest, through November 2033. The note is collateralized by all tangible property owned by the Organization. The note was paid off through refinancing that is effective in October 2019; see details below.	231,091	242,438
4.375% promissory note payable to Rural Development, paid in monthly installments of $5,000, which includes interest, through December 2036. The note is collateralized by all tangible property owned by the Organization. The note was paid off through refinancing that is effective in October 2019; see details below.	718,732	746,431
Total long-term debt	2,137,266	2,236,351
Less current maturities	106,190	102,014
Long-term debt, less current maturities	$ 2,031,076	$ 2,134,337

The Organization has a promissory note with a local bank which is a ten-year balloon note to be paid at the amortization rate of 30 years, with monthly principal payments of $1,345 plus interest at 85% of the one-month LIBOR rate plus 2.125% through January 2022 when the balloon payment is due. The note is collateralized by the real estate. The Organization has an interest rate swap agreement for the ten-year period through 2022 that limits the potential interest rate fluctuation and essentially fixes the rate at 4.13%. The fair value of the interest rate swap agreement was an asset of $13,512 and a liability of $13,404 at September 30, 2019 and 2018, respectively.

Effective October 2, 2019, the Organization obtained a $2,100,000 note payable with a local bank, which repaid the notes payable due to Rural Development in the amount of $1,285,332, and the additional financing was used to renovate the Organization's Newmarket clinical building as discussed in Note 4. The note has a ten-year balloon and is to be paid at the amortization rate of 30 years, with monthly principal payments plus interest at the greater of the Wall Street Journal Prime rate or the weighted average of the rate of overnight Federal funds with members of the Federal Reserve Bank of New York plus 0.5% through October 2029 when the balloon payment is due. The note is collateralized by the real estate. The Organization has an interest rate swap agreement for the ten-year period through 2029 that limits the potential interest rate fluctuation and essentially fixes the rate at 3.173%.

The Organization is required to meet certain administrative and financial covenants under various loan agreements included above. The Organization failed to meet one of those loan covenants at September 30, 2019 and has received a waiver of default from the bank.

Maturities of long-term debt for the next five years and thereafter (adjusted for the refinancing as discussed above) are as follows:

2020	$ 106,190
2021	50,783
2022	832,321
2023	28,439
2024	29,264
Thereafter	1,090,269
Total	$ 2,137,266

7. Net Assets

Net assets without donor restrictions are designated for the following purposes:

	2019	2018
Undesignated	$ 7,019,181	$ 7,377,112
Repairs and maintenance on the real property collateralizing Rural Development loans	142,092	142,092
Board-designated for		
Transportation	16,982	16,982
Working capital	1,391,947	1,391,947
Building improvements	1,162,006	1,132,896
Total	$ 9,732,208	$10,061,029

Net assets with donor restrictions were restricted for the following specific purposes:

	2019	2018
Temporary in nature:		
Capital improvements	$ 326,567	$ 231,436
Community programs	181,151	54,643
Substance abuse prevention	28,388	25,067
Total	$ 536,106	$ 311,146

8. Patient Service Revenue

Patient service revenue was as follows for the years ended September 30:

	2019	2018
Gross charges	$13,786,408	$13,683,357
340B contract pharmacy revenue	1,139,085	1,327,156
Total gross revenue	14,925,493	15,010,513
Contractual adjustments	(4,793,060)	(4,534,268)
Sliding fee discounts	(964,485)	(1,030,666)
Other discounts	(24,180)	(19,394)
Total patient service revenue	$ 9,143,768	$ 9,426,185

The mix of gross patient service revenue from patients and third-party payers was as follows for the years ended September 30:

	2019	2018
Medicare	17 %	17 %
Medicaid	31 %	27 %
Blue Cross Blue Shield	17 %	18 %
Other payers	21 %	24 %
Self pay and sliding fee scale patients	14 %	14 %
	100 %	100 %

Laws and regulations governing the Medicare, Medicaid and 340B programs are complex and subject to interpretation. The Organization believes that it is in compliance with all laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties and exclusion from the Medicare, Medicaid and 340B programs. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in patient service revenue in the year that such amounts become known.

A summary of the payment arrangements with major third-party payers follows:

Medicare

The Organization is reimbursed for the care of qualified patients on a prospective basis, with retroactive settlements related to vaccine costs only. The prospective payment is based on a geographically-adjusted rate determined by federal guidelines. Overall, reimbursement was and continues to be subject to a maximum allowable rate per visit. The Organization's Medicare cost reports have been audited by the Medicare administrative contractor through September 30, 2018.

Medicaid and Other Payers

The Organization is reimbursed by Medicaid for the care of qualified patients on a prospective basis. Overall, reimbursement is subject to a maximum allowable rate per visit. The Organization also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. Under these arrangements, the Organization is reimbursed based on contractually obligated payment rates which may be less than the Organization's public fee schedule.

Charity Care

The Organization provides care to patients who meet certain criteria under its sliding fee discount policy without charge or at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue. The Organization estimates the costs associated with providing charity care by calculating the ratio of total cost to total charges, and then multiplying that ratio by the gross uncompensated charges associated with providing care to patients eligible for free care. The estimated cost amounted to approximately $1,053,562 and $1,041,596 for the years ended September 30, 2019 and 2018, respectively.

The Organization is able to provide these services with a component of funds received through local community support and federal and state grants.

9. Retirement Plan

The Organization has a defined contribution plan under Internal Revenue Code Section 403(b). The Organization contributed $300,572 and $157,605 for the years ended September 30, 2019 and 2018, respectively. The Organization's Board of Directors voted to suspend the employer contributions to the plan in April 2018 and resume contributions in January 2019 subsequent to the adoption of revisions to the employer contribution component of the plan documents.

10. Medical Malpractice

The Organization is protected from medical malpractice risk as an FQHC under the Federal Tort Claims Act (FTCA). The Organization has additional medical malpractice insurance, on a claims-made basis, for coverage outside the scope of the protection of the FTCA. As of September 30, 2019, there were no known malpractice claims outstanding which, in the opinion of management, will be settled for amounts in excess of both FTCA and medical malpractice insurance coverage, nor are there any unasserted claims or incidents which require loss accrual. The Organization intends to renew medical malpractice insurance coverage on a claims-made basis and anticipates that such coverage will be available.

11. Litigation

From time-to-time certain complaints are filed against the Organization in the ordinary course of business. Management vigorously defends the Organization's actions in those cases and utilizes insurance to cover material losses. In the opinion of management, there are no matters that will materially affect the Organization's consolidated financial statements.

SUPPLEMENTARY INFORMATION

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidating Balance Sheet

September 30, 2019

ASSETS

	Lamprey Health Care, Inc.	Friends of Lamprey Health Care, Inc.	Eliminations	2019 Consolidated
Current assets				
Cash and cash equivalents	$ 453,924	$ 968,483	$ -	$ 1,422,407
Patient accounts receivable, net	1,237,130	-	-	1,237,130
Grants receivable	452,711	-	-	452,711
Other receivables	236,798	59,797	(59,797)	236,798
Inventory	81,484	-	-	81,484
Other current assets	78,405	-	-	78,405
Total current assets	2,540,452	1,028,280	(59,797)	3,508,935
Investment in limited liability company	19,101	-	-	19,101
Assets limited as to use	2,861,010	82,704	-	2,943,714
Fair value of interest rate swap	13,512	-	-	13,512
Property and equipment, net	5,718,217	1,890,361	-	7,608,578
Total assets	$11,152,292	$ 3,001,345	$ (59,797)	$14,093,840

LIABILITIES AND NET ASSETS

Current liabilities				
Accounts payable and accrued expenses	$ 701,615	$ -	$ (59,797)	$ 641,818
Accrued payroll and related expenses	961,024	-	-	961,024
Deferred revenue	85,418	-	-	85,418
Current maturities of long-term debt	65,417	40,773	-	106,190
Total current liabilities	1,813,474	40,773	(59,797)	1,794,450
Long-term debt, less current maturities	1,122,027	909,049	-	2,031,076
Total liabilities	2,935,501	949,822	(59,797)	3,825,526
Net assets				
Without donor restrictions	7,680,685	2,051,523	-	9,732,208
With donor restrictions	536,106	-	-	536,106
Total net assets	8,216,791	2,051,523	-	10,268,314
Total liabilities and net assets	$11,152,292	$ 3,001,345	$ (59,797)	$14,093,840

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidating Balance Sheet

September 30, 2018

ASSETS

	Lamprey Health Care, Inc.	Friends of Lamprey Health Care, Inc.	2018 Consolidated
Current assets			
Cash and cash equivalents	$ 656,379	$ 684,636	$ 1,341,015
Patient accounts receivable, net	1,330,670	-	1,330,670
Grants receivable	228,972	-	228,972
Other receivables	172,839	-	172,839
Inventory	72,219	-	72,219
Other current assets	139,568	-	139,568
Total current assets	2,600,647	684,636	3,285,283
Investment in limited liability company	22,590	-	22,590
Assets limited as to use	2,920,876	284,474	3,205,350
Property and equipment, net	5,585,290	1,999,633	7,584,923
Total assets	$11,129,403	$ 2,968,743	$14,098,146

LIABILITIES AND NET ASSETS

Current liabilities			
Accounts payable and accrued expenses	$ 438,830	$ -	$ 438,830
Accrued payroll and related expenses	919,690	-	919,690
Deferred revenue	117,696	-	117,696
Current maturities of long-term debt	63,027	38,987	102,014
Total current liabilities	1,539,243	38,987	1,578,230
Long-term debt, less current maturities	1,184,455	949,882	2,134,337
fair value of interest rate swap	13,404	-	13,404
Total liabilities	2,737,102	988,869	3,725,971
Net assets			
Without donor restrictions	8,081,155	1,979,874	10,061,029
With donor restrictions	311,146	-	311,146
Total net assets	8,392,301	1,979,874	10,372,175
Total liabilities and net assets	$11,129,403	$ 2,968,743	$14,098,146

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidating Statement of Operations

Year Ended September 30, 2019

	Lamprey Health Care Inc.	Friends of Lamprey Health Care, Inc.	Eliminations	2019 Consolidated
Operating revenue				
Patient service revenue	$ 9,143,768	$ -	$ -	$ 9,143,768
Provision for bad debts	(398,544)	-	-	(398,544)
Net patient service revenue	8,745,224	-	-	8,745,224
Rental income	-	227,916	(227,916)	-
Grants, contracts and contributions	6,104,270	-	-	6,104,270
Other operating revenue	1,637,475	103	-	1,637,578
Net assets released from restrictions for operations	75,197	-	-	75,197
Total operating revenue	16,562,166	228,019	(227,916)	16,562,269
Operating expenses				
Salaries and wages	10,584,157	-	-	10,584,157
Employee benefits	1,993,787	-	-	1,993,787
Supplies	646,774	-	-	646,774
Purchased services	1,731,860	128	-	1,731,988
Facilities	808,327	300	(227,916)	580,711
Other operating expenses	694,558	3,012	-	697,570
Insurance	145,114	-	-	145,114
Depreciation	351,790	109,272	-	461,062
Interest expense	64,197	43,658	-	107,855
Total operating expenses	17,020,564	156,370	(227,916)	16,949,018
(Deficiency) excess of revenue over expenses	(458,398)	71,649	-	(386,749)
Change in fair value of interest rate swap	26,916	-	-	26,916
Net assets released from restrictions for capital acquisition	31,012	-	-	31,012
(Decrease) increase in net assets without donor restrictions	$ (400,470)	$ 71,649	$ -	$ (328,821)

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidating Statement of Operations

Year Ended September 30, 2018

	Lamprey Health Care, Inc.	Friends of Lamprey Health Care, Inc.	Eliminations	2018 Consolidated
Operating revenue				
Patient service revenue	$ 9,426,185	$ -	$ -	$ 9,426,185
Provision for bad debts	(354,460)	-	-	(354,460)
Net patient service revenue	9,071,725	-	-	9,071,725
Rental income	-	227,916	(227,916)	-
Grants, contracts and contributions	5,538,925	-	-	5,538,925
Other operating revenue	769,148	92	-	769,240
Net assets released from restrictions for operations	118,447	-	-	118,447
Total operating revenue	15,498,245	228,008	(227,916)	15,498,337
Operating expenses				
Salaries and wages	9,941,188	-	-	9,941,188
Employee benefits	1,688,571	-	-	1,688,571
Supplies	715,784	78	-	715,862
Purchased services	1,569,171	156	-	1,569,327
Facilities	816,102	6,169	(227,916)	594,355
Other operating expenses	535,414	2,000	-	537,414
Insurance	143,338	-	-	143,338
Depreciation	353,293	106,423	-	459,716
Interest	60,447	35,984	-	96,431
Total operating expenses	15,823,308	150,810	(227,916)	15,746,202
(Deficiency) excess of revenue over expenses	(325,063)	77,198	-	(247,865)
Change in fair value of interest rate swap	365	-	-	365
Net assets released from restrictions for capital acquisition	16,651	-	-	16,651
(Decrease) increase in net assets without donor restrictions	$ (308,047)	$ 77,198	$ -	$ (230,849)

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidating Statement of Changes in Net Assets

Year Ended September 30, 2019

	Lamprey Health Care, Inc.	Friends of Lamprey Health Care, Inc.	2019 Consolidated
Net assets without donor restrictions			
(Deficiency) excess of revenue over expenses	$ (458,398)	$ 71,649	$ (386,749)
Change in fair value of interest rate swap	26,916	-	26,916
Net assets released from restrictions for capital acquisition	31,012	-	31,012
(Decrease) increase in net assets without donor restrictions	(400,470)	71,649	(328,821)
Net assets with donor restrictions			
Contributions	205,027	-	205,027
Grants for capital acquisition	126,142	-	126,142
Net assets released from restrictions for operations	(75,197)	-	(75,197)
Net assets released from restrictions for capital acquisition	(31,012)	-	(31,012)
Increase in net assets with donor restrictions	224,960	-	224,960
Change in net assets	(175,510)	71,649	(103,861)
Net assets, beginning of year	8,392,301	1,979,874	10,372,175
Net assets, end of year	$ 8,216,791	$ 2,051,523	$10,268,314

LAMPREY HEALTH CARE, INC. AND FRIENDS OF LAMPREY HEALTH CARE, INC.

Consolidating Statement of Changes in Net Assets

Year Ended September 30, 2018

	Lamprey Health Care, Inc.	Friends of Lamprey Health Care, Inc.	2018 Consolidated
Net assets without donor restrictions			
(Deficiency) excess of revenue over expenses	$ (325,063)	$ 77,198	$ (247,865)
Change in fair value of interest rate swap	365	-	365
Net assets released from restrictions for capital acquisition	16,651	-	16,651
(Decrease) increase in net assets without donor restrictions	(308,047)	77,198	(230,849)
Net assets with donor restrictions			
Contributions	71,205	-	71,205
Grants for capital acquisition	16,651	-	16,651
Net assets released from restrictions for operations	(118,447)	-	(118,447)
Net assets released from restrictions for capital acquisition	(16,651)	-	(16,651)
Decrease in net assets with donor restrictions	(47,242)	-	(47,242)
Change in net assets	(355,289)	77,198	(278,091)
Net assets, beginning of year	8,747,590	1,902,676	10,650,266
Net assets, end of year	$ 8,392,301	$ 1,979,874	$10,372,175

LAMPREY HEALTH CARE

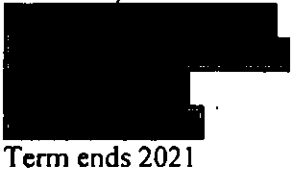
Where Excellence and Caring go Hand in Hand

2020 Board of Directors

Frank Goodspeed (President/Chair)

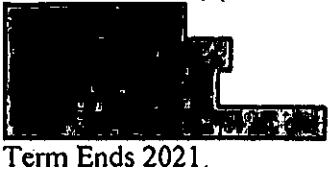
Term Ends 2020

Raymond Goodman, III (Vice President)



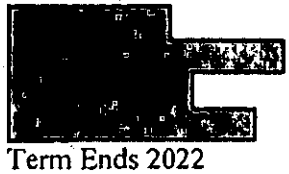
Term ends 2021

Arvind Ranade, (Treasurer)



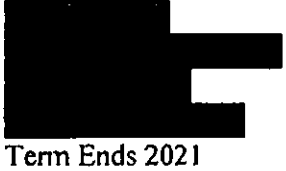
Term Ends 2021

Thomas "Chris" Drew (Secretary)



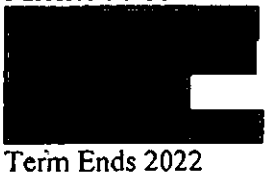
Term Ends 2022

Audrey Ashton-Savage (Immediate Past Chair/President)



Term Ends 2021

Michelle Boom

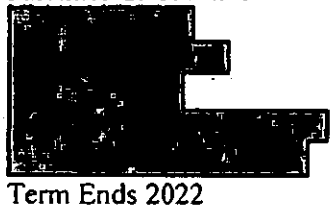


Term Ends 2022

James Brewer

Term Ends 2022

Michael Chouinard

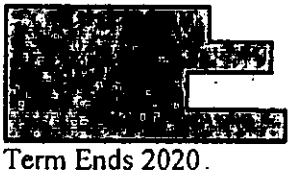


Term Ends 2022

Elizabeth Crepeau

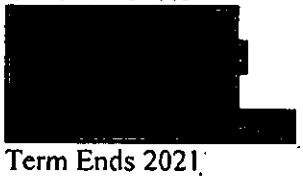
Term ends 2021

Robert Gilbert



Term Ends 2020

Carol LaCross



Term Ends 2021

Andrea Laskey

Term Ends 2022

LAMPREY HEALTH CARE

Where Excellence and Caring go Hand in Hand

2020 Board of Directors

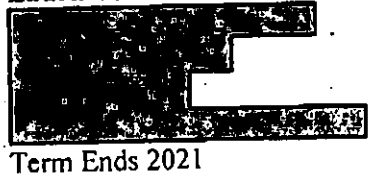
Michael Reinke

Term Ends 2022

Wilberto Torres

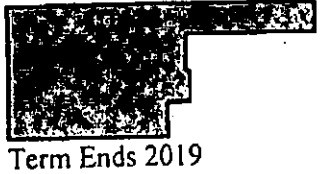
Term Ends 2019

Laura Valencia



Term Ends 2021

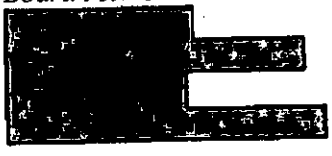
Robert S. Woodward



Term Ends 2019

Non-Voting Board Member

Michael Merenda,
Board Member Emeritus



Gregory A. White, CPA

[redacted]

Summary

Senior Level Executive with extensive hands-on experience in management, business leadership, and working with boards, banks and other external stake holders. A CPA with an established record of success in Community Health Center management. Strong in budgets, cash forecasts, grants, and team leadership.

Professional Experience

Lamprey Health Care – Newmarket, NH **2013 to present**

Chief Executive Officer

- Responsible for the leadership, operation and overall strategic direction of New Hampshire's largest Federally Qualified Health Center.
- Ensuring continuity and high quality primary medical care in three sites, both urban rural, serving over 16,000 patients in 40 communities.
- Leading a high performing senior management team in the direction of over 150 staff and providers.
- Engaging with leaders and stakeholders at the local, state and national levels to ensure that Lamprey is at the forefront of innovative, high quality health care delivery.

Lowell Community Health Center – Lowell, MA **2009 to 2013**

Chief Financial Officer

- Responsible for the integrity of financial information and systems for this Federally Qualified Health Center, employing 315 staff and providing over 120,000 visits annually. Upgraded financial and administrative infrastructure to meet requirements during a time of rapid expansion.
- Lead the financing and budget development for a $42 million capital facility project to include: traditional debt, multiple tax credit sources, federal grants, loan guarantees, and private funds.
- Directed key projects for: 340(b) pharmacy implementation; 403(b) tax deferred savings plan; multiple federal stimulus grants; and revised operating budget development.
- Representative to the Lowell General PHO for managed care contract negotiation
- Recruited and managed a team of five directors to oversee and manage four support and one programmatic department

Manchester Community Health Center – Manchester, NH **1999 to 2009**

Chief Financial Officer

- Recruited by the CEO to bring structure and process to the functional areas of the Center's financial operations. Provided direction and oversight to key business areas; General Administration, Patient Registration, Human Resources, FTCA/Legal and Medical Records.

- Responsible for the development of key programs, Corporate Compliance, HIPAA, selection of a new practice management system. Supported Joint Commission accreditation and the implementation of an electronic medical record system.
- Led the development of financing for the Center's new facility.

Greater Lawrence Family Health Center – Lawrence, MA **1993 to 1998**

Controller	**1997 to 1998**
Accounting Manager	**1995 to 1997**
Senior Accountant/Analyst	**1993 to 1995**

- Progressively responsible for all day to day financial operations of a Federally Qualified Health Center, including: Accounts Payable, Payroll, General Ledger, Cash Management, Cost Reporting, Patient Accounts, and Financial Reporting. Presented budgets, analysis, projections and periodic reporting to the Board of Directors.
- Key leader for projects involving: selection of new financial accounting software; selection of new practice management system; provider productivity measurement and analysis and group purchasing. Oversaw budget of $5 million construction project.
- Developed reimbursement model for an innovative Family Practice Residency program.

Alexander, Aronson, Finning & Co., CPA's – Westborough, MA **1990 to 1993**

Staff Accountant/Auditor

Education & Professional Affiliations

Babson College, Wellesley, MA

BS, Accounting - 1990

Commonwealth of Massachusetts

Certified Public Accountant- 1996

Healthcare Financial Management Association

Certified Healthcare Financial Professional - 2008

National Association of CHC's

Excel Leadership Program - 2003

National Registry of Emergency Medical Technicians

EMT - N.H. license number 18991-I

Boards, Advisory & Volunteer Experience

Massachusetts League of Community Health Centers – Special Finance Committee

Gregory A. White, CPA
[redacted]

NH Health Access Network – Administrative & Training Committee

Community Health Access Network – Board of Directors, Finance Committee

Bi-State Primary Care Association – Capital Finance & Sustainability, Prospective Payment

The Way Home – Manchester, NH - Board of Trustees – Treasurer

Manchester Sustainable Access Project – Data Sub-group

Milford Ambulance Service – Volunteer EMT, Staff Officer, Treasurer, Building Advisory Committee

Milford Educational Foundation – 1999 to 2010 - Treasurer

Heritage United Way – Manchester – Community Investment Committee

Milford Community Athletic Association - Coach

Lasell College – Co-Resident Director

Evalie M. Crosby, CPA, FHFMA

[redacted]

Summary of Qualifications

Thirty-three years professional accounting and healthcare finance experience including audit, residential mental health, critical access hospital and FQHC managerial experience. Responsibilities have included extensive involvement in third-party contract negotiations, budgeting, strategic planning, financial analysis of strategic initiatives, independent financial audit and IRS Form 990 coordination and full responsibility for preparation and filing of Medicare and Medicaid Cost Reports. Served in all executive positions in NHVT HFMA which has provided significant exposure to PPS hospital and NH and VT healthcare organization executive and managerial level leaders.

Experience

Lamprey Health Care, Inc, Newmarket, NH
Chief Financial Officer (2016 – Present)

Senior Executive of Finance for a three site Federally Qualified Health Center serving over 15,000 patients in southern New Hampshire.

- Responsible for overall fiscal management of multi-site Federally Qualified Health Center with a $15+ million dollar annual budget. Management includes budgeting, strategic planning, month end close and reporting to the Board of Directors.
- Redesigned and rebuilt company chart of accounts and reporting to more efficiently and accurately reflect financial operating results at the departmental, programmatic and grant levels of the health center.
- Preparation and execution of financial and retirement plan audits.
- Preparation and execution of tri-ennial HRSA site visit financial review.
- Conducted search and selection of Financial Advisor firm for 403B Retirement Plan.

Alice Peck Day Health System, Lebanon, NH
Vice President of Finance/Chief Financial Officer (2009-Present)

Senior Executive of Finance for Health System comprised of Alice Peck Day Memorial Hospital made up of a 25 bed Critical Access Hospital and 11 wholly owned Physician Practices and Alice Peck Lifecare, a senior living facility with 66 independent living units, 66 assisted living units and 7 24/7 supervised nursing units. Responsible for 6 direct reports and 69 employees from Revenue Cycle, Patient Access, Patient Accounts, Coding, Health Information, Materials Management, Fiscal Services and Lifecare Business Services. Prior to Senior Level restructuring CFO was responsible for IT/IS and Risk/Compliance.

- Responsible for overall financial and fiscal management aspects of Health Systems, Hospital and Lifecare operations including accounting, budgetary, tax and other financial planning activities within the health system organizations;
- Create, coordinate, and evaluate the financial programs and supporting information systems to include budgeting, tax planning, real estate, and conservation of assets.
- Approve and coordinate changes and improvements in automated financial and management information systems for the organizations of the APD Health Systems.
- Ensure compliance with local, state, and federal financial reporting requirements.
- Coordinate the preparation of financial statements, financial reports, Medicare Cost Reports, 990 Tax Returns, special analyses, and information reports.
- Develop and implement finance, accounting, billing, and auditing procedures.
- Establish and maintain appropriate internal control safeguards.
- Contribute financial expertise in the planning of new services that generate additional sources of revenue.
- Manage costs by continually seeking data that will identify opportunities that eliminate non-value costs in conjunction with the Senior Leadership Teams of the Hospital and Lifecare.
- Analyzes areas in planning, promoting and conducting organization-wide performance improvement activities.
- Interact with other managers to provide consultative support to planning initiatives through financial and management information analyses, reports, and recommendations.
- Develop and direct the implementation of strategic business and/or operational plans, projects, programs, and systems, in conjunction with other members of the Senior Leadership Teams.
- Establish and implement short- and long-range departmental goals, objectives, policies, and operating procedures.
- Negotiate and execute third party payor contracts.
- Represent the health system at meetings including medical staff, board of trustee meetings, New Hampshire Hospital Association, New England Alliance for Health, and other relevant community meetings as needed.
- Represent the company externally to media, government agencies, funding agencies, and the general public.
- Recruit, train, supervise, and evaluate department staff.

Mt. Ascutney Hospital and Health Center, Windsor, VT
Budgeting and Reimbursement Manager and Controller (2001-2009)
Progressive managerial experience ranging from budget and reimbursement manager to Controller and succession plan that would transition to Chief Financial Officer. Directly supervise 4 employees in Finance and serve as backup supervisor for 30 employees in four departments reporting to the Chief Financial Officer including Materials Management, IT, Patient Access and Patient Accounts.

- Plan, organize and coordinate annual budget process for Critical Access Hospital. Process involves collection and distribution of departmental historical volume, revenue and expense data; supporting department heads in the development of their operating

budgets; performing financial analysis on proposed changes in services; and presenting proposed budget for approval by the Board of Trustees Finance and Audit Committee. Prepared and coordinated the presentation of the Hospital's proposed budget before the State of Vermont Banking, Insurance, Securities and Healthcare Administration (BISHCA) and Public Oversight Commission (POC).

- Serve as Hospital's direct finance contact for BISHCA staff, Medicaid Personnel, CMS personnel, and other contract agencies and third party payors.
- Prepare annual Medicare and Medicaid Cost Report filings and all supporting documentation.
- Coordinate annual financial audit process and serve as hospital's primary contact for all external audit engagements including but not limited to Independent Financial Auditors, Medicaid Auditors and Medicare Auditors.
- Develop and present finance workshops for clinical department heads. Serve as primary contact in the finance area for clinical department heads. Participate in Senior Management Team meetings. Participate in monthly Board of Trustee Finance and Audit Committee meetings.
- Implemented decision support software system which has successfully led to automation of monthly departmental variance reporting as well as much of the annual budget process.
- Responsible for updating and maintenance of Revenue and Estimated Third Party Settlement Models which are integral to the budgeting and monthly reporting processes.

Namaqua Center, Loveland, CO
Chief Financial Officer (1998-2001)
Responsible for the evaluation of automated accounting systems as well as the ultimate selection and implementation of the system. Directly supervised 3 employees and responsible for all aspects of the financial performance of the agency. Served as liaison with regulatory agencies, both for written reporting and on-site surveys.

- Developed full accounting policies and procedures manual for the agency.
- Direct contact for Independent Auditors and State Regulatory Agencies involved in financial oversight of the Agency's operations and effectiveness.
- Assured timely and complete Medicaid Cost Reports and School Department Reporting packages.
- Coordinated extensive Quality Improvement Project around third party reporting and billing.

Evalie M. Crosby, CPA
Principal (1985-1997)
Built a full public accounting practice servicing primarily small business, not for profit and individual clients. Successfully represented clients before the Internal Revenue Service, State Departments of Revenue, State Departments of Employment and Training, and Workers Compensation Insurers. Negotiated financing for clients with financial institutions and a variety of Federal and State Grant agencies.

- Provided monthly accounting and bookkeeping services.
- Provided quarterly and annual payroll and income tax filing assistance.
- Consulted with clients on the selection, installation and implementation of automated accounting systems.

Deloitte Haskins + Sells, Boston, MA
Healthcare Audit Team, (1982-1985)

- Served in a variety of capacities from audit staff to audit senior on the Healthcare Audit Team for a major public accounting firm in Boston, MA.
- Planned, organized and supervised audits on a variety of healthcare engagements.
- Served as a member of the initial DH+S team for Brigham and Women's Hospital and New England Deaconess Hospital engagements.

Education

Master of Science in Accounting **1982**
Northeastern University Graduate School of Professional Accounting, Boston, MA

Bachelor of Arts - Economics **1980**
Tufts University, Medford, MA

Current Certifications/Affiliations

Healthcare Finance Management Association (HFMA)

Fellow of Healthcare Financial Management Association (FHFMA) 2007-Present

Certified Healthcare Finance Professional with Specialty in Physician Practices (1984-Present)

NHVT Executive Board (All positions, 2008-2012)

Certification Committee Co-Chair (2005-2008)
Received Yerger Award for Innovation (2007)

Newsletter Committee (2005-2008)
Authored several articles for the Chapter-s bi-monthly newsletter

Education Committee (2004-2008)
Presenter for four separate HFMA and MGMA Education Sessions
Co-Coordinator for a minimum of two sessions per year

Certified Public Accountant (1984-Present)

Commonwealth of Massachusetts	1984-1997
State of Colorado	1997-2001
State of New Hampshire	2001-Present

Speaking Engagements

Healthcare Financial Management Association

HFMA Core Coaching Preparation Course	August 2008 September 2009
The Role of Patient Accounts in the Revenue Cycle	October 2009
Medicare Cost Report Boot Camp	January 2010
Introduction to Healthcare Finance for Trustees	January 2010
Basic Healthcare Finance for Non Financial Professionals	October 2010

American Institute of Certified Public Accountants

Healthcare Industry Annual Conference	November 2012

Alice Peck Day Health System

Finance Topics for the Non-Financial Manager	Monthly Lunch and Learns

River Valley Community College

Adjunct Faculty for "Healthcare Accounting and Finance"	Sept 2015 – Dec 2015

VASUKI NAGARAJ M.D., M.P.H.
[redacted]

SPECIALITY **Family Medicine**

EDUCATION

Master of Public Health, *Aug 2001 – Dec 2003*
Environmental and Occupational Health
Texas A&M University-HSC, College Station, Texas

Bachelor of Medicine and Surgery (M.B.B.S) *Aug 1995 – Apr 2000*
J.J.M. Medical College, Davangere, India *Kuvempu University*

HONORS

- Financed 75% of entire Medical Education through Government based merit, and 100% of my MPH degree through graduate assistantships.
- Ranked in the top 5% of the graduating class of 2001 in Medical School.
- Inducted into the Alpha Tau chapter of the Delta Omega Public Health Honor Society in April, 2004.
  The Delta Omega Society recognizes scholarship merit (top 10% of students) and reflects dedication to quality in the field of Public Health.

RESEARCH

Texas A&M University, Research Assistant *Aug 2001- Aug 2003*
Rio Bravo Child Pesticide Ingestion Project, P.I. – K.C. Donnelly, PhD.

- The primary focus of this study is to develop a methodology to estimate childhood exposure to pesticide through the sampling of house dust and children's hand rinse and urine samples. My duties included Coordinating research communication; Leading a team involved in generating reports, writing protocols, and handling sampling tools; Analyzing and maintaining a database from the results of the study.

EXPERIENCE

Lamprey Health Care, Nashua, New Hampshire
Chief Medical Officer *May 2018-Present*
Nashua Site Medical Director *August 2012-May 2018*
Family Physician *August 2008-Present*

Southern New Hampshire Medical Center/Foundation Medical Partners, Nashua, New Hampshire
Hospitalist *Jan 2009 - Present*

EHA Consulting Group, Inc.
Infectious Disease Epidemiologist *Jan 2004 – June 2006*

- Epidemiology: Offered specialized consultation, remediation, interaction with regulatory agencies and expert testimony. Assessing and managing risks, corporate crisis intervention and allocating liabilities.
- Food Safety: Provide services in the areas of investigation, planning, compliance, education, and crisis management.

VASUKI NAGARAJ M.D., M.P.H. [redacted]

- Indoor air and mold: Provides strategies for the identification and resolution of problems involving Toxic Molds (Bioaerosols) and Indoor Air Quality (IAQ), including bioterrorist agents.

Chigateri General Hospital, *Intern* *Apr 2000 – Apr 2001*

- Rotation Internship for a duration of one year in all departments.
- Responsible for inpatient care on the wards, making decisions independently; ensuring timely investigations/interventions and assisting in surgical procedures whenever necessary.
- Participated in ambulatory clinics/community health check ups, immunization programs and development of peripheral health centers.
- Worked for a period of three months during the Internship in rural and underdeveloped areas.

RESIDENCY

Central Maine Medical Center, Lewiston, ME *July 2005–June 2008*

A 250 – bed non profit hospital

- Gained hands on experience in patient care of children, adolescents, adults, older adults, pregnant women and acute care/ emergency settings.
- Responsible for independently evaluating and treating patients in the Outpatient Family Medicine Clinic, ordering labs, scheduling follow ups and performing necessary procedures in a timely fashion.
- Responsible for inpatient care on the floors, making decisions independently, ensuring timely investigations/interventions and assisting in surgical procedures whenever necessary.
- Responsible for teaching and supervising interns, and third/ fourth year medical students.
- Member of residency curriculum committee and Residency didactics committee

Co-chief Resident, Family Practice Residency, March 2007 – June 2008

- Work to enhance communication between the resident staff, the attending staff/faculty, and the technical staff.
- Advocate for the resident staff and promotes resident interests in conjunction with program needs and functions.
- Formulate resident rotation schedules, resident orientation programs, resident social functions, resident applicant interviews, and resident morale issues.

VASUKI NAGARAJ M.D., M.P.H.
[redacted]

STANDARDIZED TESTS

- USMLE Step 1 Passed 08/03
- USMLE Step 2 CS Passed 01/04
- USMLE Step 2 CK Passed 02/04
- USMLE Step 3 Taken 03/07

LICENSURE/BOARD CERTIFICATION

Licensed in Maine during Residency EC-05-041
Licensed in New Hampshire
American Board of Family Medicine

REFERENCES **Available on request**

Sue Durkin
[redacted]

Lamprey Health Care October 2018 – Present

Chief of Clinical Services June 2019 – Present
Provide oversight of operations and quality within all clinical services including primary care, prenatal care, behavioral health, Medication Assisted Treatment (MAT), Breast and Cervical Cancer Program (BCCP), diabetes education, care coordination and psychiatry. Responsible for program development; preparing grant applications and reports; and assuring compliance with state, federal, and funding requirements within these programs. Provide oversight of the quality department, risk management, and NCQA Patient Centered Medical Home recognition process. Oversee the activities of the safety committee and the emergency preparedness plan.

Director of Quality Improvement and Population Health October 2018 – June 2019
Responsible for the overall leadership and administration of the performance improvement and quality program of the organization, including: supported the Board of Director's strategic organizational initiatives; developed appropriate strategies for evidence based practices for improving clinical operations and outcomes measures related to Uniform Data Systems (UDS) and NCQA Patient Centered Medical Home.

Families First Health and Support Center September 1998 – August 2019

Clinical Director January 2015 – August 2019
Responsible for the development and oversight of all clinical programs including primary care, Health Care for the Homeless, prenatal, well child, Medication Assisted Treatment (MAT), care coordination, Breast and Cervical Cancer Program (BCCP). Hepatitis C treatment, and the integration of psychiatry within primary care. Oversaw quality improvement, reporting, risk management, policy development, systems development and management. Assured compliance with state and federal regulations. Facilitated training and staff development. Developed and maintained interagency collaborations. Participated in the organization's management team, NCQA Patient Centered Medical Home work group, and the quality improvement committee of the Board of Directors. Participated in grant development and management.

Health Care for the Homeless Program Director May 2011- January 2015
Provided overall organization, management, and delivery of quality patient care for the program. Supervised staff. Participated in the organization's management team.

Health Care for the Homeless Program Nurse September 2005 - May 2011
Provided primary nursing care to homeless patients in a mobile health setting.

Quality Improvement Director June 2001 - September 2011
Responsible for the organization's quality improvement program. Coordinated activities of the quality improvement committee of the Board of Directors.

Clinical Operations Director September 1998 - June 2001
Provided oversight of clinical operations for the health center. Responsible for the organization's quality improvement program. Participated in grant proposal development and reporting. Responsible for clinical staffing and supervision.

Wentworth-Douglass Hospital June 1997 - April 1999
Staff Nurse/Charge Nurse/Per Diem Nurse
Provided primary nursing care to pediatric, adolescent, and adult patients. Performed and assisted in outpatient procedures. Assumed charge nurse responsibilities as of November 1997.

Education:
Rivier College--St. Joseph's School of Nursing September 1995 - May 1997
A.D. Nursing, GPA 4.0

College of the Holy Cross September 1987 - May 1991
B.A. Sociology

Certifications/ Licenses:
Certified Profession in Healthcare Quality (CPHQ)
Registered Nurse in State of NH (RN)
Certified Asthma Educator (AE-C)
CPR Certified
Certified Yoga Teacher (RYT 200)

Boards of Directors:
Seacoast Women's Giving Circle 2016 – Present
Prescott Park Arts Festival 2005- 2007

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Gregory White	Chief Executive Officer	206,410.36	0	0
Evalie Crosby	Chief Financial Officer	156,041.34	0	0
Vasuki Nagaraj	Medical Director	230,009.78	0	0
Susan Durkin	Chief of Clinical Services	122,399.94	0	0