



Certificate of Need Program
EQUIPMENT REPLACEMENT APPLICATION
 Applicant's Completeness Checklist and Table of Contents

Project Name: Poplar Bluff Regional Medical Center

Project No: #6171 HT

Project Description: Robotic Surgery Replacement

Done Page N/A Description

Divider I. Application Summary:

- ✓ 3 _____ 1. Applicant Identification and Certification (Form MO 580-1861)
- ✓ 3 _____ 2. Representative Registration (From MO 580-1869)
- ✓ 3 _____ 3. Proposed Project Budget (Form MO 580-1863) and detail sheet with documentation of costs.

Divider II. Proposal Description:

- ✓ 31 _____ 1. Provide a complete detailed project description, CON project number of the existing equipment (if prev. CON approved), and include the type/brand of both the existing equipment and the replacement equipment.
- ✓ 31 _____ 2. Provide a listing with itemized costs of the medical equipment to be acquired and bid quotes.
- ✓ 31 _____ 3. Provide a timeline of events for the project, from CON issuance through project completion.

Divider III. Service Specific Criteria and Standards:

- ✓ 33 _____ 1. Describe the financial rationale for the proposed replacement equipment.
- ✓ 33 _____ 2. Document if the existing equipment has exceeded its useful life.
- ✓ 33 _____ 3. Describe the effect the replacement unit would have on quality of care.
- ✓ 33 _____ 4. Document if the existing equipment is in constant need of repair.
- ✓ 33 _____ 5. Document if the lease on the current unit has expired.
- ✓ 33 _____ 6. Describe the technological advances provided by the new unit.
- ✓ 33 _____ 7. Describe how patient satisfaction would be improved.
- ✓ 34 _____ 8. Describe how patient outcomes would be improved.
- ✓ 34 _____ 9. Describe what impact the new unit would have on utilization.
- ✓ 34 _____ 10. Describe any new capabilities that the new unit would provide.
- ✓ 34 _____ 11. By what percent will this replacement increase patient charges.

(If replacement equipment was not previously approved, also complete Divider IV below.)

Divider IV. Financial Feasibility Review Criteria and Standards:

- ✓ 36 _____ 1. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.
- ✓ 36 _____ 2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) **FULL** years beyond project completion.
- ✓ 36 _____ 3. Document how patient charges are derived.
- ✓ 36 _____ 4. Document responsiveness to the needs of the medically indigent.

EXPEDITED CERTIFICATE OF NEED APPLICATION

**POPLAR BLUFF REGIONAL MEDICAL CENTER – ROBOTIC SURGERY
REPLACEMENT**

PROJECT # 6171 HT

DESCRIPTION

**Request to Replace Robotic Surgery Equipment at Poplar Bluff Regional Medical Center
located at 2620 N. Westwood Blvd., Poplar Bluff, MO 63901**

DIVIDER I. APPLICATION SUMMARY

DIVIDER I. APPLICATION SUMMARY:

Application Summary shall include the completed forms in the following order:

1. Applicant Identification and Certification (Form MO 580-1861).

ANSWER: Attached as **Exhibit 1** is the Applicant Identification and Certification form.

2. Representative Registration (Form MO 580-1869).

ANSWER: Attached as **Exhibit 2** are Representative Registration forms.

3. Proposed Project Budget (Form MO 580-1863) and detail sheet with documentation of costs.

ANSWER: Attached as **Exhibit 3** are the Proposed Project Budget, the detail sheet, and documentation from Intuitive Surgical, Inc., which includes an estimate for project completion.

DIVIDER I. ATTACHMENTS



Certificate of Need Program

APPLICANT IDENTIFICATION AND CERTIFICATION

The information provided must match the **Letter of Intent** for this project, without exception.

1. Project Location (Attach additional pages as necessary to identify multiple project sites.)

Title of Proposed Project Poplar Bluff Regional Medical Center - Robotic Surgery Replacement	Project Number #6171 HT
Project Address (Street/City/State/Zip Code) 2620 N. Westwood Blvd., Poplar Bluff, MO 63901	County Butler

2. Applicant Identification (Information must agree with previously submitted Letter of Intent.)

List All Owner(s): (List corporate entity.)	Address (Street/City/State/Zip Code)	Telephone Number
Poplar Bluff Regional Medical Center, LLC	4000 Meridian Blvd., Franklin, TN 37067	(615) 465-7000

(List entity to be licensed or certified.)		
List All Operator(s):	Address (Street/City/State/Zip Code)	Telephone Number
Poplar Bluff Regional Medical Center, LLC	4000 Meridian Blvd., Franklin, TN 37067	(615) 465-7000

3. Ownership (Check applicable category.)

- Nonprofit Corporation
 Individual
 City
 District
 Partnership
 Corporation
 County
 Other _____

4. Certification

In submitting this project application, the applicant understands that:

- (A) The review will be made as to the community need for the proposed beds or equipment in this application;
- (B) In determining community need, the Missouri Health Facilities Review Committee (Committee) will consider all similar beds or equipment within the service area;
- (C) The issuance of a Certificate of Need (CON) by the Committee depends on conformance with its Rules and CON statute;
- (D) A CON shall be subject to forfeiture for failure to incur an expenditure on any approved project six (6) months after the date of issuance, unless obligated or extended by the Committee for an additional six (6) months;
- (E) Notification will be provided to the CON Program staff if and when the project is abandoned; and
- (F) A CON, if issued, may not be transferred, relocated, or modified except with the consent of the Committee.

We certify the information and date in this application as accurate to the best of our knowledge and belief by our representative's signature below:

5. Authorized Contact Person (Attach a Contact Person Correction Form if different from the Letter of Intent.)


Name of Contact Person Emily Solum	Title Partner
Telephone Number (573) 761-1120	Fax Number (573) 634-7854
Signature of Contact Person 	E-mail Address emily.solum@huschblackwell.com
	Date of Signature December 10, 2024



Certificate of Need Program

REPRESENTATIVE REGISTRATION

(A registration form must be completed for **each** project presented.)

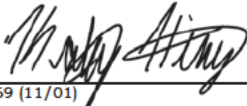
Project Name Poplar Bluff Regional Medical Center - Robotic Surgery Replacement		Number #6171 HT	
(Please type or print legibly.)			
Name of Representative Emily Solum		Title Partner	
Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Husch Blackwell LLP		Telephone Number (573) 761-1120	
Address (Street/City/State/Zip Code) 630 Bolivar Street, Suite 300, Jefferson City, MO 65101			
Who's interests are being represented? (If more than one, submit a separate Representative Registration Form for each.)			
Name of Individual/Agency/Corporation/Organization being Represented Poplar Bluff Regional Medical Center, LLC		Telephone Number (615) 465-7000	
Address (Street/City/State/Zip Code) 4000 Meridian Blvd, Franklin, TN 37067			
<p>Check one. Do you:</p> <p><input checked="" type="checkbox"/> Support</p> <p><input type="checkbox"/> Oppose</p> <p><input type="checkbox"/> Neutral</p>		<p>Relationship to Project:</p> <p><input type="checkbox"/> None</p> <p><input type="checkbox"/> Employee</p> <p><input checked="" type="checkbox"/> Legal Counsel</p> <p><input type="checkbox"/> Consultant</p> <p><input type="checkbox"/> Lobbyist</p> <p><input type="checkbox"/> Other (explain):</p>	
<p>Other Information:</p> <p>_____</p> <p>_____</p>		<p>_____</p> <p>_____</p>	
<p>I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: <i>Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.</i></p>			
Original Signature 		Date 12/10/2024	



Certificate of Need Program

REPRESENTATIVE REGISTRATION

(A registration form must be completed for **each** project presented.)

Project Name Poplar Bluff Regional Medical Center - Robotic Surgery Replacement		Number #6171 HT	
<i>(Please type or print legibly.)</i>			
Name of Representative Katey Hinz		Title Attorney	
Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Husch Blackwell LLP		Telephone Number (573) 761-1146	
Address (Street/City/State/Zip Code) 630 Bolivar Street, Suite 300, Jefferson City, MO 65101			
Who's interests are being represented? <i>(If more than one, submit a separate Representative Registration Form for each.)</i>			
Name of Individual/Agency/Corporation/Organization being Represented Poplar Bluff Regional Medical Center, LLC		Telephone Number (615) 465-7000	
Address (Street/City/State/Zip Code) 4000 Meridian Blvd, Franklin, TN 37067			
<p>Check one. Do you:</p> <p><input checked="" type="checkbox"/> Support</p> <p><input type="checkbox"/> Oppose</p> <p><input type="checkbox"/> Neutral</p> <p>Other Information:</p> <p>_____</p> <p>_____</p>		<p>Relationship to Project:</p> <p><input type="checkbox"/> None</p> <p><input type="checkbox"/> Employee</p> <p><input checked="" type="checkbox"/> Legal Counsel</p> <p><input type="checkbox"/> Consultant</p> <p><input type="checkbox"/> Lobbyist</p> <p><input type="checkbox"/> Other (explain):</p> <p>_____</p> <p>_____</p>	
<p>I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: <i>Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.</i></p>			
Original Signature 		Date 12/10/2024	



Certificate of Need Program

PROPOSED PROJECT BUDGET

Description

Dollars

COSTS:*

(Fill in every line, even if the amount is "\$0".)

1. New Construction Costs ***	\$0
2. Renovation Costs ***	\$0
3. Subtotal Construction Costs (#1 plus #2)	\$0
4. Architectural/Engineering Fees	\$0
5. Other Equipment (not in construction contract)	\$0
6. Major Medical Equipment	\$1,781,000
7. Land Acquisition Costs ***	\$0
8. Consultants' Fees/Legal Fees ***	\$0
9. Interest During Construction (net of interest earned) ***	\$0
10. Other Costs ***	\$0
11. Subtotal Non-Construction Costs (sum of #4 through #10)	\$1,781,000
12. Total Project Development Costs (#3 plus #11)	\$1,781,000 **

FINANCING:

13. Unrestricted Funds	\$1,781,000
14. Bonds	\$0
15. Loans	\$0
16. Other Methods (specify)	\$0
17. Total Project Financing (sum of #13 through #16)	\$1,781,000 **

18. New Construction Total Square Footage	0
19. New Construction Costs Per Square Foot *****	\$0
20. Renovated Space Total Square Footage	0
21. Renovated Space Costs Per Square Foot *****	\$0

* Attach additional page(s) detailing how each line item was determined, including all methods and assumptions used. Provide documentation of all major costs.

** These amounts should be the same.

*** Capitalizable items to be recognized as capital expenditures after project completion.

**** Include as Other Costs the following: other costs of financing; the value of existing lands, buildings and equipment not previously used for health care services, such as a renovated house converted to residential care, determined by original cost, fair market value, or appraised value; or the fair market value of any leased equipment or building, or the cost of beds to be purchased.

***** Divide new construction costs by total new construction square footage.

***** Divide renovation costs by total renovation square footage.

Budget Detail Sheet
Attachment to MO 580-1863

3. This project requires no new construction or renovations.
6. Major medical equipment costs were determined using the lease agreement between the Applicant and Intuitive Surgical, Inc., a medical technology company.

Contract Number: 42010605

LEASE AGREEMENT

This Lease Agreement ("Lease Agreement") is dated **August 27, 2024**, and is made and entered into between **Intuitive Surgical, Inc.**, a Delaware corporation, located at 1020 Kifer Road, Sunnyvale, California 94086 ("Lessor" or "Intuitive"); and

Lessee: Poplar Bluff Regional Medical Center
Registered Address: 2620 N Westwood Blvd, Poplar Bluff, Missouri, 63901-2341

Lessor and Lessee are contemporaneously entering into a Use, License & Service Agreement, dated **August 27, 2024**.

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

Qty	Included in Periodical Lease Payment	Equipment Description	Price
1	Yes	da Vinci Xi® Single Console System	\$1,700,000.00
1	Yes	E-100 Generator	\$20,000.00
1	Yes	Da Vinci Xi Table Motion Upgrade	\$50,000.00
1	Yes	SYSTEM FREIGHT - CENTRAL	\$11,000.00

Years	Included in Periodical Lease Payment	Service Description	Annual Service Fee
1	Yes	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-Warranty (Included)	\$0.00
4	No	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-After Warranty Service (Annual)	\$134,000.00

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

Lease Conditions			
Lease Period	60 Months. The Lease Period may be extended in accordance with the Lease Agreement.		
Commencement Date	This Lease Agreement will commence on the date of Acceptance specified in the Acceptance Document.		
Interest Rate	4.75%		
Periodical Lease Payments	Lessee agrees and acknowledges payments due herein shall not be excused by any contingencies including, but not limited to, Lessee's internal practices, policies, or any state approvals.	No. of Periodical Lease Payments: (Subject to extension of Lease Period) 60	<input checked="" type="checkbox"/> Monthly
	<input checked="" type="checkbox"/> The first Periodical Lease Payment is due one month after the Commencement Date. Thereafter, each subsequent payment is due on the corresponding day of each month of the Lease Period (payments in arrears).		
Deposit	\$00.00	The Deposit, if any, is due on the Commencement Date	
Balloon Payment	\$00.00	The Balloon Payment, if any, is due on the last day of the Lease Period.	
End of Lease Options	<input checked="" type="checkbox"/> End of Lease option B applies (see 11.2 of Standard Terms and Conditions) <input checked="" type="checkbox"/> See Special Conditions below		
Funding Amount	Original Equipment Cost (OEC): \$1,781,000.00	Down-Payment from Lessee to Lessor: \$00.00	Funding Amount: \$1,781,000.00

Periodical Lease Payments		
From Period	To Period	Periodical Payment Amount
1	60	\$30,387.04

Special Conditions*
Provided an Event of Default has not occurred, on each anniversary date of Acceptance, Lessee will have the option to upgrade the Equipment at a price to be mutually agreed upon by the Parties (the "Upgrade Option"). To exercise the Upgrade Option, Lessee must provide written notice to Lessor at least sixty (60) days prior to the anniversary date of Acceptance. If Lessee exercises the Upgrade Option, service shall be purchased on the upgraded Equipment. If Lessor does not receive notice regarding the Upgrade Option, the Lease Agreement shall continue as described herein.
Provided an Event of Default has not occurred, the Fair Market Value of the Equipment at the end of the Lease Period shall not exceed \$204,815.00.

*If Lessee is required to send written notice or has questions regarding this Lease Agreement, all communications should be directed to CustomerFinance@intusurg.com.

All amounts are denominated in USD and net of taxes, any applicable taxes will be for the account of the Lessee. Where the terms of this Lease Agreement are inconsistent with the Special Conditions above, if any, the Special Conditions prevail. The Standard Terms and Conditions of Leasing attached hereto are hereby incorporated to and form an integral part of this Agreement. All references to this Agreement will include the terms and


conditions set out herein, in the Annexes and the Standard Terms and Conditions of Leasing. By signing this Lease Agreement, Lessee agrees to be bound by and undertakes to comply with all the terms and conditions set out in this Lease Agreement.


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

IF THIS AGREEMENT IS NOT SIGNED BY BOTH PARTIES AND RETURNED TO INTUITIVE ON OR BEFORE SEPTEMBER 30, 2024, THE TERMS WILL BE SUBJECT TO CHANGE.

ACCEPTED BY: INTUITIVE SURGICAL, INC.

ACCEPTED BY: SIGNED FOR AND ON BEHALF OF LESSEE

Signature: 
Marc Giuffrida (Aug 28, 2024 12:14 PDT)
Email: marc.giuffrida@intusurg.com
Title: Sr. Director, Contract Administration
Company: Intuitive Surgical, Inc

By: _____
Name: 
Title: **R. Gabriel Ottinger**
SVP & Treasurer
E-mail: _____
Date: **9/26/2024**


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Standard Terms and Conditions of Leasing

1. DEFINITIONS

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

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

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

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

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

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

"Termination Sum" means the aggregate of:

- (i) all Lease Payments due and payable under the Lease Agreement;
- (ii) an amount equal to one-hundred per cent (100%) of all remaining Lease Payments yet to fall due under the Lease Agreement discounted by the contract interest rate inherent in the Lease Agreement; and
- (iii) all other sums due and payable under the Lease Agreement (including, without limitation, Default Interest, costs and expenses related to or connected with the termination of the Lease Agreement and any sum recoverable from the Lessee).

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

2. LEASE, SELECTION AND DELIVERY OF EQUIPMENT

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

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

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

3. LEASE AND OTHER PAYMENTS

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

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

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

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

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

4. LOCATION, USE AND MAINTENANCE OF THE EQUIPMENT

(a) The Equipment will be kept at the Location as set out in the Lease Agreement and will not be removed without the prior written consent of the Lessor.

5. OWNERSHIP, INSPECTION AND TESTING

(a) The Lessor may at any time during the Lease Period require inspection of the Equipment, provided the Lessor gives at least 48 hours written notice. For such purpose, the Lessee will ensure that the Lessor and its authorized representatives have access to the Equipment and the premises at which the Equipment is located and to the records (including books of accounts) relating to the Equipment, during normal business hours. The Lessee will keep proper accounts of all its dealings in relation to the Equipment and deliver to the Lessor any such records when requested by the Lessor.

6. PROHIBITION AGAINST DEALING WITH EQUIPMENT

(a) The Lessee will not (i) sell, transfer, lease, sub-lease or otherwise dispose of the Equipment (ii) create, permit, or allow to subsist any security interest, lien, or encumbrance on the Equipment, (iii) affix the Equipment to any premises in such a manner as to make it a part of such premises, (iv) represent itself to be, hold itself out as being or suffer or permit anything to be done whereby it may be reputed to be, the owner of the Equipment, and/or (v) alter or modify or permit any alteration of the Equipment, without the Lessor's prior written consent.

(b) The Lessee will notify the Lessor immediately of any enforcement of any security interest created by it and/or any landlord of the premises on or in which the Equipment is located or the appointment of any receiver of all or part of the assets of the Lessee.

7. REPRESENTATIONS AND WARRANTIES

(a) The Lessee represents and warrants to the Lessor that: (i) it has the power to enter into and perform, and has taken all necessary action to authorize the entry into and performance of the Lease Agreement and the transactions contemplated by the Lease Agreement; and (ii) all information supplied by it or on its behalf to the Lessor in connection with the Lease Agreement are true and accurate as at the date at which it is stated to be given.

8. TOTAL LOSS AND INSURANCE

(a) The Lessee will bear the risks related to a Total Loss of the Equipment after delivery. If a Total Loss occurs with respect to the Equipment, Lessee will promptly notify Lessor thereof. On the Lease Payment date following such notice, Lessee will pay to Lessor an amount equal to the Termination Sum plus a sum equal to the calculated residual value at the time of expiration of the Lease Period, if any. Upon the making of such payment by Lessee, the payment obligation for such Equipment will cease, the Lease Agreement as to such Equipment will terminate and, except in the case of a Total Loss, Lessor will be entitled to recover possession at Lessee's expense in accordance with Clause 10 below. Provided that Lessor has received all payments to be made by the Lessee under this Lease Agreement, the Lessee will be entitled to the proceeds of any recovery in respect of that Equipment from insurance or otherwise.

(b) If not agreed otherwise in writing, the Lessee will at its own expense insure the Equipment on a policy and terms with such insurers as may be approved by the Lessor and will keep this insurance coverage in place until the Equipment is returned to the Lessor or the title has been transferred to the Lessee.

(c) The proceeds of the insurances will be paid to the Lessor and applied towards satisfaction of all amounts owing by the Lessee to the Lessor under the Lease Agreement.

(d) If the Lessee fails to comply with this Clause 8 the Lessor may (but is not obligated to do so), at the expense of the Lessee, effect any insurance, and all costs and expenses incurred in so doing will be repaid to the Lessor by the Lessee on demand.

9. OWNERSHIP IN THE EQUIPMENT

The Lessor will be the sole legal and beneficial owner of the Equipment and the Lessee will not do or permit to be done anything that could prejudice the rights of the Lessor in respect of the Equipment. During the Lease Period ownership in the Equipment will not for any reason pass to the Lessee.

10. RETURN OF EQUIPMENT

(a) In the event that the Lease Agreement is terminated for any reason other than by reason of a Total Loss, the Lessee will, at its own risk, cost and expense, immediately (i) return the Equipment to the Lessor or its designated agent, by delivering the Equipment to such address as the Lessor may require or (ii) allow the Lessor access to pick up the Equipment. The Lessee will return the Equipment to the Lessor, free and clear of any security interest and in good working condition without any damage or fault which would affect the value of the Equipment or its operation (reasonable wear and tear excepted) together with all licenses, certificates and other documents relating to the Equipment.

(b) If upon return the Equipment is not in the condition stated in Clause 10(a) above, the Lessor may at its own discretion cause such reasonable repair works as it deems necessary to be carried out by a provider of its choice. All reasonable costs and expenses in connection with such repairs will be paid by the Lessee.

11. END OF LEASE OPTIONS

11.1 OPTION A Applicable Not Applicable

(a) *Provided* that the Lessee has fulfilled all its obligations under this Lease Agreement and paid the Balloon Payment, if any, in full, title to the Equipment will pass to the Lessee on an "as is where is" basis without any warranties whatsoever given by the Lessor at the end of the Lease Period.

(b) The Lessee may request the Lessor to re-lease all (but not part thereof) of the Equipment to the Lessee at the end of the Lease Period, *provided* that the Lessee's financial situation has not deteriorated and that the Lessee has duly fulfilled its obligations under this Lease Agreement. The Lease Payments and the Lease Period of the re-lease will be determined between the Parties hereto at the time of re-lease. If the Lessee wishes to renew the Lease Agreement, it will notify the Lessor in writing no less than ninety (90) days prior to the end of the Lease Period. If the Lessor does not confirm acceptance of the Lessee's request within four (4) weeks, it is deemed to have been declined. In case the Lessor refuses such request, the Lessee continues to be obliged to make the Balloon Payment in the manner and on the date as specified in the Lease Agreement.

11.2 OPTION B Applicable Not Applicable

Provided that no Event of Default has occurred at the end of the Lease Period, the Lessee may, by written notice to the Lessor not less than 90 days prior to the end of the Lease Period, exercise one of the options below.

(a) The Lessee may request the Lessor to sell all (but not part thereof) of the Equipment to the Lessee after the end of the Lease Period and the Lessor will meet such request *provided* that the Lessee has fulfilled all its obligations under this Lease Agreement. The purchase price of the Equipment will be an amount equal to the fair market value, as determined by the Lessor, or, if applicable, as indicated in the Special Conditions noted above. Upon payment of the purchase price, title to the Equipment will pass to the Lessee on an "as is where is" basis without any warranties whatsoever given by the Lessor. If no sale can be achieved, the Lessee will return the Equipment to the Lessor immediately at the end of the Lease Period in accordance with Clause 10 hereof.

(b) The Lessee may request the Lessor to re-lease all (but not part thereof) of the Equipment to the Lessee at the end of the Lease Period, *provided* that, the Lessee's financial situation has not deteriorated and that the Lessee has duly fulfilled its obligations under this Lease Agreement. If the Lessor does not confirm acceptance of the Lessee's request within four (4) weeks, it is deemed to have been declined. The Lease Payments and the Lease Period of the re-lease will be determined between the Parties hereto at the time of re-lease. If the Lessor refuses such request, the Lessee will return the Equipment to the Lessor immediately at the end of the Lease Period in accordance with Clause 10 hereof.

(c) If the Lessee fails to provide sufficient written notice as noted above, the Lease Agreement will be automatically renewed for a period of one (1) month at any one time, at the price of the most recent Periodical Lease Payment, unless either Party gives notice to the other party no less than two (2) weeks prior to the end of the respective renewal period of its desire to terminate the Lease Agreement. Unless otherwise agreed between the Parties, the Lessee will in such case return the Equipment to the Lessor in accordance with Clause 10 hereof.

12. EVENT OF DEFAULT

Each of the events set out in this Clause 12 is an Event of Default. Upon the occurrence of an Event of Default, the Lessor may by written notice to the Lessee terminate the Lease Agreement, which will take effect in accordance with its terms.

(a) The Lessee does not pay on the due date any amount payable by it under the Lease Agreement in the prescribed manner, and such default is not cured within ten (10) days.

(b) The Lessee does not comply with any term of the Lease Agreement, any Sales/Use, License and Service Agreement between Lessor and Lessee, or any other similar agreement governing the use of the Equipment.

(c) Any representation made or repeated by the Lessee in the Lease Agreement is proved to be incorrect in any material respect when made or deemed to be repeated.

(d) The Lessee is unable to pay its debts as they fall due, admits its inability to pay its debts as they fall due, or is otherwise deemed for the purposes of any law to be insolvent, or (by reason of actual or anticipated financial difficulties) begins negotiations with any creditor for the rescheduling of any of its indebtedness.

(e) Any step is taken with a view to a moratorium, rehabilitation or composition with any of the Lessee's creditors, a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, bankruptcy, dissolution or judicial management or any such

resolution is passed or any person petitions for or files documents for the same, an order for its bankruptcy, winding-up, judicial management or dissolution is made or any other analogous step or procedure is taken in any jurisdiction.

(f) Any provisional attachment, attachment, sequestration, distress, execution or analogous event affects any material asset(s) of the Lessee and is not discharged within 14 days.

(g) Where the Lessee, is an individual, the Lessee dies, becomes partly or wholly incapacitated.

(h) It is or becomes unlawful for the Lessee to perform any of its obligations under the Lease Agreement, or the Lease Agreement is not effective in accordance with its terms.

(i) An event or series of events occur which, in the reasonable opinion of the Lessor, is likely to result in a Total Loss.

(j) The Lessee abandons the Equipment or does anything which, in the reasonable opinion of the Lessor, prejudices the rights of the Lessor in or over the Equipment.

(k) There is, in the Lessor's reasonable opinion, a material change in the shareholding of the Lessee or any person, or group of persons acting in concert, acquires control of the Lessee.

(l) An event or series of events occur which, in the reasonable opinion of the Lessor, have or are likely to have a material adverse effect on the financial condition of the Lessee.

13. TERMINATION

(a) After execution of the Lease Agreement, the Lessee will, except as set out in Clause 13(f), not be entitled to cancel or terminate the Lease Agreement before expiration of the Lease Period.

(b) Any termination of the Lease Agreement and any delivery of the Equipment by the Lessee to the Lessor will be without prejudice to any right or claim the Lessor may have against the Lessee under the Lease Agreement (including, without limitation, for arrears in Lease Payment, other sums payable by the Lessee under the Lease Agreement and damages for breach of the Lease Agreement).

(c) Where the Lease Agreement is terminated due to an Event of Default, the Lessee will pay to the Lessor the Termination Sum.

(d) Until the Lessor has received the Termination Sum in full, all obligations of the Lessee under the Lease Agreement will continue and the Lessee will continue to pay the Lease Payment notwithstanding any repossession of the Equipment by the Lessor.

(e) Upon termination of the Lease Agreement, the Lessor will without prejudice to any other rights which it may have, have the right to repossess the Equipment and for this purpose to enter the land, building or premises at which the Equipment are located and the Lessee will give access to or procure that the Lessor or its agents be given access to the land, building or premises for this purpose.

(f) During the Lease Period, *provided* that no Event of Default has occurred and the Lessee has duly performed all of its obligations under this Lease Agreement the Lessee may by written notice to the Lessor request to early terminate the Lease Agreement. On the Lease Payment date following such notice, Lessee will pay to Lessor an amount equal to the Termination Sum. Upon the making of such payment by Lessee, the payment obligation for such Equipment will cease and the Lease Agreement as to such Equipment will terminate. The Lessee will in such case return the Equipment to the Lessor in accordance with Clause 10 hereof.

14. SUBMISSION OF MATERIALS

Upon written request by the Lessor for the purpose of credit preservation, the Lessee will provide the credit status of the Lessee, and cooperate with the Lessor for any investigations thereon. At Lessor's request, the Lessee will provide a copy of its year-end financial statements not later than four (4) months from the end of the financial year. The Lessee will notify the Lessor of any material change or any suspected material change in the credit status of the Lessee.

15. TAXES AND COSTS

(a) Lessee is responsible for all license and registration fees, and all sales, use, property, stamp and other taxes and charges relating in any manner to the Equipment or this Lease Agreement, except the Medical Device Excise Tax.

(b) All payments by the Lessee under the Lease Agreement will be made free and clear of and without any deduction for or on account of any taxes and withholding taxes, except to the extent that the Lessee is required by law to make payment subject to taxes. If any amounts in respect of tax or any other deduction must be made from any amounts payable by the Lessee to the Lessor under the Lease Agreement, the Lessee will pay such additional amounts as may be necessary to ensure that the Lessor receives a net amount equal to the full amount which it would have received had the payment not been made subject to tax or the deduction.

(c) The Lessee will bear the costs for the protection or exercise of the Lessor's rights, or the protection, collection or disposition of securities

including but not limited to the stamp duty, the expense for sending demand or notice to the Lessee, the expenses for registration, change and cancellation of security interest, and all legal fees which Lessor may incur in connection with the enforcement of this Lease Agreement.

(d) Unless otherwise provided, this Lease Agreement is entered into with the assumption that Lessor is the owner of the Equipment for income tax purposes and is entitled to certain federal and state tax benefits available to the owner of equipment (collectively "Tax Benefits"), including without limitation, accelerated cost recovery deductions and deductions for interest incurred by Lessor to finance the purchase of the Equipment, available under the Code. Lessee represent, warrant, and covenant to Lessor that (a) unless Lessee has provided Lessor with a 501(c)(3) letter indicating that Lessee is tax exempt, then Lessee is not a tax exempt entity (as defined in Section 168(h) of the Code, (b) Lessee will use the Equipment solely within the United States, and (c) Lessee will take no position inconsistent with the assumption that Lessor is the owner of the Equipment for any tax purposes. If, because of any act or omission by Lessee, or any party acting through Lessee, or the breach or the inaccuracy of any representation, warranty or covenant made by Lessee in this Agreement, Lessor reasonably determines that Lessor cannot claim, are not allowed to claim, lose, or must recapture any or all of the Tax Benefits otherwise available with respect to the Equipment (a "Tax Loss"), then Lessee will, promptly upon demand, pay to Lessor an amount sufficient to provide Lessor the same after-tax rate of return and aggregate after-tax cash flow through the end of the term of the Lease Agreement as Lessor would have realized but for such Tax Loss.

16. INDEMNITY

The Lessee will indemnify the Lessor against all damages, claims or liabilities which may be incurred or suffered by the Lessor in connection with: (i) the occurrence of any Event of Default; (ii) any late payment of any sum (including, without limitation, any overdue amount) being received from any source otherwise than on its due date, and is not cured within ten (10) days; (iii) Lessee's breach of any law affecting the Equipment, their use, operation or leasing, or the Lease Payment to be paid; (iv); the execution or enforcement (including any attempts thereof) of any of the rights, powers, remedies, authorities or discretions vested in the Lessor under or pursuant to the Lease Agreement; or (v); any loss arising from non-or incomplete performance by Lessee of the Lease Agreement, the delivery and the inspection of the Equipment.

17. FORCE MAJEURE

(a) Neither Lessor nor Lessee will be liable for any loss, damage, detention, delay, or failure to perform in whole or in part resulting from causes beyond that party's control including, but not limited to, acts of terrorism, acts of God, fire, earthquake, war, the threat of imminent war, riots, or other acts of civil disobedience, insurrection, labor or trade disputes, shortage of components, any governmental law, order, regulation, ordinance or any other supranational legal authority, explosion, storms, floods, lightning, or earthquake.

18. **UCC FILINGS AND FINANCIAL STATEMENTS.** Lessee authorizes Lessor to file a financing statement with respect to the Equipment and grants the Lessor the right to sign such financing statement on Lessee's behalf. If Lessor reasonably deems it necessary, Lessee agrees to submit financial statements (audited if available) on a quarterly basis.

19. **UCC-ARTICLE 2A Provisions:** Lessee agrees that this Lease Agreement is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). Lessee waives any and all rights and remedies granted Lessee under Sections 2A-508 2A-522 of the UCC.

20. MISCELLANEOUS

(a) The Lease Agreement will not be construed to be a purchase or an agreement for the purchase of the Equipment by the Lessee.

(b) The Lessee may not assign or transfer any of its rights and obligations under the Lease Agreement without the Lessor's prior written consent. The Lessor may at any time without the consent of the Lessee assign or transfer any of its rights and obligations under the Lease Agreement and dispose of its rights and title to the Equipment.

(c) This Lease Agreement constitutes the entire obligation of the parties hereto and supersedes any prior expressions of intent or understandings with respect to this transaction. Any amendment of this Lease Agreement will be in writing and will be signed by duly authorized representatives of both parties hereto.

(d) No failure or delay on the part of the Lessor to exercise any right provided for in this Lease Agreement will constitute a waiver of such right or any obligation of the Lessee under this Lease Agreement, nor will any single or partial exercise of any such right preclude any further exercise thereof. No waiver by the Lessor hereunder will be effective unless it is in writing. The rights and remedies provided for in this Lease Agreement are cumulative and not exclusive of any other rights or remedies which the Lessor may otherwise have.

(e) If any one or more of the provisions of this Lease Agreement or any document executed in connection herewith will be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and

enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

(f) The Lessee acknowledges and agrees that the sole responsibility for determining the proper treatment of this Lease Agreement for tax purposes rests with the Lessee. The Lessor makes no representations whatsoever as to the proper treatment of this Lease Agreement for tax purposes. The Lessee acknowledges that the Lessor is the legal owner of the Equipment.

(g) All notices, claims, requests, demands, and other formal communications hereunder will be in writing and will be deemed given at the time of personal delivery or completed facsimile, or, if sent by a reputable overnight courier or registered or certified mail, one business day after such sending.

(h) The Lessee will notify the Lessor promptly of any changes in company name, registered office, and any other matters which may affect this Lease Agreement.

(i) This Agreement shall be governed by the laws of the State of California, excluding its conflicts of laws principles. With respect to any legal action or proceeding relating to this Agreement, the parties consent and submit to the *exclusive* jurisdiction of the Federal and State courts located in Santa Clara County, California, and the parties agree that venue therein is proper.

(j) For the avoidance of doubt, the Lessee retains all rights, warranties and remedies granted to it under the corresponding Use, License and Service Agreement.

Annex 1

INTUITIVE
SURGICAL

ACCEPTANCE DOCUMENT

I, the undersigned, as an authorized representative of the below named hospital, acknowledge that the following product was (check the box below which applies):

Delivered Installed

CUSTOMER	

END USER	

CLM Agreement Number:	
-----------------------	--

Equipment Description	Serial Number

ACCEPTANCE	
ACCEPTANCE CRITERIA - PER AGREEMENT:	

EXAMPLE

Signature: _____ Date: _____

Print Name: _____

Title: _____

Please email signed acceptance letter to Acceptance@Intusurg.com

837921-03, Rev F

USE, LICENSE, AND SERVICE AGREEMENT

Agreement No.: 42010605

This Use, License, and Service Agreement (“Agreement”) is made and entered into as of **August 27, 2024** (the “Effective Date”) and is between **Intuitive Surgical, Inc.** (“Intuitive”) located at 1020 Kifer Road, Sunnyvale, CA 94086 and **Poplar Bluff Regional Medical Center located at 2620 N Westwood Blvd, Poplar Bluff, Missouri, 63901-2341** (“Customer”).

The parties agree as follows:

1. Introduction

Customer agrees to obtain and license the Software and Documentation from Intuitive, and Intuitive agrees to respectively provide and license certain software and equipment to Customer, as well as provide Service for the System all according to the terms and conditions of this Agreement. Customer is contemporaneously entering into a lease agreement (the “Lease Agreement”) dated **August 27, 2024**, for the lease of the System. The Lease Agreement may also cover other equipment and/or the Services and/or a System delivery fee and/or other fees as further specified in **Exhibit A** and the Lease Agreement.

2. Definitions

- 2.1 “Acceptance” means Customer’s acceptance of the System as specified in **Exhibit A**.
- 2.2 “Customer’s Access Requirements” means any reasonably applicable requirements designated by Customer that Intuitive personnel must meet to gain access to Customer’s facility. Such requirements may include, but are not limited to, compliance with Customer’s site policies and vendor credentialing requirements, such as vaccination, immunization, background investigation, training, hospital orientation, and liability insurance coverage.
- 2.3 “Delivery Date” means the estimated scheduled date for delivery of the System to Customer specified in **Exhibit A**.
- 2.4 “Instruments and Accessories” means those instruments or accessories made or approved by Intuitive for use with the System.
- 2.5 “Proctoring” means the assistance, coaching, or surgical training provided by a surgeon (the “Proctor”) who is familiar with the System to another surgeon (the “Proctee”) on how to perform a particular diagnostic or surgical procedure (or procedures) using the System.
- 2.6 “Reprocess” or “Reprocessing” means Customer’s process for cleaning, disinfection, and sterilization of Instruments and Accessories, including testing to validate cleaning, disinfection and sterilization process as may be required by applicable law and/or regulation.
- 2.7 “Services” means the support and maintenance of the System described in **Exhibit A**.
- 2.8 “System” means the items comprising of the da Vinci® Surgical System specified in Exhibit A – System description, consisting of certain hardware components (“Hardware”), software program elements (“Software”) and related manuals, labeling, instructions for use, notifications or other documentation (“Documentation”) that Customer may receive, purchase and license under this Agreement. If Customer acquires multiple Systems under this Agreement, all references to “System” or “System(s)” apply to each System acquired and licensed. Each System purchased is a separate transaction to be delivered, accepted, and paid for separately.
- 2.9 “Taxes” means any applicable taxes, levies, or similar governmental charges, now in force or enacted in the future, and however designated, imposed by any governmental authority on, or measured by, the activities described herein.

3. System Delivery, Use, Disposal

- 3.1 **Delivery and Installation.** Subject to credit approval of Customer by Intuitive, Intuitive will use commercially reasonable efforts to deliver the System on or before the Delivery Date. Each party will provide the other party with thirty (30) days notice, or if this Agreement is executed within thirty (30) days before the Delivery Date, a reasonable advance notice of any change in the Delivery Date. Customer will fully cooperate with Intuitive to permit Intuitive to install the System. Intuitive will use commercially reasonable efforts to install the System in an efficient and expeditious manner. Customer will also provide Intuitive with information, consultation, and advice reasonably necessary to permit installation.
- 3.2 **Delivery Terms.** Intuitive will deliver the System to Customer’s designated location noted as the “Ship-to” in **Exhibit A** using a carrier selected by Intuitive. Fees for shipping the System are specified in the **Lease Agreement**. Risk of loss or damage to the System passes to the Customer upon delivery of the System to Customer.
- 3.3 **On-Site Support.** At no charge to Customer, Intuitive will provide periodic on-site support to Customer’s designated personnel on the proper operation and upkeep of the System in order for Customer to operate the System as further described in Section 3.4. To clarify, this support includes, but is not necessarily limited to, training on draping the System for use in diagnostic or surgical

procedure, proper attachment of Instruments and Accessories, and cleaning of parts of the System and the Instruments and Accessories and discussing opportunities to improve cost efficiencies. The cleaning to be performed regularly by Customer is described in the Documentation.

3.4 **Use of System.** Customer will ensure the proper use of the System consistent with the Documentation, and Customer will ensure the proper management and supervision of the System. Customer will not, nor will Customer permit any third party to, modify, disassemble, reverse engineer, alter, or misuse the System or Instruments and Accessories. Prohibited actions include, but are not limited to: (1) adding or subtracting any Customer or third party equipment, hardware, firmware, or software to or from the System, or (2) reconfiguring any of the Intuitive equipment, Hardware, firmware, or Software as originally provided to Customer as part of the System without Intuitive's express written permission. Customer will ensure that the System is moved and operated only by trained personnel in accordance with the Documentation and Intuitive's instructions. If Customer fails to comply with the requirements of this Section 3.4, Intuitive may terminate this Agreement immediately upon written notice, and any warranties applicable to the System will become void.

3.5 **Reprocess and Disposal.** Customer is responsible for properly Reprocessing and/or disposing of all medical instruments, devices, and systems related to the operation and function of the System, including Instruments and Accessories, in accordance with the Documentation and the then current local environmental and safety laws and standards.

4. **Software License and Restrictions**

Software embedded within the System is provided under license and is not sold to Customer. Subject to the terms and conditions of this Agreement, Intuitive grants to Customer a non-exclusive, non-transferable, fully paid, restricted use license to use the Software solely as incorporated in the System in machine-executable object code form and solely in connection with the operation of the System as described in the Documentation. Customer must not use, copy, modify, or transfer the Software or any copy thereof, in whole or in part, except as expressly provided in this Agreement. In addition, Customer must not reverse engineer, decompile, disassemble, attempt to derive the source code for, or otherwise manipulate the Software, except that manipulation of the Software is permitted if, and then only to the extent that, the foregoing prohibition on manipulation is required to be modified by applicable law. In that case, Customer must first request from Intuitive the information to be sought from the Software, and Intuitive may, in its discretion, provide information to Customer under good faith restrictions and impose reasonable conditions on use of the Software. The structure and organization of the Software are valuable trade secrets of Intuitive and Customer will protect the Software as Intuitive's Proprietary Information (as defined in Section 12). Intuitive reserves all rights to the Software not expressly granted to Customer. Some specific components of the Software may be provided to Customer under separate licenses, such as open-source licenses. If the separate license for a specific component expressly requires that Customer be granted a greater right than granted to Customer by the other terms of this Agreement, such greater right is granted to Customer for that specific component, but only to the extent necessary to comply with the requirements of the separate license.

5. **Training**

Intuitive offers training to surgical personnel on the use and operation of the System. At Customer's request, at mutually agreed times and at a mutually agreed locations, Intuitive will provide training in the use of the System to Customer's surgical personnel in accordance with Intuitive's then current list price or Parties' mutual agreed price. The training will occur at mutually agreed upon times and at a mutually agreed upon location. The payment terms for training are net thirty (30) days from the date of Intuitive's invoice therefor. Training units within the framework of the clinical implementation program determined by Intuitive and agreed between the Parties is not subject to this provision. The cost of comprehensive technology trainings for Customer personnel (including surgeons, OR personnel, IT technicians, reprocessing personnel) within the clinical implementation program will be covered by Intuitive.

6. **Proctoring**

At Customer's request, and upon Customer's issuance of a purchase order, Intuitive will arrange for Proctoring at Customer's location in accordance with Intuitive's then current list price or Parties mutual agreed price if any. The payment terms for Proctoring are net thirty (30) days from the date of Intuitive's invoice. Each Proctor is an independent contractor, is not an agent or employee of Intuitive, and is not authorized to act on behalf of, or legally bind Intuitive. Intuitive is not responsible for Proctoring services provided by Proctors. The decision to utilize a Proctor is solely that of the Customer. Proctoring units within the framework of the clinical implementation program determined by Intuitive and agreed between the Parties is not subject to this provision. The cost of comprehensive technology trainings for Customer personnel (including surgeons, OR personnel, IT technicians, reprocessing personnel) within the clinical implementation program will be covered by Intuitive

7. **Instruments and Accessories**

Instruments and Accessories other than the ones listed in this Agreement will be made available to Customer from Intuitive pursuant to separate orders placed by Customer to Intuitive from time to time in accordance with the terms conditions and pricing contained in the then current Instrument and Accessory Catalog. Instruments and Accessories are subject to a limited license to use those Instruments and Accessories with, and prepare those Instruments and Accessories for use with, the System. Customer is responsible for Reprocessing Instruments in accordance with the Documentation. Any other use is prohibited, whether before or after the Instrument or Accessory's license expiration, including repair, refurbishment, or reconditioning not approved by Intuitive, and cleaning or sterilization inconsistent with the Documentation. This license expires once an Instrument or Accessory is used up to its maximum number of uses specified in the Documentation accompanying the Instrument or Accessory. Customer may purchase Instruments and Accessories for the purpose of

Customer's Reprocessing requirements. The cost of Instruments and Accessories used in Customer's Reprocessing, including Instrument and Accessories used or involved in destructive testing will be the responsibility of the Customer. Customer may contact Intuitive's Customer Support Department if, during the Reprocessing, Customer experiences results unacceptable under applicable law and/or regulation. Intuitive will provide commercially reasonable assistance in such investigations and remediation efforts but shall not be obligated to conduct or pay for such studies or provide materials at no cost or reduced cost as a condition of purchase or continued use.

8. Pricing and Payment Terms

8.1 System.

- (A) **Price.** Customer will pay the "Periodical Lease Payments" amount as indicated in the **Lease Agreement** for the lease of the System. At the termination of the Lease Agreement, the terms and conditions applicable to end of lease options are set forth in the Lease Agreement. If Customer requires a purchase order for internal processing purposes, Customer must provide the purchase order at the time of signature of this Agreement and provide Customer's Accounts Payable Department contact information on **Exhibit A**.

8.2 Services.

- (A) **Price.** While the System is being leased by Customer, either (i) the price of annual Services is included in the "Periodical Lease Payments" amount as indicated in the **Lease Agreement**; or (ii) the price of annual Services is not included in the Periodical Lease Payments, and Customer will pay for the Services separately at the price specified in the **Lease Agreement**. If, after the term of the lease, or pursuant to Special Conditions in the Lease Agreement, if any, Customer purchases the System from Intuitive under the applicable terms and conditions of the Lease Agreement, Customer will pay for the Services at the price specified in the Lease Agreement. The issuance of a purchase order by Customer is for the convenience of the Customer solely; therefore, whether or not Customer issues a purchase order does not affect Customer's commitment to pay for Services under this Agreement during the Initial Term (as defined in Section 14).
- (B) **Payment Terms.** Unless as otherwise indicated in **Exhibit A**, Intuitive will deliver to Customer an invoice for the annual Services fee thirty (30) days prior to the first anniversary of Acceptance and each subsequent anniversary of Acceptance throughout the Initial Term of the Agreement. Customer will pay the invoice for Services not later than thirty (30) days after the date of invoice. In the event Customer requires a purchase order to be referenced on a Service invoice to facilitate payment, Customer will provide Intuitive with a purchase order number sixty (60) days prior to each anniversary of Acceptance. Interest will accrue from the date on which payment is due, at an annual rate of twelve percent (12%) or the maximum rate permitted by applicable law, whichever is lower.

8.3 Taxes.

Customer will pay, or reimburse Intuitive for, all Taxes, including related penalties or interest resulting from Customer's use of the System under this Agreement. Customer will be deemed to be Taxable until such time as customer provides the Intuitive tax department with the appropriate, fully executed tax exemption certificate as directed below: Attn: Tax Department, Intuitive Surgical, Inc., 1020 Kifer Road, Sunnyvale, CA 94086; fax number: 408-523-1390; email at TaxEmail@intusurg.com.

9. Warranty and Disclaimer

9.1 System Warranty.

- (A) Intuitive warrants to Customer that:

- (1) the System as delivered will be free and clear of all liens and encumbrances (except as otherwise specified in this Agreement), and
- (2) for the period specified in **Exhibit A**, the System will be free from defects in material and workmanship and will conform in all material respects to the Documentation when used in accordance with the Documentation and Intuitive's instructions.

- (B) Intuitive's obligations under this Section 9.1 are limited to the repair (as further described in **Exhibit A** (Services – Section 2.1 (A) – (B))) or, at Intuitive's option, replacement of all or part of the System.

- (C) This warranty is void with respect to any claims:

- (1) due to any installation, repair, adjustment, modification, disassembly, alteration, reconfiguration, addition to, subtraction from, or misuse of the System by Customer or any third party without the express written permission of Intuitive; or

- (2) to the extent Customer has not operated, repaired, or maintained the System in accordance with the Documentation or any reasonable handling, maintenance, or operating instructions supplied by Intuitive; or
- (3) to the extent Customer has used the System with surgical instruments or accessories that are not Instruments or Accessories; or
- (4) to the extent Customer or Customer's employee, agent, or contractor has subjected the System to unusual physical or electric stress, misuse, abuse, negligence, or accident.

(D) The foregoing expresses Customer's sole and exclusive remedy, and Intuitive's sole and exclusive liability, for any breach of warranty with respect to the System by Intuitive.

9.2 **Services Warranty.** Intuitive warrants that the Services will be performed consistent with generally accepted industry standards. If Intuitive breaches this warranty, Customer's sole and exclusive remedy will be to require Intuitive to re-perform the Services.

9.3 **No Other Warranties.** INTUITIVE MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, IN CONNECTION WITH THE SYSTEM OR SERVICES PROVIDED HEREUNDER AND THIS TRANSACTION, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND NON-INFRINGEMENT. SOME JURISDICTIONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF IMPLIED WARRANTIES; THEREFORE, THE ABOVE LIMITATION WILL APPLY ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW.

10. Indemnification

10.1 Intuitive's Indemnification Obligations.

(A) **Intellectual Property Indemnification.** Intuitive will indemnify Customer against all liabilities, expenses, or damages in connection with any third party claim that the System infringes any third party patent, trade secret, or copyright. If Customer is enjoined from the use of the System due to any such third party claim, Intuitive will promptly, at its option and expense, either (1) substitute the System or any part thereof with non-infringing material that will perform substantially in accordance with the Documentation; or (2) obtain the right of Customer to continue to use the System; or (3) remove the System and refund to Customer the purchase price of the System less reasonable depreciation.

(B) **Indemnification Limitations.** Intuitive has no obligation under this Section 10.1 to the extent any claim of infringement is based upon or arises out of: (1) any modification to the System if the modification was not made directly by Intuitive or through its designated service provider; or (2) the use or combination of the System with any hardware, software, products, data or other materials not specified, provided or approved by Intuitive.

(C) **THE PROVISIONS OF THIS SECTION 10 STATE THE SOLE AND EXCLUSIVE OBLIGATIONS OF INTUITIVE FOR ANY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT.**

10.2 **Customer's Indemnification Obligations.** Intuitive will not be liable for, and Customer will indemnify and hold Intuitive harmless from and against, any claims or damages caused by Customer's failure to comply with the requirements of Sections 3.4 (Use of the System) or 3.5 (Reprocess and Disposal).

10.3 **Claim Notification Requirement.** A party's indemnification obligations under this Section 10 will not apply unless the indemnified party promptly notifies the indemnifying party of the claim as soon as the indemnified party became aware of it. The indemnifying party will have the right to control the defense or settlement of any claim at its cost and with its choice of counsel. The indemnified party will provide all reasonable cooperation to assist the indemnifying party in the defense or settlement of the claim.

11. Limitation of Liability

Except for a breach of the obligations in Sections 3.4 (Use of System), 4 (Software License and Restrictions), 7 (Instruments and Accessories), 8 (Pricing and Payment Terms), 10 (Indemnification), 12 (Proprietary Information), to the extent permitted by applicable law, each party's aggregate liability to the other for claims relating to this Agreement, whether for breach in contract or tort (including negligence), is limited to an amount equal to the sum of amounts paid by Customer under this Agreement for the activity (such as procurement of the System, Service, or training) giving rise to the claim. Except for a breach of the obligations in Sections 3.4, 4, 7, or 12, neither party will be liable for any indirect, punitive, special, incidental, or consequential damages in connection with or arising out of this Agreement (including loss of business, revenue, profits, use, data, or other economic advantage), even if that party has been advised of the possibility of damages. Some jurisdictions do not allow the limitation of liability for incidental or consequential damages; therefore in those jurisdictions, the foregoing limitation of liability applies only to the extent permitted by law.

12. **Proprietary Information**

“Proprietary Information” includes, but is not limited to, all non-public information (1) of the disclosing party (“Disclosing Party”) that relates to past, present, or future research, development, or business activities or the results of those activities and (ii) that the Disclosing Party has received from others and is obligated to treat as confidential and proprietary. In addition, Intuitive’s Proprietary Information includes the terms and conditions of this Agreement and all information derivable from the System, but excluding information that can be learned simply through observation of the System and its operation. Proprietary Information does not include information previously known by the receiving party (“Receiving Party”) as demonstrated by the Receiving Party’s contemporaneous written records, or information publicly disclosed without breach of an obligation of confidentiality, either before or after the Receiving Party’s receipt of the information. The Receiving Party will hold all Proprietary Information of the Disclosing Party in strict confidence and must not use for any purpose, or disclose to any third party, any Proprietary Information, except (1) as expressly authorized in this Agreement or in writing by the Disclosing Party, and (2) as required by law or by court order. Notwithstanding any provision of this Agreement, the Receiving Party shall be permitted to disclose the Disclosing Party’s Confidential Information solely to the extent that such disclosure is required by law or by order of any court or governmental authority, provided, however, that the Receiving Party shall first have given advance notice to the Disclosing Party, so as to permit the Disclosing Party as owner of the information an opportunity to review such information for confidentiality and privilege preservation and/or to attempt to obtain a protective order or similar administrative or legal remedy requiring that the Confidential Information so disclosed be used only for the purposes for which the order was issued or for such other legal requirement, and that the Receiving Party shall cooperate with the Disclosing Party in such efforts. The Receiving Party will use the same degree of care to protect the Proprietary Information as Receiving Party uses to protect its own information of like kind, but not less than all reasonable steps to maintain the confidentiality of the Proprietary Information.

13. **Data Use**

13.1 **Generally.** Intuitive has developed and plans to continue to develop an evolving suite of digital offerings to support its customers, including healthcare imaging and media management solutions, procedure simulation and training tools, a telepresence solution, analytics, assessments, and other software-driven solutions (“**Digital Solutions**”). Digital Solutions analyze Data that Intuitive collects in order to deliver insights designed to help customers improve patient care and the Parties acknowledge and agree that these insights from data are only possible through data Processing. The Parties have, or may in the future have, multiple agreements for Intuitive products and/or services between them (each, an “**Applicable Agreement**”). Therefore, the Parties intend for this Section 13 to serve as a single, clear statement of each Party’s right to use any data that it receives from the other Party, including as a result of any other agreement or the provision or use of any Intuitive product or service (including Digital Solutions, Ion® or da Vinci®). Where applicable under the respective Applicable Agreement, the Parties will enter into a Business Associate Agreement (“**BAA**”). This Section 13 applies to data collected prior to the Effective Date or thereafter.

13.2 **Data Processing by Customer.** Intuitive provides to Customer certain standard proficiency, support and other data and insights, including additional products or services and associated data and insights that Customer has the option to order pursuant to a subsequent agreement (“**Support Data**”). Intuitive grants Customer permission to store, use, copy, disclose, modify and create derivative works from, distribute, display, perform and otherwise process (“**Process**”), on an internal basis Support Data only for Customer’s lawful business purposes subject to any use restrictions in the applicable product or services agreement. Unless otherwise agreed to in an applicable agreement, as part of Customer’s internal Processing, Customer may only share such Support Data with (i) Customer’s employees, and (ii) service providers or contractors solely for Customer’s internal business purposes and subject to any further restrictions on Processing in any applicable agreement.

13.3 **Data Processing by Intuitive.** In order for Intuitive to provide training, support, product development, research, analytics and services to Customer, Customer grants Intuitive permission to Process the following data (“**Data**”):

- (A) Any data that is automatically generated or recorded by Intuitive products or services (e.g., data regarding button and foot pedal presses, system logs, and regarding use of instruments, including data entered into Intuitive products), which may be linked to the Customer personnel’s name (e.g. surgeon name) and procedure type associated with any particular procedure or Intuitive device, to the extent made available to or accessible by Intuitive; and, any data that Intuitive captures and records in the course of providing products or services to, or conducting surveys with, Customer or any of Customer personnel, workforce members, or other persons to whom Customer makes such products or services available.
- (B) Data that a user deliberately enters into the user interface of a Digital Solution, including the touch screen on any da Vinci® or Ion® device and data that Customer workforce (e.g. surgeon) enters about a procedure into an Intuitive application such as MyIntuitive
- (C) Data that originates from Customer’s electronic medical record and related systems and that is shared with Intuitive, video footage that is captured on Customer’s premises or as a result of activities undertaken or procedures performed by or on behalf of any of Customer’s personnel, and data that originates from Customer’s picture archiving and communication system (“**PACS Data**”), in each case to the extent made available to, or accessible, by Customer.
- (D) **De-Identification.** With respect to PHI that is provided by or on behalf of Customer to Intuitive, Intuitive may collect and Process such PHI only for the following purposes: (i) in order to provide its products and services to Customer or any of Customer’s personnel or workforce members, or other persons whom Customer approves, in accordance with the applicable agreement, including the applicable BAA, and (ii) as part of those services, to create data that has been de-

identified in a manner that is consistent with the de-identification requirements of 45 C.F.R. § 164.514(b) (“**De-Identified Data**”). The De-Identified Data may be collected and Processed by Intuitive for any lawful business purpose, provided, however, that Intuitive will not sell or license any De-identified Data.

- (E) **Observable Facts and General Knowledge.** Without limiting the other use rights set out herein, facts obtained from human observation and any general knowledge (but excluding any PHI) gained by Intuitive may be collected and Processed by Intuitive to the extent permitted by applicable law.
- (F) **Legal Compliance.** Nothing in this Section 13 or any other agreement prevents Intuitive from collecting or Processing any data as needed to comply with law or legal process, or to prepare regulatory or legal filings (e.g., performing post-market surveillance or for purposes of SEC or FDA filings, reports or submissions).
- (G) Data described in Sections 13.3(A) through 13.3(E) above may be used in whole or in part to provide analytics to Customer, Customer’s personnel or workforce members. For example, such data may be used to support operating room scheduling optimization, to provide Customer’s surgeons insight into their use of Intuitive products and their training history, and data analytics services.

13.4 **Relation to Other Agreements.** In the event of any conflict between this Section 13 and any other written data agreement entered into between these Parties, this Section 13 will control and resolve the conflict. For the avoidance of doubt, this Section 13 does not modify (i) any privacy or security protections for protected health information (“**PHI**”), as defined in 45 C.F.R. 160.103, agreed to in any BAA, (ii) any data use provisions contained in any Sponsored Research agreement, or (iii) any data use provisions contained in any custom hospital analytics agreement.

13.5 **Data Governance.** The Parties appoint the below persons as their data governance representatives (“**Data Governance Representatives**”). In the event that either Party has data Processing or governance concerns, such Party may notify the other Party’s Data Governance Representative(s), and the Parties will promptly convene a meeting to discuss and endeavor to resolve the matter. A Party may change its Data Governance Representative on Notice to the other Party.

<u>Intuitive</u>	<u>Customer</u>
Wendi W. Wright Sr. Director, Privacy & Data Protection Data.privacy@intusurg.com	Susan Schrupp SVP and CPO susan_schrupp@chs.net

13.6. **Integration; No-Reliance on Other Documents; Amendments.** This Section 13 constitutes the entire agreement between the Parties regarding the subject matter herein and will be binding upon the Parties and their respective successors and permitted assigns. Other documents, agreements, understandings, representations, disclosures, negotiations and discussions, written or oral, of the Parties with respect to this subject matter are excluded and are not relied upon by either Party. This Section 13, and any of its provisions may be waived, amended or supplemented only by a written instrument that refers to this Section 13 and specifically references the provisions that it is waiving, amending or supplementing, and that is signed by an authorized officer of each Party. No waiver by a Party of any term or condition set forth in this Section 13 will be deemed a further or continuing waiver of such term or condition or a waiver of any other term or condition, and any failure of a Party to assert a right or provision under this Section 13 will not constitute a waiver of such right or provision.

13.7 **Feedback.** Notwithstanding anything herein or in any other agreement to the contrary, any and all suggestions, comments, ideas or other feedback provided by or on behalf of Customer or any of Customer’s affiliates to Intuitive, regarding any Intuitive products or services (collectively, “**Feedback**”) is given voluntarily and does not constitute Proprietary Information (even if marked as such), and Intuitive is not required to hold it in confidence. Intuitive may collect and otherwise Process Feedback for any purpose without restriction, obligation or liability of any kind to Customer or any of Customer’s affiliates, and without vesting any rights in Customer or any of Customer’s affiliates. For the avoidance of doubt, as between the Parties, Intuitive is the sole owner of all right, title and interest in its technologies, including any improvement developed by virtue of its Processing of any data under this Section 13.

14. Term

14.1 **Initial Term.** The initial term of this Agreement will commence as of the Effective Date and will continue until the expiration of the associated Lease Agreement, unless earlier terminated as provided in either this Agreement and/or the Lease Agreement. Thereafter, this Agreement may be renewed for successive one (1) year terms (“**Renewal Term(s)**”) upon mutual written agreement of the parties.

14.2 **Termination and Survival.** Either party may terminate this Agreement if the other party breaches a material term or condition of this Agreement and fails to cure the breach following thirty (30) days’ written notice from the non-breaching party. Sections 3.4, 3.5, 4, 8.1, 10, 11, 12, 13, 14.2, 15 and any other provision which by its nature will survive, will remain in effect notwithstanding the expiration or termination of this Agreement.

15. **Miscellaneous**

- 15.1 **Access to Customer's Facilities.** Intuitive agrees that any Intuitive personnel who routinely provide Services at Customer's facilities will use commercially reasonable efforts to comply with Customer's Access Requirements, provided that Customer provides Customer's Access Requirements in writing prior to execution of this Agreement. Customer's need for Service may be unplanned and urgent with patient safety at stake. Therefore, if Customer denies access to its facilities to any Intuitive personnel for performance of Services (**Exhibit A**) or Warranty (Section 9) obligations in connection with a diagnostic or surgical procedure because such personnel have not met Customer's Access Requirements, Intuitive's Services and warranty obligations in this Agreement will be suspended during such denial of access, provided that Intuitive uses commercially reasonable efforts to find replacement Intuitive personnel who comply with Customer's Access Requirements. Customer will indemnify and hold harmless Intuitive from any losses, claims, liabilities or causes of action arising from such denial of access.
- 15.2 **Assignment.** This Agreement will be binding upon the permitted successors and assigns of the parties. Neither party may assign this Agreement without the prior written consent of the other party, except pursuant to a transfer of all or substantially all of a party's assets and business relating to the subject of this Agreement, whether by merger, re-organization, sale of assets, sale of stock, or otherwise. Customer may not assign or transfer the Software license granted to it under this Agreement to any third party without Intuitive's prior written consent. Any attempt by either party to assign this Agreement or any rights or duties hereunder contrary to the foregoing provision is void.
- 15.3 **Costs.** Except as otherwise specifically provided herein, each party will bear its own costs and expenses incurred in connection with the performance of its obligations hereunder.
- 15.4 **Counterparts.** This Agreement may be executed by facsimile or in multiple copies, each of which is an original, and all of which taken together will constitute one single agreement.
- 15.5 **Debarment.** Intuitive warrants and represents those individuals of its organization involved in providing Services under this Agreement have not been convicted of any criminal offense relating to health care and are not debarred, excluded, or otherwise ineligible for participation in any federal or state health care program. If at any time before completion of this Agreement, Intuitive or any individual in its organization involved in providing Services under this Agreement is so convicted or is debarred, excluded or otherwise determined to be ineligible, Intuitive will notify Customer in writing, the individual will immediately cease providing Services under this Agreement, and Intuitive will replace the individual with a replacement employee reasonably suitable to Customer, and, if it is Intuitive, this breach will be considered a material breach by Intuitive.
- 15.6 **Federal Audit.** As a medical device manufacturer, Intuitive has an obligation to report certain adverse event details to the Food and Drug Administration (FDA). Intuitive may request, and Customer shall provide Intuitive, all information necessary to fulfill Intuitive's complaint reporting obligation of adverse events. Until the expiration of four (4) years after furnishing Services under this Agreement, Intuitive will make available upon written request of the Secretary of the Department of Health and Human Services (the "Secretary") or upon request of the U.S. Comptroller General, or any of their duly authorized representatives, this Agreement and the books, documents, and records of Intuitive that are necessary to certify the nature and extent of costs for which Customer may properly seek reimbursement. If Intuitive carries out any of the duties of this Agreement through a subcontract with a value or cost of ten thousand dollars (\$10,000) or more over a twelve (12) month period, the subcontract will contain a clause to the effect that until the expiration of four (4) years after furnishing of services under the subcontract, the subcontracting party will make available, upon written request of the Secretary, or upon request of the U.S. Comptroller General or any of their duly authorized representatives, the subcontract, and the books, documents, and records of the organization that are necessary to verify the nature and extent of the costs. Intuitive will promptly notify Customer of any requests for information made under this provision.
- 15.7 **Force Majeure.** Neither party will be liable for any loss, damage, detention, delay, or failure to perform in whole or in part resulting from causes beyond that party's control including, but not limited to, acts of terrorism, fire, flood, earthquake, war, riots, labor disputes, shortage of components, or any governmental law, order, regulation, or ordinance.
- 15.8 **Insurance.** Intuitive has obtained, and will maintain throughout the term of the Agreement, (i) Commercial General Liability Insurance including coverage for contractual liability, product liability, personal injury and bodily injury in an amount not less than \$1,000,000 per occurrence/\$3,000,000 aggregate (or as may be aggregated by the excess liability policy on the General Liability policy); or (ii) a self-insurance program of equivalent protection. Intuitive will furnish the Customer with a certificate of insurance evidencing the coverage as outlined above on Customer's request.
- 15.9 **Interpretation.** Headings used in this Agreement are provided for convenience only and do not in any way affect the meaning or interpretation hereof. The terms "sale", "purchase", "acquire", "procure" and variations of such terms, as used in this Agreement with respect to the System, do not imply that the Software and Documentation aspect of the System are sold or purchased; the Software and Documentation are licensed under this Agreement and the Hardware is being leased and may be sold under the Lease Agreement as the case may be. Neither Party is the drafter of this Agreement. Accordingly, the language of this Agreement will not be construed for or against either Party.


- 15.10 **Notices.** Any notices given under this Agreement must be in writing and will be deemed given and received five (5) days after the date of mailing, one (1) day after dispatch by overnight courier service or electronic mail, or upon receipt if by hand delivery, or upon completion of confirmed transmission if by facsimile. Any notices under this Agreement must be sent to Intuitive or the Customer at the address shown in the preamble above, in both cases to the Contracts Dept/General Counsel's office. Each party may change its address for receipt of notices by giving the other party notice of the new address.
- 15.11 **Relationship of the Parties.** The parties' relationship is one of contract, and they are not, and will not be construed as partners, joint venturers, or agent and principal. Neither party is authorized to act for, or on behalf of, the other party.
- 15.12 **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, then that provision will not affect the validity of the remaining provisions of the Agreement, and the parties will substitute a valid provision for the invalid provision that most closely approximates the intent and economic effect of the invalid provision.
- 15.13 **Waivers.** No waiver of any right by either party under this Agreement will be of any effect unless the waiver is in writing and signed by the waiving party. Any purported waiver not consistent with the foregoing is void.
- 15.14 **Entire Agreement; Amendment.** This Agreement is the entire agreement between Intuitive and Customer and supersedes any prior agreements, understandings, promises, and representations made either orally or in writing by either party to the other party concerning the subject matter herein, pricing, and the applicable terms. Instruments and accessories are subject to the terms and conditions of the da Vinci® Instrument & Accessory Catalog. Digital Solutions are subject to the terms and conditions of the Master Digital Solutions Addendum ("MDSA") located at intuitive.com/digital-solutions-terms, and such MDSA is hereby incorporated by reference. Any terms or conditions in Customer's (or as applicable, Funding Entity's) purchase order that are different from, inconsistent with, or in addition to, the terms and conditions of this Agreement will be void and of no effect, unless otherwise mutually agreed to in writing by the parties. This Agreement may be amended only in writing, signed by both parties. Any purported oral modification intended to amend the terms and conditions of this Agreement is void

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

IF THIS AGREEMENT IS NOT SIGNED BY BOTH PARTIES AND RETURNED TO INTUITIVE ON OR BEFORE SEPTEMBER 30, 2024, THE TERMS WILL BE SUBJECT TO CHANGE.

ACCEPTED BY:

Intuitive Surgical, Inc.

Signature: 
Marc Giuffrida (Aug 28, 2024 12:14 PDT)

Email: marc.giuffrida@intusurg.com

Title: Sr. Director, Contract Administration

Company: Intuitive Surgical, Inc

ACCEPTED BY:

CHSPSC, LLC

By: _____

Name: 

Title: R. Gabriel Ottinger
SVP & Treasurer

E-mail: _____

Date: 9/26/2024


NS

EXHIBIT A
Deliverables, Price, Service and Delivery

1. Intuitive will provide Customer with the following:

da Vinci Xi® Single Console System (Firefly® Fluorescence Imaging Enabled)

One (1): da Vinci Xi® System Surgeon Console
One (1): da Vinci Xi® System Patient Cart
One (1) da Vinci Xi® System Vision Cart
Warranty period: One (1) year from the Acceptance.

da Vinci Xi® System Documentation including:
User's Manual For System
Warranty period: n/a

User's Manual for Instruments and Accessories
Warranty period: n/a

One (1) da Vinci Xi® Cleaning & Sterilization Kit
Warranty period: 90 days from Acceptance
Two (2) da Vinci Xi® Instrument Release Kit (IRK)
Warranty period: 90 days from Acceptance

da Vinci Xi® System Software
Warranty period: One (1) year from the Acceptance.

Instrument and Accessories including:

Accessory Starter Kit
Two (2): Box of 6: 8 mm Bladeless Obturator
One (1): 8 mm Blunt Obturator
Four (4): Box of 10: 5 mm - 8 mm Universal Seal
Four (4): 8 mm Cannula
Three (3): Monopolar Energy Instrument Cord
Three (3): Bipolar Energy Instrument Cord
One (1): Box of 3: da Vinci Xi® Gage Pin
Three (3): Instrument Introducer
One (1): Box of 10: Tip Cover for Hot Shears (MCS)
One (1): Pmed Cable, Covidien ForceTraid ESU
Warranty period: 90 days from Acceptance

Drapes
Two (2): Pack of 20 da Vinci Xi® Arm Drape
One (1): Pack of 20 da Vinci Xi® Column Drape
Warranty period: 90 days from Acceptance

Vision Equipment:
Two (2): da Vinci Xi® Endoscope with Camera, 8 mm 0 degree
Two (2): da Vinci Xi® Endoscope with Camera, 8 mm 30 degree
Four (4): da Vinci Xi® Endoscope Sterilization Trays
Warranty period: One (1) year from the Acceptance.

Training Instrument Starter Kit
One (1): Large Needle Driver
One (1): ProGrasp Forceps
One (1): Maryland Bipolar Forceps
One (1): Hot Shears (Monopolar Curved Scissors)
One (1): Tip-Up Fenestrated Grasper
One (1): Mega SutureCut Needle Driver
Warranty period: 90 days from Acceptance

(all kits subject to change without notice) (rev 4/2015)

2. Service

2.1 Services Included. If Customer is current in payment to Intuitive of the Service fees Intuitive, directly or through one of its designated service providers, will provide Services to Customer as listed below. Intuitive will use parts sourced by Intuitive, which may, at Intuitive's discretion, include reconditioned parts, ("Equivalent to New" or "ETN"). ETN parts are components, assemblies, or partial products, which have had prior usage, but have been duly inspected, reworked, and tested by Intuitive as required so that their function, performance, and appearance will be essentially equivalent to that of new parts. Regardless of whether parts are new or ETN, Intuitive's appropriate warranties under Section 9.1(A) above apply. Customer may contact Intuitive to upgrade its Service Plan to **dv Premium Care Plan**. An annual uplift fee to the annual Service fees set forth in **Exhibit A** will be charged; a detailed Service plan description will be provided to Customer for its acceptance and signature.

Intuitive will provide Services under the following ***DV Complete Care Plan***, with benefits and limitations as follows:

- (A) Adjust parts on the System from time to time;
- (B) Replace defective or malfunctioning System parts (excludes Instruments and Accessories; and any items contained in the Instrument Starter Kit, Camera Starter Kit, and Training Instrument Starter Kit set forth in **Exhibit A**);
- (C) Repair System operational malfunctions;
- (D) Replace and install Software, Hardware, and mechanical equipment for safety and reliability;
- (E) Provide twenty-four (24) hours per day, seven (7) days per week (24 x 7) telephone support by qualified service personnel;
- (F) Provide and install Software upgrades for feature enhancements. Software upgrades and Service with respect to additional equipment not included on **Exhibit A** may be subject to separate terms to be agreed upon by the parties;
- (G) Provide preferred pricing and next day service repairs or replacement due to accidental damage on endoscopes and camera heads;
- (H) Respond to Customer's request for Services described in Section 2.1(B)-(C) of this **Exhibit A** by phone, e-mail, or an on-premise visit during normal business hours (excluding Intuitive holidays) as promptly as is reasonable after Intuitive's receipt of Customer's request, but not later than twenty-four (24) hours after Intuitive's receipt. Intuitive's normal business hours are Monday through Friday, 8:00 am - 5:00 pm Customer's local time. Billable rates are applicable for service outside of normal business hours, and for reasons defined below in Section 2.2 of this **Exhibit A** (Limitations of Service)
- (I) Perform System preventative maintenance inspections as necessary to maintain factory specifications.
- (J) Provide support of advanced training of Customer's personnel on sterile Reprocessing process.
- (K) When the System is connected to OnSite®, remotely monitor system to diagnose potential issues and proactively dispatch a Field Service Engineer to make repairs when needed.
- (L) Provide access to the da Vinci Surgery Customer Portal.

If, after the expiration of the Initial Term, Customer chooses not to enter into a subsequent Service Renewal Addendum, Customer agrees that the provision of Services will be based on the then current time and materials rates.

2.2 Limitations on Services.

- (A) **General.** Intuitive does not have an obligation to provide Services (1) on any System where installation, repair, or adjustments have been made by an individual other than an Intuitive technician or an individual approved by Intuitive or (2) which are either necessary or desired as a direct or indirect result, in whole or in part, of unauthorized repair, modification, disassembly, alteration, addition to, subtraction from, reconfiguration, or misuse of the System, or negligence or recklessness on the part of Customer.
- (B) **Cleaning.** Regular daily cleaning of the System as described in the Documentation is not included in the Services.
- (C) **Additional Equipment.** Intuitive's Services obligations do not include the provision to Customer of any hardware developed by Intuitive that is not contained in the initial System purchased by Customer, and which Intuitive offers as a separate product or for an additional fee.
- (D) **Time and Materials.** If the System needs repair or maintenance services due to any of the circumstances described in this Section 2.2 (A)-(B) above, Intuitive may, at its sole election, provide repair services at Customer's expense and at Intuitive's then current time and material rates. Intuitive is not obligated to provide Services on any System for which any applicable warranty has been voided, or for which the performance of Services is otherwise excused by the terms of this Agreement.
- (E) **Unauthorized Instruments and Accessories.** The System is designed for use only with the Instruments and Accessories. If Customer uses the System with any surgical instrument or accessory not made or approved by Intuitive, Intuitive may discontinue Services, and any warranties applicable to any Services provided prior to any discontinuance will be void.

2.3 Customer's Obligations.

- (A) **Notice, Access, and Cooperation.** Customer will notify Intuitive or Intuitive's designated service provider of any requests for Services. Customer will fully cooperate with and assist Intuitive in the provision of Services.
- (B) **Clinical Liaison.** Customer will designate one of its employees, agents, or representatives as a "Clinical Liaison." The Clinical Liaison will be the point of contact with Intuitive for installation, Services, use of the System, and other related issues. Nothing in this Section 2.3 authorizes Customer or the Clinical Liaison to perform Services or to perform any act otherwise prohibited by this Agreement.

3. Pricing

Qty	Included in Periodical Lease Payment	Equipment Description	Price
1	Yes	da Vinci Xi® Single Console System	\$1,700,000.00
1	Yes	E-100 Generator	\$20,000.00
1	Yes	Da Vinci Xi Table Motion Upgrade	\$50,000.00
1	Yes	SYSTEM FREIGHT - CENTRAL	\$11,000.00

Years	Included in Periodical Lease Payment	Service Description	Annual Service Fee
1	Yes	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-Warranty (Included)	\$0.00
4	No	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-After Warranty Service (Annual)	\$134,000.00

Instruments and accessories are subject to availability and subject to the terms and conditions of the da Vinci® Instrument & Accessory Catalog. Digital Solutions are also subject to the terms and conditions of the MDSA located at [Intuitive.com/digital-solutions-terms](https://www.intuitive.com/digital-solutions-terms) as if such terms were contained in this Agreement. Delivery charges will be Pre-Pay & Add. Instruments OR Accessories will be shipped FCA Intuitive’s warehouse. If Single Site Instruments are listed, they will be delivered upon Customer’s completion of the advanced instrument training verification.

Customer will pay to Intuitive all fees for the lease or purchase of Systems, Instruments, Accessories, Service or other fees that are not included in Periodical Lease Payment, as such fees are further detailed in the Lease Agreement, and not later than thirty (30) days after the date of Intuitive’s invoice.

4. **Acceptance.** The System is deemed accepted by Customer upon delivery at Customer’s designated location (“Acceptance”).
5. **Delivery date.** The estimated delivery date for the System is September 30, 2024 (“Delivery Date”). The Delivery Date is an estimated and non-binding "on or before" delivery date to the Lessee's designated location (see "Ship-to" below).
6. **The “Ship-To” information for Customer is:**

Poplar Bluff Regional Medical Center
3100 OAK GROVE
POPLAR BLUFF, Missouri, 63901

7. **The “Bill-To” information for Customer is:**

Poplar Bluff Regional Medical Center
P.O. BOX 219
POPLAR BLUFF, Missouri, 63902

Customer’s Account Payable Department Contact:

Customer’s PO Number: _____

EXHIBIT B

BUSINESS ASSOCIATE AGREEMENT

1. Introduction.

Covered Entity and Business Associate have entered into, or may enter into, Underlying Agreement(s) (as defined below) for the provision of Products and Services (as defined below). The Parties wish to enter into this Agreement pursuant to the business associate agreement requirements set forth in the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 ("HITECH"), and all applicable implementing regulations, including, without limitation, the Privacy Rule (45 C.F.R. § 160 and § 164 (Subparts A and E)), the Security Rule (45 C.F.R. § 160 and § 164 (Subparts A and C)), and the Breach Notification Rule (45 CFR §§ 164.400-414). All such laws and regulations may be collectively referred to herein as "HIPAA". This Agreement is incorporated by reference into the Underlying Agreements and supersedes any prior business associate agreement between the Parties.

2. Definitions. Unless otherwise defined herein, all capitalized terms used in this Agreement shall have the same meaning as ascribed to those terms by HIPAA.

2.1 "Products and Services" shall mean those certain products and/or services provided by Business Associate, pursuant to an Underlying Agreement, that require the creation, receipt, maintenance or transmission of PHI by Business Associate for or on behalf of Covered Entity.

2.2 "Protected Health Information" or "PHI" shall have the same meaning as ascribed in 45 C.F.R. §160.103, except that all references to PHI shall mean only the PHI that is required to be accessed, created, maintained or transmitted by Business Associate for or on behalf of Covered Entity to perform under the Underlying Agreements. As may be applicable, PHI shall include "Electronic Protected Health Information" or "EPHI".

2.3 "Underlying Agreement(s)" shall mean any written agreements, supplements, or addendums that the Parties have entered into, or will enter into, for the provision of Products and Services. This Agreement shall not be incorporated into any agreement, supplement, or addendum that does not reference this Agreement.

3. Permitted Uses and Disclosures of PHI.

3.1 **General.** Business Associate shall Use or Disclose PHI only as permitted or required by this Agreement or the Underlying Agreement, or as permitted or required by law.

3.2 **Proper Management and Administration.** Business Associate may Use or Disclose PHI for the Business Associate's proper management and administration or to carry out the Business Associate's legal responsibilities. However, Business Associate may only Use or Disclose PHI under this Section 3.2 to the extent that:

- a. Such Uses or Disclosures are Required by Law, or
- b. Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the person: (1) will hold the PHI confidentially and further Use or Disclose the PHI only (i) as permitted or required by law, or (ii) for the purpose for which it was disclosed to the person; and (2) will notify the Business Associate of any instance the person becomes aware of in which the confidentiality of the information has been breached.

3.3 **Data Aggregation.** Business Associate may provide Data Aggregation services relating to the health care operations of Covered Entity, as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

4. Business Associate Obligations.

4.1 **General.** Business Associate shall not Use or Disclose PHI other than as permitted or required by this Agreement or the Underlying Agreement, or as permitted or required by law.

4.2 **Safeguards.** Business Associate shall implement reasonable and appropriate Administrative, Physical, and Technical safeguards to ensure the Confidentiality, Integrity, and Availability of EPHI, to prevent Use or Disclosure of the PHI other than as provided for by this Agreement or the Underlying Agreement.

4.3 **Minimum Necessary.** Business Associate shall Use or Disclosure only the Minimum Necessary PHI to accomplish the intended purpose of the Use or Disclosure.

4.4 **Security Incidents.** In the event Business Associate discovers the occurrence of any successful Security Incident, Business Associate shall, within twenty (20) business days of discovery of such successful Security Incident, notify Covered Entity of the same. The Parties acknowledge the ongoing existence and occurrence of attempted but "Unsuccessful Security Incidents". Provided these Unsuccessful Security Incidents do not result in an unauthorized access, use, disclosure, modification, or destruction of PHI or significantly compromise Business Associate's security safeguards for PHI, the Parties agree that this

acknowledgment shall serve as notice of such incidents and do not require additional notice to Covered Entity. Unsuccessful Security Incidents shall include pings, and other surveillance activities on Business Associate's firewall, port scans, unsuccessful log on attempts and password-based attacks, denials of service attempts, other common firewall attacks, and any combination of the above so long as no such incident results in a successful Security Incident.

- 4.5 **Impermissible Uses and Disclosures.** In the event Business Associate discovers the occurrence of any impermissible Use or Disclosure of PHI by it, Business Associate shall, within twenty (20) business days of discovery of such impermissible Use or Disclosure, notify Covered Entity of the same.
- 4.6 **Breaches of Unsecured PHI.** In the event Business Associate discovers the occurrence of its Breach of Unsecured PHI ("Breach"), Business Associate shall, within twenty (20) business days of discovery of such Breach, notify Covered Entity of the Breach. The notification to Covered Entity shall include all information required by 45 CFR § 164.410(c) to the extent then known. If the information required is not available to Business Associate at the time of the notification, Business Associate shall thereafter provide supplemental information to Covered Entity as soon as commercially possible.
- 4.7 **Mitigation.** Business Associate shall mitigate, to the extent reasonably practicable and attributable to it, any harmful effect known to Business Associate of any successful Security Incident, impermissible Use or Disclosure of PHI, or Breach of Unsecured PHI.
- 4.8 **Subcontractors.** Business Associate shall ensure that any Subcontractors that access, create, maintain, or transmit PHI for or on behalf of Business Associate agree to restrictions and conditions at least as stringent as those that apply to Business Associate under this Agreement.
- 4.9 **Designated Record Sets.** To the extent Business Associate maintains any PHI in a Designated Record Set, the following shall apply:
 - a. **Access to PHI.** Upon Covered Entity's written request to Business Associate, Business Associate agrees to provide Covered Entity with a copy of an Individual's PHI maintained in a Designated Record Set within twenty (20) business days of such request. Business Associate shall provide such copy in the manner required by law. In the event an Individual submits a request directly to Business Associate to provide a copy of PHI maintained in a Designated Record Set, Business Associate shall notify Covered Entity of the request within twenty (20) business days to allow Covered Entity to respond to the Individual.
 - b. **Amendment to PHI.** Upon Covered Entity's written request to Business Associate, Business Associate agrees to amend the Individual's PHI maintained in a Designated Record Set within twenty (20) business days of such request. In the event an Individual submits a request directly to Business Associate to amend PHI maintained in a Designated Record Set, Business Associate shall notify Covered Entity of the request within twenty (20) business days to allow Covered Entity to respond to the Individual.
- 4.10 **Accounting of Disclosures.** Upon Covered Entity's written request to Business Associate, Business Associate agrees to provide Covered Entity with an accounting of Disclosures of the Individual's PHI, as well as any information required by 45 C.F.R. § 164.528, within twenty (20) business days of such request, to allow for Covered Entity to make the accounting to the Individual. In the event an Individual submits a request directly to Business Associate for an accounting of Disclosures of the Individual's PHI, Business Associate shall notify Covered Entity of the request within twenty (20) business days to allow Covered Entity to respond to the Individual.
- 4.11 **Audits.** Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of PHI available to the Secretary for purposes of determining the Parties' compliance with applicable law or regulation.
- 4.12 **Compliance with Laws.** Business Associate shall comply with all applicable laws and regulations. To the extent Business Associate is to carry out an obligation of Covered Entity, as may be required by law, Business Associate agrees to comply with the requirements of the applicable law in the performance of such obligation.

5. Covered Entity Obligations.

- 5.1 **Notice to Business Associate.** To the extent Business Associate's ability to Use or Disclose PHI is impacted, Covered Entity shall notify Business Associate of any: (i) limitation in Covered Entity's notice of privacy practices; (ii) changes to, or revocation of, an Individual's permission to Use or Disclose PHI; or (iii) restriction to the Use or Disclosure of PHI that Covered Entity has agreed to.
- 5.2 **Minimum Necessary.** Covered Entity shall provide to Business Associate only the Minimum Necessary PHI to accomplish the intended purpose of the Use or Disclosure.
- 5.3 **Compliance with Laws.** Covered Entity shall comply with all applicable laws and regulations, and shall not request Business Associate to create, use, disclose, amend or destroy PHI in a manner inconsistent with HIPAA.

6. Term and Termination.

- 6.1 **Term.** This Agreement shall commence as of the Effective Date, and shall continue until termination, as described below in Section 6.2 ("Termination"). Such termination shall be in accordance with the provisions set forth below in Section 6.3 ("Effect of Termination").
- 6.2 **Termination.** Upon determination that either Party has breached a material term of this Agreement, the non-breaching Party shall provide the breaching party with written notice of the existence of the alleged breach and afford the breaching party an opportunity to cure upon mutually agreeable terms. If, after meeting in good faith, the Parties cannot agree upon a cure to the alleged breach, this Agreement may be terminated by the non-breaching Party upon thirty (30) days' written notice. Further, upon written notice by either Party, this Agreement will terminate upon the termination of, or expiration of, the final Underlying Agreement in effect between the Parties.
- 6.3 **Effect of Termination.** Upon termination of this Agreement, to the extent feasible, Business Associate shall return or destroy all PHI the Business Associate maintains in any form, and shall retain no copies of such PHI. To the extent the return or destruction of PHI is not feasible, Business Associate shall extend the protections of this Agreement to the PHI retained by Business Associate, and shall limit further Use or Disclosure to those purposes that make the return or destruction of the PHI infeasible. Additionally, upon termination of this Agreement, any Underlying Agreement shall terminate pursuant to the terms and conditions of that Underlying Agreement. Any provision of this Agreement which by its nature requires survival shall survive termination of this Agreement.

7. **Miscellaneous.**

- 7.1 **Notice.** All notice or other communication required or permitted under this Agreement shall be made in writing, and shall be deemed received five (5) business days after the date of mailing, one (1) business day after dispatch by overnight courier service or electronic mail, upon receipt if personally delivered, or upon confirmation of confirmed transmission if by facsimile. Any notice or communication shall be delivered to the respective Party, as follows:

If to Business Associate:

Attn: Legal – Privacy and Data Protection Group
Intuitive Surgical, Inc.
1020 Kifer Road
Sunnyvale, CA 94086

With a copy to:

Data.privacy@intusurg.com

Email Subject: "BAA or HIPAA Notice"

If to Covered Entity:

- 7.2 **Interpretation.** Any ambiguity in this Agreement shall be resolved to permit the Parties to comply with HIPAA.
- 7.3 **Relationship of the Parties.** The Parties agree that Business Associate is an independent contractor of Covered Entity, and is therefore not an agent of Covered Entity. This Agreement is intended to apply only to the Parties, and nothing herein is intended for the benefit of any third party.
- 7.4 **Amendment.** The Parties agree to meet in good faith to amend this Agreement in the event such amendment is necessary for either Party to comply with any mandatory legal requirement. This Agreement may be amended only in writing, signed by both Parties.
- 7.5 **Entire Agreement.** This Agreement constitutes the entire agreement between Business Associate and Covered Entity regarding the subject matter herein.

DIVIDER II. PROPOSAL DESCRIPTION

DIVIDER II. PROPOSAL DESCRIPTION

Proposal description shall include documents which:

- 1. Provide a complete detailed project description, CON project number of the existing equipment (if prev. CON approved), and include the type/brand of both the existing equipment and the replacement equipment.**

ANSWER: This project is to replace robotic surgery equipment at Poplar Bluff Regional Medical Center located at 2620 N. Westwood Blvd., Poplar Bluff, MO 63901. Poplar Bluff Regional Medical Center replaced its old da Vinci X robotic surgery equipment with a new da Vinci Xi Single Console System. The new robotic surgery equipment is located in the same location and did not require any renovations.

- 2. Provide a listing with itemized costs of the medical equipment to be acquired and bid quotes.**

ANSWER: The Applicant replaced its robotic surgery equipment. The following quote was received from Intuitive Surgical, Inc.:

da Vinci Xi Single Console System	\$1,700,000.00
E-100 Generator	\$20,000.00
da Vinci Xi Table Motion Upgrade	\$50,000.00
System Freight	\$11,000.00

- 3. Provide a timeline of events for the project, from CON issuance through project completion.**

ANSWER: The new machine was delivered and installed in October 2024. Due to a misunderstanding, a certificate of need was unable to be obtained in advance of the delivery and installation.

DIVIDER III. SERVICE SPECIFIC CRITERIA AND STANDARDS

Divider III: SERVICE SPECIFIC CRITERIA AND STANDARDS:

1. Describe the financial rationale for the proposed replacement equipment.

ANSWER: The previous robotic surgery equipment had limited capabilities for certain procedures, such as colon procedures. The new robotic surgery equipment will increase the number of patients the Applicant can care for at the facility.

2. Document if the existing equipment has exceeded its useful life.

ANSWER: The prior robotic surgery equipment had not exceeded its useful life but was replaced due to limited capabilities.

3. Describe the effect the replacement unit would have on quality of care.

ANSWER: Poplar Bluff Regional Medical Center's prior robotic surgery equipment could not complete certain procedures, particularly complex colon procedures. These limitations affected the care patients were able to receive at Poplar Bluff Regional Medical Center, and patients instead had to travel to receive care for more complex procedures. The new robotic surgery equipment is able to complete complex colon procedures, which allows patients to receive care locally and eliminate the need to commute to other facilities in an extremely rural area with limited alternatives.

4. Document if the existing equipment is in constant need of repair.

ANSWER: The prior robotic surgery equipment was not in constant need of repair, but it could not provide the level of care required by the Applicant's patients due to its limited capabilities.

5. Document if the lease on the current unit has expired.

ANSWER: The prior robotic surgery equipment had a 64-month lease set to end in March 2025.

6. Describe the technological advances provided by the new unit.

ANSWER: The new robotic surgery equipment is an upgrade from the X platform to the Xi da Vinci platform, which has advanced features and is suitable for complex surgical procedures, including complex colon procedures.

7. Describe how patient satisfaction would be improved.

ANSWER: Patients will be able to receive care locally for complex procedures rather than undergoing an extended commute for more complex surgeries. This will eliminate the expenses associated with a longer commute and allow patients to receive less invasive care locally.

8. Describe how patient outcomes would be improved.

ANSWER: The new robotic surgery equipment includes significant advancements with minimally invasive surgery, limiting the recovery time and risk to the patient. The new robotic surgery equipment also enables surgeons to perform a broader range of procedures with precision and confidence unattainable without the equipment.

9. Describe what impact the new unit would have on utilization.

ANSWER: The utilization is expected to increase as the Applicant's senior general surgeon transitions his minimally invasive practice from laparoscopic to robotic, and the Applicant is able to provide care to patients who would otherwise need to seek care at an alternative facility suited to complete more complex procedures.

10. Describe any new capabilities that the new unit would provide.

ANSWER: The new robotic surgery equipment provides many advances in surgical technology compared to the prior robotic surgery equipment. These advances include an extended reach due to the longer robotic arms on the equipment, which allows surgeons access to more areas within the patient's body. The extended reach increases the scope of procedures that can be completed with the new robotic surgery equipment compared to the old equipment. The new robotic surgery equipment also has instruments that have undergone refinement and offer greater dexterity and precision. The new robotic surgery equipment also includes improved setup and repositioning processes, which will reduce surgery time for the patient.

11. By what percent will this replacement increase patient charges?

ANSWER: The Applicant does not anticipate an increase in patient charges with this project.

DIVIDER IV. FINANCIAL FEASIBILITY REVIEW CRITERIA & STANDARDS

DIVIDER IV. FINANCIAL FEASIBILITY REVIEW CRITERIA & STANDARDS:

- 1. Document that sufficient financing is available by providing a letter from a financial institution or an auditor's statement indicating that sufficient funds are available.**

ANSWER: **Exhibit 4** is a letter from the Director of Global Treasury Services at Bank of America, Jimmy Waggoner, indicating that Applicant has sufficient funds for this project.

- 2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) full years beyond project completion.**

ANSWER: Attached as **Exhibit 5** is the Service-Specific Revenues and Expenses form.

- 3. Document how patient charges were derived.**

ANSWER: The Applicant uses Medicare reimbursement as the key factor in developing charges so that the Applicant is consistent across the spectrum of payor contracts in the community.

- 4. Document responsiveness to the needs of the medically indigent.**

ANSWER: The Applicant provides a Financial Assistance Program for patients without the means to pay for their care. For patients unable to meet the federal poverty threshold, the Applicant collaborates with the patient to establish a payment schedule if the patient chooses to establish a payment schedule. The policies are reviewed annually to adjust to Federal Poverty guidelines.

DIVIDER IV. ATTACHMENTS



December 10, 2024

To Whom It May Concern,

Community Health Systems Inc. utilizes the checking account referenced below for the receipt of electronic payments (ACH):

Account Name: **Community Health Systems, Inc.**

TIN [REDACTED]

Checking Account Number: [REDACTED]

Financial Institution (Depository): Bank of America

Routing Number: [REDACTED]

Wire Routing Number [REDACTED]

Swift Code [REDACTED]

Financial Institution Contact Name: Jimmy Waggoner
3455 Peachtree Road NE
Atlanta, GA 30326

Please consider this letter as confirmation that CHS / Poplar Bluff Medical Center has a balance of \$1,781,000.00 in unrestricted funds that would be readily available to assist in the completion of the project, as needed.

Sincerely,

A handwritten signature in black ink, appearing to read "Jimmy Waggoner".

Jimmy Waggoner
Director, Global Treasury Services
(404) 607-5103
jimmy.waggoner@bofa.com



SERVICE-SPECIFIC REVENUES AND EXPENSES

Project Title: Poplar Bluff Regional Medial Center **Project #:** 6171HT

Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion

Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.

	Year		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
Amount of Utilization:*	170	107	139
Revenue:			
Average Charge**	\$91,250	\$91,250	\$91,250
Gross Revenue	<u>\$15,512,500</u>	<u>\$9,763,750</u>	<u>\$12,683,750</u>
Revenue Deductions	<u>13,185,625</u>	<u>8,299,187</u>	<u>10,654,350</u>
Operating Revenue	<u>2,326,875</u>	<u>1,464,563</u>	<u>2,029,400</u>
Other Revenue	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u>\$2,326,875</u>	<u>\$1,464,563</u>	<u>\$2,029,400</u>
Expenses:			
Direct Expenses			
Salaries	<u>68,172</u>	<u>53,566</u>	<u>80,756</u>
Fees	<u>0</u>	<u>0</u>	<u>0</u>
Supplies	<u>80,289</u>	<u>45,340</u>	<u>62,667</u>
Other	<u>28,776</u>	<u>34,084</u>	<u>103,138</u>
TOTAL DIRECT	<u>\$177,237</u>	<u>\$132,990</u>	<u>\$246,561</u>
Indirect Expenses			
Depreciation	<u>141,000</u>	<u>141,000</u>	<u>141,000</u>
Interest***	<u>0</u>	<u>0</u>	<u>0</u>
Rent/Lease	<u>364,644</u>	<u>364,644</u>	<u>364,644</u>
Overhead****	<u>1,265,246</u>	<u>611,300</u>	<u>760,862</u>
TOTAL INDIRECT	<u>\$1,770,890</u>	<u>\$1,116,944</u>	<u>\$1,266,506</u>
TOTAL EXPENSES	<u>\$1,948,127</u>	<u>\$1,249,934</u>	<u>\$1,513,067</u>
NET INCOME (LOSS):	<u>\$378,748</u>	<u>\$214,629</u>	<u>\$516,333</u>

*Utilization will be measured in “patient days” for licensed beds, “procedures” for equipment, or other appropriate units of measure specific to the service affected.

**Indicate how the average charge/procedure was calculated.

***Only on long term debt, not construction.

****Indicate how overhead was calculated.



SERVICE-SPECIFIC REVENUES AND EXPENSES

Project Title: Poplar Bluff Regional Medical Center **Project #:** 6171HT

Historical Financial Data for Latest Three Full Years plus Projections Through Three Full Years Beyond Project Completion

Use an individual form for each affected service with a sufficient number of copies of this form to cover entire period, and fill in the years in the appropriate blanks.

	Year		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Amount of Utilization:*	240	276	304
Revenue:			
Average Charge**	\$91,250	\$91,250	\$91,250
Gross Revenue	<u>\$21,900,000</u>	<u>\$25,185,000</u>	<u>\$27,740,000</u>
Revenue Deductions	<u>19,612,000</u>	<u>22,403,800</u>	<u>24,544,180</u>
Operating Revenue	<u>2,288,000</u>	<u>2,781,200</u>	<u>3,195,820</u>
Other Revenue	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	<u>\$2,288,000</u>	<u>\$2,781,200</u>	<u>\$3,195,820</u>
Expenses:			
Direct Expenses			
Salaries	<u>155,000</u>	<u>175,000</u>	<u>180,000</u>
Fees	<u>0</u>	<u>0</u>	<u>0</u>
Supplies	<u>90,251</u>	<u>45,340</u>	<u>80,289</u>
Other	<u>103,138</u>	<u>34,084</u>	<u>28,776</u>
TOTAL DIRECT	<u>\$348,389</u>	<u>\$254,424</u>	<u>\$289,065</u>
Indirect Expenses			
Depreciation	<u>141,000</u>	<u>141,000</u>	<u>141,000</u>
Interest***	<u>0</u>	<u>0</u>	<u>0</u>
Rent/Lease	<u>364,644</u>	<u>364,644</u>	<u>364,644</u>
Overhead****	<u>1,260,862</u>	<u>1,611,300</u>	<u>1,965,246</u>
TOTAL INDIRECT	<u>\$1,766,506</u>	<u>\$2,116,944</u>	<u>\$2,470,890</u>
TOTAL EXPENSES	<u>\$2,114,895</u>	<u>\$2,371,368</u>	<u>\$2,759,955</u>
NET INCOME (LOSS):	<u>\$173,105</u>	<u>\$409,832</u>	<u>\$435,865</u>

*Utilization will be measured in “patient days” for licensed beds, “procedures” for equipment, or other appropriate units of measure specific to the service affected.

**Indicate how the average charge/procedure was calculated.

***Only on long term debt, not construction.

****Indicate how overhead was calculated.