



Acquire Robotic Surgery System

Project #6172 HS



Mercy Hospital Washington
Washington, MO

December 2024



Certificate of Need Program
NEW OR ADDITIONAL EQUIPMENT APPLICATION
 Applicant's Completeness Checklist and Table of Contents

Project Name: _____ Project No: _____

Project Description: _____

Done Page N/A Description

Divider I. Application Summary:

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

Divider II. Proposal Description:

1. Provide a complete detailed project description and include equipment bid quotes.
2. Provide a timeline of events for the project, from CON issuance through project completion.
3. Provide a legible city or county map showing the exact location of the project.
4. Define the community to be served and provide the geographic service area for the equipment.
5. Provide other statistics to document the size and validity of any user-defined geographic service area.
6. Identify specific community problems or unmet needs the proposal would address.
7. Provide the historical utilization for each of the past three years and utilization projections through the first three (3) **FULL** years of operation of the new equipment.
8. Provide the methods and assumptions used to project utilization.
9. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
10. Provide copies of any petitions, letters of support or opposition received.
11. Document that providers of similar health services in the proposed service area have been notified of the application by a public notice in the local newspaper.
12. Document that providers of all affected facilities in the proposed service area were addressed letters regarding the application.

Divider III. Service Specific Criteria and Standards:

1. For new units, address the minimum annual utilization standard for the proposed geographic service area.
2. For any new unit where specific utilization standards are not listed, provide documentation to justify the new unit.
3. For additional units, document compliance with the optimal utilization standard, and if not achieved, provide documentation to justify the additional unit.
4. For evolving technology address the following:
 - Medical effects as described and documented in published scientific literature;
 - The degree to which the objectives of the technology have been met in practice;
 - Any side effects, contraindications or environmental exposures;
 - The relationships, if any, to existing preventive, diagnostic, therapeutic or management technologies and the effects on the existing technologies;
 - Food and Drug Administration approval;
 - The need methodology used by this proposal in order to assess efficacy and cost impact of the proposal;
 - The degree of partnership, if any, with other institutions for joint use and financing.

Divider IV. Financial Feasibility Review Criteria and 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.
2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) **FULL** years beyond project completion.
3. Document how patient charges are derived.
4. Document responsiveness to the needs of the medically indigent.

Divider I

Application Summary

DIVIDER I – Application Summary

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

The Application Identification and Certification form is included in
Divider I – Attachments

2. Representative Registration (Form MO 580-1869)

Representative Registration form is included in Divider I – Attachments

3. Proposed Project Budget (Form MO 580-1863)

The proposed budget form is included in Divider I – Attachments

Attachments

**Divider I
Application Summary**



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 Acquire robotic surgery system		Project Number 6172 HS
Project Address (Street/City/State/Zip Code) 901 East Fifth Street, Washington, MO 63090		County Franklin

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
Mercy Health East Communities	615 S. New Ballas Rd, St. Louis, MO 63141	314-251-8000

List All Operator(s): (List entity to be licensed or certified.)	Address (Street/City/State/Zip Code)	Telephone Number
Mercy Hospital Washington	901 East Fifth Street, Washington, MO 63090	636-239-8000

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 Mark Thorn		Title Executive Director
Telephone Number 636-528-3329	Fax Number	E-mail Address mark.thorn@mercy.net
Signature of Contact Person 		Date of Signature 12/10/24



Certificate of Need Program

REPRESENTATIVE REGISTRATION

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

Project Name Acquire robotic surgery system	Number 6172 HS
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(Please type or print legibly.)

Name of Representative Mark Thorn	Title Executive Director
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Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) Mercy	Telephone Number 636-528-3329
--	----------------------------------

Address (Street/City/State/Zip Code) 1000 E Cherry St, Troy, MO 63379
--

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 Mercy Health East Communities-Mercy Hospital Washington	Telephone Number 314-251-6000
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Address (Street/City/State/Zip Code) 615 S. New Ballas Rd, St. Louis, MO 63141

Check one. Do you:


- Support
- Oppose
- Neutral

Relationship to Project:

- None
- Employee
- Legal Counsel
- Consultant
- Lobbyist
- Other (explain):

Other Information:

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: *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.*

Original Signature 	Date 12/10/24
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Certificate of Need Program

PROPOSED PROJECT BUDGET

Description

Dollars

COSTS:*

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

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

FINANCING:

- 13. Unrestricted Funds _____
- 14. Bonds _____
- 15. Loans _____
- 16. Other Methods (specify) _____
- 17. Total Project Financing** (sum of #13 through #16) **_____****

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

* 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.

Divider II

Proposal Description

DIVIDER II – Proposal Description

1. Provide a complete detailed project description and include equipment bid quotes.

Mercy Hospital Washington plans to purchase the Intuitive DaVinci robotic surgery system to be placed at 901 E. Fifth Street. Acquisition of the DaVinci robotic surgery system will expand our capabilities by integrating advanced robotic-assisted surgery, thereby improving patient outcomes, and expanding minimally invasive surgical options available to our community. The DaVinci will provide extensive anatomical access, excellent surgical site visioning during procedures, and a platform for continued acceleration of advanced surgical technology. Along with these positive contributions for our community it will also enable us to recruit new surgeons to our rural area allowing us to continue to provide high level care in our community long term.

The DaVinci system is the state-of-the-art robotic platform that enables surgeons to perform complex procedures with enhanced precision, flexibility, and control. As evidenced by national trends, utilization of robotic surgery is quickly becoming the standard of care. Mercy Hospital Washington plans to use the DaVinci system for gynecologic, urologic, and other select general procedures.

At present, Mercy Hospital Washington relies on traditional laparoscopic and open surgical methods, which may be associated with longer recovery times and greater postoperative discomfort for patients. There is currently no robotic surgical system in place at the Mercy Washington, outside of the orthopedic robot for knees, leading some patients to seek robotic-assisted procedures at facilities outside of the local area. The acquisition of the DaVinci robotic surgical system will significantly enhance the hospital's surgical offerings, enabling surgeons to perform more complex and delicate procedures with greater accuracy.

Expected clinical benefits for adding this technology at Mercy Hospital Washington include reduced pain, lower risk of infection, smaller incisions, reduced blood loss, minimized scarring, and faster recovery times. These expected outcomes align with our commitment to deliver high-quality, patient-centered care.

By introducing the DaVinci system, Mercy Hospital Washington aims to better serve the needs of our patient population, providing access to cutting-edge surgical care close to home.

All equipment quotes included in the application are valid.

2. Provide a timeline of events for the project, from CON issuance through project completion.

Project timeline assumes CON issuance March 2025

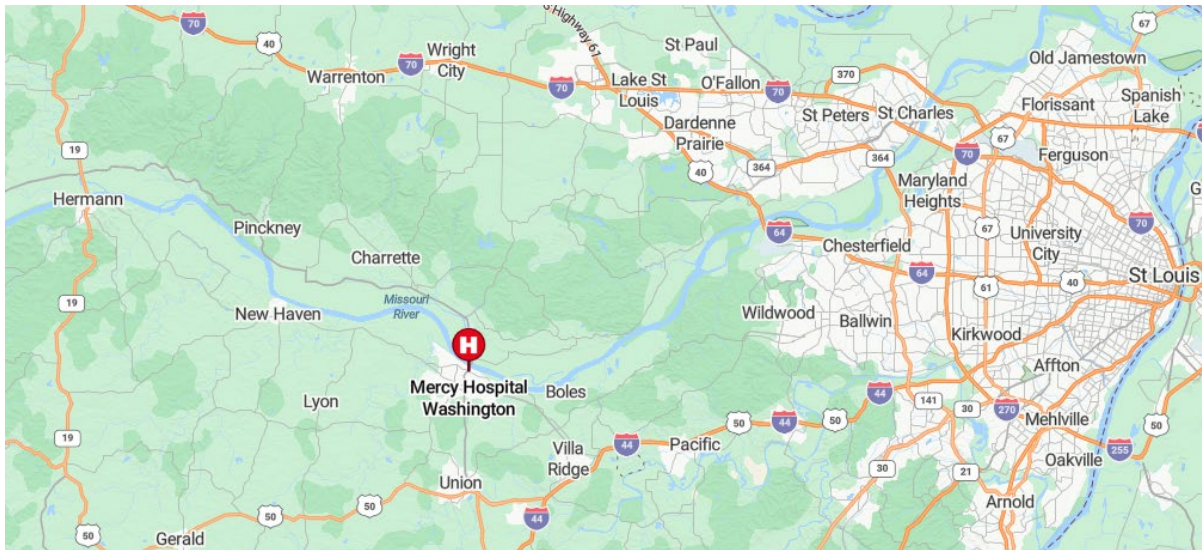
Equipment Arrival: July 2025

Equipment Installation: August 2025

Go-Live: September 2025

DIVIDER II – Proposal Description (continued)

3. Provide a legible city or county map showing the exact location of the project.



4. Define the community to be served and provide the geographic service area for the equipment.

Mercy Washington provides surgical services to patients who reside throughout several surrounding counties. We serve patients from 20 zip codes across 5 counties. The hospital resides in Franklin County which has a growing and aging population, with an increasing demand for surgical services.

Mercy operates other hospitals in the region including, Festus (Jefferson County), Troy (Lincoln County) and St. Louis (St. Louis County), as well as a rehabilitation specialty hospital in West St. Louis County. Mercy physician offices and outpatient facilities are widely spread throughout the region.

5. Provide other statistics to document the size and validity of any user-defined geographic service area.

Mercy Washington is an acute care, level three trauma facility, and level two stroke/STEMI center. Mercy Washington provides 24-hour emergency room care and a full range of diagnostic, preventative and restorative health care services.

Mercy Washington is licensed for 140 inpatient care beds. In FY24, the hospital had 7,650 inpatient discharges, 215,430 outpatient visits and 42,187 ED visits. Additionally, the hospital performed 8,050 surgeries and employed 898 coworkers.

DIVIDER II – Proposal Description (continued)

According to the Missouri Department of Health and Senior Services, the 2025 estimated population projections for the counties in Mercy Washington’s primary service area is over 600,000. The estimated population of Washington is 24,709. The population projections are documented in the table below:

2025 Population Projections Mercy Hospital Washington Primary Service Area	
Crawford	22,797
Franklin	106,645
Gasconade	14,515
St. Charles	432,828
Warren	37,428
Total Population	614,213

6. Identify specific community problems or unmet needs the proposal would address.

Robotic surgery has become the standard of care for laparoscopic prostatectomies, gyn oncologic, and colorectal procedures. The adoption rate of robotic surgery across the nation for other services, such as cardiovascular and general surgery, is continuing to trend upward. These trends are causing physicians and patients to take notice.

Acquiring a DaVinci robotic surgery system will strengthen our ability to recruit new surgeons as we face many retirements in the next three to four years across multiple service lines. Most new surgeons are trained using the DaVinci system during residency and expect to have availability when transitioning into their practice. The DaVinci system will enable Mercy Washington to provide surgical services in our community for the foreseeable future.

7. Provide the historical utilization for each of the past three years and utilization projections through the first three (3) FULL years of operation of the new equipment.

Projected Utilization	
FY 26 (10 months)	213
FY 27	255
FY 28	298
FY 29	340

8. Provide the methods and assumptions used to project utilization.

Projected utilization is based on Mercy’s historical procedural experience. We also continue to see increasing demand from surgical specialists and patient inquiries. Utilization will also be impacted by the number of retiring surgeons knowing the new surgeons will come in with expectations of utilizing a robot. Projected volumes are based on anticipated growth in gynecologic, urologic, and select general robotic procedures.

DIVIDER II – Proposal Description (continued)

9. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.

When planning new services, Mercy incorporates comments from members of the medical staff, patients, area residents and Mercy co-workers. Additionally, the hospital's board of directors includes community leaders who provide input into the services of the hospital.

10. Provide copies of any petitions, letters of support or opposition received.

Three letters of support are attached to this application and are included in this section. The letter authors include:

- Dr. David Tannehill, MD
- Dr. Thomas Reichers, MD
- Dr. Charles Nottingham, MD

No opposition has been received for the acquisition of the robotic surgery system. If any letters of opposition are received; they will be forwarded to the CON Program Office.

11. Document that providers of similar health services in the proposed service area have been notified of the application by a public notice in the local newspaper.

A public notice seeking comment on this matter was published in The Missourian on 12/13/2024. A copy of the ad proof is included in Divider II-Attachments.

12. Document that providers of all affected facilities in the proposed service area were addressed letters regarding the application.

Emails regarding the application were sent to affected facilities in the service area. Copies of each email are included in Divider II-Attachments.

Attachments

**Divider II
Proposal Description**



Intuitive Surgical, Inc.
 1020 Kifer Road
 Sunnyvale, CA 94086
 800-876-1310

Quote Details

Quote ID	Q-00065678
Quote Date	11/11/2024
Valid Until	12/31/2024
Sales Rep	Nick Purcell
Phone Number	+1-314-495-2080
Email	nick.purcell@intusurg.com

Company Information

Hospital Name	Mercy Hospital Washington
SF ID/IDN Affiliation	13369/Mercy
Address	200 Madison Ave
City, State, Zip	Washington, Missouri, 63090-3098
Contact Name	
Telephone	

Please submit orders electronically via GHX or fax to 408-523-2377

Part Number	Qty	Item	Price	Discount	Subtotal
Systems					
	1	da Vinci Xi® Single Console System One (1): da Vinci Xi System Surgeon Console One (1): da Vinci Xi System Patient Cart One (1): da Vinci Xi System Vision Cart da Vinci Xi System Documentation da Vinci Xi System Software Training Instrument Starter Kit Accessory Starter Kit Drapes Vision Equipment (All Kits subject to change without notice)	\$ 1,900,000.00	\$ 225,000.00	\$ 1,675,000.00
Simulators					
	1	Da Vinci SimNow Simulator Includes items*377773 Simulator, SimNow600092 First year of SimNow Service & Benefits (included with new placement. Not included for trades)	\$ 100,000.00	\$ 0.00	\$ 100,000.00
Upgrades					
	1	Da Vinci Xi Table Motion Upgrade	\$ 75,000.00	\$ 25,000.00	\$ 50,000.00
Freight					
	1	System Freight - Central (AR, IA, IL, KS, LA, MN, MO, ND, NE, OK, SD, TX, WI)	\$ 11,000.00	\$ 11,000.00	\$ 0.00
Total					\$ 1,825,000.00

Part Number	Months	Item	Price	Annual Service Fee
Service				
	12	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-Warranty (Included)	\$ 0.00	\$ 0.00
	48	da Vinci Xi-Single Console-Human Use (Systems)-SERVICE PLAN : DVCOMPLETE CARE-After Warranty Service (Annual)	\$ 154,000.00	\$ 154,000.00
	12	SIMULATOR,ANNUAL SERVICE,IS3000,IS4000,I-Subscription (Included)	\$ 0.00	\$ 0.00

	48	SIMULATOR,ANNUAL SERVICE,IS3000,IS4000,I-Subscription Fee	\$ 20,000.00	\$ 20,000.00
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Terms and Conditions

1) System Terms and Conditions:

1.1 A signed Sales, License, and Service Agreement ("SLSA") or equivalent is required prior to shipment of the System(s). All site modifications and preparation are the Customer's responsibility and are to be completed to the specification given by Intuitive Surgical prior to the installation date. Delivery is subject to credit approval. Payment terms are Net 30 days from Intuitive Surgical's invoice date. Each System includes the patient side cart, vision cart, and surgeon console(s). System enhancements required to support new features may be purchased at Intuitive Surgical's then current list price. The price of the da Vinci® Surgical System includes the initial installation of the System at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate.

1.2 Intuitive makes no representation with regard to Certificate of Need requirements for this purchase. It is your (the Customer's) responsibility to determine whether this purchase complies with your State's Certificate of Need laws and what Certificate of Need filing, if any, needs to be made with regard to this purchase.

1.3 Customer acknowledges that the cleaning and sterilization equipment, not provided by Intuitive, is required to appropriately reprocess da Vinci instruments and endoscopes. Please refer to the Intuitive Surgical Reprocessing website: <https://reprocessing.intuitivesurgical.com>. Customer is responsible for ensuring that its' cleaning and sterilization program comply with all health and safety requirements.

2) System Upgrade Terms and Conditions:

2.1 A signed Purchase Order and/or an addendum to the existing Sales, License, and Service Agreement ("SLSA") is required prior to shipment of the System upgrade. All site modifications and preparation are the Customer's responsibility and are to be completed with the specification given by Intuitive Surgical prior to the installation date.

2.2 Payment terms are Net 30 days from Intuitive Surgical's invoice date. The price includes: the System upgrade, the initial installation at Customer's facility and a one (1) year warranty for manufacture defect. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate. Delivery is subject to credit approval and inventory availability. Standard shipping terms are FCA from Intuitive Surgical™ warehouse. A \$9.95 handling charge will be applied for any shipments using a customer designated carrier.

3) I&A Terms and Conditions:

3.1 To place an order, please fax Purchase Order to Intuitive Surgical Customer Service at 408-523-2377 or submit through the Global Health Exchange (GHX). Payment Terms Net 30 days from invoice date. Delivery is subject to credit approval by Intuitive Surgical. Estimated 2-Day standard delivery. Standard shipping terms are FCA from Intuitive Surgical™ warehouse and are subject to inventory availability. All taxes and shipping charges are the responsibility of the Customer and will be added to the invoice, as appropriate. Pricing is subject to change without notice. A \$9.95 handling charge will be applied for any shipments using a customer designated carrier.

4) Return Goods Policy :

4.1 All returns must be authorized through Intuitive Surgical Customer Service, please call 800-876-1310 to obtain a Return Material Authorization Number (RMA#). All items must be accompanied with valid RMA# for processing and are requested to be received within 14 days of issuance or the RMA could be subject to cancellation. Intuitive Surgical will prepay for the return of the defective instruments. Upon identification of a defective instrument, please call Intuitive Surgical Customer Service within 5 business days. Prior to returning to Intuitive Surgical, items must be cleaned and decontaminated in accordance with the then current local environmental and safety laws and standards. For all excess inventory returns, items are required to be in the original packaging with no markings, seals intact, and to have been purchased within the last 12 months. Package excess returned inventory in a separate shipping container to prevent damage to original product packaging.

5) Exchange Goods Policy :

5.1 Repairs to Endoscope, Camera Head and Skills Simulators may qualify for Intuitive Surgical advanced exchange program. Please contact Customer Service or send email to CustomerSupport-ServiceSupport@intusurg.com to obtain information on our current exchange program.

6) Credit Policy :

6.1 Intuitive Surgical will issue credit against original purchase order after full inspection is complete. Credit for defective returns: Intuitive Surgical will issue credit on products based on failure analysis performed and individual warranty terms. For instruments, credit will be issued for the remaining lives, plus one additional life to compensate for usage at the time the issue was identified. Evidence of negligence, misuse

and mishandling will not qualify for credit. Credit for excess inventory returns: Excess Inventory returns will be valued at the invoice price. Original packaging must be unmarked, undamaged and seals intact to qualify for credit. Credit will be issued if the products were shipped less than 12 months prior to return request, the original package is intact and the product is within expiration date. Intuitive Surgical will retain all returned product.

7) Miscellaneous :

7.1 Warranty: Warranties are applied for manufacturing defects. Endoscope, Camera, Simulator, and System upgrades – 1 year warranty. Accessories – 90 day warranty. Instruments: see above for credit.

7.2 Any term or condition contained in your purchase order or similar forms which is different from, inconsistent with, or in addition to these terms shall be void and of no effect unless agreed to in writing and signed by your authorized representative and authorized representative of Intuitive Surgical. The terms and conditions of this quote, including pricing, are confidential and proprietary information of Intuitive Surgical and shall not be disclosed to any third party without the consent of Intuitive Surgical.

For questions please contact Customer Service at 800-876-1310

EXHIBIT A
Deliverables, Price and Delivery

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
One (1): Integrated E-200 Generator
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)



Customer Name: Mercy Hospitals East Communities
Customer Number: 10030753
Quote Number: 10027497-1
Account Manager: Ryan Alick
636-459-1602
ryan_alick@baxter.com
Expiration Date: 2-9-2025



Hillrom™



Thank you for your inquiry. Our quote is subject to our General Terms and Conditions, available upon request.

Best Regards,

Ryan Alick

ryan_alick@baxter.com

636-459-1602

Item	Item Description	Qty	Unit Price	Net Price	Extended Net Price
112011	TruSystem 7000dV Standard Table Package A HealthTrust Surgical Tables - HPG-63914	1	78,342.00	78,342.00	78,342.00
1798326	Cable remote control TS7000 (dV) A HealthTrust Surgical Tables - HPG-63914	1	1,015.40	1,015.40	1,015.40
108852	Patient Warming Package TS7000 and DV A HealthTrust Surgical Tables - HPG-63914	1	9,728.00	9,728.00	9,728.00
108855	WaffleGrip and APEX Robotics Package A HealthTrust Surgical Tables - HPG-63914	1	12,375.65	12,375.65	12,375.65
Total for Products and Services					\$ 101,461.05
FRT-TABLE	Freight OR Table	1	1,500.00	1,500.00	1,500.00
Grand Total					\$ 102,961.05

Financing options available. For more information visit hillrom.com/financial-services or contact your Hillrom representative.

To place an order, email PO to Orders_surgical@baxter.com.

Please make all PO's payable to Hill-Rom Company, Inc. referencing quote number **10027497-1** on your order.

Baxter is not currently able to make a representation or certification as to the country of origin of the components of equipment or supplies offered under this agreement. Baxter is diligently working to confirm information regarding country of origin for the equipment and/or supplies being offered.



Optional Service Plans

Item	Item Description	Qty	Unit Price	Net Price	Extended Net Price
PTP-TS7000DV-1	Protection+, 1 year, TS7000dV Surgical Table	1	4,953.76	4,953.76	4,953.76
				Total Price	\$ 4,953.76
				Total	\$ 4,953.76



**HILL-ROM COMPANY, INC. ("HILLROM")
SURGICAL SOLUTIONS STANDARD TERMS AND CONDITIONS**

1. **GROUP PURCHASING ORGANIZATION (GPO) PARTICIPATION:** To the extent Purchaser is a member of a GPO and any products on Hillrom's quotation are covered under an agreement with Purchaser's designated GPO, then Purchaser's purchase of such products shall be governed by the terms and conditions of the applicable GPO agreement and any terms and conditions stated herein under these "Surgical Solutions Standard Terms and Conditions" shall be of no force or effect. Any products on Hillrom's quotation not covered under a GPO agreement with Purchaser's designated GPO shall be subject to the "Surgical Solutions Standard Terms and Conditions" set forth herein.
2. **ACCEPTANCE:** Hillrom makes all quotations and accepts orders only on the terms and conditions stated herein (this "Agreement") except as expressly set forth under Section 1. No conditions stated by Purchaser shall be binding upon Hillrom if in conflict with, inconsistent with, or in addition to the terms and conditions stated herein, unless expressly accepted in writing and signed by Hillrom's appointed management representative. Once Hillrom accepts order, additional charges will apply for any subsequent change orders required by Purchaser. If applicable, orders cannot be entered into production until all drawings are completed and signed off.
3. **PRICES; SHIPPING:** All prices are: (a) Hillrom's current prices and are effective only for the time period as stated in the quotation; (b) net Freight on Board (FOB) Destination with freight charges and related insurance prepaid and added to invoice. Purchaser shall be billed for all applicable sales and other taxes until such time as Purchaser provides a tax-exempt certificate (resale certificate) to Hillrom with respect to such taxes. Applicable taxes will be calculated and billed at time of invoicing.
4. **PAYMENT TERMS:** For projects requiring installation, a 25% non-refundable deposit on the products sold is required at time of order. The balance of the order less installation costs, as well as shipping charges, will be invoiced at time of shipment. The remaining balance, including installation services, will be invoiced upon customer's installation acceptance, but in no case will this exceed 10 days from the time installation is completed as determined by Hillrom. Where installation is not included in the purchase price, 100% of the purchase price will be invoiced at time of shipment. Credit cards will not be accepted for payment except for consumables and small spare parts/accessories. Payment terms are Net 30 Days from date of invoice. Unless waived by Hillrom in writing, overdue undisputed invoices shall be subject to a late payment charge equal to the lesser of one and one half percent (1½ %) per month or the maximum rate allowed by law. Purchaser agrees to pay Hillrom for any and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Hillrom to collect any amounts owed to it under this Agreement.
5. **INSTALLATION (GENERAL):** For projects requiring installation, installation charges will be itemized in Hillrom's sales quote and installation responsibilities are defined in detail in the Hillrom Pre-Installation Manual, which will be provided to Purchaser upon request. Hillrom installation charges include the attachment of the Hillrom equipment onto the previously installed mounting systems (installed by others), the connection and setup of the low voltage for the light controls via the wall control panels, and the assembly of the Hillrom equipment and accessories. Electrical work, medical gas connections, and structural work are NOT included in the Hillrom installation charge and such work shall be the responsibility of Purchaser. Installation charges are also valid for onsite training and supervision of union contractors if installation by union trades is required. Hillrom personnel must be present onsite for training and supervision of union installation of Hillrom equipment to validate the product warranty. Installation charges do not include the cost associated with hiring union labor. Union labor installation costs are the responsibility of the customer/ contractor. Also, Beacon Medaes columns are contractor-installed and Hillrom is not responsible for the pre-installation or installation of these columns. These columns are also the responsibility of Beacon Medaes for service and warranty.



6. INSTALLATION (NON-HILLROM VIDEO AND CABLE PULLS): Hillrom will complete non-Hillrom video and communication cable pulls during the production of Hillrom product as follows: Hillrom will complete the pulls at NO CHARGE if the cables are received by Hillrom at 1046 LeGrand Blvd., Charleston SC 29492 no later than two weeks prior to the production date of the product. The cables MUST BE LABELED WITH THE NAME OF THE FACILITY AND EQUIPMENT THAT IT SHOULD BE PULLED THROUGH when shipped as well as detailed instructions for the cable pull. Hillrom is not responsible for lost or damaged cables. If cables are NOT received prior to the shipment of the product then there will be a fee of \$1000 per mount for non-Hillrom cable pulls completed by Hillrom at the installation site and additional travel charges may apply if a return trip is required.

7. INSTALLATION (HELION™ INTEGRATED SURGICAL SYSTEM): Installation charges will be itemized in Hillrom's sales quote and installation responsibilities are defined in detail in the Hillrom Pre-Installation Manual, which will be provided to Purchaser upon request. Hillrom will provide required cable and complete cable pulls, through Purchaser provided conduit as specified in the Pre-Installation Manual, in the room where the Helion™ Integrated Surgical System ("Helion") is being installed from the in room components to the Helion rack. Any additional cable pulls or installation requirements from the Helion rack to the customer's network outside the room will be the responsibility of Purchaser.

8. SOFTWARE LICENSE GRANT; RESTRICTIONS.

a. Unless a separate software license agreement is entered into between Hillrom and Purchaser, the following terms and conditions in this Section 6 ("Software License Grant; Restrictions") govern the use of any software provided by Hillrom in connection with the purchase of a product under this Agreement, including any embedded software, updates, upgrades, enhancements, or modifications provided by Hillrom to Purchaser from time to time (collectively, the "Software"). The Software and all documentation related thereto, whether on disk, in read only memory, or any other media or in any other form, is licensed and not sold by Hillrom to Purchaser, and is for use only in connection with the product and subject to these terms and conditions, and Hillrom reserves all rights not expressly granted to Customer.

b. Unless a subscription/term Software license has been purchased by Purchaser (in which case the license term shall be set forth in the applicable Hillrom quotation), Hillrom hereby grants to Purchaser a perpetual, non-exclusive, non-transferable, limited license to use for Purchaser's internal business purposes the Software in the products, along with all third-party software that Hillrom may have purchased, licensed, or otherwise acquired from third parties and delivered to Purchaser in machine-readable object code form as part of the products and related product documentation, subject to the license scope and other restrictions set forth in this Section. Without Hillrom's prior written consent, Purchaser will not: (i) copy, sublicense, distribute, rent, lease, loan, resell, modify or translate the Software or any portions thereof, or create derivative works based thereon; (ii) directly or indirectly decompile, disassemble, reverse engineer or otherwise attempt to learn the source code, structure or algorithms underlying the Software; (iii) provide service bureau, time share or subscription services based on the Software; (iv) remove, obscure or modify any markings, labels, or any notice of the proprietary rights, including copyright, patent, and trademark notices of Hillrom, its corporate affiliates, or its licensors; (v) use the Software in any other manner except as expressly set forth herein; or (vi) install the Software in any other hardware or network server other than may be provided by Hillrom or is explicitly authorized by Hillrom in writing for running the Software (collectively, "Restrictions"). This Section does not convey to Purchaser any rights to patents, copyrights, trade secrets, trademarks, or any other rights, title, or interest in the embedded software, but only a limited right of use terminable in accordance with the terms of this Agreement. Further, no license is granted to Purchaser in the human readable code of the Software (source code), and Purchaser agrees that Purchaser shall not access the source code or have any rights therein. All title, ownership rights.



c. Hillrom may immediately terminate the Software license granted under this Section 6 in the event of any breach of this Section by Purchaser. In the event of any termination, Purchaser's license(s) to access or use the Software will immediately terminate, and Purchaser shall destroy and erase all copies of such Software in its possession or control and provide written certification to Purchaser that it has complied with this provision. Early termination of this Agreement shall not entitle Licensee to any refund or reimbursement of any previously paid fees. If Purchaser has purchased a subscription/term license, such license shall automatically terminate upon expiry of such subscription/term, unless earlier terminated under this Section 6.

d. To learn more about "free" or "open source" software that may be used by Hillrom in the Software, visit <http://www.hill-rom.com/opensource>.

e. Purchaser is not entitled to any updates, support or maintenance of the Software, unless provided explicitly herein or unless Purchaser purchases maintenance and support services, which can be found at <https://www.hillrom.com/GSSserviceoptions/> or can be provided by Hillrom upon request. Maintenance and support services (including, but not limited to, any new versions, bug fixes, and patches) provided by Hillrom will be subject to such agreement.

f. The purchase of a maintenance and support services program, which includes Software support and maintenance, as set forth in the previous Section 7.e, is mandatory in conjunction with the purchase of Helion. The maintenance and support services program will commence initially upon the date of shipment of the Helion system and continue for twelve (12) months. Thereafter the program must be renewed on an annual basis. The purchase of a maintenance and support services program provides updates, support and maintenance of the Software and remote technical assistance. The maintenance and support services program fees are due and payable annually in advance of the applicable support period. In the event Purchaser elects not to participate in the maintenance and support services program, Purchaser shall not be entitled to receive maintenance and support services, including updates, support or maintenance of the Software and remote technical assistance. Purchasers who fail to participate and who subsequently seek to enroll in the maintenance and support services program shall pay a reinstatement fee in addition to the annual maintenance and support services program fee for the year of participation.

g. Purchaser hereby acknowledges and agrees that Hillrom has the right to collect, store, process, maintain, upload, sync, transmit, share, disclose, aggregate, analyze, and use non-individually identifiable data created by the Software ("Data") to facilitate the provision of functionality for the Software, including but not limited to, performance optimization, quality assurance, software updates, and other services (if any) to Purchaser, or to otherwise improve Hillrom's products or to provide services or technologies to Purchaser. Such Data typically includes, but is not limited to, information regarding the characteristics, status, and usage of the Software. Hillrom shall own all right, title, and interest in and to such Data and any aggregations, analyses, reports, programs, and output based on or including such Data ("Derivative Data") and shall retain all such Data and Derivative Data after termination of this Agreement.

9. DELIVERY AND RECEIPT: Shipment of any products purchased hereunder is subject to Hillrom's availability schedule. Hillrom shall make every reasonable effort to meet delivery dates quoted or acknowledged. However, Hillrom will not be liable for its failure to meet such dates. Orders may be subject to special handling and delivery charges, including storage fees, if applicable. Purchaser, or Purchaser's representative, is responsible for receiving, offloading and moving Hillrom equipment upon delivery. If Purchaser, or Purchaser's representative, requires Hillrom to make an extra trip to receive the equipment, then additional charges will apply for the trip. Purchaser, or Purchaser's representative, is responsible for providing all material handling equipment for receipt and movement of the equipment. If Hillrom is required to secure required material handling equipment, then appropriate charges will apply. Upon uncrating and unwrapping, the disposal of all packaging waste is the responsibility of Purchaser.



10. MEDICAL CARE: Purchaser acknowledges and agrees that it has full and sole responsibility for the delivery of medical care to its patients, and any use of or reliance by Purchaser or its healthcare providers upon the Software or the Product shall not diminish or alter such responsibility. Hillrom is not engaged in the practice of medicine. Any Software is an information tool only and is not a substitute for the competent human intervention and professional judgment of your healthcare providers in diagnosing and treating patients.

11. CONFIDENTIALITY: To the extent Hillrom is legally acting as a business associate, as such term is defined at 45 C.F.R. 160.103, to Purchaser, then Hillrom and Purchaser will enter into a business associate agreement.

12. REMOTE SUPPORT. To the extent applicable to the product purchase, Purchaser acknowledges and agrees that Hillrom will utilize a remote service tool to provide warranty services and technical support to Purchaser. The remote access tool will utilize either a VNC viewer or browser-based access to remotely access the IP address of the system while using a provided VPN to connect to the hospital network. Purchaser's designated representative will notify Hillrom's Technical Support Center upon discovery of any deficiency in the Helion system and will describe the deficiency to Hillrom with adequate specificity to ensure Hillrom may identify and verify the problem. A Hillrom Technical Support Representative will, if available, access Purchaser's Helion system via remote access, as previously described, to verify the malfunction. For Purchaser's not allowing Hillrom remote access capabilities, and where Purchaser does not have a current service and maintenance agreement, Purchaser may be subject to Hillrom's then current rates for on-site service.

13. LIMITED WARRANTY: Hillrom warrants to the original purchaser that the products sold hereunder shall be free from defects in material and workmanship for a period of (i) one (1) year for all surgical lighting, surgical tables (including Allen® Advanced Table), Helion® integrated system, surgical table pads (including gel pads, Vacu-Gel®, Vacu-Form®, made to order OR table pads, FlexiForm™, Allen® Hug-U-Vac® and foam positioners), boom brakes and other booms parts (except for boom bearings), and trial or refurbished items; (ii) two (2) years for all Allen® branded products, except as specifically set forth in "(i)" and (ii) five (5) years for LED elements and boom bearings. In addition, Hillrom will replace up to one (1) remote control unit for each surgical table for a period of one (1) year after delivery of the surgical table. Hillrom's obligation under this warranty is expressly limited to supplying replacement parts and/or service for, or replacing, at its sole option, any product which is, in the sole discretion of Hillrom, found to be defective. The foregoing warranty does not include disposable or consumable items (with the limited exception of the single replacement of the remote control unit for up to one (1) year after the delivery date). The warranty period shall begin on the date of installation where installation is included in the purchase price and on the date of shipment where installation is not included in the purchase price. This warranty shall be void, and Hillrom will not provide any warranty services under this Agreement, in the following circumstances: (i) if the parts and/or systems have been subjected to misuse or abuse, inadequate or improper maintenance, unauthorized reconfiguration, modification, or relocation of the product, improper site preparation, operation outside of the environmental specifications for the product, or use with delivery devices or accessories not approved by Hillrom; (ii) Hillrom will not provide warranty services on any electrical work or cabling external to the product; and (iii) Hillrom will not provide warranty services on any equipment manufactured by a third party that is connected to a Hillrom product, unless such third party product was purchased through Hillrom. HILLROM'S OBLIGATIONS UNDER THIS WARRANTY SHALL NOT INCLUDE ANY LIABILITY FOR DIRECT, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES OR DELAYS. NO EMPLOYEE OR REPRESENTATIVE OF HILLROM IS AUTHORIZED TO CHANGE THIS WARRANTY IN ANY WAY OR GRANT ANY OTHER WARRANTY. EXCEPT FOR THIS LIMITED WARRANTY, HILLROM MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS OR SERVICES. HILLROM SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.



14. LIMITATION OF LIABILITY: HILLROM'S LIABILITY ON ANY CLAIM OF ANY KIND, INCLUDING NEGLIGENCE, FOR ANY LOSS OR DAMAGE ARISING OUT OF, CONNECTED WITH OR RESULTING FROM THE PERFORMANCE OR THE BREACH OF THE TERMS HEREOF OR FROM THE DESIGN, MANUFACTURE, SALE, DELIVERY, RESALE, INSTALLATION, TECHNICAL DIRECTION OF INSTALLATION, INSPECTION, REPAIR, OPERATION OR USE OF ANY PRODUCTS SOLD BY HILLROM TO PURCHASER, SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE PRODUCTS WHICH GIVE RISE TO THE CLAIM. IN NO EVENT WILL HILLROM BE LIABLE FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR RELATED TO THE TERMS HEREOF (INCLUDING LOSS OF PROFITS, USE, DATA, OR OTHER ECONOMIC ADVANTAGE), HOWSOEVER ARISING, EITHER OUT OF BREACH OF THIS AGREEMENT, INCLUDING BREACH OF WARRANTY, OR IN TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE), EVEN IF THE OTHER PARTY HAS BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGE AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEN OR UNFORESEEN.

15. COMPLIANCE WITH LAW: Purchaser shall, in connection with these Terms and Conditions and any sales to which they relate, comply with all applicable federal and state laws, regulations, and other authorities, specifically including but not limited to the federal health care program anti-kickback law, 42 U.S.C. § 1320a-7b(b) ("Anti-Kickback Law"). As part of the cost reporting process or otherwise, Purchaser may be obligated to report and provide information concerning any discounts, rebates, or other price reductions provided in connection with any sales from Hillrom to Purchaser, pursuant to 42 U.S.C. § 1320a-7b(b)(3)(A) (the discount exception to the Anti-Kickback Law) and/or 42 C.F.R. § 1001.952(h) (the discount safe harbor to the Anti-kickback Law), other federal or state laws, or agreement with third party payers. Purchaser hereby acknowledges its legal obligations to fully and accurately report the discounts, rebates and/or other price reductions it receives under these Terms and Conditions and any sales to which they relate, per these authorities. Purchaser should retain these Terms and Conditions (and any other documentation of discounts, rebates, or other price reductions) and make such information available to federal or state health care programs or other payers upon request.

16. NOTICE OF CLAIMS: Purchaser shall inspect the products upon receipt or, where installation is included in the purchase price, upon installation by Hillrom authorized personnel and shall notify Hillrom in writing of any claims for shortage or breach of warranty within 30 days after Purchaser discovers, or should have discovered, facts upon which the claim is based. Failure of Purchaser to give written notice of a claim within the time period or in the form specified above shall be deemed to be a waiver of such claim. No action for breach of any term of this contract of sale or any other duty of Hillrom with respect to these products may be commenced beyond the warranty period.

17. CANCELLATION; RETURNED GOODS: Orders may not be canceled except by written notice received by Hillrom prior to shipment. A restocking charge of twenty-five percent (25%) of the net price will be applied for the cancellation of standard items. Charges for the cancellation of any special items will be based on non-recoverable expenses incurred by the Hillrom in filling the order plus twenty-five percent (25%) of the net price. Hillrom will accept returns of product only in accordance with Hillrom's standard returned goods policy, which will be provided to Purchaser upon request.

18. DESIGN CHANGES; SPECIFICATIONS: The designs and specifications of all products sold are subject to change without notice and, in the event of any such changes, Hillrom will have no obligation whatsoever to make similar changes in products previously ordered. Specifications and drawings and any other information shall remain the property of Hillrom and are subject to recall at any time. Such information shall not be disclosed or used for manufacture of any products.

19. SECURITY INTEREST: Hillrom shall retain a security interest in the products until Hillrom has received full payment including taxes. Purchaser agrees to sign and deliver to Hillrom any additional documents required by Hillrom to protect its security interest. If Purchaser defaults or Hillrom deems itself insecure or the products in danger of confiscation, the full amount unpaid shall immediately become due and payable at the option of



Hillrom and on proper notice to Purchaser, Hillrom may retake possession of the products wherever located without court order and can resell or retain according to the laws of the state where the products are located. The products shall not be considered a fixture if attached to any realty. Purchaser shall assume all loss relating from damage to the products occurring after the products have been delivered to Purchaser and shall provide adequate insurance therefore at all times until the purchase price shall have been fully paid. Hillrom reserves the right to request proof of such insurance at any time prior to full payment along with a statement from such insurer limiting cancellation or changes to said policy within ten (10) days after written notice of same to Hillrom.

20. COMPLETE AGREEMENT; CONFLICTING AND ADDITIONAL TERMS: This Agreement contains the complete agreement of the parties with respect to the subject matter hereof. All products from Hillrom will be provided on the terms and conditions set forth in this Agreement. The terms of this Agreement will govern over any conflicting terms in individual purchase orders, and all additional terms (other than the dates, product type and quantity terms of such order) in individual purchase orders will be disregarded in their entirety unless otherwise explicitly agreed to in a writing signed by an authorized representative of each party.

21. ACCEPTANCE: Purchaser's issuance of a purchase order, upon acceptance by Hillrom, shall constitute a contract between the parties and is Purchaser's affirmative acknowledgement and acceptance of Hillrom's product proposal and the associated terms and conditions of sale accompanying such product proposal.

22. AMENDMENT: No amendment or modification of this Agreement shall be effective or binding upon either party unless committed to in writing and signed by a duly authorized representative(s) of each of the parties.

23. SEVERABILITY: Each and every paragraph, sentence, clause, term and provision of this Agreement shall be severable, and if any portion of this Agreement shall be held or declared to be illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other portions hereof, and the remainder of this Agreement, disregarding such invalid portion, shall continue in full force and effect as though such void provision had not been contained herein.

24. FORCE MAJEURE: Either party shall be excused from any delays in schedules or failure to perform any of its obligations, except payment obligations, under this Agreement caused by floods, strikes or other labor disturbances, fires, accidents, wars, delays of carriers, inability to obtain raw materials, failures of normal sources of supply, restraints of government, or any other similar or dissimilar cause beyond either party's reasonable control. No such delay or failure shall be considered a breach of either party's obligations under this Agreement.

25. GOVERNING LAW: The validity, interpretation, and performance of these terms and conditions of sale and the related purchase order shall be governed by and construed in accordance with the laws of the State of Illinois.



No.	Qty	Item	Item Description	Unit Price	Net Price	Extended Net Price
1	1	112011	TruSystem 7000dV Standard Table Package	78,342.00	78,342.00	78,342.00
2	1	1798326	Cable remote control TS7000 (dV)	1,015.40	1,015.40	1,015.40
3	1	108852	Patient Warming Package TS7000 and DV	9,728.00	9,728.00	9,728.00
4	1	108855	WaffleGrip and APEX Robotics Package	12,375.65	12,375.65	12,375.65
Total Extended Price Products and Services						\$ 101,461.05



TruSystem 7000dV Standard Table Package

112011

Mobile Surgical Table with ISO Center Motion for robotic surgery.

- Components include: Double Joint Head Section (1853828), Short Leg Section (1739969), Charging Cable (110181), Pads, dV Remote Control (1798326) and dV Connection Cable (1816914), Software for table motion.
- Accessories include: 2 Armboards with Snaplock Trigger (111893), Lightweight Transfer Board (2012543), 1 Component Cart (2069425), 1 Patient Restraint Strap (2068137), 1 Rotatable Footboard (111618) and 2 Easy Lock Blade Clamps (111426).
- Package includes 1 year Warranty plus 1 year SmartCare Protection+ (PTP-TS7000DV-1) for a total of 2 years service coverage.



Cable remote control TS7000 (dV)

1798326

Cable remote control for the TruSystem 7000dV mobile surgical table in combination with the da Vinci Xi® System to activate Integrated Table Motion.

- Compatible with TruSystem 7000dV Surgical Tables



Customer Name: Mercy Hospitals East Communities
Customer Number: 10030753
Quote Number: 10027498-1
Account Manager: Ryan Alick
636-459-1602
ryan_alick@baxter.com
Expiration Date: 2-9-2025



Hillrom™



Thank you for your inquiry. Our quote is subject to our General Terms and Conditions, available upon request.

Best Regards,

Ryan Alick

ryan_alick@baxter.com

636-459-1602

Item	Item Description	Qty	Unit Price	Net Price	Extended Net Price
PTP-TS7000DV-3	Protection+, 3 years, TS7000dV OR Table	1	12,853.12	12,853.12	12,853.12
Total for Products and Services					\$ 12,853.12
Grand Total					\$ 12,853.12

Financing options available. For more information visit hillrom.com/financial-services or contact your Hillrom representative.

To place an order, email PO to Orders_surgical@baxter.com.

Please make all PO's payable to Hill-Rom Company, Inc. referencing quote number **10027498-1** on your order.

Baxter is not currently able to make a representation or certification as to the country of origin of the components of equipment or supplies offered under this agreement. Baxter is diligently working to confirm information regarding country of origin for the equipment and/or supplies being offered.



**HILL-ROM COMPANY, INC. ("HILLROM")
SURGICAL SOLUTIONS STANDARD TERMS AND CONDITIONS**

1. **GROUP PURCHASING ORGANIZATION (GPO) PARTICIPATION:** To the extent Purchaser is a member of a GPO and any products on Hillrom's quotation are covered under an agreement with Purchaser's designated GPO, then Purchaser's purchase of such products shall be governed by the terms and conditions of the applicable GPO agreement and any terms and conditions stated herein under these "Surgical Solutions Standard Terms and Conditions" shall be of no force or effect. Any products on Hillrom's quotation not covered under a GPO agreement with Purchaser's designated GPO shall be subject to the "Surgical Solutions Standard Terms and Conditions" set forth herein.
2. **ACCEPTANCE:** Hillrom makes all quotations and accepts orders only on the terms and conditions stated herein (this "Agreement") except as expressly set forth under Section 1. No conditions stated by Purchaser shall be binding upon Hillrom if in conflict with, inconsistent with, or in addition to the terms and conditions stated herein, unless expressly accepted in writing and signed by Hillrom's appointed management representative. Once Hillrom accepts order, additional charges will apply for any subsequent change orders required by Purchaser. If applicable, orders cannot be entered into production until all drawings are completed and signed off.
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7. INSTALLATION (HELION™ INTEGRATED SURGICAL SYSTEM): Installation charges will be itemized in Hillrom's sales quote and installation responsibilities are defined in detail in the Hillrom Pre-Installation Manual, which will be provided to Purchaser upon request. Hillrom will provide required cable and complete cable pulls, through Purchaser provided conduit as specified in the Pre-Installation Manual, in the room where the Helion™ Integrated Surgical System ("Helion") is being installed from the in room components to the Helion rack. Any additional cable pulls or installation requirements from the Helion rack to the customer's network outside the room will be the responsibility of Purchaser.

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b. Unless a subscription/term Software license has been purchased by Purchaser (in which case the license term shall be set forth in the applicable Hillrom quotation), Hillrom hereby grants to Purchaser a perpetual, non-exclusive, non-transferable, limited license to use for Purchaser's internal business purposes the Software in the products, along with all third-party software that Hillrom may have purchased, licensed, or otherwise acquired from third parties and delivered to Purchaser in machine-readable object code form as part of the products and related product documentation, subject to the license scope and other restrictions set forth in this Section. Without Hillrom's prior written consent, Purchaser will not: (i) copy, sublicense, distribute, rent, lease, loan, resell, modify or translate the Software or any portions thereof, or create derivative works based thereon; (ii) directly or indirectly decompile, disassemble, reverse engineer or otherwise attempt to learn the source code, structure or algorithms underlying the Software; (iii) provide service bureau, time share or subscription services based on the Software; (iv) remove, obscure or modify any markings, labels, or any notice of the proprietary rights, including copyright, patent, and trademark notices of Hillrom, its corporate affiliates, or its licensors; (v) use the Software in any other manner except as expressly set forth herein; or (vi) install the Software in any other hardware or network server other than may be provided by Hillrom or is explicitly authorized by Hillrom in writing for running the Software (collectively, "Restrictions"). This Section does not convey to Purchaser any rights to patents, copyrights, trade secrets, trademarks, or any other rights, title, or interest in the embedded software, but only a limited right of use terminable in accordance with the terms of this Agreement. Further, no license is granted to Purchaser in the human readable code of the Software (source code), and Purchaser agrees that Purchaser shall not access the source code or have any rights therein. All title, ownership rights.



c. Hillrom may immediately terminate the Software license granted under this Section 6 in the event of any breach of this Section by Purchaser. In the event of any termination, Purchaser's license(s) to access or use the Software will immediately terminate, and Purchaser shall destroy and erase all copies of such Software in its possession or control and provide written certification to Purchaser that it has complied with this provision. Early termination of this Agreement shall not entitle Licensee to any refund or reimbursement of any previously paid fees. If Purchaser has purchased a subscription/term license, such license shall automatically terminate upon expiry of such subscription/term, unless earlier terminated under this Section 6.

d. To learn more about "free" or "open source" software that may be used by Hillrom in the Software, visit <http://www.hill-rom.com/opensource>.

e. Purchaser is not entitled to any updates, support or maintenance of the Software, unless provided explicitly herein or unless Purchaser purchases maintenance and support services, which can be found at <https://www.hillrom.com/GSSserviceoptions/> or can be provided by Hillrom upon request. Maintenance and support services (including, but not limited to, any new versions, bug fixes, and patches) provided by Hillrom will be subject to such agreement.

f. The purchase of a maintenance and support services program, which includes Software support and maintenance, as set forth in the previous Section 7.e, is mandatory in conjunction with the purchase of Helion. The maintenance and support services program will commence initially upon the date of shipment of the Helion system and continue for twelve (12) months. Thereafter the program must be renewed on an annual basis. The purchase of a maintenance and support services program provides updates, support and maintenance of the Software and remote technical assistance. The maintenance and support services program fees are due and payable annually in advance of the applicable support period. In the event Purchaser elects not to participate in the maintenance and support services program, Purchaser shall not be entitled to receive maintenance and support services, including updates, support or maintenance of the Software and remote technical assistance. Purchasers who fail to participate and who subsequently seek to enroll in the maintenance and support services program shall pay a reinstatement fee in addition to the annual maintenance and support services program fee for the year of participation.

g. Purchaser hereby acknowledges and agrees that Hillrom has the right to collect, store, process, maintain, upload, sync, transmit, share, disclose, aggregate, analyze, and use non-individually identifiable data created by the Software ("Data") to facilitate the provision of functionality for the Software, including but not limited to, performance optimization, quality assurance, software updates, and other services (if any) to Purchaser, or to otherwise improve Hillrom's products or to provide services or technologies to Purchaser. Such Data typically includes, but is not limited to, information regarding the characteristics, status, and usage of the Software. Hillrom shall own all right, title, and interest in and to such Data and any aggregations, analyses, reports, programs, and output based on or including such Data ("Derivative Data") and shall retain all such Data and Derivative Data after termination of this Agreement.

9. DELIVERY AND RECEIPT: Shipment of any products purchased hereunder is subject to Hillrom's availability schedule. Hillrom shall make every reasonable effort to meet delivery dates quoted or acknowledged. However, Hillrom will not be liable for its failure to meet such dates. Orders may be subject to special handling and delivery charges, including storage fees, if applicable. Purchaser, or Purchaser's representative, is responsible for receiving, offloading and moving Hillrom equipment upon delivery. If Purchaser, or Purchaser's representative, requires Hillrom to make an extra trip to receive the equipment, then additional charges will apply for the trip. Purchaser, or Purchaser's representative, is responsible for providing all material handling equipment for receipt and movement of the equipment. If Hillrom is required to secure required material handling equipment, then appropriate charges will apply. Upon uncrating and unwrapping, the disposal of all packaging waste is the responsibility of Purchaser.



10. MEDICAL CARE: Purchaser acknowledges and agrees that it has full and sole responsibility for the delivery of medical care to its patients, and any use of or reliance by Purchaser or its healthcare providers upon the Software or the Product shall not diminish or alter such responsibility. Hillrom is not engaged in the practice of medicine. Any Software is an information tool only and is not a substitute for the competent human intervention and professional judgment of your healthcare providers in diagnosing and treating patients.

11. CONFIDENTIALITY: To the extent Hillrom is legally acting as a business associate, as such term is defined at 45 C.F.R. 160.103, to Purchaser, then Hillrom and Purchaser will enter into a business associate agreement.

12. REMOTE SUPPORT. To the extent applicable to the product purchase, Purchaser acknowledges and agrees that Hillrom will utilize a remote service tool to provide warranty services and technical support to Purchaser. The remote access tool will utilize either a VNC viewer or browser-based access to remotely access the IP address of the system while using a provided VPN to connect to the hospital network. Purchaser's designated representative will notify Hillrom's Technical Support Center upon discovery of any deficiency in the Helion system and will describe the deficiency to Hillrom with adequate specificity to ensure Hillrom may identify and verify the problem. A Hillrom Technical Support Representative will, if available, access Purchaser's Helion system via remote access, as previously described, to verify the malfunction. For Purchaser's not allowing Hillrom remote access capabilities, and where Purchaser does not have a current service and maintenance agreement, Purchaser may be subject to Hillrom's then current rates for on-site service.

13. LIMITED WARRANTY: Hillrom warrants to the original purchaser that the products sold hereunder shall be free from defects in material and workmanship for a period of (i) one (1) year for all surgical lighting, surgical tables (including Allen® Advanced Table), Helion® integrated system, surgical table pads (including gel pads, Vacu-Gel®, Vacu-Form®, made to order OR table pads, FlexiForm™, Allen® Hug-U-Vac® and foam positioners), boom brakes and other booms parts (except for boom bearings), and trial or refurbished items; (ii) two (2) years for all Allen® branded products, except as specifically set forth in "(i)" and (ii) five (5) years for LED elements and boom bearings. In addition, Hillrom will replace up to one (1) remote control unit for each surgical table for a period of one (1) year after delivery of the surgical table. Hillrom's obligation under this warranty is expressly limited to supplying replacement parts and/or service for, or replacing, at its sole option, any product which is, in the sole discretion of Hillrom, found to be defective. The foregoing warranty does not include disposable or consumable items (with the limited exception of the single replacement of the remote control unit for up to one (1) year after the delivery date). The warranty period shall begin on the date of installation where installation is included in the purchase price and on the date of shipment where installation is not included in the purchase price. This warranty shall be void, and Hillrom will not provide any warranty services under this Agreement, in the following circumstances: (i) if the parts and/or systems have been subjected to misuse or abuse, inadequate or improper maintenance, unauthorized reconfiguration, modification, or relocation of the product, improper site preparation, operation outside of the environmental specifications for the product, or use with delivery devices or accessories not approved by Hillrom; (ii) Hillrom will not provide warranty services on any electrical work or cabling external to the product; and (iii) Hillrom will not provide warranty services on any equipment manufactured by a third party that is connected to a Hillrom product, unless such third party product was purchased through Hillrom. HILLROM'S OBLIGATIONS UNDER THIS WARRANTY SHALL NOT INCLUDE ANY LIABILITY FOR DIRECT, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES OR DELAYS. NO EMPLOYEE OR REPRESENTATIVE OF HILLROM IS AUTHORIZED TO CHANGE THIS WARRANTY IN ANY WAY OR GRANT ANY OTHER WARRANTY. EXCEPT FOR THIS LIMITED WARRANTY, HILLROM MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS OR SERVICES. HILLROM SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.



14. LIMITATION OF LIABILITY: HILLROM'S LIABILITY ON ANY CLAIM OF ANY KIND, INCLUDING NEGLIGENCE, FOR ANY LOSS OR DAMAGE ARISING OUT OF, CONNECTED WITH OR RESULTING FROM THE PERFORMANCE OR THE BREACH OF THE TERMS HEREOF OR FROM THE DESIGN, MANUFACTURE, SALE, DELIVERY, RESALE, INSTALLATION, TECHNICAL DIRECTION OF INSTALLATION, INSPECTION, REPAIR, OPERATION OR USE OF ANY PRODUCTS SOLD BY HILLROM TO PURCHASER, SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE PRODUCTS WHICH GIVE RISE TO THE CLAIM. IN NO EVENT WILL HILLROM BE LIABLE FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR RELATED TO THE TERMS HEREOF (INCLUDING LOSS OF PROFITS, USE, DATA, OR OTHER ECONOMIC ADVANTAGE), HOWSOEVER ARISING, EITHER OUT OF BREACH OF THIS AGREEMENT, INCLUDING BREACH OF WARRANTY, OR IN TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE), EVEN IF THE OTHER PARTY HAS BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGE AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEN OR UNFORESEEN.

15. COMPLIANCE WITH LAW: Purchaser shall, in connection with these Terms and Conditions and any sales to which they relate, comply with all applicable federal and state laws, regulations, and other authorities, specifically including but not limited to the federal health care program anti-kickback law, 42 U.S.C. § 1320a-7b(b) ("Anti-Kickback Law"). As part of the cost reporting process or otherwise, Purchaser may be obligated to report and provide information concerning any discounts, rebates, or other price reductions provided in connection with any sales from Hillrom to Purchaser, pursuant to 42 U.S.C. § 1320a-7b(b)(3)(A) (the discount exception to the Anti-Kickback Law) and/or 42 C.F.R. § 1001.952(h) (the discount safe harbor to the Anti-kickback Law), other federal or state laws, or agreement with third party payers. Purchaser hereby acknowledges its legal obligations to fully and accurately report the discounts, rebates and/or other price reductions it receives under these Terms and Conditions and any sales to which they relate, per these authorities. Purchaser should retain these Terms and Conditions (and any other documentation of discounts, rebates, or other price reductions) and make such information available to federal or state health care programs or other payers upon request.

16. NOTICE OF CLAIMS: Purchaser shall inspect the products upon receipt or, where installation is included in the purchase price, upon installation by Hillrom authorized personnel and shall notify Hillrom in writing of any claims for shortage or breach of warranty within 30 days after Purchaser discovers, or should have discovered, facts upon which the claim is based. Failure of Purchaser to give written notice of a claim within the time period or in the form specified above shall be deemed to be a waiver of such claim. No action for breach of any term of this contract of sale or any other duty of Hillrom with respect to these products may be commenced beyond the warranty period.

17. CANCELLATION; RETURNED GOODS: Orders may not be canceled except by written notice received by Hillrom prior to shipment. A restocking charge of twenty-five percent (25%) of the net price will be applied for the cancellation of standard items. Charges for the cancellation of any special items will be based on non-recoverable expenses incurred by the Hillrom in filling the order plus twenty-five percent (25%) of the net price. Hillrom will accept returns of product only in accordance with Hillrom's standard returned goods policy, which will be provided to Purchaser upon request.

18. DESIGN CHANGES; SPECIFICATIONS: The designs and specifications of all products sold are subject to change without notice and, in the event of any such changes, Hillrom will have no obligation whatsoever to make similar changes in products previously ordered. Specifications and drawings and any other information shall remain the property of Hillrom and are subject to recall at any time. Such information shall not be disclosed or used for manufacture of any products.

19. SECURITY INTEREST: Hillrom shall retain a security interest in the products until Hillrom has received full payment including taxes. Purchaser agrees to sign and deliver to Hillrom any additional documents required by Hillrom to protect its security interest. If Purchaser defaults or Hillrom deems itself insecure or the products in danger of confiscation, the full amount unpaid shall immediately become due and payable at the option of



Hillrom and on proper notice to Purchaser, Hillrom may retake possession of the products wherever located without court order and can resell or retain according to the laws of the state where the products are located. The products shall not be considered a fixture if attached to any realty. Purchaser shall assume all loss relating from damage to the products occurring after the products have been delivered to Purchaser and shall provide adequate insurance therefore at all times until the purchase price shall have been fully paid. Hillrom reserves the right to request proof of such insurance at any time prior to full payment along with a statement from such insurer limiting cancellation or changes to said policy within ten (10) days after written notice of same to Hillrom.

20. COMPLETE AGREEMENT; CONFLICTING AND ADDITIONAL TERMS: This Agreement contains the complete agreement of the parties with respect to the subject matter hereof. All products from Hillrom will be provided on the terms and conditions set forth in this Agreement. The terms of this Agreement will govern over any conflicting terms in individual purchase orders, and all additional terms (other than the dates, product type and quantity terms of such order) in individual purchase orders will be disregarded in their entirety unless otherwise explicitly agreed to in a writing signed by an authorized representative of each party.

21. ACCEPTANCE: Purchaser's issuance of a purchase order, upon acceptance by Hillrom, shall constitute a contract between the parties and is Purchaser's affirmative acknowledgement and acceptance of Hillrom's product proposal and the associated terms and conditions of sale accompanying such product proposal.

22. AMENDMENT: No amendment or modification of this Agreement shall be effective or binding upon either party unless committed to in writing and signed by a duly authorized representative(s) of each of the parties.

23. SEVERABILITY: Each and every paragraph, sentence, clause, term and provision of this Agreement shall be severable, and if any portion of this Agreement shall be held or declared to be illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other portions hereof, and the remainder of this Agreement, disregarding such invalid portion, shall continue in full force and effect as though such void provision had not been contained herein.

24. FORCE MAJEURE: Either party shall be excused from any delays in schedules or failure to perform any of its obligations, except payment obligations, under this Agreement caused by floods, strikes or other labor disturbances, fires, accidents, wars, delays of carriers, inability to obtain raw materials, failures of normal sources of supply, restraints of government, or any other similar or dissimilar cause beyond either party's reasonable control. No such delay or failure shall be considered a breach of either party's obligations under this Agreement.

25. GOVERNING LAW: The validity, interpretation, and performance of these terms and conditions of sale and the related purchase order shall be governed by and construed in accordance with the laws of the State of Illinois.



No.	Qty	Item	Item Description	Unit Price	Net Price	Extended Net Price
1	1	PTP-TS7000DV-3	Protection+, 3 years, TS7000dV OR Table	12,853.12	12,853.12	12,853.12
Total Extended Price Products and Services						\$ 12,853.12





Mercy Hospital Washington

901 E. Fifth Street
Washington, MO 63090
636-239-5155

December 3, 2024

Ms. Alison Dorge
Program Coordinator
Certificate of Need, DHAA 920 Wildwood Drive
Jefferson City, MO 65109

Dear Ms. Dorge,

I am Charley Nottingham and I have been a urologist at Mercy Hospital Washington (located at 901 E. Fifth Street in Washington, MO 63090) since September 2024. We do not currently have any Da Vinci (Intuitive) surgical systems. This project will include the purchase of the Da Vinci DV5 Surgical Robot, which will greatly expand the care we can provide our patients at this ministry without the need to transfer their care to other facilities.

Use of technology has been the standard of care for prostate and kidney cancer surgeries, as well as many reconstructive urological procedures, for the last 10-20 years. This new system offers enhanced 3D visualization to optimize surgical performance and therefore patient outcomes. The Da Vinci system allows significantly more precise tissue handling for reduction of collateral damage, and more precise control of instrumentation to reduce blood loss and complications. This technology allows us better control of cancer or other disease process with minimal collateral damage, which reduces complications and allows for a much more efficient recovery to patients. This includes reduction in length of hospital stay and blood transfusions.

At this point in time, we are sending these patients either to another ministry or to another hospital system to obtain the standard of care for these cancer and reconstructive procedures. Our goal is to keep the full spectrum of patient care within our ministry, especially given the significant burden to patients required by transportation to other facilities and managing patient care hand offs between providers.

Thank you greatly for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles U. Nottingham".

Charles U. Nottingham, M.D., M.S.



November 11, 2024

**Mercy Hospital
Administration**

901 East Fifth Street
Suite 222
Washington, MO. 63090

www.mercy.net

Missouri Department of Health and Senior Services
Certificate of Need Program
P.O. Box 570
Jefferson City, MO 65102

David Tannehill, DO
Chief Medical Officer
Mercy Hospital Washington

Dear Members of the Certificate of Need Program,

As the Chief Medical Officer of Mercy Hospital Washington, I am writing to express our strong support for the approval of a Certificate of Need (CON) for the acquisition of a DaVinci surgical robot. This advanced technology is crucial for enhancing the quality of care we provide to our patients and aligning with our mission to deliver exceptional medical services.

Mercy Hospital Washington has always been at the forefront of adopting innovative medical technologies to improve patient outcomes. The DaVinci surgical robot represents a significant advancement in minimally invasive surgery, offering numerous benefits including reduced recovery times, minimized surgical trauma, and enhanced precision. These advantages are critical in providing high-quality care, particularly for complex procedures where traditional methods may pose higher risks and longer recovery periods.

The integration of the DaVinci surgical robot within our surgical suite will allow us to broaden the scope of our minimally invasive surgical services. This will not only improve patient satisfaction but also increase the efficiency and effectiveness of our surgical teams. The robot's state-of-the-art features will enable our surgeons to perform intricate procedures with greater dexterity and control, thereby reducing the likelihood of complications and improving overall surgical outcomes.

Moreover, the addition of the DaVinci surgical robot is aligned with our commitment to maintaining our hospital's competitive edge and ensuring that our community has access to the latest medical innovations. As the demand for minimally invasive surgical options continues to grow, it is imperative that we equip our facility with the necessary tools to meet this need and provide our patients with the best possible care.

The acquisition of the DaVinci surgical robot also presents a valuable opportunity for our hospital to attract and retain top surgical talent. Surgeons trained in robotic-assisted surgery are increasingly seeking hospitals that offer access to this technology. By providing such advanced equipment, we can ensure that our medical staff remains at



the cutting edge of surgical practice, further enhancing our hospital's reputation for excellence.

In conclusion, the approval of the Certificate of Need for the DaVinci surgical robot is essential for Mercy Hospital Washington to continue fulfilling its mission of delivering exceptional healthcare services. This technology will significantly enhance our surgical capabilities, improve patient outcomes, and ensure that our community has access to the most advanced medical care available.

We appreciate your consideration of this request and strongly urge the approval of the Certificate of Need for the DaVinci surgical robot. Thank you for your attention to this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "D Tannehill".

David E. Tannehill, DO, FACOI, FACP
Chief Medical Officer & Intensive Care Unit Medical Director
Past-President, Missouri Board of Registration for the Healing Arts
Past-President, Missouri Association of Osteopathic Physicians and Surgeons
(314) 402-8244
david.tannehill@mercy.net

DET/dlp



Mercy Hospital Washington

901 E. Fifth Street
Washington, MO 63090
636-239-5155

December 4, 2024

Missouri Department of Health and Senior Services
Certificate of Need Program
P.O. Box 570
Jefferson City, MO 65102

CON Members,

I am writing to express my strong support for the approval of a surgical robot for Mercy Hospital Washington. The acquisition of this advanced technology will not only benefit our patients but also significantly enhance our hospital's ability to attract and retain highly skilled surgeons. Surgical robotics represents the cutting edge of medical technology, offering precision, minimally invasive options, and improved patient outcomes. For new surgeons, especially those trained in robotic-assisted procedures, access to this technology is a key consideration when choosing where to practice. By incorporating a surgical robot into our facility, we position ourselves as a forward-thinking institution capable of recruiting top talent, ensuring that our community has access to the best possible care.

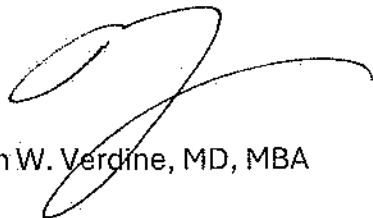
Additionally, staying technologically current is vital to the long-term viability of our hospital. In an era of rapidly advancing medical innovation, facilities that lag in adopting new technologies risk becoming obsolete. A surgical robot underscores our commitment to providing state-of-the-art care and demonstrates our responsiveness to evolving medical standards. This not only ensures better outcomes for our patients but also builds trust and confidence in the community we serve. Without such investments, the hospital risks falling behind in a competitive healthcare environment, which could hinder our ability to offer comprehensive care and jeopardize our standing as a leading medical institution.

Finally, the integration of a surgical robot will enhance our ability to maintain and grow patient referrals and visits. Physicians and patients increasingly prefer hospitals equipped with robotic-assisted surgery, which is often associated with shorter recovery times, reduced pain, and fewer complications. If we do not offer this option, we risk losing referrals to nearby hospitals that do. Retaining these cases is essential for our hospital's financial health and our mission to serve our community. By approving this request, the

committee ensures that Mercy Hospital Washington remains a trusted and accessible healthcare provider, capable of meeting the demands of modern medicine and fostering confidence among patients and referring physicians alike.

Thank you for your consideration of this critical investment.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Verdine', with a large, sweeping flourish extending to the right.

Benjamin W. Verdine, MD, MBA

Plastic Surgery, Mercy Hospital Washington

Chairman, Surgical Subspecialists, Mercy Hospital Washington

Chairman, Division of Surgery, Mercy Hospital Washington

Member, Mercy Hospital Washington Board of Trustees



PUBLIC NOTICE

Mercy Hospital Washington will file a certificate of need application with the Missouri Health Facilities Review Committee, requesting approval to acquire a robotic surgery system. The system will be located at Mercy Hospital Washington at 901 E. Fifth Street, in Washington, MO. Anyone with comments or questions about this matter should contact Mark Thorn, Executive Director-Finance for Mercy at 636-528-3329 or mark.thorn@mercy.net.

Publish in The Missourian December 11, 2024.

Affected Facilities

Hospital	Administrator	Email	Address
SSM Health St. Joseph Hospital - Lake St. Louis	Jerry Rumph	Jerry.Rumph@ssmhealth.com	100 Medical Plaza Lake St. Louis, MO 63367
Missouri Baptist Sullivan Hospital	Lisa Lochner	llochner@bjc.org	751 Sappington Bridge Rd. Sullivan, MO 63080
SSM Health St. Joseph Hospital - St. Charles	Jake Brooks	jake.brooks@ssmhealth.com	300 First Capital Drive St. Charles, MO 63301
SSM Health St. Joseph Hospital - Wentzville	Jake Brooks	jake.brooks@ssmhealth.com	500 Medical Drive Wentzville, MO 63385
Hermann Area District Hospital	Bill Hellebusch	bhellebusch@hadh.org	509 W 18 th St. Hermann, MO 65041
Barnes-Jewish St. Peters Hospital	Gregory Patterson	Gregory.patterson@bjc.org	10 Hospital Drive St. Peters, MO 63376
Progress West Hospital	Gregory Patterson	Gregory.patterson@bjc.org	2 Progress Point Pkwy O'Fallon, MO 63368

Jackson, Lisa

From: Thorn, Mark
Sent: Wednesday, December 11, 2024 11:37 AM
To: llochner@bjc.org
Subject: Mercy Washington CON for Da Vinci Robot

Dear Lisa Lochner

Mercy Hospital Washington is applying to the Missouri Health Facilities Review Committee for a DaVinci robotic surgery system. A new regulation specifies that hospitals in the area be notified directly.

The system is manufactured by Intuitive. For more information about the system, please see the manufacturer's website at: [Da Vinci Robotic Surgical Systems | Intuitive](#)

If you have questions or concerns about our implementation of the project, please contact Mark Thorn at mark.thorn@mercy.net or 636-528-3329.

Mark Thorn, FACHE, MBA

Executive Director-Finance/Operations

Mercy Hospital Washington

901 East Fifth St | Washington, MO. 63090
Office: 636-239-8322 | Mobile: 636-358-8864

Mercy Hospital Lincoln

1000 East Cherry St | Troy, MO. 63379
Office: 636-528-3329 | Fax: 636-528-3444 | Mobile: 636-358-8864

Find us at:

[Facebook](#) | [LinkedIn](#) | [Instagram](#) | mercy.net | [Mercy Careers](#)

Jackson, Lisa

From: Thorn, Mark
Sent: Wednesday, December 11, 2024 11:38 AM
To: Gregory.patterson@bjc.org
Subject: Mercy Washington CON for Da Vinci Robot

Dear Mr. Patterson

Mercy Hospital Washington is applying to the Missouri Health Facilities Review Committee for a DaVinci robotic surgery system. A new regulation specifies that hospitals in the area be notified directly.

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Mark Thorn, FACHE, MBA

Executive Director-Finance/Operations

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Jackson, Lisa

From: Thorn, Mark
Sent: Wednesday, December 11, 2024 11:35 AM
To: Bill Hellebusch
Subject: Mercy Washington CON for Da Vinci Robot

Dear Mr. Hellebusch

Mercy Hospital Washington is applying to the Missouri Health Facilities Review Committee for a DaVinci robotic surgery system. A new regulation specifies that hospitals in the area be notified directly.

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Mark Thorn, FACHE, MBA
Executive Director-Finance/Operations

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Jackson, Lisa

From: Thorn, Mark
Sent: Wednesday, December 11, 2024 11:35 AM
To: jake.brooks@ssmhealth.com
Subject: Mercy Washington CON for Da Vinci Robot

Dear Mr. Brooks

Mercy Hospital Washington is applying to the Missouri Health Facilities Review Committee for a DaVinci robotic surgery system. A new regulation specifies that hospitals in the area be notified directly.

The system is manufactured by Intuitive. For more information about the system, please see the manufacturer's website at: [Da Vinci Robotic Surgical Systems | Intuitive](#)

If you have questions or concerns about our implementation of the project, please contact Mark Thorn at mark.thorn@mercy.net or 636-528-3329.

Mark Thorn, FACHE, MBA

Executive Director-Finance/Operations

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Jackson, Lisa

From: Thorn, Mark
Sent: Wednesday, December 11, 2024 11:39 AM
To: Jerry.Rumph@ssmhealth.com
Subject: Mercy Washington CON for Da Vinci Robot

Dear Jerry Rumph

Mercy Hospital Washington is applying to the Missouri Health Facilities Review Committee for a DaVinci robotic surgery system. A new regulation specifies that hospitals in the area be notified directly.

The system is manufactured by Intuitive. For more information about the system, please see the manufacturer's website at: [Da Vinci Robotic Surgical Systems | Intuitive](#)

If you have questions or concerns about our implementation of the project, please contact Mark Thorn at mark.thorn@mercy.net or 636-528-3329.

Mark Thorn, FACHE, MBA

Executive Director-Finance/Operations

Mercy Hospital Washington

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Divider III

**Service Specific
Criteria & Standards**

DIVIDER III – Service Specific Criteria & Standards

- 1. For new units, address the minimum annual utilization standard for the proposed geographic service area.**

For new units, minimum annual utilization is 240 procedures by the final year. Based on conservative projections, Mercy Hospital Washington will exceed the minimum annual utilization measure in the second year of operation (FY 2027) with projected volumes of 255 procedures.

- 2. For any new unit where specific utilization standards are not listed, provide documentation to justify the new unit.**

Not applicable

- 3. For additional units, document compliance with the optimal utilization standard, and if not achieved, provide documentation to justify the additional unit.**

Not applicable

- 4. For evolving technology address the following:**

- Medical effects as described and documented in published scientific literature;
- The degree to which the objectives of the technology have been met in practice;
- Any side effects, contraindications or environmental exposures;
- The relationships, if any, to existing preventive, diagnostic, therapeutic or management technologies and
- Food and Drug Administration approval;
- The need methodology used by this proposal in order to assess efficacy and cost impact of the proposal;
- The degree of partnership, if any, with other institutions for joint use and financing.

Not applicable

Divider IV

**Financial Feasibility Review
Criteria and Standards**

DIVIDER IV – Financial Feasibility Review Criteria and 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.**

Ernst & Young LLP conducted the external audit for Mercy Health, the applicant's parent organization, for fiscal year ending June 30, 2024. The consolidated balance sheet (included in Divider IV – Attachments) verifies the ability of the applicant to fund this project.

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

Mercy's fiscal year runs from July 1-June 30 each year.

The Service-Specific Revenues and Expenses Forms for the projected periods are included in Divider IV – Attachments.

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

The applicant currently offers robotic surgery services and patient charges are already established. Changes are not anticipated to the charge structure with the addition of this unit other than normal inflationary increases in future years.

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

Mercy Hospital Washington is a Catholic, not-for-profit organization. Collection policies are sensitive to those patients who do not have the ability to meet full financial obligations. Mercy Hospital Washington provides financial assistance to patients based on need as determined by the Federal Poverty Guidelines. Patients who qualify for financial assistance will not be required to pay more than amounts normally billed to individuals who have insurance. The amount billed is a discounted percentage of the amount due based on federal poverty guidelines.

In fiscal year 2024, Mercy Hospital Washington provided \$5.2 million in unreimbursed charity care (based on the cost of providing services) and \$7.9 million in unreimbursed care for Medicaid patients.

Attachments

Divider IV

Financial Feasibility Review Criteria and Standards

Mercy Health

Consolidated Balance Sheets (In Thousands)

	June 30	
	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 614,297	\$ 529,638
Accounts receivable, net	1,087,505	830,562
Inventories	159,640	133,162
Short term investments	46,883	46,883
Other current assets	197,853	198,850
Total current assets	<u>2,106,178</u>	1,739,095
Investments	3,979,443	3,392,083
Property and equipment, net	3,609,138	3,455,079
Other assets	984,390	895,036
Total assets	<u><u>\$ 10,679,149</u></u>	<u><u>\$ 9,481,293</u></u>
Liabilities and net assets		
Current liabilities:		
Current maturities of long-term obligations	\$ 63,939	\$ 29,558
Accounts payable	450,597	445,718
Accrued payroll and related liabilities	572,394	502,586
Accrued liabilities and other	490,959	440,021
Total current liabilities	<u>1,577,889</u>	1,417,883
Insurance reserves and other liabilities	750,924	669,710
Pension liabilities	193,953	231,654
Long-term obligations, less current maturities	2,588,822	2,173,361
Total liabilities	<u>5,111,588</u>	4,492,608
Net assets:		
Without donor restrictions	5,346,005	4,806,304
With donor restrictions	221,556	182,381
Total net assets	<u>5,567,561</u>	4,988,685
Total liabilities and net assets	<u><u>\$ 10,679,149</u></u>	<u><u>\$ 9,481,293</u></u>

See accompanying notes.



SERVICE-SPECIFIC REVENUES AND EXPENSES

Project Title:

Project #:

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

Amount of Utilization:*

--	--	--

Revenue:

Average Charge**

--	--	--

Gross Revenue

--	--	--

Revenue Deductions

--	--	--

Operating Revenue

--	--	--

Other Revenue

--	--	--

TOTAL REVENUE

--	--	--

Expenses:

Direct Expenses

Salaries

--	--	--

Fees

--	--	--

Supplies

--	--	--

Other

--	--	--

TOTAL DIRECT

--	--	--

Indirect Expenses

Depreciation

--	--	--

Interest***

--	--	--

Rent/Lease

--	--	--

Overhead****

--	--	--

TOTAL INDIRECT

--	--	--

TOTAL EXPENSES

--	--	--

NET INCOME (LOSS):

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*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:** Acquire robotic surgery system**Project #:** 6172 HS**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>Year 4</u>	<u> </u>	<u> </u>
Amount of Utilization:*	340	0	0
Revenue:			
Average Charge**	\$11,702	\$0	\$0
Gross Revenue	\$3,978,680	\$0	\$0
Revenue Deductions	2,509,680	0	0
Operating Revenue	1,469,000	0	0
Other Revenue	0	0	0
TOTAL REVENUE	\$1,469,000	\$0	\$0
Expenses:			
Direct Expenses			
Salaries	365,469	0	0
Fees	24,594	0	0
Supplies	302,036	0	0
Other	20,605	0	0
TOTAL DIRECT	\$712,704	\$0	\$0
Indirect Expenses			
Depreciation	277,259	0	0
Interest***	0	0	0
Rent/Lease	0	0	0
Overhead****	108,730	0	0
TOTAL INDIRECT	\$385,989	\$0	\$0
TOTAL EXPENSES	\$1,098,693	\$0	\$0
NET INCOME (LOSS):	\$370,307	\$0	\$0

*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.