



# Certificate of Need Program

## NEW OR ADDITIONAL EQUIPMENT APPLICATION

### Applicant's Completeness Checklist and Table of Contents



Project Name: University Health New Cardiac Cath Unit

Project No: #6217 HS

Project Description: New Cardiac Cath Unit

Done Page N/A Description

#### **Divider I. Application Summary:**

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

#### **Divider II. Proposal Description:**

- ✓ 3 1. Provide a complete detailed project description and include equipment bid quotes.
- ✓ 4 2. Provide a timeline of events for the project, from CON issuance through project completion.
- ✓ 4 3. Provide a legible city or county map showing the exact location of the project.
- ✓ 5 4. Define the community to be served and provide the geographic service area for the equipment.
- ✓ 5 5. Provide other statistics to document the size and validity of any user-defined geographic service area.
- ✓ 6 6. Identify specific community problems or unmet needs the proposal would address.
- ✓ 6 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.
- ✓ 7 8. Provide the methods and assumptions used to project utilization.
- ✓ 7 9. Document that consumer needs and preferences have been included in planning this project and describe how consumers had an opportunity to provide input.
- ✓ 8 10. Provide copies of any petitions, letters of support or opposition received.
- ✓ 8 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.
- ✓ 8 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.
- ✓ 9 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:**

- ✓ 10 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.
- ✓ 119 2. Provide Service-Specific Revenues and Expenses (Form MO 580-1865) projected through three (3) **FULL** years beyond project completion.
- ✓ 10 3. Document how patient charges are derived.
- ✓ 10 4. Document responsiveness to the needs of the medically indigent.

**UNIVERSITY HEALTH  
KANSAS CITY, MISSOURI**

**CERTIFICATE OF NEED APPLICATION**

**NEW CARDIAC CATH UNIT**

**June 2025**

**PROJECT # 6217 HS**

**UNIVERSITY HEALTH**  
**CERTIFICATE OF NEED APPLICATION 6217 HS**  
**NEW CARDIAC CATH UNIT**

**DIVIDER I: APPLICATION SUMMARY**

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

See Attachment 1

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

See Attachment 2

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

See Attachment 3

**UNIVERSITY HEALTH**  
**CERTIFICATE OF NEED APPLICATION 6217 HS**  
**NEW CARDIAC CATH UNIT**

**DIVIDER II: PROPOSAL DESCRIPTION**

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

University Health proposes to enhance its cardiovascular service line by acquiring and installing a new cardiac catheterization unit that includes electrophysiology (EP) capability. The new equipment will allow University Health to evaluate, diagnose, and treat coronary artery disease, arrhythmias, and other cardiovascular conditions with advanced precision and technology. This initiative will expand the facility's ability to operate two fully functional catheterization labs.

The new cath lab and EP equipment will be installed at University Health's downtown campus. The total estimated cost of the project is **\$3,347,261**, which includes the purchase of cardiac catheterization imaging systems, electrophysiology monitoring and ablation tools, and required infrastructure.

In addition to improving access and care for patients, the project will also support University Health's academic mission by providing modern training equipment for medical students and residents affiliated with the University of Missouri – Kansas City (UMKC).

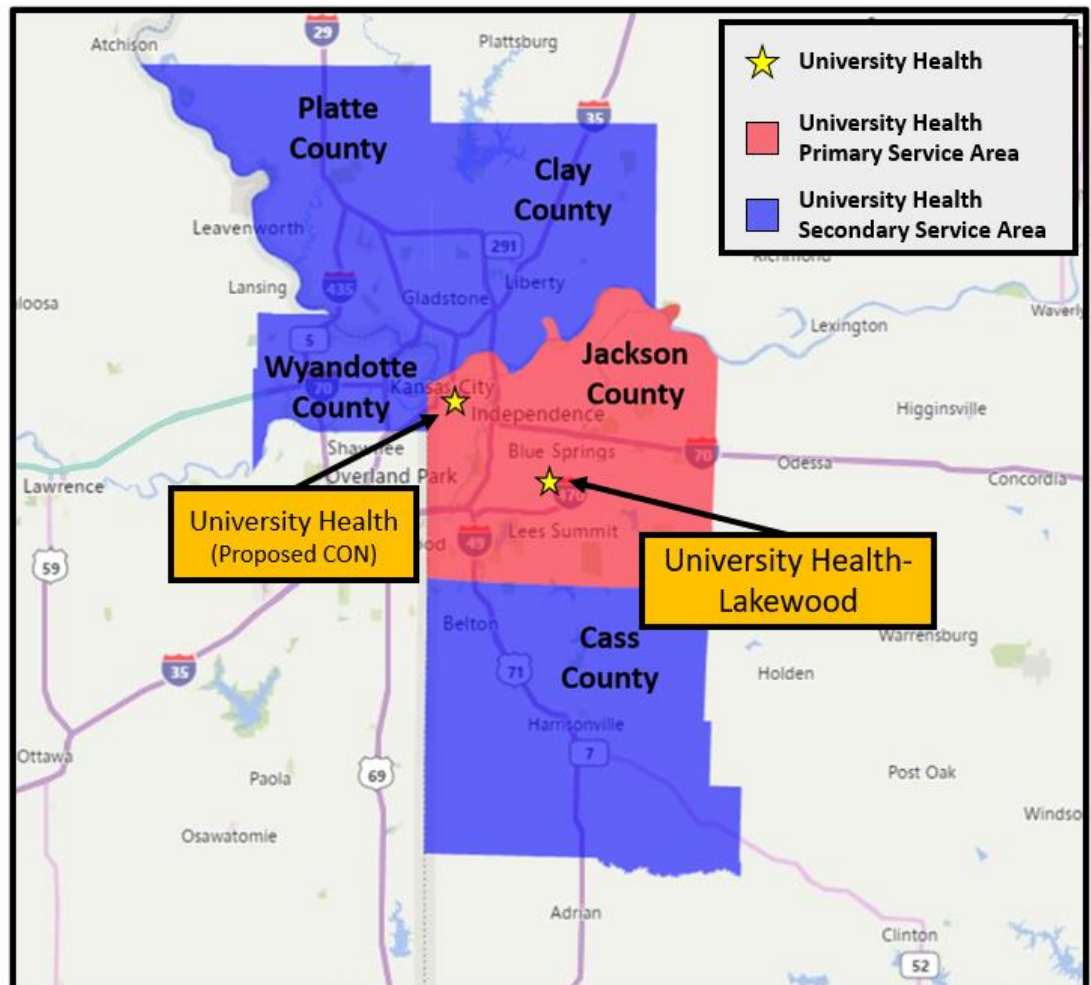
The bid quotes can be found in Attachment 3.

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

Timeline University Health Cardiac Cath Unit	
Action	Date
CON Issuance	9/8/2025
Equipment Procurement	11/1/2025
Installation Complete	12/15/2025
First Patient Procedure	1/1/2025

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

**LOCATION MAP**



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

University Health, Kansas City's only downtown hospital, is strongly committed to meeting the healthcare needs of the underserved, while also offering a wide range of specialized medical services to all segments of the community. The hospital is part of Truman Medical Center, a two-hospital, 550-bed, not-for-profit healthcare system, the largest and most comprehensive safety net healthcare system in Jackson County and Kansas City, Missouri. In addition, University Health is an academic medical center, the primary teaching facility for the University of Missouri Kansas City. Close to 30% of physicians who practice in the Kansas City region completed training at University Health.

University Health also serves a number of special populations in addition to the general population of the service area. These populations tend to be low-income, high-risk patients with care needs that exceed those of the general population and specific focus include those with dual eligibility, individuals who are homeless, incarcerated individuals and overall populations at-risk due to social and economic disadvantage.

The 2030 population projected for this service area is set forth in the table below and was provided by the Bureau of Health Care Analysis and Data Dissemination on June 18, 2025.

County ID	2030 County Projection
Jackson County, MO (29095)	734,300

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

Jackson County accounts for 85% of University Health's total inpatient volume and is why the hospital utilizes Jackson County as the user-defined primary service area. The table below shows inpatient volume by county.

University Health 2024 Inpatient Volume		
Patient County	IP Volume	IP % Total
Jackson, MO	15,143	84.80%
Clay, MO	872	4.88%
Wyandotte, KS	236	1.32%
Platte, MO	283	1.58%
Cass, MO	468	2.62%
Johnson, KS	172	0.96%
Other	684	3.83%
<b>Overall - Total</b>	<b>17,858</b>	<b>100.00%</b>

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

Kansas City has high rates of cardiovascular disease, especially among underserved and minority populations. University Health, as the region's primary safety-net hospital and academic medical center, faces growing demand for cardiac interventions, including time-sensitive and complex electrophysiology (EP) procedures.

Currently at University Health, only one cath lab is available, limiting capacity to one case and one physician at a time. With 2–6 procedures per day already filling the schedule, there is no room to accommodate EP procedures, many of which require longer and uninterrupted blocks of time. This creates delays, limits care access, and forces scheduling conflicts between cardiologists.

The proposed second cath lab will:

- Expand overall procedural volume
- Eliminate bottlenecks and reduce delays in urgent cases
- Provide dedicated access for complex EP procedures
- Improve patient outcomes and reduce unnecessary transfers
- Support growth in referrals, particularly from expanded outreach clinics
- Meet rising regional demand due to aging and high-risk populations
- Enhance training for medical students and residents
- Strengthen University Health's role in recruiting and retaining cardiac specialists
- Improve operational efficiency and patient throughput
- Reduce risk of procedure deferral or cancellation due to capacity constraints
- This expansion is supported by three years of volume data (see Item 7), expected EP case growth, and broader cardiac health trends in the region. Without it, University Health cannot meet current needs or future growth.

**7. Provide historical utilization for each of the past three years and utilization projections through the first three years of operation of the new equipment.**

The below table shows the actual procedures for the past three years of the existing unit as well as three full years of volume for the new unit. Please note that the projected volumes are conservative.

<u><b>HISTORICAL</b></u>	<u><b>PROJECTED</b></u>
• FY 2022: 834	• FY 2026: 192
• FY 2023: 903	• FY 2027: 259
• FY 2024: 955	• FY 2028: 290

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

Projections were based on current cath lab volumes over the past three years, expected patient demand due to regional cardiac health trends, and the additional EP procedures that will be captured with the new equipment. University Health also anticipates increased referrals as it expands its cardiology faculty and outreach clinics.

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

Community input is constantly sought by the facility through patient experience surveys. In addition, University Health partnered with numerous organizations in the Kansas City area in developing their 2022 Community Health Needs Assessment. As part of the needs assessment, University Health, developed a community input tool that was distributed to the community in the following matter:

- Email invitation to over 60,000 community members registered to receive weekly communications from the hospital
- Email invitation to all UH staff
- Banner notification on UH website
- QR Code via posters placed throughout all UH Primary Care Clinics
- Paper copies and strategic community locations
  - Westside Housing Organization
  - Literacy KC
  - Bosnian Islamic Center
  - Palestine Senior Activity Center
  - St. James United Methodist Church
  - Guadalupe Centers
  - Hispanic Economic Development Corporation
  - Kansas City Public Library – Lucile H. Bluford Branch
  - Westside Communication Action Network Center
  - Mattie Rhodes
  - Upper Room
  - Westport House
  - Ewing Marion Kauffman School
- Onsite electronic submission at community events
- Morning Star Baptist Church
- Westside CAN Back to School fair

The 2025 Community Needs Assessment went through a similar process as 2022 and will be ratified by the Board of Directors at their June board meeting.

Finally, University Health receives input from its 35 Board of Directors who represents a broad segment of the population from business and healthcare leaders, to consumers and employees.



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

University Health is in the process of collecting letters of support from elected officials, medical staff, and local advocacy groups - Attachment 4. These will be submitted as they are received. To date there have been no letters of opposition and one letter of support.

**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.**

University Health published a public notice in The Kansas City Star (June 15<sup>th</sup>) in accordance with CON requirements. A copy of the published notice is included in Attachment 5 and, when received, letters of support and/or opposition will be forwarded to the CON Staff.

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

University Health sent written notification of the proposed project to all hospitals located within Jackson County. These letters can also be found in Attachment 5.

**UNIVERSITY HEALTH**  
**CERTIFICATE OF NEED APPLICATION 6217 HS**  
**NEW CARDIAC CATH UNIT**

**DIVIDER III: SERVICE SPECIFIC CRITERIA AND STANDARDS**

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

Not applicable; the proposed project is adding an additional unit.

- 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.**

University Health has consistently exceeded the **minimum annual utilization standard of 750 procedures** threshold over the past three years:

- FY 2022: 834 procedures
- FY 2023: 903 procedures
- FY 2024: 955 procedures

These volumes reflect all cardiac catheterization procedures performed at University Health's downtown campus and demonstrate sustained demand well above the state's minimum standard. Continued year-over-year growth underscores the operational necessity for a second unit to accommodate increasing volume and allow for expanded electrophysiology services without disrupting current interventional capacity.

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

Not applicable as this is not new evolving technology.

**UNIVERSITY HEALTH**  
**CERTIFICATE OF NEED APPLICATION 6217 HS**  
**NEW CARDIAC CATH UNIT**

**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.**

See Attachment 6 for a copy of the hospital's audited financials that show sufficient funds are available for the acquisition of the proposed equipment.

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

See Attachment 7

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

It is important to note that reimbursement for patient charges is negotiated with managed care plans; these plans do not take into account expenditures related to equipment or other capital purchases. Specifically, services provided by the proposed unit are not expected to increase patient charges materially.

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

Historically, University Health has provided the highest rate of uncompensated care among institutions in the Kansas City area. Corporate and individual donations, government programs and support from Kansas City and Jackson County subsidize University Health's efforts and help offset uncompensated care costs and enable University Health to serve those who others cannot.

## ATTACHMENT 1



## 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 University Health New Cardiac Cath Unit	Project Number 6217 HS
Project Address (Street/City/State/Zip Code) 2301 Holmes Street, KC, MO 64108	County Jackson

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

List All Owner(s): <small>(List corporate entity.)</small>	Address (Street/City/State/Zip Code)	Telephone Number
Truman Medical Center, Incorporated d/b/a University Health	2301 Holmes Street, KC, MO 64108	(816) 404-1000
<small>(List entity to be licensed or certified.)</small>		
List All Operator(s):	Address (Street/City/State/Zip Code)	Telephone Number
Same as Above	Same as Above	Same as Above

### 3. Ownership (Check applicable category.)

- |   |                                      |                                 |                                      |
|---|--------------------------------------|---------------------------------|--------------------------------------|
| <input checked="" type="checkbox"/> Nonprofit Corporation | <input type="checkbox"/> Individual  | <input type="checkbox"/> City   | <input type="checkbox"/> District    |
| <input type="checkbox"/> Partnership                      | <input type="checkbox"/> Corporation | <input type="checkbox"/> County | <input type="checkbox"/> 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.)

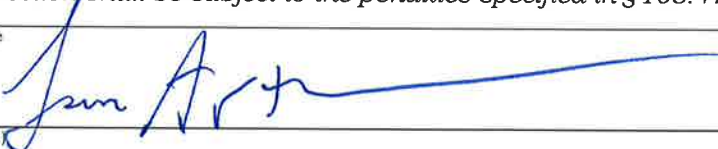
Name of Contact Person Larry Arthur	Title President
Telephone Number 816-863-7104	Fax Number N/A
Signature of Contact Person 	E-mail Address larthur@ruralhospital.net
	Date of Signature 6/12/2015

## ATTACHMENT 2



# Certificate of Need Program

## REPRESENTATIVE REGISTRATION


(A registration form must be completed for <b>each</b> project presented.)	
Project Name University Health New Cardiac Cath Unit	Number 6217 HS
(Please type or print legibly.)	
Name of Representative Larry Arthur	Title President
Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) RHG	Telephone Number 816-863-7104
Address (Street/City/State/Zip Code) 1251 NW Briarcliff Parkway, Suite 215, KC, MO 64116	
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 University Health	Telephone Number (816) 404-3617
Address (Street/City/State/Zip Code) 2301 Holmes Street, KC, MO 64108	
<div>Check one. Do you: <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose <input type="checkbox"/> Neutral</div> <div>Relationship to Project: <input type="checkbox"/> None <input type="checkbox"/> Employee <input type="checkbox"/> Legal Counsel <input checked="" type="checkbox"/> Consultant <input type="checkbox"/> Lobbyist <input type="checkbox"/> Other (explain):</div> <div>Other Information: _____ _____</div> <div>_____ _____</div>	
I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: <i>Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in § 105.478, RSMo.</i>	
Original Signature 	Date 6/5/2025

MO 580-1869 (11/01)



## Certificate of Need Program

# REPRESENTATIVE REGISTRATION

(A registration form must be completed for <b>each</b> project presented.)																					
Project Name University Health New Cardiac Cath Unit	Number 6217HS																				
(Please type or print legibly.)																					
Name of Representative Claire Hillman	Title Assistant General Counsel																				
Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) University Health	Telephone Number (816) 404-3617																				
Address (Street/City/State/Zip Code) 2301 Holmes Street, KC, MO 64108																					
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 University Health	Telephone Number (816) 404-3617																				
Address (Street/City/State/Zip Code) 2301 Holmes Street, KC, MO 64108																					
<table border="0"><tr><td>Check one. Do you:</td><td>Relationship to Project:</td></tr><tr><td><input checked="" type="checkbox"/> Support</td><td><input type="checkbox"/> None</td></tr><tr><td><input type="checkbox"/> Oppose</td><td><input checked="" type="checkbox"/> Employee</td></tr><tr><td><input type="checkbox"/> Neutral</td><td><input checked="" type="checkbox"/> Legal Counsel</td></tr><tr><td></td><td><input type="checkbox"/> Consultant</td></tr><tr><td></td><td><input type="checkbox"/> Lobbyist</td></tr><tr><td></td><td><input type="checkbox"/> Other (explain):</td></tr><tr><td colspan="2">Other Information:</td></tr><tr><td colspan="2"><hr/></td></tr><tr><td colspan="2"><hr/></td></tr></table>		Check one. Do you:	Relationship to Project:	<input checked="" type="checkbox"/> Support	<input type="checkbox"/> None	<input type="checkbox"/> Oppose	<input checked="" type="checkbox"/> Employee	<input type="checkbox"/> Neutral	<input checked="" type="checkbox"/> Legal Counsel		<input type="checkbox"/> Consultant		<input type="checkbox"/> Lobbyist		<input type="checkbox"/> Other (explain):	Other Information:		<hr/>		<hr/>	
Check one. Do you:	Relationship to Project:																				
<input checked="" type="checkbox"/> Support	<input type="checkbox"/> None																				
<input type="checkbox"/> Oppose	<input checked="" type="checkbox"/> Employee																				
<input type="checkbox"/> Neutral	<input checked="" type="checkbox"/> Legal Counsel																				
	<input type="checkbox"/> Consultant																				
	<input type="checkbox"/> Lobbyist																				
	<input type="checkbox"/> Other (explain):																				
Other Information:																					
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<p>I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: <i>Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.</i></p>																					
Original Signature 	Date 6/5/2025																				

MO 580-1869 (11/01)

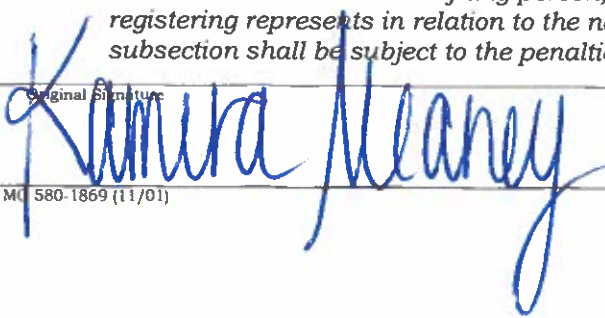




## Certificate of Need Program

# REPRESENTATIVE REGISTRATION

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

Project Name <b>University Health New Cardiac Cath Unit</b>		Number <b>6217HS</b>
(Please type or print legibly.)		
Name of Representative <b>Kamera Meaney</b>		Title <b>Chief Government Relations</b>
Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) <b>University Health</b>		Telephone Number <b>(816) 404-3617</b>
Address (Street/City/State/Zip Code) <b>2301 Holmes Street, KC, MO 64108</b>		
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 <b>University Health</b>		Telephone Number <b>(816) 404-3617</b>
Address (Street/City/State/Zip Code) <b>2301 Holmes Street, KC, MO 64108</b>		
Check one. Do you: <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose <input type="checkbox"/> Neutral		Relationship to Project: <input type="checkbox"/> None <input checked="" type="checkbox"/> Employee <input type="checkbox"/> Legal Counsel <input type="checkbox"/> Consultant <input checked="" type="checkbox"/> Lobbyist <input type="checkbox"/> Other (explain):
Other Information:  _____		_____
<p>I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: 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.</p>		
Original Signature 		Date <b>6/20/2025</b>

MO 580-1869 (11/01)

## ATTACHMENT 3



## Certificate of Need Program

### PROPOSED PROJECT BUDGET

#### Description

#### Dollars

#### **COSTS:\***

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

1. New Construction Costs ***	\$914,850
2. Renovation Costs ***	
<b>3. Subtotal Construction Costs</b> (#1 plus #2)	<b>\$914,850</b>
4. Architectural/Engineering Fees	\$56,000
5. Other Equipment (not in construction contract)	
6. Major Medical Equipment	\$2,376,411
7. Land Acquisition Costs ***	
8. Consultants' Fees/Legal Fees ***	
9. Interest During Construction (net of interest earned) ***	
10. Other Costs ***	
<b>11. Subtotal Non-Construction Costs</b> (sum of #4 through #10)	<b>\$2,432,411</b>
<b>12. Total Project Development Costs</b> (#3 plus #11)	<b>\$3,347,261 **</b>

#### **FINANCING:**

13. Unrestricted Funds	\$3,347,261
14. Bonds	
15. Loans	
16. Other Methods (specify)	
<b>17. Total Project Financing</b> (sum of #13 through #16)	<b>\$3,347,261 **</b>

18. New Construction Total Square Footage	765
19. New Construction Costs Per Square Foot *****	\$1,196
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.

## ATTACHMENT 3-A

# LYTLE CONSTRUCTION INC.

6/18/25

Mr. Steve DeGarmo  
University Health  
2055 Holmes  
Kansas City, Missouri 64139

RE: UH Cath Lab Budget Rev 1

Steve,

**LYTLE CONSTRUCTION INC.** is pleased to present this budgetary proposal for your consideration. This budgetary proposal is per 5-page DD Set by PD1 dated 6/3/25.

Opinion of Probable Cost: **\$914,850.00**

Scope of work and clarifications as follows:

1. Includes \$10,000 for access controls.
2. Includes \$15,000 steel allowance related to equipment booms.
3. Includes strut for overhead mounted equipment.
4. Includes \$25,000 allowance related to adding medical gasses and alarms.
5. Includes \$10,000 allowance related to HVAC controls
6. Excludes the following:
  - a. Permit or bonding fees.
  - b. Contingency.
  - c. Signage
  - d. Escalation

Please contact me if you have any questions and thank you for the opportunity to submit this proposal.

Sincerely,

*Joe Hennes*

Joe Hennes  
Project Manager

Breakdown as follows:

GENERAL REQUIREMENTS	1	\$ 83,140.00
DEMO	2	\$ 14,248.00
CONCRETE	3	\$ -
MASONRY	4	\$ -
METALS	5	\$ 40,040.00
WOOD & PLASTICS	6	\$ 2,142.00
THERMO & MOISTURE PROTECTION	7	\$ 1,500.00
DOORS & WINDOWS	8	\$ 24,974.00
FINISHES	9	\$ 71,944.00
SPECIALTIES	10	\$ 3,080.00
EQUIPMENT	11	\$ -
FURNISHINGS	12	\$ -
FIRE SPRINKLER	13	\$ 5,372.00
CONVEYING SYSTEMS	14	\$ -
MECHANICAL	15	\$ 371,100.00
ELECTRICAL	16	\$ 254,675.00
OH&P		\$ 42,635.00
<b>TOTALS</b>		<b>\$ 914,850.00</b>

## ATTACHMENT 3-B

April 29, 2025

**Steve DeGarmo**, Vice President Facilities and Real Estate  
UH-TMC  
2055 Holmes St.  
Kansas City, MO 64108

**RE: Proposal for Architectural & Engineering Services**  
**Cath/EP Lab Renovation – 5<sup>th</sup> Floor**  
**University Health – Truman Medical Center**  
2301 Holmes St  
Kansas City, MO 64108

Greetings Steve:

Pierce Design 1 is happy to be presenting this proposal to you for architectural/engineering services for the UH - TMC fifth floor Cath/EP Lab Renovation. This proposal applies to the schematic design phase, through construction administration phase. This proposal is based on my understanding of the following project scope:

- The area of work is located on the fifth floor of the main hospital building, which consists of approximately 1000 SF. A new C arm will be installed in an existing room originally designed to be a cath/EP lab but currently being used as office space. Some demolition and build back will be required and HVAC and electrical upgrades.

## **SCOPE OF SERVICES**

- Perform on-site due diligence inspection to verify existing conditions that may affect the project.
- AutoCAD drawings to be provided by owner.
- Create schematic design phase documents in conjunction with staff directions.
- Review schematic design package with TMC/clinic staff, implement any revisions in the next phase.
- Coordinate room layout with the C arm vendor
- Submit schematic drawings to contractors for preliminary pricing.
- Due to the small scope of this project design development phase will be combined with construction documents phase
- Develop construction documents detailing the work required for a complete construction project. coordinate with UH-TMC interior designer.
- Submit final construction documents to general contractors to develop final construction costs.
- If you choose to drawings will be submitted to the MO DHSS for their review.
- If you choose to submit to the city, address any comments from city; contractor to submit documents to the city building department.
- Provide clarifications to general contractors during the bidding phase
- Perform construction administration during construction to include shop drawing review and monthly OAC meetings and final punch.



## SCHEDULE

A refined schedule will be developed after the acceptance of this proposal. We are prepared to start immediately.

## PROJECT TEAM COMPOSITION

Members of the proposed design team is as follows:

- **Architectural** – Pierce Design 1
- **Interior design** – by owner/coordinate with Pierce Design 1
- **Structural engineering** – not required at this time, not included in proposal
- **MEP engineering** – CRB Consulting Engineers
- **Civil engineering** – not required, not included in proposal
- **Equipment planning** – by owner
- **Shielding design** – by owner
- **Communications/IT systems** – by owner
- **Furniture planning** – by owner

## COMPENSATION FOR SERVICES

Pierce Design 1 in collaboration with the project team will provide architectural and MEP engineering services for fixed fee as follows:

<b>Architectural services fee.....</b>	<b>\$35,000</b>
<b><u>MEP engineering services fee.....</u></b>	<b><u>\$21,880</u></b>
<b>Total fee.....</b>	<b>\$56,000</b>

The total fee will be divided per phase applying the following percentages to each phase:

- **Schematic design phase.....20% = \$11,200**
- **Design development phase..... 20% = \$11,200**
- **Construction document phase..... 35% = \$19,600**
- **Bid/negotiate phase..... 5% = \$2800**
- **Construction administration phase..... 20% = \$11,200**

Interior design will be the responsibility of UH-TMC staff which includes finish selection/furniture selection. PD1 will coordinate with the interior designer to develop a finish floor plan drafted by PD1. Specifications will be on the drawing sheets rather than in a project manual. The contractor's performance and requirements for bidding and construction performance will be established by the owner.

I will be happy to discuss any concerns or issues you may have with this proposal. I look forward to being part of your project team.

Mechanical/electrical engineering does not include design of communications/IT systems but does include conduit and back box layout of those systems.

Pierce Design 1 billings will be based on the percentage of work completed during the monthly billing cycle.

Out of sequence changes/revisions, early release packages, or project scope increases will be handled on an additional services fee basis either on a fixed sum or percentage of construction cost increase.

## REIMBURSABLE EXPENSES

Reimbursable expenses will be in addition to the compensation and billed monthly for the progress of the work. Expenses will be for such things as services provided by others not previously mentioned, printing, out-of-town transportation, car rental, airfare, fuel, hotels, meals, as well as delivery services, and photographs associated with the project. There will be no markup on the cost of reimbursable expenses.

## SERVICES PROVIDED BY OTHERS

- Equipment Planning
- Communications/IT Systems
- Materials Testing
- Legal Consultation
- Review Agency Fees
- Hazardous Material Assessment/Abatement
- Radiation/R&F/magnetic shielding design
- Furniture planning/artwork
- Signage

Services provided by the Design Professional under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar conditions.

To the maximum extent permitted by law, the Owner agrees to limit the design professional's liability for the Owner's damages to the sum of \$50,000.00 or the design fee whichever is greater. This limitation shall apply regardless of the cause of action or legal theory pled or asserted.

Services will be billed monthly with payment due within 30 days. Payments not received within 45 days are subject to a 1.5 percent per month interest charge.

With your approval please sign the acceptance line below and return to me. If you have a standard contract for your facility, please forward to me or I can forward a standard short form agreement to you.

Acceptance line signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name & Title: \_\_\_\_\_

We at Design 1 look forward to being part of your team. Thank you for this opportunity.

Sincerely,  
Pierce **Design 1**



• 26011 NE Colbern Rd. • Lee's Summit, MO 64086 • ph:816-520-0529 • [www.piercedesign1.com](http://www.piercedesign1.com)

A handwritten signature in blue ink, appearing to read 'Don Pierce'.

**Don Pierce**  
**President**

## ATTACHMENT 3-C



June 18, 2025

UNIVERSITY HEALTH TRUMAN MEDICAL  
2301 HOLMES STREET  
KANSAS CITY, MO, 64108-2640

Reference: UNIVERSITY HEALTH TRUMAN MEDICAL, customer number 1000011971, Capital Equipment and Quantity Purchase Agreement

Dear Sir or Madam:

Abbott Laboratories Inc. ("ALI"), a subsidiary of Abbott Laboratories ("Abbott") would like to thank you for the opportunity to provide medical device technology to UNIVERSITY HEALTH TRUMAN MEDICAL ("Customer"). Abbott is a global leader in the medical device industry, pioneering diabetes management, revolutionizing heart health, advancing innovation in diagnostics and transforming treatment for movement disorders and chronic pain. Our broad portfolio offers cost-effective products, sophisticated technologies and services across the spectrum of cardiovascular, diabetes and neuromodulation.

The terms of this proposal are confidential and, except as otherwise required by law, Customer shall not disclose the terms of this proposal to any third party in any manner whatsoever without ALI's prior written consent except to those of its attorneys and accountants who need to know this information in connection with the services they are performing for Customer ("Customer Advisors"), provided that any such Customer Advisors agree not to disclose the terms of this proposal to any third party in any manner whatsoever. The provisions of this paragraph shall survive termination or expiration of the proposal or any associated agreement.

If you do not agree to these terms, please do not review this proposal but instead return it, unread, to your ALI Sales Representative.

**This proposal is valid through September 30, 2025.**

We consider it a privilege to work with you and look forward to a continued partnership.

Sincerely,

Sarah Elsener  
Regional Sales Director  
Abbott Laboratories Inc.



# Capital Equipment and Multiple Quantity Purchase Agreement

## Terms and Conditions

These terms and conditions constitute the agreement (“Agreement”) under which Abbott Laboratories Inc. (“ALI”), a subsidiary of Abbott Laboratories, will sell the products to UNIVERSITY HEALTH TRUMAN MEDICAL, customer number 1000011971 (“Customer”). ALI and Customer (collectively the “Parties”) agree as follows:

### A. Specific Conditions

1. **Incorporation of Exhibits.** The exhibits attached hereto are incorporated herein as if set out verbatim.
  - A. Exhibit A contains product description and pricing.
2. **Offer Conditions.** If prior to execution of this Agreement the Parties enter into an agreement for any of the Implantable/Disposable Products (as such term is defined below) that includes market share commitments by Customer and/or that provides for rebates payable to Customer for achievement of specific purchase targets, this Agreement shall be automatically rescinded and shall have no force or effect.
3. **Program Outline and Description.**
  - A. **Products.** ALI will sell to Customer the capital products detailed in Exhibit A (the “Capital Products”) at the quantities and prices set forth therein in combination with the purchase of qualifying implantable/disposable products as further outlined below (“Implantable/Disposable Products”) (collectively, the “Products”) over a **twelve (12) month** period (“Period”). Notwithstanding the foregoing, the following products are specifically excluded from qualifying Implantable/Disposable Product purchases: capital equipment, capital service plans, and other capital-related product or service purchases.
  - B. **Purchase Requirements.** Upon execution of this Agreement, Customer agrees to make a minimum initial quantity purchase of Implantable/Disposable Products (“Minimum Initial QP”), and, throughout the Period, to make further purchases of the Implantable/Disposable Products (“Additional Purchases”) such that the total amount of the Minimum Initial QP and the Additional Purchases equals the Total Purchase Commitment, as set forth in the Implantable/Disposable Products Purchase Commitment Schedule in Table 1 below. Payment of the purchase price for the Capital Products and the Implantable/Disposable Products will be fulfilled upon Customer’s achievement of the Total Purchase Commitment during the Term of this Agreement.

**Table 1: Implantable/Disposable Products Purchase Commitment Schedule**

	<b>Minimum Initial QP</b>	<b>Total Purchase Commitment</b>
Implantable/Disposable Products Purchase Commitment	<b>\$25,000</b>	<b>\$1,193,800</b>

Qualifying Implantable/Disposable Products:

- Electrophysiology Products: Diagnostics, Therapeutics, ViewFlex Xtra Catheters, NavX Array, and Topera), excluding SensiTherm™ Multi Esophageal Temperature Probe

(the “Quantity Purchase” or “QP Products”). The Capital Products and the QP Products are referred to collectively herein as the “Products”. Notwithstanding the foregoing, the following products are specifically excluded from qualifying Implantable/Disposable Product purchases: capital equipment, capital service plans, and other capital-related product or service purchases.

The Minimum Initial QP and the Total Purchase Commitment shall be net of any discounts applicable to the Implantable/Disposable Products outside of this Agreement.

- C. **Non-compliance.** If at the end of the Period, Customer has not achieved the Total Purchase Commitment, Customer shall submit a purchase order for the total purchase price of the Capital Products less any amounts apportioned to the purchase price of the Capital Products. Amounts shall be apportioned based on the percentage of the Total Purchase Commitment achieved. (For example, if at the end of the Period, Customer has achieved 75% of the Total Purchase Commitment, Customer shall submit a purchase

order for 25% of the total purchase price of the Capital Products (i.e., the total purchase price of the Capital Products less 75% of the same)). ALI shall invoice Customer pursuant to this purchase order, and such invoice shall be due and payable pursuant to the Payment Terms below.

4. Purchase Order Requirements. Upon execution of this Agreement, Customer agrees to issue, or to have its authorized agent issue, ALI a purchase order for the Minimum Initial QP, and throughout the Period, to issue additional purchase orders for the Additional Purchases (collectively, "P.O."). Any applicable shipping and taxes shall be added to the P.O. s. No Products will be shipped, and no services will be performed prior to receipt of an applicable P.O. In the event a third-party authorized agent of Customer issues the P.O. on Customer's behalf, Customer hereby guarantees payment upon default of any such agent. Purchase orders made prior to the Effective Date of this Agreement are not eligible for inclusion in the Total Purchase Commitment. The Parties acknowledge that the EnSite™ X EP System may be subject to delayed shipment. ALI shall work with Customer to schedule delivery and arrange for installation of the EnSite™ X EP System at a future, mutually agreed to date. Invoicing for the EnSite™ X EP System shall take place at time of shipment.
5. Payment Terms. Terms are net thirty (30) days from the date of invoice.
6. Shipping Terms. Shipping terms for Capital Products are FOB Origin, freight paid by ALI and included in the purchase price of the Capital Products.
7. Title. Title to the Products will transfer to Customer on the date of shipment.
8. Term of Agreement.
  - A. Effective Date. This Agreement shall be effective as of the date set forth on the signature page provided that this Agreement is signed by both Parties ("Effective Date"). The Effective Date shall be no earlier than the first day of the month in which Customer has signed the Agreement.
  - B. Term and Termination. The term of this Agreement shall commence on the Effective Date and shall automatically terminate upon the earlier of: (a) the expiration of the Period; or (b) Customer's achievement of the Total Purchase Commitment (the "Term").
9. Capital Product Installation Terms and Conditions.
  - A. Product Installation. ALI will provide installation services to Customer as part of this agreement and at no additional charge, subject to the fulfillment of the provisions set forth in the "Customer's Obligations" section. Installation services for EnSite™ X EP System include up to two (2) lab characterization procedures per system. Additional lab characterization procedures beyond the two (2) provided shall be an additional charge to the prices herein. The Products covered herein shall be installed by and at the expense of ALI except that ALI shall not provide site preparation services as described in the "Customer's Obligations" section unless otherwise agreed to in writing by ALI. Installation services shall be included in the purchase price and performed by qualified and trained technical personnel, provided that the installation can be performed during normal business hours of 8:00 AM- 5:00 PM, Monday-Friday Local Time. Any overtime charges or other special expenses shall be an additional charge to the prices herein. If installation is requested outside of normal business hours as defined above, weekends (Saturday/Sunday) or during ALI recognized holidays, a premium service charge will apply. Upon Customer request ALI shall provide a quote detailing the charge for such outside of normal business hours installation and Customer will be required to issue a purchase order to ALI for said charge no less than five (5) days prior to the scheduled installation start date. In the event shipment of Products is delayed more than twelve (12) weeks following Abbott's receipt of a P.O. for the Products and such delay is not due to any Customer action or inaction, ALI may, at its sole discretion, waive some or all of the After Hours Installation Charge. Installation includes travel and lodging for ALI staff to Customer's location within the United States. Installation date will be coordinated with Customer and total time to install one (1) system is not expected to exceed two (2) business days. Should installation time be extended due to factors out of ALI's control but within Customer's control (e.g., room is not made available on agreed upon date), then Customer will be subject to an additional service charge. Installation services include the following: (a) Uncrating and assembly of Products, (b) Placement of Products in Customer's desired location, (c) Initial functional testing of Products, (d) Provision of a copy of the Installation Report to Customer. Installation does not include the running of cables through conduit.
  - B. Customer's Obligations. Customer shall, at its expense, provide all necessary labor and materials for plumbing service, carpentry work, conduit wiring, power switches, network ports and other preparations required for such installations and connection. All such labor and materials shall be completed and available at the time of delivery of the Products by ALI. Additionally, Customer shall provide free access to the installation site and, if necessary, safe and secure space thereon for storage of Products and equipment prior to installation by ALI. Customer shall provide ALI access and authorization to position fluoroscopy equipment as part of the EnSite X EP System installation procedure. If Customer will not provide ALI access and authorization, Customer shall be responsible for providing support personnel to position the

fluoroscopy equipment during the installation procedure, for a time period not to exceed two (2) business days for each system installed. Customer shall be responsible, at its sole cost and expense, for obtaining all permits, licenses and approvals required by any federal, state or local authority in connection with the installation and operation of the Products, including but not limited to any certificate of need and zoning variances. Customer shall provide, at its sole cost and expense, that its premises are free of asbestos, hazardous conditions and any concealed, unknown or dangerous conditions and that all site requirements are met.

- C. Customer License For Software Embedded With The Products. ALI hereby grants to Customer a non-exclusive, non-transferable, limited license (the "License") to use the software provided with the Product subject to the terms and restrictions set forth in this Agreement.
  - D. Copyright. The software and its documentation are owned by ALI and are protected by United States copyright laws and international treaty provisions. This software may not be copied without the prior written consent of ALI.
  - E. Restrictions On Use And Transfer. Customer agrees that the license granted herein is solely for its internal business purposes. In addition, Customer agrees that Customer will not, nor permit others to: (i) access or use the software except in accordance with the documentation provided by ALI therefor; (ii) sublicense, share or transfer the License to a third party unless agreed by seller in writing; (iii) attempt to reverse engineer, decompile, disassemble, or extract any element of and/or otherwise discover any source code, algorithms, methods or techniques embodied in the software, except to the extent expressly permitted by applicable law, and then only after (a) Customer has notified ALI in writing of its intended activities and the information sought and (b) ALI fails to provide such information within a reasonable period of time following such notice; (iv) modify, transfer, assign, pledge, sublicense, rent, lease, sell, resell, or create derivative works based on the software; nor (v) attempt to install the software on any unauthorized device.
10. Service Plan. Included with the Capital Product(s), Customer shall receive, (i) appropriate instructions for use; and (ii) the service plan coverage as set forth in Exhibit A as more thoroughly described in ALI's Service and Technology Plan Terms and Conditions document, which contains the governing terms and conditions of the service plan. The service coverage set forth in Exhibit A shall be effective from the completion of installation.
11. Service and Support Commitment. The Parties agree that consistent and superior service is necessary to ensure the implementation of this Agreement occurs without incident. ALI agrees to provide well-trained and competent staff to support cases, and clinics which utilize the Products represented in this Agreement. Specifically, ALI shall make commercially reasonable efforts to meet the following service commitments:
- A. The EnSite NavX™ platform is based on conventional sequential mapping. Case support will be provided until the Customer physicians are proficient. This proficiency typically occurs with the successful completion of twelve (12) to fifteen (15) procedures.
  - B. Notwithstanding the foregoing, in the event that a Field Clinical Engineer ("FCE") or other ALI personnel is unable to provide support as listed above, the Parties agree that this will not constitute a breach of this Agreement by ALI.
12. Maintenance; Alterations.
- A. Should Customer need to move the Products to a different location from that where originally placed, Customer agrees to contact ALI for assistance with such relocation. Relocation services shall be subject to an additional service charge.
  - B. Customer will at all times operate the Products in accordance with the Products' Instructions for Use (the "IFU") provided to Customer by ALI and use reasonable care to prevent the Products from being damaged while the Products are in Customer's possession and control.
  - C. Customer will be responsible for the cost of any repairs to the Products as a result of Customer's failure to use the Products in accordance with the IFU, or Customer's failure to use reasonable care to prevent the Products from being damaged while the Products are in Customer's possession and control.
  - D. Customer will not, without the prior written consent of ALI, make any changes or substitutions to the Products including, with respect to software, any modifications or adaptations. Any and all authorized replacement parts, accessories, changes and/or substitutions for the Products shall become part of the Products and subject to the terms of this Agreement.

## **B. General Conditions**

1. Single Use. ALI sells or distributes certain Implantable/Disposable Products as single-use products, as described in instructions, package inserts, product labeling, product packaging, or contracts for such Products. ALI shall not be liable for any injuries to persons or property, or for any other damages, costs, or expenses



relating to the re-use of such single use Products, and Customer hereby releases, discharges, and indemnifies ALI and its affiliates from and against the same.

2. Own Use. Customer represents and warrants that the Products purchased hereunder are purchased solely for Customer's own use and not for resale or further distribution.
3. Product Availability. ALI reserves the right to discontinue marketing any Products or to allocate supply in the event of shortage, and any such action shall not be deemed a breach of this Agreement.
4. Confidentiality. The terms of this Agreement are confidential and, except as otherwise required by law, Customer shall not disclose the terms of this Agreement to any third party in any manner whatsoever without ALI's prior written consent; provided that Customer may disclose the terms of this Agreement to those of its attorneys and accountants who need to know this information in connection with the services they are performing for Customer ("Customer Advisors"), provided that (i) Customer protects the confidentiality of the terms of this Agreement via written agreement with its Customer Advisors including advising its Customer Advisors that this Agreement and its terms are confidential and shall not be disclosed to any third party in any manner whatsoever, and (ii) any such Customer Advisors agree in writing not to disclose the terms of this Agreement to any third party in any manner whatsoever. Any disclosure of Confidential Information, including pricing, to third parties (such as benchmarking companies) and/or use of Confidential Information by Customer Advisors for benchmarking purposes is strictly prohibited. The provisions of this paragraph shall survive termination or expiration of this Agreement.
5. Disclosure.
  - A. Customer shall, in connection with this Agreement, 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 statute, 42 U.S.C. § 1320a-7b(b) ("Anti-Kickback Statute").
  - B. Customer hereby acknowledges its legal obligations to fully and accurately report the discounts and/or rebates it receives under all applicable federal and state laws, regulations, and other authorities, specifically including but not limited to the Anti-Kickback Statute and its implementing regulations. As part of the cost reporting process or otherwise, Customer may be obligated to report and provide information concerning any discounts, rebates, or other price reductions provided for products purchased under or in connection with this Agreement pursuant to 42 U.S.C. section 1320a-7b(b)(3)(A) (the discount exception to the Anti-Kickback Statute) and/or 42 C.F.R. § 1001.952(h) (the discount safe harbor to the Anti-Kickback Statute), other federal or state laws, or agreement with third party payers. Customer should retain this Agreement and any other documentation of discounts, rebates, or other price reductions and make such information available to federal or state health care programs upon request.
  - C. A summary report will be provided to Customer no less than annually throughout the term of this Agreement, setting forth one methodology for apportioning the amount paid by Customer among all of the Products purchased by Customer pursuant to the Program Outline and Description Section of this Agreement.
  - D. ALI and Customer agree and acknowledge that there may be circumstances in which ALI will offer Customer, and/or health care professionals affiliated with Customer, technical training on its products. This may involve ALI's reimbursement of Customer's reasonable and documented out-of-pocket expenses, including costs associated with meals, travel and lodging. Customer acknowledges that applicable laws and regulations, including without limitation the U.S. Physician Payments Sunshine Act, may require ALI to disclose to certain federal and state government agencies information regarding such reimbursements.
  - E. ALI is an equal opportunity employer and hereby provides notice of its compliance with 41 CFR 60-1.4, 41 CFR 60-250.5, 41 CFR 60-300.5, 41 CFR 60-741.5 and 29 CFR 471 App A, which are incorporated herein by reference.
  - F. Record Retention. Until the expiration of four (4) years after the furnishing of goods or services pursuant to this Agreement ALI shall, as required by law, make available upon written request of the U.S. Secretary of Health and Human Services or the U.S. Comptroller General (or any of their authorized representatives) books, documents and records of ALI or any subcontractor that are necessary to verify the nature and extent of costs of goods and services hereunder so as to comply with Section 952 of the Omnibus Reconciliation Act of 1980, as amended.
6. Warranties for Implantable/Disposable Products. Warranties for Implantable/Disposable Products. All warranties, to the extent included, are in the Limited Warranty as set forth in the Product packaging other than for MCS Products, which are as stated in Exhibit A. EXCEPT FOR THE WARRANTIES SET FORTH HEREIN OR AS MAY BE SET FORTH IN THE PRODUCTS' PACKAGING AND/OR INSERTS, ALI MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, WARRANTIES AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER MATTER. Notwithstanding the foregoing, any warranties provided by ALI shall not apply in the event that any Product

delivered pursuant to this Agreement is misused, altered, damaged or used by Customer, its employees or agents, other than in accordance with Product labeling and instructions provided by ALI. IN NO EVENT SHALL ALI BE LIABLE HEREUNDER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES OR LOSSES, OR FOR ANY LOST BUSINESS, REVENUES OR PROFITS.

A. Remedies for Breach of Warranty. Provided that Customer has complied with any warranty requirements set forth on the Products Packaging and/or Inserts, with respect to any breach of a warranty set forth herein, the parties agree that ALI, at its option and expense, to the extent the warranty of the specific Product has not expired and all applicable warranty terms and conditions are met, shall either (i) repair the affected Product or component, (ii) accept the return of and replace the affected Product or component, or (iii) accept the return of the affected Product or component for credit. Such remedies shall be Customer's sole and exclusive remedies with respect to any such breach of warranty.

7. Returned Merchandise Policy for Implantable and Disposable Products. All Products returned to ALI become the property of ALI. Capital products are not eligible for return.
8. Independent Contractors. The Parties to this Agreement are independent contractors. This Agreement does not create or otherwise imply that there is any relationship of employment, agency, franchise, joint venture, partnership or other similar legal relationship among the Parties. No party has the authority to bind or act on behalf of any other party except as otherwise expressly stated in this Agreement.
9. No Third Party Beneficiaries. This Agreement is entered into by and for the sole benefit of the enumerated Parties to this Agreement. Nothing in this Agreement shall be interpreted or construed to provide any benefits to any third party or to otherwise create a third party beneficiary under this Agreement.
10. Miscellaneous.
  - A. Amendments and Changes. Any amendment to this Agreement shall be in writing and signed by the Parties. No change to this Agreement, including any conflicting or additional terms contained in any purchase order, acknowledgment form, or other written document submitted by Customer, shall be valid or binding upon ALI unless approved in writing by a duly authorized representative of ALI. Customer acknowledges that ALI field representatives are not authorized to agree to business or legal terms or conditions on behalf of ALI.
  - B. Assignment. Customer shall not assign any rights, obligations or liabilities hereunder without the prior written consent of ALI. Any such attempt by Customer to assign this Agreement shall be null and void and of no effect against ALI.
  - C. Default. Any of the following events or conditions shall constitute an Event of Default: (a) Customer defaults in its performance of any of its obligations under this Agreement; (b) Customer ceases doing business as a going concern; (c) Customer becomes insolvent or makes an assignment for the benefit of its creditors; (d) a petition or proceeding is filed by or against Customer under any bankruptcy or insolvency law; or (e) a receiver, trustee, conservator, or liquidator is appointed for Customer or any of its properties.
    - (i) Remedies. Upon the occurrence of any one or more Events of Default, ALI will have the right to terminate this Agreement; and pursue any other remedy permitted at law or in equity.
  - B. Governing Law/Dispute Resolution. This Agreement shall be construed, interpreted, and governed by the laws of the State of Illinois without regard to its conflict of law provisions.
  - C. Severability. The provisions of this Agreement shall be severable and if any provision of this Agreement shall be held or declared to be illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other provision 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.
  - D. Entire Agreement. Upon acceptance by ALI, this Agreement is the entire agreement between the Parties regarding the subject matter hereof and shall supersede all prior oral and written agreements regarding the subject matter hereof.
  - E. Force Majeure. ALI will not be liable for any failure to perform under this Agreement or to supply any Product due to strikes, fires, explosion, flood, injunction, interruption of transportation, accidents, inability to obtain supplies at reasonable prices, shortage of raw materials, war, act of governmental authority, terrorism, acts of God, or other causes beyond its control.
  - F. Waiver. The waiver by either of the Parties of any breach of any provision hereof by the other party shall not be construed to be either a waiver of any subsequent breach of any such provision or a waiver of the provision itself.
  - G. Notices. Any and all notices, demands, designations, or any other communication provided for herein shall be in writing and shall have been deemed to have been duly given and effective upon receipt if delivered personally to such party or if sent by recognized overnight courier service; or if sent by facsimile transmission, upon receipt of confirmation of delivery to the address set forth below; or if mailed by

certified mail, return receipt requested, three (3) days after deposit in the U.S. Mail, postage pre-paid if addressed as follows:

To Customer at:	
_____	Account Name
_____	Address
_____	Address 2
_____	City, ST, Zip
Attn: _____	
_____	
_____	

To ALI at: Abbott Laboratories Inc. Attn: Contract Operations 8701 Bee Cave Rd. Building Two, West Austin, TX 78746
--

Customer and ALI hereby agree to the terms and conditions contained herein and have caused this Agreement to be signed by their duly authorized representatives.

**ALI:**

By: \_\_\_\_\_  
Authorized Representative Signature

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Customer:**

By: \_\_\_\_\_  
Authorized Representative Signature

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

For ALI Internal Use Only and is non-binding.

Effective Date of Agreement: \_\_\_\_\_

Rebate Start Date: \_\_\_\_\_

Agreement End Date: \_\_\_\_\_

Agreement Number: 00124563.0

## Exhibit A

### Capital Product Description and Pricing

Product Description	Order Number	Qty	List Price	Customer Price
<p><b>EnSite™ X EP System</b></p> <p>The EnSite™ X EP System is a catheter navigation and mapping system capable of displaying the 3-dimensional (3-D) position of conventional and Sensor-Enabled™ electrophysiology catheters, as well as displaying cardiac electrical activity as waveform traces and as dynamic 3-D isopotential maps of the cardiac chamber. The contoured surfaces of these 3-D maps are based on the anatomy of the patient's own cardiac chamber. Various software expansion modules and warranties are available.</p> <p><b>Indications for Use</b></p> <ul style="list-style-type: none"> <li>○ The EnSite™ X EP System is a suggested diagnostic tool in patients for whom electrophysiology studies have been indicated.</li> <li>○ The EnSite™ X EP System provides information about the electrical activity of the heart and displays catheter location during conventional electrophysiological (EP) procedures.</li> </ul> <p><b>Clinical Benefit</b></p> <ul style="list-style-type: none"> <li>○ The intended clinical benefit is to provide diagnostic information to the physician to aid in the treatment of arrhythmias.</li> </ul> <p><b>EnSite™ X Amplifier</b></p> <ul style="list-style-type: none"> <li>○ <b>The EnSite™ X EP System Amplifier</b> accepts signals from EnSite X SurfaceLink Module, EnSite X 20 pin and 80 pin Catheter Input Modules, the EnSite™ X Field Frame, and four (4) Patient Reference Sensors. The devices accept signals from catheters and electrodes attached to the patient and pass these signals to the EnSite™ X Amplifier. The EnSite™ X Amplifier converts these signals to a digital format and sends them to the DWS for processing and display.</li> <li>○ <b>EnSite™ X EP System Field Frame.</b> The Field Frame generates the magnetic tracking field during an EnSite™ X EP System procedure.</li> <li>○ <b>EnSite™ X EP System SurfaceLink™ Module.</b> Connects the EnSite™ X surface electrodes, system reference surface electrode, and ECG electrodes to the EnSite™ X Amplifier.</li> <li>○ <b>EnSite™ X EP System Catheter Input Modules.</b> 20 pin and 80 pin modules allow for connection of standard diagnostic catheters to the EnSite™ X Amplifier.</li> <li>○ <b>Four (4) EnSite™ X EP System Patient Reference Sensors,</b> one anterior (PRS-A) and three posterior (PRS-P) sensors with cables.</li> <li>○ <b>EnSite™ X EP System ECG cable.</b> Connects standard ECG electrodes to the EnSite™ X Amplifier.</li> <li>○ <b>Medical Grade Isolation Transformer.</b> When using the Amplifier Cart, the system components connected to line power through the isolation transformer. Only components on the Amplifier Cart should be connected to this isolation transformer.</li> </ul> <p><b>EnSite™ X Display Workstation (DWS)</b></p> <p>The DWS consists of the workstation (computer), monitors, medical grade isolation transformer, and optional printer:</p> <ul style="list-style-type: none"> <li>○ <b>EnSite™ X EP System Workstation.</b> The workstation contains the system software displaying data from the EnSite™ X Amplifier. Attached to the workstation are a keyboard and mouse for user input.</li> <li>○ <b>Monitors.</b> Monitors are used to display patient information. One monitor is placed near the workstation and keyboard for system operation.</li> <li>○ <b>Medical Grade Isolation Transformer.</b> All system components on the DWS cart are connected to line power through the isolation</li> </ul>	ENSITE X-SYS	1	\$400,000	\$175,000

<p>transformer. Only components of the DWS should be connected to this isolation transformer.</p> <p><b>EnSite™ VoXel Flex Mode</b>  EnSite™ VoXel Flex Mode is a feature allowing users to switch between EnSite NavX™ and EnSite™ VoXel Modes during a study.</p> <p>This feature is compatible with EnSite™ X EP System software version 3.0 or later.</p> <p><b>TactiFlex™ Ablation Catheter, Sensor Enabled™ Software</b>  TactiFlex™ Ablation Catheter, Sensor Enabled™ is a feature that introduces two new EnSite™ EP System software features:</p> <ul style="list-style-type: none"> <li>○ The Force Direction Indicator feature displays an arrow near the tip of the TactiFlex™ Ablation Catheter, Sensor Enabled™ representing three-dimensional direction of force.</li> <li>○ The Force Number Refresh Rate setting changes the number of times the Force Number value is updated per second. This feature will be available for all EnSite™ X EP System Contact Force-compatible catheters.</li> <li>○ The following devices are required to use TactiFlex™ Ablation Catheter, Sensor Enabled™ Software and are sold separately:  TactiFlex™ Ablation Catheter, Sensor Enabled™ (model A-TFSE-D, , A-TFSE-DD, A-TFSE-DF, A-TFSE-F, A-TFSE-FJ, A-TFSE-J, A-TFSE-JJ, A-TFSE-FF)  TactiSys™ Quartz Equipment (PN-004 400)  Compatible ablation generator</li> </ul> <p><b>EnSite™ LiveView Dynamic Display</b>  EnSite™ LiveView Dynamic Display is a feature allowing mapping data to be visualized in real time during an EnSite™ X EP System study.</p> <ul style="list-style-type: none"> <li>○ The following devices are required to use EnSite™ LiveView Dynamic Display and are sold separately:  Advisor™ HD Grid Mapping Catheter, Sensor Enabled™ Software Entitlement Kit (model H702519)  Advisor™ HD Grid Mapping Catheter, Sensor Enabled™ (model D-AVHD-DF16)</li> </ul> <p>System contains Instructions for Use (IFU).  Service Coverage: Includes initial one-year manufacturer's warranty</p> <p>SJM Connect™ Remote Access for real time technical support through a secure broadband connection.</p> <p><b>TactiSys™ TactiFlex™ Radiofrequency Cable</b>  A non-sterile, reusable cable (model TSQ-RF-TFSE-CBL) that is necessary when using TactiFlex™ Ablation Catheter, Sensor Enabled™ .  TactiSys™ Quartz Equipment Radiofrequency Cable – for use with TactiCath SE™ and the Ampere™ RF Generator (cable PN-004 515) will need to be purchased separately.</p>				
<p><b>EnSite™ Contact Force Module</b></p> <p>Contains:</p> <ul style="list-style-type: none"> <li>• EnSite™ Contact Force Module v1.0</li> <li>• TactiSys™ Quartz</li> </ul> <p>Allows contact force data to be viewed on the EnSite Velocity Cardiac Mapping System. Key benefits include an intuitive display of contact force data, easier set-up and an enhanced workflow.</p> <ul style="list-style-type: none"> <li>○ Requires EnSite Velocity System Display Workstation 5 (DWS5) or higher.</li> <li>○ Requires EnSite Precision Mapping Module part number H700386 to already be installed.</li> </ul>	CFK3000	1	\$55,000	\$20,000

Service Coverage: Includes initial one year manufacturer's warranty				
<b>Ampere™ Generator Kit</b>  Increased efficiency and control <ul style="list-style-type: none"> <li>Designed for improved efficiency and decreased noise interference</li> <li>User controlled Power or Temperature modes</li> <li>New Power Control mode for: <ul style="list-style-type: none"> <li>Safire™ BLU™ Duo Ablation Catheters</li> <li>Therapy™ Cool Path™ Duo Ablation Catheters</li> <li>Future irrigated ablation catheters</li> </ul> </li> </ul> Easy to use standard options <ul style="list-style-type: none"> <li>Monitor real-time temperature and impedance data on the color LCD screen</li> <li>Power, temperature, impedance and duration push-button controls</li> <li>Increased lab efficiency through user presets</li> <li>Easy bedside physician control with included Footswitch</li> </ul> Solutions designed to reduce risk <ul style="list-style-type: none"> <li>Select maximum temperature for automatic modulation of power with the TempGuard mode</li> <li>Manage procedural needs through user-configured variable Power Ramp-Up</li> <li>Control irrigation flow rates with the Auto Flow feature</li> <li>Enhanced control of RF delivery with Automatic RF shutoff parameters <ul style="list-style-type: none"> <li>For example, auto-shut off is adjustable for impedance that changes by more than 10 ohms over 5 seconds</li> </ul> </li> </ul> Seamless integration for the EP Lab <ul style="list-style-type: none"> <li>Ampere RF generator integrates with our EnSite™ Velocity™ System, WorkMate™ Claris™ System, Cool Point™ Irrigation Pump and all other Abbott Laboratories Inc., standard and irrigated ablation catheters. The Ampere software is also upgradable via USB connection.</li> </ul> Includes generator and footswitch with 2.5 m cable.  Specifications <ul style="list-style-type: none"> <li>RF Output Power: 1 to 100 W adjustable in steps of 1 W</li> <li>Impedance Range: Measures 50 Ω to 300 Ω in steps of 1 Ω</li> <li>Target Temperature: 15° C to 80° C adjustable in steps of 1° C</li> <li>RF Delivery Time: 1 to 999 seconds adjustable in steps of 1 second</li> <li>Control Modes: Temperature; Power</li> <li>Energy Delivery Modes: Independent; Sequential; Simultaneous</li> <li>Operating Parameters: Values are digitally displayed on the Ampere™ Generator front panel</li> <li>Generator Dimensions: 266.7mm H x 360.68mm W x 363.22mm D (10.5" H x 14.2" W x 14.3" D)</li> <li>Generator Weight: 9.98 kg (22.0 lbs)</li> <li>Supply Voltage: 100-240 VAC, 50/60 Hz</li> <li>Safety Class: Class I; Type CF according to IEC 60601-1</li> </ul> Service Coverage: Includes initial one year manufacturer's warranty	H700494	1	\$30,000	\$12,000
<b>Ampere™ Remote Control (includes 15m fiber cord)</b>	H700490	1	\$10,000	\$5,000
<b>Cool Point Irrigation Pump</b>  <ul style="list-style-type: none"> <li>Cool Point Irrigation Pump Includes: Pump, power cord, pole clamp, 1779 communications (connecting) cable, tubing set (1 each) and operator's manual. Communication cable for the Cool Point Irrigation Pump (included with pump). Cool Point Tubing Set (sold individually).</li> </ul> Service Coverage: Includes initial one year manufacturer's warranty	89003	1	\$15,000	\$5,900



<p><b>Advanced Mapping Software License</b></p> <p>Advanced Mapping Software License is a set of mapping features that introduces the following new functionality:</p> <ul style="list-style-type: none"> <li>• <b>EnSite™ OT Near Field Detection Algorithm</b> – A new detection method placing the detection time at the peak frequency (sharpest point) of the signal.</li> <li>• <b>Peak Frequency maps</b> – A new map type based on the peak frequency (sharpness) of the map point signal.</li> <li>• <b>Emphasis maps</b> – A new map visualization tool where areas of interest are emphasized on the map by darkening areas on the map that do not meet user-defined criteria.</li> </ul> <p><b>Included EnSite™ OT license features:</b></p> <ul style="list-style-type: none"> <li>• Omnipolar waveforms – A calculated waveform of the optimal bipole (maximum voltage) independent of catheter orientation. Omnipolar waveforms are calculated from the bipoles of triangular three-electrode groupings, or cliques, on the Advisor™ HD Grid Mapping Catheter, Sensor Enabled™.</li> <li>• Activation Vectors – A mapping feature where arrows representing activation direction, calculated from EnSite™ OT waveforms, are overlaid on the map.</li> </ul> <p><b>Included EnSite™ X EP System Wave Speed license feature:</b> Wave Speed maps – A new map type showing the apparent speed at which the depolarization wave travel through the cardiac tissue.</p>	ENSITE-AM-2.0	1	\$30,000	\$20,000
<p><b>AutoMark Distance Software License</b></p> <p>The EnSite™ X EP System AutoMark Distance software license introduces a new tool to display the measured distance in the model/map display between:</p> <ul style="list-style-type: none"> <li>• An ablation catheter and an AutoMark or manual lesion marker.</li> <li>• Two or more AutoMarks or manual lesion markers</li> </ul> <p>This feature is compatible with EnSite™ X EP System software version 3.0 or later.</p>	ENSITE-AMD-01	1	\$20,000	\$10,000
<p><b>Averaged Impedance Drop Software License</b></p> <p>The EnSite™ X EP System Averaged Impedance Drop Software License introduces averaged radiofrequency (RF) impedance data. Averaged impedance data can be visualized as a waveform or numeric value in the software and is used in the calculation of two AutoMark metrics:</p> <ul style="list-style-type: none"> <li>• Averaged Impedance Drop – The difference between the averaged impedance at the start of a session and the global minimum averaged impedance for the session.</li> <li>• Averaged Impedance Drop (%) – The percentage difference between the averaged impedance at the start of a session and the global minimum averaged impedance for the session.</li> </ul> <p>Averaged impedance data is created by applying a one-second moving average to un-averaged impedance data received from the Ampere™ Generator. Averaged impedance data can be viewed in real-time or when reviewing a recorded RF session.</p> <p>This feature is compatible with EnSite™ X EP System software version 3.0 or later.</p>	ENSITE-IMP-01	1	\$30,000	\$20,000
<p><b>Pulsed Field Ablation (PFA) Catheter Visualization License</b></p> <p>The EnSite™ X EP System PFA Catheter Visualization License displays</p>	ENSITE-FWV-03	1	\$35,000	\$25,000

<p>visualization of 3<sup>rd</sup> party PFA catheters, providing a visual rendering of the catheter onto the system.</p> <p>NOTE: This feature will only be usable when an appropriate 3<sup>rd</sup> party PFA catheter is connected and can be visualized in the following configurations:</p> <ul style="list-style-type: none"> <li>• Flower</li> <li>• Basket</li> </ul> <p>Additionally, when paired with EnSite™ X Software Version 3.1.1 or later, the EnSite™ Contact Index Module is unlocked to measure local impedance and provide visual feedback of tissue contact.</p> <p>This feature is compatible with: EnSite™ X Software Version 3.1.1 or later</p>				
<p><b>WorkMate™ Claris™ Recording System 120 with EP-4 Cardiac Stimulator</b></p> <p>High-performance electrophysiology recording system for collecting, displaying and storing data from multiple sources within the electrophysiology (EP) lab.</p> <ul style="list-style-type: none"> <li>▪ <b>Signal Clarity</b> - Unique ClearWave™ signal acquisition technology enables diagnosis with amplified confidence. With fast post-pacing recovery, high sample rates, and low baseline ablation noise, the electrograms displayed on the high-resolution WorkMate Claris System assist with fast and accurate diagnosis.</li> <li>▪ <b>Enhanced Integration</b> - Seamless connections among multiple IT systems and platforms are designed to increase operator efficiency without sacrificing patient care.</li> <li>▪ <b>Increased Efficiency</b> - Key user interface and hardware design improvements enable both current users and those new to the WorkMate Claris System to quickly become proficient with its setup and operation.</li> </ul> <p><u>TECHNICAL DESCRIPTION</u></p> <p><b>Advanced Display Workstation</b></p> <ul style="list-style-type: none"> <li>▪ DVD-RW Drive</li> <li>▪ Mouse, Custom Keyboard</li> <li>▪ Basic Image Capture System (2 Black &amp; White Inputs)</li> <li>▪ Network Connection to Hospital System</li> <li>▪ Inbound/Outbound Data Interface <ul style="list-style-type: none"> <li>○ Allows the WorkMate™ Claris™ System to connect to an external data source, archival of signals to a hospital file server</li> </ul> </li> <li>▪ Display of Signal FFT Data</li> <li>▪ Ablation Data Interface (RF &amp; Cryo)</li> <li>▪ Integrated cardiac stimulator control software</li> </ul> <p><b>Amplifier with ClearWave™ Technology</b></p> <ul style="list-style-type: none"> <li>▪ Up to 448 Channel Display capability</li> <li>▪ 120 Intracardiac Electrode Inputs</li> <li>▪ 4 Analog Input Channels</li> <li>▪ 4 Analog Output Channels</li> <li>▪ 4 Physiologic Input Channels</li> <li>▪ 12 Surface ECG Channels</li> <li>▪ Catheter Interface Module(s)</li> </ul> <p><b>Miscellaneous</b></p> <ul style="list-style-type: none"> <li>▪ (4) 24" High Resolution 16:9 aspect ratio Widescreen Monitors</li> <li>▪ (1) Color Printer</li> <li>▪ WorkMate™ Claris™ 12 Lead ECG Cable</li> <li>▪ Cables</li> <li>▪ (1) Anti Fatigue Mat</li> </ul> <p><b>Cardiac Stimulator</b></p> <ul style="list-style-type: none"> <li>▪ Integrated EP-4 Four Channel Cardiac Stimulator</li> <li>▪ Stimulator Touch Screen Control</li> </ul> <p><b>Physiologic Pressure Monitoring</b></p> <ul style="list-style-type: none"> <li>▪ (1) Pressure Transducer Cable (Up to 4 pressure Channels)</li> </ul> <p><b>Carts</b></p> <ul style="list-style-type: none"> <li>▪ (1) Primary Workstation Cart - 48"</li> </ul>	H700124	1	\$300,000	\$180,000



<ul style="list-style-type: none"> <li>(1) Bedside Slave Cart - 24"</li> </ul> <b>Warranty Information for WorkMate™ Claris™ only</b> <ul style="list-style-type: none"> <li>Service Coverage: Includes initial one year manufacturer's warranty</li> </ul> 90 Day Warranty on Cables and Batteries				
<b>ViewMate™ Multi Ultrasound System</b>  The ViewMate™ Multi Ultrasound System is a fully featured imaging platform. Optimized for a 64-element phased array intra-cardiac echo (ICE) visualization, the system is compatible with the ViewFlex™ family of ICE catheters. Equipped with ZONE Sonography® Technology (ZST), the ViewMate™ Multi Ultrasound System uses a software-driven approach to acoustic data acquisition and image formation that breaks the barriers of conventional ultrasound imaging.  Software: <ul style="list-style-type: none"> <li>Modes: 2D/B, M, Color Doppler (CD), Power Doppler, Pulse Wave (PW), Continuous Wave (CW), AUX CW</li> <li>iTouch – instantly equalizes image gain and optimized sound speed compensation</li> <li>Cardiac calculations packages</li> <li>Configurable cybersecurity options</li> <li>DICOM networking – includes Verify, Store, Print, and Basic Modality Worklist Query service classes</li> </ul> Hardware: <ul style="list-style-type: none"> <li>23.5" color, high resolution LCD display mounted on articulating arm</li> <li>15.6" touchscreen with intuitive interactions</li> <li>OLED display for customizable mode menus</li> <li>Catheter Interface Module for ICE and bedrail mounting bracket</li> <li>Rechargeable battery allows up to 2 hours of operation without plugging into AC power</li> <li>Connect up to 4 transducers simultaneously</li> <li>Multifunction USB ports, integrated Wireless</li> <li>1 TB Hard Drive Storage</li> <li>HDMI/VGA digital video output</li> <li>Integrated wireless connectivity</li> </ul> Accessories: <ul style="list-style-type: none"> <li>Customized, durable baskets to carry supplies</li> <li>3-Lead ECG connection</li> <li>Operator's manual and quick reference guide</li> </ul> Service Coverage: Includes initial one year manufacturer's warranty	VMM-ICE-01	1	\$153,000	\$100,000
<b>SP5-1s Phased Transducer</b>  Phased Array Transducer, SP5-1s Transducer is a single crystal design (1.5 – 4.5 MHz). Intended applications: Adult Abdominal, Adult Cardiac, Adult Cranial, Pediatric and Cardiac.  Service Coverage: Includes initial one year manufacturer's warranty	SP5-1S	1	\$22,000	\$13,000
<b>L9-3s Linear Transducer</b>  Linear Array Transducer, L9-3s Transducer (2.5 – 9.0 MHz). Intended applications: Abdominal, Pediatric, Small Organ, Musculoskeletal, Vascular and Nerve.  Service Coverage: Includes initial one year manufacturer's warranty	L9-3S	1	\$19,000	\$11,000
<b>Total</b>				<b>\$596,900</b>

## ATTACHMENT 3-D

**Siemens Medical Solutions USA, Inc.**  
40 Liberty Boulevard, Malvern, PA 19355

**SIEMENS REPRESENTATIVE**  
Megan Caldwell - +1 (816) 308-3340  
megan.caldwell@siemens-healthineers.com

**PRELIMINARY PROPOSAL**

Customer Number: 0000010751

Date: 06/20/2025

**UNIVERSITY HEALTH TRUMAN MEDICAL CENTER**  
2301 HOLMES ST  
KANSAS CITY, MO 64108

Siemens Medical Solutions USA, Inc. is pleased to submit the following quotation for the products and services described herein at the stated prices and terms, subject to your acceptance of the terms and conditions on the face and back hereof, and on any attachment hereto.

<b><u>Table of Contents</u></b>	<b><u>Page</u></b>
Artis Q ceiling Combo Card./Rad. (Quote Nr. CPQ-1473749 Rev. 0) .....	2
OPTIONS for Artis Q ceiling Combo Card./Rad. (Quote Nr. CPQ-1473749 Rev. 0) .....	10
Cut Sheets .....	11

**Contract Total: \$ 1,182,611**  
*(total does not include any Optional or Alternate components which may be selected)*

Proposal valid until 08/04/2025

Estimated Delivery Date: 10/30/2026

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<b>Quote Nr:</b>	<b>CPQ-1473749 Rev. 0</b>
<b>Terms of Payment:</b>	<b>00% Down, 80% Delivery, 20% Installation Free On Board: Destination</b>
<b>Purchasing Agreement:</b>	VIZIENT SUPPLY LLC  VIZIENT SUPPLY LLC terms and conditions apply to Quote Nr CPQ-1473749  Customer certifies, and Siemens relies upon such certification, that : (a) VIZIENT CARD-VASC - XR0705 is the sole GPO for the purchases described in this Quotation, and (b) the person signing this Quotation is fully authorized under the Customer's policies to choose and indicate for Customer such appropriate GPO.

### Artis Q ceiling Combo Card./Rad.

All items listed below are included for this system:

Qty	Part No.	Item Description
1	14434092	<p><b>Artis Q ceiling Combo Card./Rad.</b></p> <p>Artis Q ceiling for interventional cardiology and radiology The Artis Q product line is setting new standards in interventional imaging.</p> <p>The Artis Q ceiling for interventional cardiology and radiology now features PURE®. PURE adds smooth interaction to Siemens' smart technologies. It is designed to boost productivity and enhance outcomes for certain clinical applications, while increasing image quality and reducing dose.</p> <p>The GIGALIX X-ray tube concentrates high pulse power on small, square-shaped focal spots (flat emitter technology for all focal spots). This provides unprecedented image quality for confidence in challenging situations.</p> <p>The ceiling-mounted C-arm offers highly flexible positioning. The motorized rotation of the C-arm from a head-end position to a lateral position allows for free head access and full patient coverage without rotating the table.</p> <p>The patient table is fitted with a freely movable patient positioning tabletop, a head-end holder and handgrips.</p> <p>The as20 flat detector is optimized for cardiology and allows for steep angulations.</p>

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Qty	Part No.	Item Description
		<p>Frame rates up to 30 f/s. Hardware and software for displaying and storing ECG curves are included.</p> <p>Digital acquisition technology and digital subtraction angiography with up to 7.5 f/s in 1k matrix are available.</p> <p>With new computer hardware and smart algorithms CLEAR MAX offers maximized image quality. The complete CARE+CLEAR package offers optimal image quality at the lowest reasonable dose.</p> <p>Live and reference images are displayed on two 19" flat screens in the exam room. In the control room live images are displayed on a third screen.</p>
1	14434238	<p><b>FPD as40HDR Card ins. of as20</b> Enlarging your field of view</p> <p>When ordering this flat detector, the following components of the basic configuration</p> <ul style="list-style-type: none"> <li>- as20 flat detector</li> <li>- GIGALIX 125/40/90 - G (2 foci) X-ray tube assembly with CLEARpulse</li> <li>- Cardiac collimator</li> </ul> <p>are replaced with</p> <ul style="list-style-type: none"> <li>- as40HDR flat detector</li> <li>- GIGALIX 125/30/40/90 - G (3 foci) X-ray tube assembly with CLEARpulse</li> <li>- Angio collimator.</li> </ul>
1	14432948	<p><b>Automap</b> Automatic stand positioning depending on the selected reference image and automatic reference image selection depending on the stand positioning.</p>
1	14432939	<p><b>2nd 4 pedal wireless footswitch</b> Additional 4-pedal footswitch for release of fluoroscopy, exposure, and table brake, as well as a configurable additional function. Wireless connection via radio communication.</p>
1	14434143	<p><b>wide TT thick mat. ins. of std. TT</b> Patient positioning tabletop made of carbon fiber in wide, straight design for interventional, radiological examinations. The tabletop is straight all the way to the head area.</p> <p>Matching the wide patient positioning tabletop, special-foam mattress, 7 cm, made of open-pore polyurethane material and a latex-free cover.</p>

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Qty	Part No.	Item Description
		Note: The wide patient positioning tabletop with the thick mattress replaces the narrow or wide tabletop with the thin mattress described in the basic configuration. The head-end holder, handles, and shoulder supports (if part of the basic configuration) are eliminated because they can only be used with the narrow tabletop.
1	14432947	<b>Fluoro Loop</b> Storage and review of dynamic fluoroscopic sequences. This saves an additional acquisition and helps to reduce dose. The maximum storable fluoroscopic time is limited by the maximum DICOM file size of 4 Gbyte.
1	14434169	<b>CLEARstent Live</b> CLEARstent Live is a real-time stent enhancement tool and provides a stabilized view of the moving stent which is displayed on the Assist/Reference Monitor.
1	14432943	<b>Vascular analysis</b> Vessel analysis with determination of degree of stenosis, distance measurement and calibration.
1	14432942	<b>LV Analysis</b> Analysis of the left ventricular function of the heart.
1	14432953	<b>Lower body radiation protection</b> This radiation shield protects the user from scattered radiation when standing at the table side. It can be attached to the accessory rails either on the right or on the left side of the patient positioning table. It provides the user an additional accessory rail.  It includes a basic unit (l x w) - 71.5 cm x 75 cm / 28.2" x 29.5"; 7.7 kg / 16.98 lbs  One lower body radiation protection pivot swivel element (l x w): - 77 cm x 48 cm / 30.3" x 18.9"; 3.8 kg / 8.4 lbs  Three clip-on units (l x h) - 57 cm / 22.4" x 33 cm / 12.99"; 2.2 kg / 4.85 lbs - 27 cm / 10.6" x 33cm / 12.99"; 0.9 kg / 1.98 lbs - 27 cm / 10.6" x 25cm / 9.8"; 1 kg / 2.2 lbs with a lead of 0.5 mm / 0.02" Pb  The maximum weight of the accessory rails is 40 kg (88.2 lbs)  Intended only for use with Artis / ARTIS tables.

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Qty	Part No.	Item Description
1	14434157	<p><b>Moveable upper body rad. protection</b></p> <p>This radiation shield protects the user from scattered radiation. It includes a ceiling rail (4 m / 157.5"), a ceiling mounted and movable stand (80 cm or 57 cm / 31.5" or 22.4"), a support arm (94 cm x 91 cm / 37" x 35.8") and an acrylic glass.</p> <p>The shield is made of acrylic glass with lead equivalent of 0.5 mm (w x h: 61 cm x 76 cm / 24" x 29.9"), which can pivot and rotate around a fixed point with a range of 360 degrees.</p> <p>The operation range is limited when used with Artis floor/biplane MN.</p> <p>Max. weight: 18 kg / 39.68 lbs.</p>
1	14440512	<p><b>LED Exam Light</b></p> <p>Ceiling-mounted, flexible positionable examination light with focusable light system. It is fully integrated into the ceiling-installed radiation protection mounting unit.</p> <ul style="list-style-type: none"> <li>- Luminance: Min 70.000 Lux for 100 cm / 39.4" distance</li> <li>- Working distance: 70 to 140 cm / 27.6" to 55.1"</li> <li>- Focusable light field: 14 to 25 cm / 5.5" to 9.8"</li> <li>- Color rendering index Ra at 4500 Kelvin: min. 95</li> <li>- Color temperature: 4,100+-200 Kelvin</li> <li>- Total input power: Max. 24 VA</li> </ul>
1	14440411	<p><b>Intercom - Comfort</b></p> <p>Intercom system for communication between examination room and control room.</p> <p>It includes:</p> <ul style="list-style-type: none"> <li>- A microphone with a control box for the control room.</li> <li>- A microphone with an adaptive acoustic filter for background noise suppression for the examination room.</li> <li>- A footswitch for conversation selection for the examination room.</li> </ul>
1	14432952	<p><b>syngo Security Package (SW lic.)</b></p> <p>SW extension providing enhanced security features including user management and audit trail functionality.</p>
1	14440418	<p><b>Infusion bottle holder</b></p> <p>This infusion bottle holder can be mounted at the accessory rail of the patient table. It holds up to 4 infusion bottles. It includes an infusion bottle holder made of stainless steel with 4 retaining rings.</p>

Siemens Medical Solutions USA, Inc.  
40 Liberty Boulevard, Malvern, PA 19355

**SIEMENS REPRESENTATIVE**  
Megan Caldwell - +1 (816) 308-3340  
megan.caldwell@siemens-healthineers.com

### PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	14440419	<p>Intended only for use with Artis / ARTIS tables.</p> <p><b>Cable clips ECG</b> Cable clips for securing the ECG cable to the patient tabletop. It includes 10 cable clips.</p>
1	14440459	<p>Intended only for use with Artis / ARTIS tables.</p> <p><b>Arm rest</b> Arm support used for the arm approach. Length: 1 m (39.4"). Slides underneath the patient mattress and is held in position by the patient's weight.</p> <p>Made of radiolucent carbon fiber material which is easy to clean. It includes two additional support pads of two different heights (4 and 7 cm).</p> <ul style="list-style-type: none"> <li>- Length pad: 60 cm / 23.62"</li> <li>- Width: 9 to 20 cm / 3.54" to 7.87"</li> <li>- Maximum weight: 5 kg (11.02 lbs.)</li> <li>- Weight (with pads): 2.1 kg / 4.63 lbs.</li> </ul>
1	14440460	<p>Only for use with Artis / ARTIS tables.</p> <p><b>Arm holder (pair)</b> The patient's arms can be comfortably placed along the body using these two arm holders. They slide underneath the patient mattress and is held in position by the patient's weight. It includes two pairs of arm holders of different length (540 mm / 690 mm - 21.2" / 27.2") and height (85 mm / 115 mm - 3.35" / 4.53"), suitable both for thick and thin patient mattresses.</p>
1	14434231	<p>Intended only for use with Artis / ARTIS tables.</p> <p><b>Sec. operation in the control room</b> Interface for connecting the additional system control from the control room.</p> <p>Rail profile for hanging control modules (e.g. the table module) in the control room.</p> <p>Safety button for switching off all system functions from the control room.</p>
1	14440510	<p><b>Secondary Hand Switch Ctrl (C Room)</b> Additional hand switch for radiation release and additional control functions.</p>
1	14432917	<p><b>DICOM Print</b></p>



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### PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	14432950	Provision of DICOM Print service for connection to a laser camera or a network printer (postscript-capable). <b>DICOM RIS-Modality Worklist</b> Import of patient/examination data from an external RIS/HIS patient management system with DICOM MWL (Modality Worklist).
1	14432951	<b>DICOM MPPS</b> Feedback of examination status via DICOM MPPS (Modality Performed Procedure Step) to an external RIS/HIS patient management system. Data such as the dose-area product can be transferred to the RIS.
1	14434232	<b>Injector conn. in the control room</b> Interface for controlling the contrast medium injector in the control room.  Injectors can be offered by Siemens Healthineers Accessory Solutions.
1	14434239	<b>Shielding kit, as40HDR</b> Kit for shielding of electromagnetic fields (180 Hz) of the X-ray tube to avoid interference with the EP Measuring system, as well as for shielding the flat detector.
1	14434172	<b>Large Display</b> Preparation for the large color flat screen display on a ceiling-mounted, longitudinally mobile, swiveling, rotating, and height-adjustable display holder in the examination room.  Note: If a Large Display is selected, the Artis basic configuration includes a connection kit for the Large Display instead of the displays for the examination room. The type of large display can be chosen with a separate position.
1	14434176	<b>Large Display video controller 18</b> Large Display Video Controller 18 is the middle of three different video controller sizes. A maximum of 18 video signals can be connected and displayed simultaneously on the Large Display. The Large Display video controller 18 receives various internal and external video signals for presentation to scale on the Large Display. Up to 18 external and internal video sources can be connected (max. 14 DVI-D and 4 analog (VGA) channels).
1	14440573	<b>Add 19" display for LD (rear mount)</b> 19" TFT display including 36 m cable with DVI-D connection and transceiver for display installation on the rear of the DCS in combination with the Large Display.
1	14443012	<b>LD High Contrast panel size 55"</b> Large color flat screen display (including cables) for the examination room, with a panel diagonal of 55".

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### PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
		This large display version provides an excellent clinical image quality due to its new IPS panel technology.
1	14465217	<b>Large Display diagn. protection</b> 55" laminated glass protective screen for the monitor panel.
1	14434187	<b>19" b/w display (ref)</b> A 19" high-contrast -display for reference image display.
1	EPW935515UPS	<b>Eaton Powerware 9355 15 kVA UPS</b> Includes UPS, battery, maintenance bypass panel, and one year on-site parts and labor coverage (24x7) by Eaton Powerware. This UPS is recommended when protection and uninterruptible power is required for the Artis' C-arm and table. Emergency fluoroscopy is not available with this UPS. If emergency fluoroscopy is required, the 93PM – 150kW UPS is recommended for the full system. One UPS per lab. Additional seismic brackets are required to make this system OSHPD approved. This UPS is recommended when protection and uninterruptible power is required for the C-arm and table. Emergency fluoroscopy is not available with this UPS. If emergency fluoroscopy is required, the 93PM – 150kW UPS is recommended for the full system. One UPS per lab. Operation : - Since this UPS is working completely uninterrupted, a power failure is observed when no radiation is available and the display shows " No X-ray please wait" . - The Emergency power lamp (red) will light on the power display during a power failure. All stand movements are possible and the image system functions are protected against data loss. Guaranteed back up time: 10 min. - Restoring of hospital's main power supply is indicated when the generator boots again (also green Hospital power lamp lights). Full exposures are available after apx. 75 seconds. Includes UPS, battery, maintenance bypass panel, and one year on-site parts and labor coverage (24x7) by Eaton Powerware. Additional seismic brackets are required to make this system OSHPD approved.
1	AXA_RIG_QSP_STD	<b>Standard Rigging Q Q.Zen SP</b>
1	AXA_MMS_BD_LV1	<b>Angiography Multi-Modality Edu Package</b> This Angiography Multi-Modality education package for Angiography systems includes: - Dedicated Siemens Education Consultant: partnering with your Education Coordinator to create a blended education curriculum adapted to your facility's individual needs. Designed for your team to maximize their confidence and competence on your system. The education will be delivered in four (4) phases: 1) Pre-Installation: Customized Education Plan (CEP) tailored to your site's experience level and case types. On-site Customization: optimizing system hardware, software, workflow

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**PRELIMINARY PROPOSAL**

Qty	Part No.	Item Description
		and operating safety consistent with the cleared use of the system. Training needs assessed on hardware and software options, system positions, 2D/3D imaging, post-processing techniques and ongoing procedure support. 2) Pre-Go Live: blend of virtual courses & instructor-led classroom training. 3) Go Live: minimum of (2) 28-hour onsite clinical applications sessions, guiding staff members, reinforcing concepts and practices acquired during pre-training. 4) Warranty /Post-Go Live: continuation of the CEP delivery. Ongoing case support for complex procedures, requests are subject to availability. Parties will mutually agree on deliverables and scheduling of the requested training. This educational offering must be utilized within 12 months following install end date. If this offering is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund and is non transferable.
1	GEL1040136601 278	<b>Black anti-fatigue mat 36x60</b> Black NewLife EcoPro anti-fatigue mat (36 inches x 60 inches), 3/4 inch polyurethane foam, fluid and dirt resistant with anti-micorbial properties, matte textured surface.  The ultimate employee benefit for workers who stand, are ergonomically designed to provide the perfect balance of premium comfort and optimal support. Proprietary Cellulon®Polyurethane Technology stands up to the tough demands of commercial environments while providing lasting comfort that won't bottom out over time. This eco-friendly line of anti-fatigue mats is certified by the National Floor Safety Institute for its high traction bottom surface.
1	AXA_ADDL_RIG GING	<b>Additional Rigging AXA</b>

**System Total                      \$ 1,182,611**

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**PRELIMINARY PROPOSAL**

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**OPTIONS on Quote Nr : CPQ-1473749 Rev. 0**

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**OPTIONS for Artis Q ceiling Combo Card./Rad.**

**All items listed below are OPTIONS and will be included on this system ONLY if initialed:** *(See Detailed Technical Specifications at end of Proposal.)*

Qty	Part No.	Item Description	Extended Price
1	14432925	<b>PERISTEPPING / PERIVISION</b> Motorized stepping for real-time bolus chasing. C-arm stepping with ARTIS pheno and ceiling mounted systems, table stepping with floor mounted and biplane systems.	<b>+ \$ 25,088</b>
1	14434151	Peripheral digital angiography with stepping and online subtraction display. <b>DYNAVISION DSA/DR</b> Native or subtracted digital rotational angiography with angle triggering.	<b>+ \$ 4,763</b>

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### **PRELIMINARY PROPOSAL**

**FINANCING:** The equipment listed above may be financed through one of our financing partners. Ask us about our full range of financial products that can be tailored to meet your business and cash flow requirements. For further information, please contact your local Sales Representative.

Siemens Healthineers is pleased to submit this Preliminary Pricing Proposal. A Preliminary Pricing Proposal is provided for planning purposes only; it is not contractually binding. To receive a contractually binding proposal for the Products listed above, inclusive of Terms, Conditions, and Warranty coverage, please contact your Siemens Healthineers Sales Representative.

Siemens Healthineers  
Megan Caldwell  
+1 (816) 308-3340  
megan.caldwell@siemens-healthineers.com

# SIEMENS

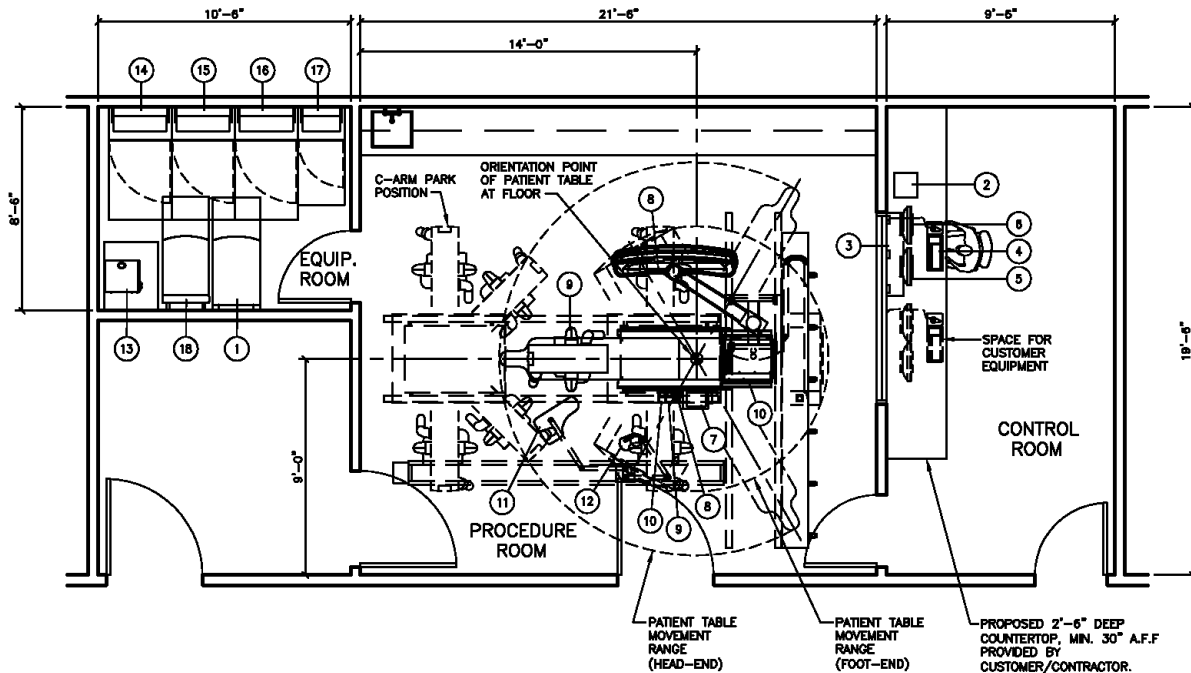
## ARTIS Q/Q.ZEN/ZEE CEILING TYPICAL ROOM PLAN

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The intended use for this Cut Sheet is to communicate the spatial requirements as well as the basic architectural, electrical, structural, and mechanical requirements for this piece of imaging equipment. The information provided in this document is for reference only, during the pre-planning stage, and therefore does not contain any site specific detailed requirements. This information is subject to change without notice. Federal, state and/or local requirements may impact the final placement of the components. It is the customer's responsibility to ensure that the final layout and placement of the equipment complies with all applicable requirements.

## ARTIS Q/Q.ZEN/ZEE CEILING TYPICAL ROOM PLAN



**TYPICAL PLAN**

SCALE: 1/8" = 1'-0"

### EQUIPMENT LEGEND

NO	DESCRIPTION	SMS SYM	WEIGHT (LBS)	BTU/HR TO AIR	DIMENSIONS (INCHES)			REMARKS
					W	D	H	
①	IMAGE SYSTEM	Ⓢ	331	4,347	23	37 1/2	28 3/8	MTD. ON CASTERS
②	ACE (ARCHIVE CONTROL EXTENSION)	Ⓜ	13	N/A	12 1/4	11 3/4	4	MTD. ON CONTROL COUNTER
③	CONTROL ROOM DISTRIBUTOR	Ⓜ	64	342	41 1/2	8 1/4	16 1/8	MTD. ON WALL
④	KEYBOARD	Ⓜ	2.2	342	17 1/2	6 1/8	2 1/8	MTD. UNDER COUNTER OR ON CONSOLE
⑤	19" MONOCHROME LIVE DISPLAY	Ⓜ	15	256	16 1/2	8 1/4	13 1/2	ON COUNTER OR CONSOLE
⑥	19" MONOCHROME REFERENCE DISPLAY (OPTION)	Ⓜ	15	256	16 1/2	8 1/4	13 1/2	ON COUNTER OR CONSOLE
⑦	TABLE CONTROL MODULES	Ⓜ	13.8	---	16 1/2	8 3/4	3 1/2	ON TABLE OR TROLLEY
⑧	DCS LARGE DISPLAY (OPTION)	Ⓜ	407	1,706	167	45 3/8	50 3/4	CEILING SUSPENDED
⑨	ARTIS ZEE / Q / Q.ZEN CEILING C-ARM STAND	Ⓜ	1,994	682	---	---	---	C-ARM CEILING SUSPENDED
⑩	PATIENT TABLE (OR TABLE)	Ⓜ	1,169	683	---	---	---	TABLE FLOOR MOUNTED
⑪	UPPER BODY RADIATION SHIELD 4 M TRACK (OPTION)	Ⓜ	196	---	---	---	---	TRACK MOUNTED
⑫	MAVIG R96 O.R. LAMP (OPTION)	Ⓜ	48	---	---	---	---	
⑬	KLUVER COOLING UNIT	Ⓜ	93	13,649	18 3/4	15 1/2	18 3/4	FLOOR OR SHELF MOUNTED
⑭	POLYDOROS A100 GENERATOR CABINET	Ⓜ	723	4,094	31 1/2	17 1/8	87	FLOOR MOUNTED
⑮	CABLE CABINET	Ⓜ	265	---	31 1/2	17 1/8	87	FLOOR MOUNTED
⑯	SYSTEM CONTROL CABINET	Ⓜ	655	5,460	31 1/2	17 1/8	87	FLOOR MOUNTED
⑰	SYSTEM CONTROL CABINET (O.R. TABLE ONLY)	Ⓜ	276	682	23 1/2	17 1/8	87	FLOOR MOUNTED
⑱	LARGE DISPLAY CONTAINER FOR DCS LARGE DISPLAY (OPTION)	Ⓜ	253	1,535	23	37 1/2	28 3/8	MTD. ON CASTERS

## ARTIS Q/Q.ZEN/ZEE CEILING SPECIFICATIONS

### TRANSPORT/STORAGE FLAT PANEL DETECTOR

IN SYSTEMS WITH FLAT PANEL DETECTORS, THE DETECTOR IS REMOVED FROM THE STAND FOR TRANSPORT TO THE CUSTOMER. THE LIMITED TRANSPORT AND STORAGE CONDITIONS APPLY FOR THE DETECTOR.

FLAT PANEL DETECTOR:

TEMPERATURE RANGE: 14° F TO 131° F  
RELATIVE HUMIDITY: 20% TO 95% NON CONDENSING  
AIR PRESSURE: 700 hPa TO 1060 hPa

### POWER REQUIREMENTS

POLYDOROS-M / POLYDOROS A100 GENERATOR (PU1):  
480 VOLTS, 3-PHASE, 162 KVA, 100 AMPS, 60 Hz

SYSTEM CONTROL CABINET (SC1):  
480 VOLTS, 3-PHASE, 8.5 KVA, 50 AMPS, 60 Hz.

### MAGNETIC FIELD PRECAUTIONS

THE PRESENCE OF MAGNETIC FIELDS IN THE VICINITY OF EQUIPMENT MAY HAVE AN ADVERSE EFFECT. IT IS THE CUSTOMER'S RESPONSIBILITY TO VERIFY THAT THE FOLLOWING VALUES ARE NOT EXCEEDED.

MAXIMUM ALLOWABLE MAGNETIC FIELD	DEVICES
1.0mT (10 GAUSS)	COMPUTERS, MAGNETIC DISK DRIVES, OSCILLOSCOPES, PROCESSORS
0.5mT (5 GAUSS)	X-RAY TUBES, B/W MONITORS, MAGNETIC DATA CARRIERS, DATA STORAGE DRIVES
0.2mT (2 GAUSS)	SIEMENS CT SCANNERS
0.15mT(1.5 GAUSS)	COLOR MONITORS, SIEMENS LINEAR ACCELERATORS
0.05mT(0.5 GAUSS)	X-RAY IMAGE INTENSIFIERS, GAMMA CAMERAS, PET/CYCLOTRON, OTHER LINEAR ACCELERATORS

MAGNETIC FIELDS SHOULD BE MEASURED PRIOR TO DELIVERY

### STORAGE

TEMPERATURE RANGE: -4° F TO 140° F  
RELATIVE HUMIDITY: 10% TO 95% NON CONDENSING  
AIR PRESSURE: 500 hPa TO 1060 hPa

### PACKAGING & TRANSPORT PATH

LARGEST CRATE WITH PACKING: 103.6"W x 46.5"D x 81.5"H, 2,590 LBS.

LARGEST SINGLE PART WITH TRANSPORT CARRIAGE (MIN. DOOR OPENING)  
101.6"L x 40"W x 77.2"H, 2,006 LBS.

MIN. CORRIDOR WIDTH: 82.7"

### SYSTEM POWER SUPPLY REQUIREMENTS

WIRING SYSTEM:	480Y/277V, 3 PHASE, 5-WIRE, 60 HZ.
MINIMUM POWER SUPPLY:	225 KVA DISTRIBUTION XFMR, LESS THAN OR EQUAL TO 3% IMPEDANCE
X-RAY GENERATOR MOMENTARY RATING: (RADIOGRAPHIC EXPOSURE)	162 KVA
X-RAY GENERATOR LONG-TIME RATING: (FLUOROSCOPY)	8 KVA
LINE IMPEDANCE	≤ 120 (mΩ)
MINIMUM CIRCUIT BREAKER SIZE: (BASED ON N.E.C. 517-73)	100 AMPS

### POWER QUALITY PARAMETERS

MAXIMUM LINE VOLTAGE VARIATION	±10% OF SYSTEM VOLTAGE
PHASE IMBALANCE:	2%
FREQUENCY VARIATION:	± 1 HZ
SYSTEM GROUNDING IMPEDANCE:	0.25 OHMS MAX.

### POWER SUPPLY NOTES:

1. INCOMING POWER SUPPLIES FOR SIEMENS EQUIPMENT SHOULD BE DEDICATED (BACK TO SOURCE), ISOLATED AND INSULATED FROM ANY OTHER EQUIPMENT SUCH AS ELEVATORS, GENERATORS, HVAC SYSTEMS, ETC.
2. SIEMENS HEALTHCARE REQUIRES THAT THE INCOMING POWER MEETS THE POWER QUALITY REQUIREMENTS.

### REMOTE SYSTEM DIAGNOSTICS

SIEMENS REMOTE SERVICES (SRS) REQUIRES A CONNECTION BETWEEN THE SRS REMOTE SERVER AND SIEMENS SYSTEMS VIA REMOTE LOCAL AREA NETWORK ACCESS, TO ENSURE THE UPTIME OF YOUR SYSTEM.

THIS SERVICE REQUIRES ONE OF THE FOLLOWING CONNECTION METHODS:

1. (PREFERRED) VPN - WHERE THE CUSTOMER HAS AVAILABLE A VPN CAPABLE FIREWALL OR OTHER VPN APPLIANCE.
2. (OPTIONAL) \*SRS ROUTER\* - CONNECTED TO ANALOG PHONE LINE VIA \*ANALOG MODEM\*, ETHERNET CONNECTION TO CUSTOMER'S LAN, AND A POWER OUTLET.

NOTE: = \*SUPPLIED BY SIEMENS\*

### FOR MORE INFORMATION

FOR MORE DETAILED PLANNING REQUIREMENTS FOR THIS SYSTEM, SEE THE TYPICAL FINAL DRAWING SET NUMBER: TYPICAL # 08000



## ARTIS Q/Q.ZEN/ZEE CEILING SPECIFICATIONS

ENVIRONMENTAL CONDITIONS		
EXAMINATION AND CONTROL ROOM	TEMPERATURE RANGE:	59°F–86°F (RECOMMENDED TEMPERATURE 70°F) FOR SYSTEM WITH FLAT PANEL DETECTOR
	RELATIVE HUMIDITY:	20% – 75% NON-CONDENSING
AXIS IMAGE SYSTEM	TEMPERATURE RANGE:	50°F–95°F (RECOMMENDED TEMPERATURE 70°F)
	RELATIVE HUMIDITY:	20%–75% NON CONDENSING
	MAX. TEMP. GRADIENT:	18° F/HR
	AIR FLOW VOLUME:	371 CFM
	MAX. NOISE GENERATION:	53 dB(A)
POLYDOROS A100 GENERATOR	TEMPERATURE RANGE:	50°F–95°F (RECOMMENDED TEMPERATURE 70°F)
	RELATIVE HUMIDITY:	20%–75% NON CONDENSING
	MAX. TEMP. GRADIENT:	9° F/HR
	AIR FLOW VOLUME:	94 CFM
	MAX. NOISE GENERATION:	55 dB(A)
SYSTEM CONTROL CABINET	TEMPERATURE RANGE:	50°F–95°F (RECOMMENDED TEMPERATURE 70°F) FOR SYSTEM WITH IMAGE INTENSIFIER 59°F–86°F (RECOMMENDED TEMPERATURE 70°F) FOR SYSTEM WITH FLAT PANEL DETECTOR
	RELATIVE HUMIDITY:	20% – 75% NON-CONDENSING
	MAX. TEMP. GRADIENT:	9° F/HR
	AIR FLOW VOLUME:	294 CFM
	MAX. NOISE GENERATION:	48 dB(A)
KLUVER/LYTRON COOLING UNIT	TEMPERATURE RANGE:	41°F–86°F (RECOMMENDED TEMPERATURE 70°F)
	RELATIVE HUMIDITY:	FROST FREE
	AIR FLOW VOLUME:	647 CFM
	MAX. NOISE GENERATION:	55 dB(A) AT 50 HZ, 59 dB(A) AT 60 HZ
STAND WITH FLAT PANEL DETECTOR	MAXIMUM TEMPERATURE GRADIENT:	9° F/HR
	ATMOSPHERIC PRESSURE:	700hPa – 1040hPa
	SHOCKS:	MAXIMUM 10G/16MS
	VIBRATIONS:	MAXIMUM 0.1 G/10–200HZ

CEILING  
HEIGHT  
REQUIREMENT

8 FT. – 11 IN.

### RESOURCE LIST (SMS USE ONLY)

DESIGNATION	PG NUMBER	DATE
ARTIS Q / Q.ZEN CEILING	AXAQ–060.891.01.01.02	04.13
EXTENDED DCS	AXA4–700.891.04.04.02	09.11
DCS LARGE DISPLAY	AXA4–700.891.03.04.02	09.11

## ATTACHMENT 4



June 16, 2025

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

***RE: Letter of Support for University Health's Certificate of Need Application – Project #6217 HS Cardiac Catheterization Lab Expansion***

Dear Members of the Missouri Health Facilities Review Committee:

As the elected State Senator of District 7, which includes a significant portion of Kansas City's urban core, I am writing in strong support of University Health's Certificate of Need application to add a new cardiac catheterization unit with electrophysiology capabilities.

University Health plays a vital role in serving the residents of Jackson County and the greater Kansas City area—particularly those who are medically underserved, uninsured, or living with chronic health conditions. Cardiovascular disease remains a leading cause of mortality in our region, and timely access to interventional cardiac care is critical to reducing preventable deaths and long-term disability.

The addition of a second catheterization lab will expand University Health's capacity to diagnose and treat complex heart conditions more efficiently, reduce wait times for high-risk patients, and introduce advanced electrophysiology services to better manage arrhythmias and other cardiac abnormalities. This project also complements University Health's commitment to medical education, allowing medical students and residents at UMKC to train on the most current technology.

I am confident this investment will directly benefit the health of our community and strengthen Kansas City's safety-net health infrastructure. I urge your approval of this application and commend University Health for its continued leadership in providing high-quality care to all Missourians.

Sincerely,

Senator Patty Lewis  
Missouri Senate  
District 7

---

2301 Holmes Street  
Kansas City, MO 64108  
816-404-1000  
universityhealthkc.org

Primary Teaching Hospital for the University of Missouri-Kansas City School of Medicine



## ATTACHMENT 5

## ORDER DETAILS

**Order Number:**

IPL0240667

**Order Status:**

Saved

**Classification:**

Legals & Public Notices

**Package:**

KCM - Legal Ads

**Site:**

kansascity

**Final Cost:**

\$308.05

**Payment Type:****User ID:**

IPL0059877

**SCHEDULE FOR AD NUMBER IPL0057272**

June 15, 2025

The Kansas City Star Print Publication

## PREVIEW FOR AD NUMBER IPL0057272

1.54inches x 2.11inches

**PUBLIC NOTICE FOR UNIVERSITY HEALTH**

University Health invites public comment regarding a proposal to purchase a new Cardiac Catheterization Unit at its main campus in Kansas City, Missouri. A Certificate of Need Application, seeking approval of this project, is being submitted to the Missouri Health Facilities Review Committee. Comments, questions, or concerns should be addressed to:

Claire Hillman  
Assistant General Counsel  
2301 Holmes Street  
Kansas City, MO 64108  
816-404-3617  
claire.hillman@uhkc.org  
IPL0240667  
Jun 15 2025



June 12, 2025

Centerpoint Medical Center  
Attn: John McDonald, CEO  
19600 East 39<sup>th</sup> Street  
Independence, MO 64057

***Re: Notification of Certificate of Need Application***

Dear Mr. McDonald:

Please accept this letter as written notification of University Health's intent to purchase a new Cardiac Catheterization Unit at its main campus in Kansas City, Missouri. A Certificate of Need Application, seeking approval of this project, is being submitted to the Missouri Health Facilities Review Committee.

If you have any comments, questions, or concerns, please reach out to our Office of General Counsel at 816-404-3628 or [claire.hillman@uhkc.org](mailto:claire.hillman@uhkc.org).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Charlie Shields'.

Charlie Shields  
Chief Executive Officer

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2301 Holmes Street  
Kansas City, MO 64108  
816-404-1000  
[universityhealthkc.org](http://universityhealthkc.org)

Primary Teaching Hospital for the University of Missouri-Kansas City School of Medicine





June 12, 2025

Lee's Summit Medical Center  
Attn: Gabe Clements, CEO  
2100 SE Blue Parkway  
Lee's Summit, MO 64063

***Re: Notification of Certificate of Need Application***

Dear Mr. Clements:

Please accept this letter as written notification of University Health's intent to purchase a new Cardiac Catheterization Unit at its main campus in Kansas City, Missouri. A Certificate of Need Application, seeking approval of this project, is being submitted to the Missouri Health Facilities Review Committee.

If you have any comments, questions, or concerns, please reach out to our Office of General Counsel at 816-404-3628 or [claire.hillman@uhkc.org](mailto:claire.hillman@uhkc.org).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Charlie Shields'.

Charlie Shields  
Chief Executive Officer

---

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Kansas City, MO 64108  
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[universityhealthkc.org](http://universityhealthkc.org)

Primary Teaching Hospital for the University of Missouri-Kansas City School of Medicine





June 12, 2025

Research Medical Center  
Attn: Kirk McCarty, CEO  
2316 East Meyer Boulevard  
Kansas City, MO 64132

***Re: Notification of Certificate of Need Application***

Dear Mr. McCarty:

Please accept this letter as written notification of University Health's intent to purchase a new Cardiac Catheterization Unit at its main campus in Kansas City, Missouri. A Certificate of Need Application, seeking approval of this project, is being submitted to the Missouri Health Facilities Review Committee.

If you have any comments, questions, or concerns, please reach out to our Office of General Counsel at 816-404-3628 or [claire.hillman@uhkc.org](mailto:claire.hillman@uhkc.org).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Charlie Shields'.

Charlie Shields  
Chief Executive Officer





June 12, 2025

Saint Luke's East Hospital  
Attn: Robert Olm-Shipman, CEO  
100 NE Saint Luke's Boulevard  
Lee's Summit, MO 64086

***Re: Notification of Certificate of Need Application***

Dear Mr. Olm-Shipman:

Please accept this letter as written notification of University Health's intent to purchase a new Cardiac Catheterization Unit at its main campus in Kansas City, Missouri. A Certificate of Need Application, seeking approval of this project, is being submitted to the Missouri Health Facilities Review Committee.

If you have any comments, questions, or concerns, please reach out to our Office of General Counsel at 816-404-3628 or [claire.hillman@uhkc.org](mailto:claire.hillman@uhkc.org).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Charlie Shields'.

Charlie Shields  
Chief Executive Officer

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2301 Holmes Street  
Kansas City, MO 64108  
816-404-1000  
[universityhealthkc.org](http://universityhealthkc.org)

Primary Teaching Hospital for the University of Missouri-Kansas City School of Medicine





June 12, 2025

Saint Luke's Hospital of Kansas City  
Attn: Jani Johnson, CEO  
4401 Wornall Road  
Kansas City, MO 64111

***Re: Notification of Certificate of Need Application***

Dear Ms. Johnson:

Please accept this letter as written notification of University Health's intent to purchase a new Cardiac Catheterization Unit at its main campus in Kansas City, Missouri. A Certificate of Need Application, seeking approval of this project, is being submitted to the Missouri Health Facilities Review Committee.

If you have any comments, questions, or concerns, please reach out to our Office of General Counsel at 816-404-3628 or [claire.hillman@uhkc.org](mailto:claire.hillman@uhkc.org).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Charlie Shields'.

Charlie Shields  
Chief Executive Officer

---

2301 Holmes Street  
Kansas City, MO 64108  
816-404-1000  
[universityhealthkc.org](http://universityhealthkc.org)

Primary Teaching Hospital for the University of Missouri-Kansas City School of Medicine





June 12, 2025

St. Joseph Medical Center  
Attn: Jodi Fincher, CEO  
1000 Carondelet Drive  
Kansas City, MO 64114

***Re: Notification of Certificate of Need Application***

Dear Ms. Fincher:

Please accept this letter as written notification of University Health's intent to purchase a new Cardiac Catheterization Unit at its main campus in Kansas City, Missouri. A Certificate of Need Application, seeking approval of this project, is being submitted to the Missouri Health Facilities Review Committee.

If you have any comments, questions, or concerns, please reach out to our Office of General Counsel at 816-404-3628 or [claire.hillman@uhkc.org](mailto:claire.hillman@uhkc.org).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Charlie Shields'.

Charlie Shields  
Chief Executive Officer



June 12, 2025

St. Mary's Medical Center  
Attn: Kelly Pearce, CEO  
201 NW R.D. Mize Road  
Blue Springs, MO 64014

***Re: Notification of Certificate of Need Application***

Dear Mr. Pearce:

Please accept this letter as written notification of University Health's intent to purchase a new Cardiac Catheterization Unit at its main campus in Kansas City, Missouri. A Certificate of Need Application, seeking approval of this project, is being submitted to the Missouri Health Facilities Review Committee.

If you have any comments, questions, or concerns, please reach out to our Office of General Counsel at 816-404-3628 or [claire.hillman@uhkc.org](mailto:claire.hillman@uhkc.org).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Charlie Shields'.

Charlie Shields  
Chief Executive Officer

## ATTACHMENT 6



# **Truman Medical Center, Incorporated d/b/a University Health**

## **Independent Auditor's Report and Consolidated Financial Statements**

June 30, 2024 and 2023

Contents

Independent Auditor’s Report..... 1

Consolidated Financial Statements

    Balance Sheets..... 3

    Statements of Operations ..... 4

    Statements of Changes in Net Assets ..... 5

    Statements of Cash Flows ..... 6

    Notes to Financial Statements ..... 8

Supplementary Information

    Consolidating Schedules – Balance Sheet Information..... 38

    Consolidating Schedules – Statement of Operations Information ..... 42

    Consolidating Schedules – Statement of Changes in Net Assets Information..... 44

## **Independent Auditor's Report**

Board of Directors  
Truman Medical Center, Incorporated  
d/b/a University Health  
Kansas City, Missouri

### ***Opinion***

We have audited the consolidated financial statements of Truman Medical Center, Incorporated d/b/a University Health (University Health), which comprise the consolidated balance sheets as of June 30, 2024 and 2023, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of University Health as of June 30, 2024 and 2023, and the consolidated results of its operations, changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are required to be independent of University Health and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Consolidated Financial Statements***

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about University Health's ability to continue as a going concern within one year after the date that these consolidated financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher



than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of University Health's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about University Health's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, including the consolidating schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

**Forvis Mazars, LLP**

**Kansas City, Missouri  
December 23, 2024**

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidated Balance Sheets**  
**June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 36,784,913	\$ 17,463,658
Short-term investments	7,585,779	5,656,668
Patient accounts receivable	124,081,426	106,104,706
Medicaid incentive receivable	-	6,349,130
Other receivables	14,257,090	18,651,613
Recoverable grant expenditures	3,340,197	2,680,468
Supplies	7,349,775	8,669,260
Prepaid expenses and deposits	10,673,459	10,311,110
Estimated amounts due from third-party payers	10,210,222	7,824,501
Assets limited as to use - required for current liabilities	7,796,388	7,300,258
	<u>222,079,249</u>	<u>191,011,372</u>
<b>Total current assets</b>		
	<u>222,079,249</u>	<u>191,011,372</u>
<b>Assets Limited as to Use</b>		
Designated for self-insured losses	24,021,313	21,933,708
Board designated for capital acquisitions and other uses	16,132,894	13,037,582
Interest in net assets of University Health Foundation	14,130,575	13,006,525
Externally restricted by donors	965,384	1,025,144
	<u>55,250,166</u>	<u>49,002,959</u>
Less amount required to meet current obligations	7,796,388	7,300,258
	<u>47,453,778</u>	<u>41,702,701</u>
<b>Total assets limited as to use, net</b>		
	<u>47,453,778</u>	<u>41,702,701</u>
<b>Property and Equipment, Net</b>	<u>272,137,569</u>	<u>272,732,242</u>
<b>Other Assets</b>		
Operating lease right-of-use assets	30,165,806	31,574,901
Long-term investments	1,116,010	693,472
Accrued pension asset	481,758	-
	<u>31,763,574</u>	<u>32,268,373</u>
<b>Total Assets</b>	<u><u>\$ 573,434,170</u></u>	<u><u>\$ 537,714,688</u></u>

*See Notes to Consolidated Financial Statements*

	<b>2024</b>	<b>2023</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Current maturities of long-term debt	\$ 7,052,346	\$ 7,127,211
Accounts payable	60,877,090	44,366,035
Accrued payroll and related liabilities	61,723,506	51,984,880
Accrued expenses	14,403,720	12,566,397
Estimated amounts due to third-party payers	6,973,957	9,140,097
Operating lease liability - current	6,348,126	5,910,813
Other current liabilities	14,702,027	14,180,925
Total current liabilities	172,080,772	145,276,358
<b>Long-term Debt</b>	88,672,237	94,879,466
<b>Operating Lease Liability</b>	24,939,628	26,450,867
<b>Accrued Self-Insured Losses</b>	14,147,789	12,555,919
<b>Estimated Amounts Due to Third-Party Payers</b>	45,437,928	44,111,885
<b>Accrued Pension Cost</b>	-	7,885,327
Total liabilities	345,278,354	331,159,822
<b>Net Assets</b>		
Without donor restrictions	213,059,857	192,523,197
With donor restrictions	15,095,959	14,031,669
Total net assets	228,155,816	206,554,866
<b>Total Liabilities and Net Assets</b>	<b>\$ 573,434,170</b>	<b>\$ 537,714,688</b>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidated Statements of Operations**  
**Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Revenues, Gains and Other Support Without Donor Restrictions</b>		
Patient care service revenue	\$ 662,317,732	\$ 606,654,881
Subsidies from Kansas City and Jackson County, Missouri	36,854,897	36,197,142
Medicaid enhancements	105,481,406	102,622,475
Reimbursement of expenses		
Salaries and special services	2,095,849	1,750,536
Grant expenditures	17,580,118	16,946,589
Other	93,561,156	82,529,516
Other - Provider Relief Funds	-	12,789,740
Other - FEMA Funds	14,224,580	1,382,060
Net assets released from restrictions used for operations	155,566	492,813
	<u>932,271,304</u>	<u>861,365,752</u>
<b>Expenses</b>		
Salaries and wages	460,171,136	395,582,177
Employee benefits	96,252,105	84,297,611
Purchased services and professional fees	142,979,873	177,481,299
Depreciation and amortization	27,419,207	26,431,637
Interest	4,333,562	4,407,862
Supplies and other	173,596,271	141,251,434
Federal reimbursement allowance	24,264,578	24,921,506
	<u>929,016,732</u>	<u>854,373,526</u>
<b>Operating Income</b>	<u>3,254,572</u>	<u>6,992,226</u>
<b>Non-operating Income (Expense)</b>		
Investment return	3,963,011	2,357,372
Pension settlement expense	(28,651,831)	-
Contributions and other	(426,475)	(199,982)
	<u>(25,115,295)</u>	<u>2,157,390</u>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	(21,860,723)	9,149,616
Contributions for acquisition of property and equipment	7,579,556	3,836,841
Change in defined benefit pension plan gains and losses	34,817,827	6,455,434
<b>Increase in Net Assets Without Donor Restrictions</b>	<u>\$ 20,536,660</u>	<u>\$ 19,441,891</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidated Statements of Changes in Net Assets**  
**Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Net Assets Without Donor Restrictions</b>		
Excess (deficiency) of revenues over expenses	\$ (21,860,723)	\$ 9,149,616
Contributions for acquisition of property and equipment	7,579,556	3,836,841
Change in defined benefit pension plan gains and losses	34,817,827	6,455,434
	<u>20,536,660</u>	<u>19,441,891</u>
<b>Net Assets With Donor Restrictions</b>		
Contributions and other	95,806	304,928
Net assets released from restrictions used for operations	(155,566)	(492,813)
Change in interest in net assets of University Health Foundation	1,124,050	(970,393)
	<u>1,064,290</u>	<u>(1,158,278)</u>
<b>Increase in Net Assets</b>	21,600,950	18,283,613
<b>Net Assets, Beginning of Year</b>	<u>206,554,866</u>	<u>188,271,253</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 228,155,816</u></u>	<u><u>\$ 206,554,866</u></u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidated Statements of Cash Flows**  
**Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Operating Activities</b>		
Increase in net assets	\$ 21,600,950	\$ 18,283,613
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	27,419,207	26,431,637
Amortization of bond premium and issuance costs	(275,317)	(277,448)
Contributions for acquisition of long-lived assets	(7,579,556)	(3,836,841)
Net gain on disposal of property and equipment	-	(23,532)
Net realized loss on sale of investments	157,791	355,269
Change in net unrealized gains on investments	(1,589,165)	(868,774)
Change in interest in the net assets of University Health Foundation	(1,124,050)	970,393
Non-cash operating lease expense	8,014,417	7,239,599
Pension liability adjustment	(6,165,996)	(6,455,434)
Changes in		
Net receivables	(14,241,926)	(20,758,067)
Supplies	1,319,485	2,512,029
Prepaid expenses and other assets	(362,349)	(2,326,580)
Accounts payable, accrued expenses and accrued pension cost	26,344,612	(10,972,817)
Estimated due to/from third-party payers	3,123,312	(1,014,534)
Operating lease liability	(7,679,248)	(6,981,040)
Other current liabilities	521,102	5,617,376
Net cash provided by operating activities	<u>49,483,269</u>	<u>7,894,849</u>
<b>Investing Activities</b>		
Purchase of property and equipment	(25,691,361)	(19,613,370)
Purchase of investments	(7,113,349)	(10,178,009)
Proceeds from disposition of investments	7,695,011	8,038,023
Proceeds from sale of property and equipment	-	950
Net cash used in investing activities	<u>(25,109,699)</u>	<u>(21,752,406)</u>
<b>Financing Activities</b>		
Proceeds from issuance of long-term debt	1,483,947	1,922,887
Principal payments on long-term debt	(7,490,724)	(7,214,316)
Proceeds from contributions for acquisition of long-lived assets	<u>7,579,556</u>	<u>3,836,841</u>
Net cash provided by (used in) financing activities	<u>1,572,779</u>	<u>(1,454,588)</u>
<b>Increase (Decrease) in Cash, Cash Equivalents, Cash Held in Investments and Cash Held in Assets Limited as to Use</b>	25,946,349	(15,312,145)
<b>Cash, Cash Equivalents, Cash Held in Investments and Cash Held in Assets Limited as to Use, Beginning of Year</b>	<u>27,900,674</u>	<u>43,212,819</u>
<b>Cash, Cash Equivalents, Cash Held in Investments and Cash Held in Assets Limited as to Use, End of Year</b>	<u><u>\$ 53,847,023</u></u>	<u><u>\$ 27,900,674</u></u>

See Notes to Consolidated Financial Statements

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidated Statements of Cash Flows**  
**Years Ended June 30, 2024 and 2023**

**(Continued)**

	<u><b>2024</b></u>	<u><b>2023</b></u>
<b>Reconciliation of Cash, Cash Equivalents, Cash Held in Investments and Cash Held in Assets Limited as to Use to the Balance Sheets</b>		
Cash and cash equivalents	\$ 36,784,913	\$ 17,463,658
Short-term investments	739,469	321,564
Assets limited as to use		
Designated for capital acquisitions and other uses	9,607,089	6,671,736
Designated for self-insured losses	5,750,168	2,418,572
Externally restricted by donors	<u>965,384</u>	<u>1,025,144</u>
 Total cash, cash equivalents, cash held in investments and cash held in assets limited as to use shown in the statements of cash flows	 <u><u>\$ 53,847,023</u></u>	 <u><u>\$ 27,900,674</u></u>
<b>Additional Cash Flows Information</b>		
Interest paid (net of capitalized interest)	\$ 4,133,704	\$ 4,475,469
Property and equipment purchases included in accounts payable	2,199,068	1,065,895

## **Note 1. Nature of Operations and Summary of Significant Accounting Policies**

### ***Nature of Operations***

Truman Medical Center, Incorporated (Medical Center) is a Missouri not-for-profit organization. Since its inception in 1962, the Medical Center has operated the Truman Medical Center Hospital Hill facility under various agreements with the City of Kansas City, Missouri; since 1973, pursuant to an agreement with Jackson County, Missouri, the Medical Center has operated the Truman Medical Center Lakewood facility and the Jackson County Health Department; and since February 1, 1999, the Medical Center has operated TMC Behavioral Health, which resulted from TMC Behavioral Health merging with Network Rehabilitative Services for People with Mental Illness. The Medical Center leases, operates and manages the facilities under agreements with various political subdivisions that own the facilities.

The Medical Center operates as Truman Medical Center, Incorporated d/b/a University Health (University Health).

### ***Principles of Consolidation***

The consolidated financial statements include the accounts of University Health, Truman Medical Center Professional and General Liability Self-Insurance Trust (Self-Insurance Trust), Truman Medical Center Finance Support Corporation (Finance Support Corporation) and University Health Physicians (UHP), collectively referred to as University Health. Although legally independent of University Health, under accounting principles generally accepted in the United States of America, Self-Insurance Trust, Finance Support Corporation and UHP are considered controlled not-for-profit affiliates and are included in the consolidated financial statements. All significant inter-entity accounts and transactions have been eliminated in consolidation.

### ***Use of Estimates***

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues, expenses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

### ***Cash Equivalents and Short-term Investments***

University Health considers all liquid investments with original maturities of three months or less to be cash equivalents. At June 30, 2024 and 2023, cash equivalents consisted primarily of money market and sweep accounts. Short-term investments consist primarily of equity and debt securities of which University Health can liquidate within one year.

At June 30, 2024, University Health's cash accounts exceeded federally insured limits by approximately \$58,550,000.

### ***Patient Accounts Receivable***

Patient accounts receivable reflects the outstanding amount of consideration to which University Health expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payers (including health insurers and government programs) and others. As a service to the patient, University Health bills third-party payers directly and bills the patient when the patient's responsibility for co-pays, coinsurance and deductibles is determined. Patient accounts receivable are due in full when billed.

Bad debt expense was not significant for the years ended June 30, 2024 and 2023.



**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

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***Contract Assets***

Amounts related to health care services provided to patients which have not been billed and that do not meet the conditions of an unconditional right to payment at the end of the reporting period are contract assets. Contract asset balances consist primarily of health care services provided to patients who are still receiving inpatient care from University Health at the end of the year.

Contract assets are included in patient accounts receivable at June 30, 2024 and 2023. Contract assets were not significant at June 30, 2024 and 2023.

***Investments and Investment Return***

University Health measures equity securities and debt securities at fair value with changes recognized in excess (deficiency) of revenues over expenses in the consolidated statements of operations. Investments in private equity funds and hedge funds are recorded at net asset value (NAV), as a practical expedient, to determine fair value of the investments. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method. Investment return includes dividend, interest and other investment income and realized and unrealized gains and losses on investments carried at fair value.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Other investment return is reflected in the consolidated statements of operations and consolidated statements of changes in net assets as net assets without donor restrictions or net assets with donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

***Assets Limited as to Use***

Assets limited as to use include (1) assets designated for self-insured losses, (2) interest in net assets of Truman Medical Center Charitable Foundation d/b/a University Health Foundation (University Health Foundation), (3) assets externally restricted by donors and (4) assets set aside by the board of directors for capital acquisitions and other uses over which the board retains control and may, at its discretion, subsequently use the assets for other purposes. Amounts required to meet current liabilities of University Health are included in current assets.

***Other Receivables***

University Health participates in the 340B Drug Pricing Program (the Program). The Program limits the cost of covered outpatient drugs. At June 30, 2024 and 2023, University Health had approximately \$1,779,000 and \$2,187,000, respectively, recorded as other receivables related to the Program. University Health generated approximately \$24,474,000 and \$33,251,000 of revenues from the Program in 2024 and 2023, respectively, which was recorded in other operating revenue.

***Supplies***

All supply inventories are stated at the lower of cost or net realizable value. Costs are determined using the first-in, first-out method.

***Property, Equipment and Depreciation***

Property and equipment acquisitions over \$5,000 are stated at cost less accumulated depreciation. Depreciation is charged to expense on a straight-line basis over the estimated useful life of each asset. Assets under finance lease obligations and leasehold improvements are amortized over the shorter of the lease term or their respective estimated useful lives. Amortization of assets subject to leases is reported as part of depreciation expense.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings and improvements	10 to 40 years
Equipment	3 to 15 years

Donations of property and equipment are reported at fair value as an increase in net assets without donor restrictions unless use of the assets is restricted by the donor. Monetary gifts that must be used to acquire property and equipment are reported as net assets with donor restrictions. The expiration of such restrictions is reported as an increase in net assets without donor restrictions when the donated asset is placed in service.

University Health capitalizes interest costs as a component of construction in progress, based on interest costs of borrowing specifically for the project, net of interest earned on investments acquired with the proceeds of the borrowing.

Total interest capitalized and incurred by University Health is summarized as follows:

	<u>2024</u>	<u>2023</u>
Interest capitalized	\$ -	\$ 202,330
Interest charged to expense	<u>4,333,562</u>	<u>4,407,862</u>
Total interest incurred	<u>\$ 4,333,562</u>	<u>\$ 4,610,192</u>

***Long-lived Asset Impairment***

University Health evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized for the years ended June 30, 2024 and 2023.

***Interest in Net Assets of University Health Foundation***

University Health Foundation and University Health are financially interrelated organizations. University Health Foundation seeks private support for and holds net assets on behalf of University Health. University Health accounts for its interest in the net assets of University Health Foundation (Interest) in a manner similar to the equity method. Changes in the Interest are included in changes in net assets. Transfers of assets between the University Health Foundation and University Health are recognized as increases or decreases in the Interest.

***Net Assets***

Net assets, revenues, gains and losses are classified based on the existence or absence of donor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. The board has designated, from net assets without donor restrictions, net assets for self-insured losses and for capital acquisitions and other uses.

Net assets with donor restrictions are subject to donor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

**Excess (Deficiency) of Revenues Over Expenses**

The consolidated statements of operations include excess (deficiency) of revenues over expenses. Changes in net assets without donor restrictions that are excluded from excess (deficiency) of revenues over expenses, consistent with industry practice, include defined benefit pension plan unrecognized deferred items and contributions of long-lived assets, including assets acquired using contributions that, by donor restriction, were to be used for the purpose of acquiring such assets.

**Patient Care Service Revenue**

Patient care service revenue is recognized as University Health satisfies performance obligations under its contract with patients. Patient care service revenue is reported at the estimated transaction price or amount that reflects the consideration to which University Health expects to be entitled in exchange for providing patient care. University Health determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured patients in accordance with University Health’s policies and implicit price concessions provided to uninsured patients.

University Health determines its estimates of explicit price concessions which represent adjustments and discounts based on contractual agreements, its discount policies and historical experience by payer groups. University Health determines its estimate of implicit price concessions based on its historical collection experience by classes of patients. The estimated amounts also include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations by third-party payers.

**Charity Care**

University Health provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy. Because University Health does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as patient care service revenue. Gross patient charges are reduced by the amount of charity care provided (see *Note 2*).

**Contributions**

Contributions are provided to University Health either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<i>Conditional gifts, with or without restriction</i>	
Gifts that depend on University Health overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, <i>i.e.</i> , the donor-imposed barrier is met
<i>Unconditional gifts, with or without restriction</i>	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

Nature of the Gift	Value Recognized
<i>Unconditional gifts, with or without restriction</i> Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

When a donor or grantor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of operations as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions. Conditional contributions having donor stipulations which are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

**Self-Insurance**

University Health is self-insured with respect to medical and other professional liability, general liability, workers’ compensation claims and employee health insurance. The Truman Medical Center Professional and General Liability Self-Insurance Trust (Self-Insurance Trust), a separate legal entity, covers University Health for medical malpractice. It also covers University Health for general liability. Effective February 1, 2023, University Health has purchased excess commercial insurance coverage for professional and general liability.

Estimated losses for both professional and general liability have been actuarially estimated and accrued on a discounted basis. This estimate and the estimates of workers’ compensation and employee health benefits liabilities are based on pending claims, University Health’s historical claims experience and the experience of similar hospitals. Malpractice and general liability losses have been accrued at a discount rate of 5.50% for both 2024 and 2023.

University Health and UHP are the participants of the Self-Insurance Trust. The trust agreement defines each organization’s responsibilities for participating in the program and defines the method in which funding contributions will be determined for the participants. Estimated losses are determined by an actuary.

University Health is a defendant in a number of malpractice and workers’ compensation lawsuits seeking damages. Management believes that the provision for malpractice, general liability and workers’ compensation losses is adequate to cover losses incurred to date, but the provisions are based on estimates and, therefore, the ultimate liability may be less or more than anticipated.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

Activity in University Health's accrued professional and general liability and workers' compensation claims liability during 2024 and 2023 is summarized as follows:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 21,437,843	\$ 20,860,507
Current year claims incurred and changes in estimates for claims incurred in prior years	8,862,722	5,731,628
Claims and expenses paid	<u>(6,780,025)</u>	<u>(5,154,292)</u>
Balance, end of year	<u>\$ 23,520,540</u>	<u>\$ 21,437,843</u>

***Debt Issuance Costs***

Debt issuance costs represent costs incurred in connection with the issuance of long-term debt. Such costs are amortized over the term of the related indebtedness using the straight-line method.

***Income Tax Status***

University Health, Self-Insurance Trust, Finance Support Corporation and UHP are not-for-profit organizations within the meaning of Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law and are exempt from income taxes. However, University Health, Self-Insurance Trust, Finance Support Corporation and UHP are subject to federal income tax on any unrelated business taxable income. There was minimal unrelated business taxable income for the years ended June 30, 2024 and 2023.

***Reclassifications***

Certain reclassifications have been made to the 2023 consolidated financial statements to conform to the 2024 consolidated financial statement presentation. These reclassifications had no effect on the change in net assets.

**Note 2. Patient Care Service Revenue and Patient Accounts Receivable**

Patient care service revenue is reported at the amount that reflects the consideration to which University Health expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payers (including health insurers and government programs) and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, University Health bills the patients and third-party payers several days after the services are performed or the patient is discharged from the facility, and patient accounts receivable are due in full when billed. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by University Health. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected charges. University Health believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in University Health receiving inpatient acute care services or patients receiving services in its outpatient centers or in their homes (home care).

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

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University Health measures the performance obligation from inpatient admission, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to its patients and customers in a retail setting, e.g., pharmaceuticals and medical equipment, and University Health does not believe it is required to provide additional goods related to the patient.

Because all of its performance obligations relate to contracts with a duration of less than one year, University Health has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

University Health determines the transaction price based on standard charges for goods and services provided, reduced by explicit price concessions which consist of contractual adjustments provided to third-party payers, discounts provided to uninsured patients in accordance with University Health's policy and implicit price concessions provided to uninsured patients. University Health determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies and historical experience. University Health determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

University Health has agreements with third-party payers that provide for payments to University Health at amounts different from its established rates. These payment arrangements include:

- **Medicare.** Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Inpatient non-acute services, outpatient services and defined medical education costs related to Medicare beneficiaries are paid based on a combination of fee schedules and the outpatient prospective payment system. University Health is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by University Health and audits thereof by the Medicare Administrative Contractor.
- **Medicaid.** Inpatient services rendered to Medicaid program beneficiaries are reimbursed based upon a prospectively determined per diem rate. Outpatient services are reimbursed based upon fee schedule and the defined allowable cost. University Health is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by University Health and audits thereof by the Medicaid program.

University Health receives reimbursement from the State of Missouri through Missouri Healthnet (Missouri Medicaid) in relation to the Medicaid and indigent population they serve. Funding received in excess of costs (as defined by Medicaid regulations) to provide these services may be refunded to the State of Missouri. At June 30, 2024 and 2023, University Health has recorded a liability of approximately \$13,117,000 and \$9,483,000, respectively, included as a component of long-term estimated amounts due to third-party payers in the consolidated balance sheets. Changes in the liability are recorded in the Medicaid enhancements on the consolidated statements of operations, for the estimated portion of funding received in excess of costs (as defined by Medicaid regulations) in the respective year. It is reasonably possible that circumstances related to the state's Medicaid program could change materially in the near term.

University Health is recognized as a nominal-charge provider under the Medicare and Medicaid programs as University Health's charges are lower than other facilities in relation to costs and services provided to patients regardless of their ability to pay. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

University Health has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to University Health under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Settlements with third-party payers for retroactive adjustments due to cost report or other audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payer, correspondence from the payer and University Health's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known based on newly available information or as years are settled or are no longer subject to such audits, reviews and investigations. Adjustments arising from a change in the transaction price were not significant in 2024 and 2023.

From time to time, University Health will receive overpayments of patient balances from third-party payers or patients resulting in amounts owed back to either the patients or third-party payers. These amounts are excluded from revenues and are recorded as liabilities until they are refunded.

Generally, patients who are covered by third-party payers are responsible for related deductibles and coinsurance, which vary in amount. University Health also provides services to uninsured patients and offers those uninsured patients a discount, either by policy or law, from standard charges. University Health estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts and implicit price concessions based on historical collection experience. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient care service revenue in the period of the change. For the years ended June 30, 2024 and 2023, no significant additional revenues were recognized due to changes in its estimates of implicit price concessions, discounts and contractual adjustments for performance obligations satisfied in prior years. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense.

University Health has determined the nature, amount, timing and uncertainty of revenue and cash flows are affected by the following factors: payers and service line.

The composition of patient care service revenue by primary payer for the years ended June 30, 2024 and 2023 were:

	<b>2024</b>	<b>2023</b>
Medicare	\$ 147,296,859	\$ 137,119,241
Medicaid	378,255,427	354,351,985
Other third-party payers	130,993,169	106,962,375
Self-pay	5,772,277	8,221,280
Total	<u>\$ 662,317,732</u>	<u>\$ 606,654,881</u>

Revenue from patients' deductibles and coinsurance are included in the categories presented above based on the primary payer for 2024 and 2023.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

The composition of patient care service revenue by lines of business for the years ended June 30, 2024 and 2023 is as follows:

	<b>June 30, 2024</b>		
	<b>Hospital Services</b>	<b>Physician Practices</b>	<b>Total</b>
Medicare	\$ 124,204,422	\$ 23,092,437	\$ 147,296,859
Medicaid	291,647,465	86,607,962	378,255,427
Other third-party payers	97,125,707	33,867,462	130,993,169
Self-pay	3,905,060	1,867,217	5,772,277
Total	<u>\$ 516,882,654</u>	<u>\$ 145,435,078</u>	<u>\$ 662,317,732</u>

	<b>June 30, 2023</b>		
	<b>Hospital Services</b>	<b>Physician Practices</b>	<b>Total</b>
Medicare	\$ 109,517,110	\$ 27,602,131	\$ 137,119,241
Medicaid	286,745,868	67,606,117	354,351,985
Other third-party payers	82,892,420	24,069,955	106,962,375
Self-pay	3,553,850	4,667,430	8,221,280
Total	<u>\$ 482,709,248</u>	<u>\$ 123,945,633</u>	<u>\$ 606,654,881</u>

The timing of revenue recognition for patient care service revenue for hospital services and physician practice services were transferred over time during 2024 and 2023.

Consistent with University Health's mission, care is provided to patients regardless of their ability to pay. Therefore, University Health has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances, such as copays and deductibles. The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts University Health expects to collect based on its collection history with those patients. For the years ended June 30, 2024 and 2023, implicit price concessions were approximately \$47,034,000 and \$42,670,000, respectively.

University Health provides charity care and financial assistance discounts for medically necessary health care services provided to persons who meet University Health's policy. The policy provides a percentage discount to the patient that decreases at gradually higher income levels or higher levels of household net assets. The benchmark upon which the income level is compared is the annually updated Federal Poverty Income Guideline. Patients who are already receiving benefits from certain identified government programs qualify for presumptive eligibility.

Accounts that are classified by University Health as charity care are not reported as revenue. The availability of charity care is widely communicated to all patients, and patients are notified prior to receiving services if their treatment does not fall within the guidelines of the policy. Amounts charged for care that is provided to individuals eligible for charity care may not be more than the amounts generally billed to individuals who have insurance covering such care.



**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

University Health calculates the cost of charity care consistent with American Hospital Association and Missouri Hospital Association guidelines. The cost of charity care is calculated by applying hospital specific cost-to-charge ratio to total charity care deductions from gross revenue. The hospital specific cost-to-charge ratio is determined by dividing operating expenses into the sum of gross patient charges and other operating revenues. The amount of charity care provided at cost was approximately \$38,830,000 and \$35,290,000 for the years ended June 30, 2024 and 2023, respectively.

***Financing Component***

University Health has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payers for the effects of a significant financing component due to University Health's expectation that the period between the time the service is provided to a patient and the time the patient or a third-party payer pays for that service will be one year or less.

However, University Health does, in certain instances, enter into payment agreements with patients that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

***Contract Costs***

University Health has applied the practical expedient provided by FASB ASC 340-40-25-4 and all incremental customer contract acquisition costs are expensed as they are incurred, as the amortization period of the asset that University Health otherwise would have recognized is one year or less in duration.

***Accounts Receivable – Concentration of Credit Risk***

University Health's facilities are located in Jackson County, Missouri. They grant credit without collateral to their patients, most of whom are area residents and are insured under third-party payer agreements. The mix of net patient accounts receivable at June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Medicaid	16%	15%
Medicare	21%	22%
Other third-party payers	59%	57%
Uninsured patients	<u>4%</u>	<u>6%</u>
	<u>100%</u>	<u>100%</u>

**Note 3. COVID-19 Pandemic & Related Funding**

On March 11, 2020, the World Health Organization designated the SARS-CoV-2 virus and the incidence of COVID-19 as a global pandemic. Patient volumes and the related revenues of University Health were significantly affected by COVID-19 as various policies were implemented by federal, state and local governments in response to the pandemic that led many people to remain at home and forced the closure of or limitations on certain businesses, as well as suspended elective procedures by health care facilities.

Effective May 2023, the World Health Organization determined that COVID-19 is an established and ongoing health issue which no longer constitutes a public health emergency of international concern.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

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***Provider Relief Fund***

During the years ended June 30, 2024 and 2023, University Health received approximately \$0 and \$12,790,000, respectively, in general and targeted Provider Relief Fund distributions, both as provided for under the *Coronavirus Aid, Relief, and Economic Security* ("CARES") Act. As provided in the CARES Act, the Provider Relief Fund distributions are not subject to repayment, provided University Health is able to attest to and comply with the terms and conditions, including demonstrating that the distributions received have been used for qualifying expenses or lost revenue attributable to the preparation, prevention or treatment of the coronavirus as defined by the Department of Health and Human Services (HHS).

University Health is accounting for such payments as conditional contributions. Payments are recognized as contribution revenue on a systematic and rational basis once there is reasonable assurance, *i.e.*, it is probable, that the applicable terms and conditions required to retain the funds have been met. Based on an analysis of the compliance and reporting requirements of the Provider Relief Fund and the effect of the pandemic on University Health's operating results, University Health recognized approximately \$0 and \$12,790,000 related to the Provider Relief Fund for the years ended June 30, 2024 and 2023, respectively, and these payments are recorded as "Other – Provider Relief Funds" in the accompanying consolidated statements of operations.

Clarifying guidance on the terms and conditions have been provided by HHS and may change in the future. As a result, the amounts recorded in the consolidated financial statements compared to University Health's Provider Relief Fund reporting could differ. This difference cannot be currently estimated but could be material.

University Health will continue to monitor compliance with the terms and conditions of the Provider Relief Fund and the effect of the pandemic on University Health's revenues and expenses. The terms and conditions governing the Provider Relief Funds are complex and subject to interpretation and change. If University Health is unable to attest to or comply with current or future terms and conditions, University Health's ability to retain some or all of the distributions received may be affected. The Provider Relief Funds are subject to government oversight, including potential audits.

***Federal Emergency Management Agency (FEMA) Public Assistance Grants***

During the year ended June 30, 2022, University Health was obligated and recognized revenue of approximately \$18,878,000 of funding to reimburse for eligible costs under the Federal Emergency Management Agency's (FEMA) COVID-19 Public Assistance Program. As of June 30, 2023, approximately \$6,578,000 of the obligated amounts related to this claim had not yet been received by University Health and are included as a component of other receivables on the consolidated balance sheets. These amounts were received during 2024. During the year ended June 30, 2023, University Health was obligated approximately \$1,382,000 of funding for an additional claim to reimburse for eligible cost under the FEMA COVID-19 Public Assistance Program. As of June 30, 2023, the obligated amount for this claim had not yet been received by University Health and are included as a component of other receivables on the consolidated balance sheet. University Health recognized approximately \$1,382,000 related to the FEMA funds for the year ended June 30, 2023, and these funds are recorded as "Other – FEMA Funds" in the accompanying consolidated statement of operations. In July 2023, University Health received payment on this FEMA claim. During the year ended June 30, 2024, University Health was obligated approximately \$14,225,000 of funding for an additional claim to reimburse for eligible cost under the FEMA COVID-19 Public Assistance Program. University Health received the payment related to this claim in January 2024 and May 2024, and these funds are recorded as "Other – FEMA Funds" in the accompanying consolidated statement of operations.

These obligations from FEMA were received based on project applications for reimbursement of eligible COVID-19 costs and are not expected to be subject to repayment, provided University Health is able to comply with the terms and conditions of the funding, including demonstrating that the amounts received do not duplicate assistance received by any other parties.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

University Health will continue to monitor compliance with the terms and conditions of the FEMA payments, and the effect of the pandemic on University Health's expenses. The terms and conditions governing FEMA payments are complex and subject to interpretation and change. If University Health is unable to attest to or comply with current or future terms and conditions, University Health's ability to retain some or all of the distributions received may be impacted. Additionally, FEMA payments are subject to government oversight, including potential audits.

#### **Note 4. Property and Equipment**

A summary of property and equipment at June 30 is as follows:

	<b>2024</b>	<b>2023</b>
Land	\$ 4,096,100	\$ 5,384,359
Buildings and improvements	484,021,422	477,743,934
Equipment	256,544,002	256,233,476
	<u>744,661,524</u>	<u>739,361,769</u>
Less accumulated depreciation	489,803,153	471,813,786
	<u>254,858,371</u>	<u>267,547,983</u>
Construction in progress	17,279,198	5,184,259
	<u><u>\$ 272,137,569</u></u>	<u><u>\$ 272,732,242</u></u>

At June 30, 2024 and 2023, University Health had commitments outstanding for capital expenditures under construction contracts for approximately \$4,389,000 and \$9,748,000, respectively. These projects include various capital projects.

#### **Note 5. Investments**

##### ***Investment Summary***

Short-term investments include the following:

	<b>2024</b>	<b>2023</b>
Money market mutual funds	\$ 739,469	\$ 321,564
Corporate bonds	4,008,019	4,462,336
Equity mutual funds	1,617,923	872,768
Fixed income mutual funds	1,220,368	-
	<u>7,585,779</u>	<u>5,656,668</u>
	<u><u>\$ 7,585,779</u></u>	<u><u>\$ 5,656,668</u></u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

Assets limited as to use include the following:

	<b>2024</b>			<b>2023</b>		
	<b>Total</b>	<b>Funds Required for Current Liabilities</b>	<b>Long-term Portion</b>	<b>Total</b>	<b>Funds Required for Current Liabilities</b>	<b>Long-term Portion</b>
<b>Designated for Self-Insured Losses</b>						
Cash and cash equivalents						
Morgan Stanley Instl Liq Govt	\$ 5,744,865	\$ -	\$ 5,744,865	\$ 2,415,701	\$ 2,415,701	\$ -
Other cash and cash equivalents	5,303	-	5,303	2,871	2,871	-
Fixed income mutual funds						
SEI Core Fixed Income Fund	6,392,649	4,865,405	1,527,244	6,691,459	3,035,705	3,655,754
Other fixed income mutual funds	3,851,015	2,930,983	920,032	4,069,009	1,845,981	2,223,028
Equity mutual funds						
SEI SIIT World Equity EX-US Fund	3,406,978	-	3,406,978	3,708,508	-	3,708,508
Other equity mutual funds	4,620,503	-	4,620,503	5,046,160	-	5,046,160
	<u>24,021,313</u>	<u>7,796,388</u>	<u>16,224,925</u>	<u>21,933,708</u>	<u>7,300,258</u>	<u>14,633,450</u>
<b>Designated for Capital Acquisitions and Other Uses</b>						
Cash and cash equivalents	9,607,089	-	9,607,089	6,671,736	-	6,671,736
Fixed income mutual funds	1,391,718	-	1,391,718	2,104,327	-	2,104,327
Equity mutual funds	5,134,087	-	5,134,087	4,261,519	-	4,261,519
	<u>16,132,894</u>	<u>-</u>	<u>16,132,894</u>	<u>13,037,582</u>	<u>-</u>	<u>13,037,582</u>
<b>Interest in Net Assets of University Health Foundation</b>	<u>14,130,575</u>	<u>-</u>	<u>14,130,575</u>	<u>13,006,525</u>	<u>-</u>	<u>13,006,525</u>
<b>Externally Restricted by Donors</b>						
Cash and cash equivalents	965,384	-	965,384	1,025,144	-	1,025,144
	<u>\$ 55,250,166</u>	<u>\$ 7,796,388</u>	<u>\$ 47,453,778</u>	<u>\$ 49,002,959</u>	<u>\$ 7,300,258</u>	<u>\$ 41,702,701</u>

**Investment Return**

Total investment return is comprised of the following:

	<b>2024</b>	<b>2023</b>
Interest and dividend income	\$ 2,531,637	\$ 1,843,867
Realized loss on sales of securities, net	(157,791)	(355,269)
Unrealized gain on trading securities	1,589,165	868,774
	<u>\$ 3,963,011</u>	<u>\$ 2,357,372</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

**Note 6. Net Assets With Donor Restrictions**

Net assets with donor restrictions at June 30, 2024 and 2023 are available for the following purposes:

	<u>2024</u>	<u>2023</u>
Health care services, research and education	\$ 965,384	\$ 1,025,144
Interest in the net assets of University Health Foundation (see <i>Note 10</i> )	11,039,380	9,915,330
Investments to be held in perpetuity at University Health Foundation; the income is primarily restricted for the purpose of funding department chairman positions at The University of Missouri-Kansas City School of Medicine. (University Health is the teaching facility for the UMKC School of Medicine.)	<u>3,091,195</u>	<u>3,091,195</u>
	<u>\$ 15,095,959</u>	<u>\$ 14,031,669</u>

During 2024 and 2023, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes of health care services, research and education amounting to approximately \$156,000 and \$493,000, respectively.

**Note 7. Conditional Grants and Contributions**

University Health has received the following conditional promises to give at June 30, 2024 and 2023 that are not recognized in the consolidated financial statements:

	<u>2024</u>	<u>2023</u>
Conditional promises to give upon incurring qualifying expenses subject to the Uniform Guidance (UG) regulations	\$ 8,098,011	\$ 8,639,548
Conditional promises to give upon incurring certain expenses related to providing patient care and treatment to individuals meeting specific income and residency requirements	<u>23,113,200</u>	<u>22,220,000</u>
	<u>\$ 31,211,211</u>	<u>\$ 30,859,548</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

**Note 8. Long-term Debt**

	<b>2024</b>	<b>2023</b>
Special Obligation Refunding Bonds (A)	\$ 9,422,160	\$ 11,563,145
Health Facilities Refunding and Improvement Revenue Notes (B)	58,015,000	60,065,000
Special Obligation Refunding Bonds (C)	6,815,000	8,320,000
Note payable (D)	14,770,000	14,770,000
Direct Loan (E)	4,552,743	4,279,204
Finance lease obligations (F)	1,780,416	2,364,747
	<u>95,355,319</u>	<u>101,362,096</u>
Plus unamortized premium	1,265,869	1,636,435
	<u>96,621,188</u>	<u>102,998,531</u>
Less unamortized debt issuance costs	896,605	991,854
Less current maturities	<u>7,052,346</u>	<u>7,127,211</u>
	<u><u>\$ 88,672,237</u></u>	<u><u>\$ 94,879,466</u></u>

(A) Special Obligation Refunding Bonds issued by the Jackson County, Missouri, Public Building Corporation, Series 2012, \$21,286,595 maturing serially in various amounts through 2027; semiannual interest payments at rates ranging from 2.625% to 4.5% collateralized by revenues of the County. Unamortized debt issuance costs were approximately \$100,000 and \$131,000 at June 30, 2024 and 2023, respectively.

(B) Health Facilities Refunding and Improvement Revenue Notes issued by the Health and Educational Facilities Authority of the State of Missouri, Series 2017, \$69,370,000 maturing serially in various amounts through 2043; payable monthly of principal including interest at rates ranging from 3.25% to 4.6%, collateralized by a mortgage on the property where the medical office building and University Health parking structure are located. Unamortized debt issuance costs were approximately \$344,000 and \$362,000 at June 30, 2024 and 2023, respectively. As part of the agreement, University Health is required to meet certain covenants. University Health was in compliance with these covenants during 2024 and 2023.

(C) Special Obligation Refunding Bonds issued by the Jackson County, Missouri, Series 2021A in the amount of \$9,760,000, maturing serially in various amounts through December 2027; semiannual interest payments at a rate of 5% collateralized by revenues of the County. Unamortized debt issuances costs were approximately \$104,000 and \$136,000 at June 30, 2024 and 2023, respectively.

(D) Note payable issued as new market tax credits with a bank and other lenders, contractually due December 2049; annual interest payments due at 4.3%; annual principal and interest payments ranging from approximately \$77,000 to \$303,000 beginning in 2026 after the compliance period. Unamortized debt issuance costs were approximately \$349,000 and \$363,000 at June 30, 2024 and 2023, respectively.

(E) In association with the note payable described in "D" above, entered into with a bank in September 2021 in the amount of \$2,684,530, an additional amount of \$1,922,887 in 2022 and an additional amount of \$772,582 in 2023; quarterly interest payments at a rate of 5%; principal and interest payments beginning in September 2022 through 2033.

(F) Finance leases at varying rates of interest from 1.9% to 6.1%, due through October 2030; collateralized by buildings and equipment.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

Aggregate annual maturities of the existing long-term debt and payments on finance lease obligations at June 30, 2024 are as follows:

<b>Year Ending June 30,</b>	<b>Long-term Debt</b>	<b>Finance Lease Obligations</b>
2025	\$ 6,433,145	\$ 698,638
2026	24,985,468	248,101
2027	6,392,060	250,830
2028	6,644,230	253,589
2029	2,440,000	256,378
Thereafter	46,680,000	345,912
	<u>\$ 93,574,903</u>	2,053,448
Less amount representing interest		273,032
Present value of future minimum lease payments		1,780,416
Less current maturities		619,201
Noncurrent portion		<u>\$ 1,161,215</u>

Property and equipment include the following property under finance leases:

	<b>2024</b>	<b>2023</b>
Equipment	\$ 8,980,988	\$ 8,269,624
Less accumulated depreciation	5,955,473	4,838,022
	<u>\$ 3,025,515</u>	<u>\$ 3,431,602</u>

***Line of Credit***

University Health obtained a \$10,000,000 revolving bank line of credit in April 2024. The line of credit was unused as of June 30, 2024 and has a termination date of April 2025.

**Note 9. Leases**

***Accounting Policies***

University Health determines if an arrangement is a lease or contains a lease at inception. Leases result in the recognition of ROU assets and lease liabilities on the consolidated balance sheets. Right-of-use (ROU) assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. University Health determines lease classification as operating or finance at the lease commencement date.

University Health has elected not to combine lease and nonlease components, such as common area and other maintenance costs, in calculating the ROU assets and lease liabilities for all its real estate and equipment operating leases.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. University Health uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, University Health uses its incremental borrowing rate based on the information available at the commencement date to determine the present value of lease payments. Incremental borrowing rates used to determine the present value of lease payments were derived by reference to University Health's current borrowing rates for similar terms at local financial institutions at the lease commencement date.

The lease term may include options to extend or to terminate the lease that University Health is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

University Health has elected not to record leases with an initial term of 12 months or less on the consolidated balance sheets. Lease expense on such leases is recognized on a straight-line basis over the lease term.

***Nature of Leases***

University Health has entered into the following lease arrangements:

***Financing Leases***

These leases mainly consist of equipment. Termination of the leases generally are prohibited unless there is a violation under the lease agreement.

***Operating Leases***

University Health leases certain equipment and building space that expires in various years through 2043. Termination of the leases generally are prohibited unless there is a violation under the lease agreement.

***All Leases***

University Health has no material related-party leases.

University Health's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

***Quantitative Disclosures***

The lease cost and other required information for the years ended June 30, 2024 and 2023, are:

	<u>2024</u>	<u>2023</u>
Lease cost		
Finance lease cost		
Amortization of right-of-use asset	\$ 1,117,451	\$ 1,086,165
Interest on lease liabilities	121,665	143,060
Operating lease cost	7,901,088	7,528,737
Short-term and variable lease cost	<u>2,058,549</u>	<u>2,685,369</u>
Total lease cost	<u>\$ 11,198,753</u>	<u>\$ 11,443,331</u>



**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
Other information		
Cash paid for amounts included in the measurement of lease liability		
Operating cash flows from operating leases	\$ 7,679,248	\$ 6,981,040
Right-of-use assets obtained in exchange for new finance lease liabilities	711,364	-
Right-of-use assets obtained in exchange for new operating lease liabilities	6,605,322	6,121,091
Weighted-average remaining lease term		
Financing leases	2.40 years	3.24 years
Operating leases	6.85 years	7.66 years
Weighted-average discount rate		
Financing leases	5.32%	4.95%
Operating leases	3.57%	2.82%

Right-of-use assets – finance leases are included in property and equipment on the consolidated balance sheets at June 30, 2024 and 2023. Finance lease liabilities are included in long-term debt on the consolidated balance sheets at June 30, 2024 and 2023. Future minimum lease payments at June 30, 2024, are as follows:

	<b>Finance Leases</b>	<b>Operating Leases</b>
2025	\$ 698,638	\$ 7,428,669
2026	248,101	5,520,225
2027	250,830	5,031,855
2028	253,589	4,936,210
2029	256,378	3,987,426
Thereafter	345,912	9,666,499
Total future undiscounted lease payments	2,053,448	36,570,884
Less interest	(273,032)	(5,283,130)
Lease liabilities	<u>\$ 1,780,416</u>	<u>\$ 31,287,754</u>

## **Note 10. Related-Party Transactions**

### ***University Health Foundation***

University Health receives contributions from University Health Foundation. University Health Foundation is authorized by University Health to solicit contributions on its behalf. In the absence of donor restrictions, University Health Foundation has discretionary control over the amounts to be distributed, the timing of distributions and the purposes for which funds are to be used. University Health received approximately \$3,794,000 and \$4,269,000 of contributions from University Health Foundation during the years ended June 30, 2024 and 2023, respectively.

## **Note 11. Pension Plans**

### ***Defined Contribution Plans***

University Health has a defined contribution pension plan covering substantially all employees. The plan allows for employee contributions, subject to certain IRS contribution limits, including after-tax Roth contributions. University Health matches 50% of the employee contributions up to 8% of compensation. The plan automatically defers 3% of eligible compensation unless the employee makes an affirmative election otherwise. Additionally, the automatic deferral percentage of eligible salary will be increased to 4% after a stated period of time. Expense under this plan was approximately \$8,770,000 and \$7,572,000 for 2024 and 2023, respectively.

University Health also has a defined contribution retirement plan covering substantially all UHP physicians. The plan allows for employee contributions, subject to certain IRS contribution limits, including after-tax Roth contributions. University Health makes non-elective contributions equal to 100% of the participant's elective contributions for such plan year that do not exceed 2% of the participant's compensation for such plan year, plus 50% of the participant's elective contributions for such plan year that exceed 2%, but do not exceed 6%, of the participant's compensation for such plan year. Expense under this plan was approximately \$5,221,000 and \$4,638,000 for 2024 and 2023, respectively.

### ***Defined Benefit Plan***

University Health has a noncontributory defined benefit pension plan covering all employees who meet the eligibility requirements. The plan was amended and restated on January 1, 2009 to a cash balance pension plan. Plan participants who were age 55 with 15 years of vested services were grandfathered under the prior plan and will continue to earn benefits under that pension plan formula. Certain long-service participants who did not meet the grandfathering thresholds received a one-time transition credit contribution on January 1, 2009. The accrued benefit under the prior plan for non-grandfathered participants on January 1, 2009 was frozen and those plan participants as well as future plan participants will earn benefits under the cash balance pension plan formula.

Effective March 1, 2012, the defined benefit pension plan was amended and restated to freeze benefits for all participants as of February 29, 2012. No accrual for future services will be credited to the participants currently within the plan.

In April 2024, University Health entered into a non-participating annuity contract with a third-party administrator in the amount of \$54,120,000 to reduce the participant balances and overall accumulated benefits of the defined benefit pension plan. Investments of the plan were utilized to make the annuity contract payment. As a result of entering into the annuity contract, University Health recognized pension settlement expense of approximately \$27,154,000 of previously unrecognized net period benefit cost that was recorded within unrestricted net assets. This is recorded as a component of pension settlement expense within nonoperating expense on the consolidated statement of operations.

University Health's funding policy is to make the minimum annual contribution that is required by applicable regulations, plus such amounts as University Health may determine to be appropriate from time to time.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

University Health uses a June 30 measurement date for the plan. Significant balances, costs and assumptions are:

	<b>2024</b>	<b>2023</b>
<b>Change in Benefit Obligation</b>		
Beginning of year	\$ 155,896,326	\$ 166,176,940
Service cost	7,800	9,000
Interest cost	8,021,158	7,718,420
Actuarial gain	(4,144,706)	(7,443,952)
Benefits paid and expenses	(10,636,584)	(10,564,082)
Settlements	(54,120,000)	-
End of year	<u>95,023,994</u>	<u>155,896,326</u>
<b>Change in Fair Value of Plan Assets</b>		
Beginning of year	148,010,999	149,272,479
Actual return on plan assets	10,185,337	7,195,602
Employer contribution	2,066,000	2,107,000
Benefits paid and expenses	(10,636,584)	(10,564,082)
Settlements	(54,120,000)	-
End of year	<u>95,505,752</u>	<u>148,010,999</u>
Accrued pension asset (cost)	<u>\$ 481,758</u>	<u>\$ (7,885,327)</u>
	<b>2024</b>	<b>2023</b>
Weighted-average assumptions used to determine benefit obligations		
Discount rate	5.35%	5.35%
Rate of compensation increase	N/A	N/A
Weighted-average assumptions used to determine net periodic pension costs		
Discount rate	5.35%	4.81%
Expected return on plan assets	7.50%	7.50%
Rate of compensation increase	N/A	N/A

For 2024 and 2023, the Pri-2012 Mortality Table with Mortality Improvement Scale MP-2021 was utilized. The Society of Actuaries did not update the mortality tables in 2024 or 2023 due to impacts of the COVID-19 pandemic.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

The following table presents the components of net periodic pension cost as of June 30, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Interest and service cost	\$ 8,028,958	\$ 7,727,420
Expected return on plan assets	(10,643,464)	(10,774,862)
Amortization of actuarial loss	2,479,417	2,602,518
Net settlement loss	28,651,831	-
	<u>\$ 28,516,742</u>	<u>\$ (444,924)</u>
<b>Assets (Liabilities) Recognized in the Consolidated Balance Sheets</b>		
Noncurrent assets	\$ 481,758	\$ -
Noncurrent liabilities	-	(7,885,327)

The following amounts have been recognized in the consolidated statements of operations for the years ended June 30, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Amounts arising during the period		
Net gain	\$ (3,686,579)	\$ (3,852,916)
Net settlement loss	28,651,831	-
Amounts reclassified as components of net periodic benefit cost of the period		
Net loss	2,479,417	2,602,518

Amounts that have been recognized in unrestricted net assets but not yet recognized as components of net periodic benefit cost consist of:

	<b>2024</b>	<b>2023</b>	<b>Amounts Expected to be Recognized Within One Year</b>
Net loss	\$ 46,133,171	\$ 80,950,998	\$ 1,274,177

The accumulated benefit obligation for the defined benefit pension plan was \$95,023,994 and \$155,896,326 at June 30, 2024 and 2023, respectively.

University Health has estimated the long-term rate of return on plan assets based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

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Plan assets are held by a bank-administered trust fund, which invests the plan assets in accordance with the provisions of the plan agreement. The plan agreement permits investment in common stocks, corporate bonds and debentures, U.S. government securities, certain insurance contracts, real estate and other specified investments, based on certain target allocation percentages. The plan may invest in certain derivative securities, as long as the fair value of such instruments does not exceed 25% of plan assets.

Asset allocation is primarily based on a strategy to provide stable earnings while still permitting the plan to recognize potentially higher returns through investment in equity securities. The target asset allocation percentages for 2024 and 2023 are as follows:

Equity securities	45% - 50%
Fixed income securities	25% - 35%
Alternative investments	15% - 30%

***Defined Benefit Plan Assets***

Following is a description of the valuation methodologies used for pension plan assets measured at fair value on a recurring basis and recognized in the accompanying consolidated balance sheets, as well as the general classification of pension plan assets pursuant to the valuation hierarchy.

Where quoted market prices are available in an active market, plan assets are classified within Level 1 of the valuation hierarchy. Level 1 plan assets include money market and mutual funds. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to yield curves, interest rates, volatility, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified as Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, plan assets are classified within Level 3. There were no Level 2 or Level 3 investments.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

The fair values of University Health's pension plan assets at June 30, 2024 and 2023, by asset category are as follows:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
<b>2024</b>				
Money market funds	\$ 821,063	\$ 821,063	\$ -	\$ -
Mutual funds				
SEI Emerging Markets Equity Fund A	1,471,326	1,471,326	-	-
SEI Extended Market Index Fund A	2,927,414	2,927,414	-	-
SEI Institutional Investment Trust				
S&P 500 Fund	6,773,303	6,773,303	-	-
SEI Institutional Investment Trust				
Large Cap Disciplined Equity Fund	3,754,946	3,754,946	-	-
SEI Institutional Investment Trust				
World Equity Fund	8,693,338	8,693,338	-	-
SEI Institutional Investment Trust				
Core Fixed Income Fund	29,642,076	29,642,076	-	-
SEI Institutional Investment Trust				
High Yield Bond Fund	2,976,069	2,976,069	-	-
SEI Institutional Investment Trust				
Emerging Markets Debt Fund	2,936,838	2,936,838	-	-
SEI Institutional Investment Trust				
Dynamic Asset Allocation Fund	3,771,673	3,771,673	-	-
Private investment funds, at net asset value (A)	31,737,706	-	-	-
	<u>\$ 95,505,752</u>	<u>\$ 63,768,046</u>	<u>\$ -</u>	<u>\$ -</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
Money market funds	\$ 1,254,687	\$ 1,254,687	\$ -	\$ -
Mutual funds				
SEI Emerging Markets Equity Fund A	3,504,956	3,504,956	-	-
SEI Extended Market Index Fund A	5,730,219	5,730,219	-	-
SEI Institutional Investment Trust				
S&P 500 Fund	10,039,850	10,039,850	-	-
SEI Institutional Investment Trust				
Large Cap Disciplined Equity Fund	5,005,068	5,005,068	-	-
SEI Institutional Investment Trust				
World Equity Fund	21,035,997	21,035,997	-	-
SEI Institutional Investment Trust				
Core Fixed Income Fund	54,605,470	54,605,470	-	-
SEI Institutional Investment Trust				
High Yield Bond Fund	5,525,470	5,525,470	-	-
SEI Institutional Investment Trust				
Emerging Markets Debt Fund	5,549,873	5,549,873	-	-
SEI Institutional Investment Trust				
Dynamic Asset Allocation Fund	7,137,279	7,137,279	-	-
Private investment funds, at net asset value (A)	28,622,130	-	-	-
	<u>\$ 148,010,999</u>	<u>\$ 119,388,869</u>	<u>\$ -</u>	<u>\$ -</u>

(A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the change in fair value of plan assets above.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of June 30, 2024:

2025	\$ 6,410,451
2026	5,821,063
2027	6,205,081
2028	6,446,404
2029	6,872,154
2030-2034	34,261,649

## Note 12. Medicaid Enhancements

Medicaid enhancements represent supplemental funding received from Missouri's Medicaid program. These amounts include payments to reimburse University Health for Medicaid costs not reimbursed through patient revenue as well as reimbursements for Medicaid's portion of the University Health's Graduate Medical Education cost. The Medicaid enhancements revenue reported in the consolidated statements of operations was approximately \$105,481,000 and \$102,622,000 in fiscal years 2024 and 2023, respectively. The amount for June 30, 2024 includes a decrease in revenue of approximately \$3,634,000 and the amount for June 30, 2023 includes an increase in revenue of approximately \$5,056,000 due to changes in estimates. Both amounts are a result of changes in the liability for the estimated funding received in excess of costs (as defined by Medicaid regulations) related to the indigent population (see Note 2).

## Note 13. Functional Expenses

University Health provides general health care services to residents within its geographic location. The following schedule presents the natural classification of expense by function for the years ended June 30, 2024 and 2023, as follows:

	Health Care Services	General and Administrative	Total
<b>June 30, 2024</b>			
Salaries and wages	\$ 404,950,600	\$ 55,220,536	\$ 460,171,136
Employee benefits	84,701,852	11,550,253	96,252,105
Purchased services and professional fees	127,252,087	15,727,786	142,979,873
Depreciation and amortization	24,128,902	3,290,305	27,419,207
Interest	3,856,870	476,692	4,333,562
Supplies and other	154,500,681	19,095,590	173,596,271
Federal reimbursement allowance	24,264,578	-	24,264,578
	<u>\$ 823,655,570</u>	<u>\$ 105,361,162</u>	<u>\$ 929,016,732</u>
<b>June 30, 2023</b>			
Salaries and wages	\$ 348,112,316	\$ 47,469,861	\$ 395,582,177
Employee benefits	74,181,898	10,115,713	84,297,611
Purchased services and professional fees	157,958,356	19,522,943	177,481,299
Depreciation and amortization	23,259,841	3,171,796	26,431,637
Interest	3,922,997	484,865	4,407,862
Supplies and other	125,713,776	15,537,658	141,251,434
Federal reimbursement allowance	24,921,506	-	24,921,506
	<u>\$ 758,070,690</u>	<u>\$ 96,302,836</u>	<u>\$ 854,373,526</u>



**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

**Note 14. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2024 and 2023, comprise the following:

	<u>2024</u>	<u>2023</u>
Financial assets at year end		
Cash and cash equivalents	\$ 36,784,913	\$ 17,463,658
Short-term investments	7,585,779	5,656,668
Patient accounts receivable	124,081,426	106,104,706
Medicaid incentive receivable	-	6,349,130
Other receivables	14,257,090	18,651,613
Recoverable grant expenditures	3,340,197	2,680,468
Estimated amounts due from third-party payers	10,210,222	7,824,501
Assets limited as to use	55,250,166	49,002,959
Long-term investments	<u>1,116,010</u>	<u>693,472</u>
Total financial assets	<u>252,625,803</u>	<u>214,427,175</u>
Less amounts not available to be used within one year		
Financial assets designated for self-insured losses	(16,224,925)	(14,633,450)
Financial assets designated for capital acquisitions and other	(16,132,894)	(13,037,582)
Financial assets externally restricted by donors	(965,384)	(1,025,144)
Long-term investments	(1,116,010)	(693,472)
Interest in net assets of University Health Foundation	<u>(14,130,575)</u>	<u>(13,006,525)</u>
Financial assets not available to be used within one year	<u>(48,569,788)</u>	<u>(42,396,173)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 204,056,015</u>	<u>\$ 172,031,002</u>

As part of University Health's liquidity management plan, management reviews cash and investment balances regularly and compares those to monthly operational requirements. University Health's board of directors can change the designation of certain assets limited as to use amounts at any time.

University Health also has a revolving line of credit in the amount of \$10,000,000 that is available through April 2025. As of June 30, 2024, University Health had not drawn on the line of credit.

**Note 15. Fair Value of Financial Instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels that may be used to measure fair value:

**Level 1** Quoted prices in active markets for identical assets or liabilities

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

**Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

**Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

***Recurring Measurements***

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying consolidated balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2024 and 2023:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
<b><u>June 30, 2024</u></b>				
Money market mutual funds	\$ 739,469	\$ 739,469	\$ -	\$ -
Equity mutual funds				
SEI SIIT World Equity EX-US Fund	3,406,978	3,406,978	-	-
Other equity mutual funds	11,372,513	11,372,513	-	-
Fixed income mutual funds				
SEI Core Fixed Income Fund	6,392,649	6,392,649	-	-
Other fixed income mutual funds	6,463,101	6,463,101	-	-
Corporate bonds	4,008,019	-	4,008,019	-
Interest in net assets of University Health Foundation	14,130,575	-	14,130,575	-
Other items at cost (A)	16,322,641	-	-	-
Total short-term investments and assets limited as to use	<u>\$ 62,835,945</u>	<u>\$ 28,374,710</u>	<u>\$ 18,138,594</u>	<u>\$ -</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>June 30, 2023</u>	<u>Fair Value</u>			
Money market mutual funds	\$ 321,564	\$ 321,564	\$ -	\$ -
Equity mutual funds				
SEI SIIT World Equity EX-US Fund	3,708,508	3,708,508	-	-
Other equity mutual funds	10,180,447	10,180,447	-	-
Fixed income mutual funds				
SEI Core Fixed Income Fund	6,691,459	6,691,459	-	-
Other fixed income mutual funds	6,173,336	6,173,336	-	-
Corporate bonds	4,462,336	-	4,462,336	-
Interest in net assets of University Health Foundation	13,006,525	-	13,006,525	-
Other items at cost (A)	10,115,452	-	-	-
Total short-term investments and assets limited as to use	<u>\$ 54,659,627</u>	<u>\$ 27,075,314</u>	<u>\$ 17,468,861</u>	<u>\$ -</u>

(A) Other items at cost primarily include cash, cash equivalents and certificates of deposit.

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying consolidated balance sheets, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended June 30, 2024.

### **Investments**

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. There were no Level 3 investments.

## **Note 16. Significant Estimates and Concentrations**

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerability due to certain concentrations. Those matters include the following:

### **Estimates**

Estimates of allowances for adjustments included in patient care service revenue are described in *Note 2*. Estimates related to the accruals for professional liability, general liability, workers' compensation and employee health benefits are described in *Note 1*. Estimates related to pension obligations are described in *Note 11*.

**Truman Medical Center, Incorporated d/b/a University Health**  
**Notes to Consolidated Financial Statements**  
**June 30, 2024 and 2023**

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***City of Kansas City and Jackson County, Missouri Subsidies***

University Health receives operating subsidies from the City of Kansas City, Missouri, and from Jackson County, Missouri, for debt service and indigent patient care and treatment. The subsidies, which aggregated approximately \$36,855,000 and \$36,171,000 for the years ended June 30, 2024 and 2023, respectively, represent approximately 4% and 5% of total revenues, gains and other support without restrictions for 2024 and 2023, respectively.

The County has issued various series of revenue bonds to provide funds for construction of facilities at the Hospital Hill and Lakewood campuses. Amounts for which University Health is responsible for repayment have been reflected in the accompanying consolidated financial statements as debt (see *Note 8*). Other revenue bonds have been issued on which the County provides the debt service. Assets constructed with the proceeds of such bond issues serve as collateral for the obligations.

***University of Missouri***

Under the terms of an agreement with the Curators of the University of Missouri (Kansas City School of Medicine) (the "University"), University Health provides certain educational services to the University's undergraduate medical students. Compensation for such services is presented as reimbursement of expenses, salaries and special services and other operating revenue and aggregated approximately \$7,650,000 and \$6,839,000 for the years ended June 30, 2024 and 2023, respectively.

University Health incurred costs for resident physician services to the University of approximately \$22,652,000 and \$21,827,000 for the years ended June 30, 2024 and 2023, respectively. Approximately \$3,979,000 and \$4,940,000 remained unpaid as of June 30, 2024 and 2023, respectively.

**Note 17. Risks and Uncertainties**

***Litigation***

In the normal course of business, University Health is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by University Health's self-insurance program (discussed elsewhere in these notes) or by commercial insurance; for example, allegations regarding employment practices or performance of contracts. University Health evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of counsel, management records an estimate of the amount of ultimate expected loss, if any, for each potential claim.

***Other Significant Estimates***

As discussed in *Note 1* and *Note 2*, there are other significant estimates included in the consolidated financial statements, which includes third party reimbursement.

## Note 18. Long-term Agreements

During 2015, University Health entered into an agreement to outsource several aspects of the information technology environment, including software support, equipment maintenance and employment of certain employees. The initial term of the agreement is 10 years with an automatic renewal for three additional years. Future payments under the agreement at June 30, 2024, were:

2025	\$ 20,833,332
2026	<u>7,000,000</u>
	<u>\$ 27,833,332</u>

## Note 19. Subsequent Events

Subsequent events have been evaluated through December 23, 2024, which is the date the consolidated financial statements were available to be issued.

## ***Supplementary Information***

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidating Schedule – Balance Sheet Information**  
**June 30, 2024**

	University Health Hospital Hill	University Health Lakewood	University Health Corporate	Eliminations	Total University Health	University Health Physicians	Self- Insurance Trust	Eliminations	Total
<b>ASSETS</b>									
<b>Current Assets</b>									
Cash and cash equivalents	\$ 81,241	\$ 117,928	\$ 31,907,890	\$ -	\$ 32,107,059	\$ 4,677,854	\$ -	\$ -	\$ 36,784,913
Short-term investments	-	-	6,045,525	-	6,045,525	1,540,254	-	-	7,585,779
Patient accounts receivable	84,455,742	26,010,112	-	-	110,465,854	13,615,572	-	-	124,081,426
Other receivables	960,752,233	326,572,957	867,844,724	(2,144,192,440)	10,977,474	193,601,555	5,698,660	(196,020,599)	14,257,090
Recoverable grant expenditures	2,611,711	728,486	-	-	3,340,197	-	-	-	3,340,197
Supplies	5,764,425	1,585,350	-	-	7,349,775	-	-	-	7,349,775
Prepaid expenses and deposits	1,919,971	282,552	8,468,875	-	10,671,398	2,061	-	-	10,673,459
Estimated amounts due from third-party payers	5,411,503	4,798,719	-	-	10,210,222	-	-	-	10,210,222
Assets limited as to use – required for current liabilities	-	-	-	-	-	-	7,796,388	-	7,796,388
Total current assets	1,060,996,826	360,096,104	914,267,014	(2,144,192,440)	191,167,504	213,437,296	13,495,048	(196,020,599)	222,079,249
<b>Assets Limited as to Use</b>									
Designated for self-insured losses	-	-	-	-	-	-	24,021,313	-	24,021,313
Board designated for capital acquisitions and other uses	-	-	6,525,805	-	6,525,805	9,607,089	-	-	16,132,894
Interest in net assets of University Health Foundation	14,130,575	-	-	-	14,130,575	-	-	-	14,130,575
Externally restricted by donors	648,347	317,037	-	-	965,384	-	-	-	965,384
	14,778,922	317,037	6,525,805	-	21,621,764	9,607,089	24,021,313	-	55,250,166
Less amount required to meet current obligations	-	-	-	-	-	-	7,796,388	-	7,796,388
Total assets limited as to use, net	14,778,922	317,037	6,525,805	-	21,621,764	9,607,089	16,224,925	-	47,453,778
<b>Property and Equipment, Net</b>	215,596,731	49,189,028	7,351,810	-	272,137,569	-	-	-	272,137,569
<b>Other Assets</b>									
Operating lease right-of-use assets	25,838,384	4,208,107	119,315	-	30,165,806	-	-	-	30,165,806
Long-term investments	1,116,010	-	-	-	1,116,010	-	-	-	1,116,010
Accrued pension asset	-	-	481,758	-	481,758	-	-	-	481,758
	26,954,394	4,208,107	601,073	-	31,763,574	-	-	-	31,763,574
<b>Total Assets</b>	<u>\$ 1,318,326,873</u>	<u>\$ 413,810,276</u>	<u>\$ 928,745,702</u>	<u>\$ (2,144,192,440)</u>	<u>\$ 516,690,411</u>	<u>\$ 223,044,385</u>	<u>\$ 29,719,973</u>	<u>\$ (196,020,599)</u>	<u>\$ 573,434,170</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidating Schedule – Balance Sheet Information**  
**June 30, 2024**

(Continued)

	University Health Hospital Hill	University Health Lakewood	University Health Corporate	Eliminations	Total University Health	University Health Physicians	Self- Insurance Trust	Eliminations	Total
<b>LIABILITIES AND NET ASSETS</b>									
<b>Current Liabilities</b>									
Current maturities of long-term debt	\$ 4,318,925	\$ 2,733,421	\$ -	\$ -	\$ 7,052,346	\$ -	\$ -	\$ -	\$ 7,052,346
Accounts payable	904,820,272	396,490,180	910,920,565	(2,144,192,440)	68,038,577	182,475,924	6,383,188	(196,020,599)	60,877,090
Accrued payroll and related liabilities	24,275,088	9,526,527	10,368,756	-	44,170,371	17,447,655	105,480	-	61,723,506
Accrued expenses	1,028,083	720,609	79,083	-	1,827,775	4,784,860	7,791,085	-	14,403,720
Estimated amounts due to third-party payers	4,927,477	2,046,480	-	-	6,973,957	-	-	-	6,973,957
Operating lease liability - current	5,518,375	779,601	50,150	-	6,348,126	-	-	-	6,348,126
Other current liabilities	6,580,195	1,259,025	6,862,807	-	14,702,027	-	-	-	14,702,027
Total current liabilities	951,468,415	413,555,843	928,281,361	(2,144,192,440)	149,113,179	204,708,439	14,279,753	(196,020,599)	172,080,772
<b>Long-term Debt</b>	80,639,655	8,032,582	-	-	88,672,237	-	-	-	88,672,237
<b>Operating Lease Liability</b>	21,101,444	3,767,920	70,264	-	24,939,628	-	-	-	24,939,628
<b>Accrued Self-Insured Losses</b>	-	-	-	-	-	-	14,147,789	-	14,147,789
<b>Estimated Amounts Due to Third-Party Payers</b>	28,144,761	17,293,167	-	-	45,437,928	-	-	-	45,437,928
Total liabilities	1,081,354,275	442,649,512	928,351,625	(2,144,192,440)	308,162,972	204,708,439	28,427,542	(196,020,599)	345,278,354
<b>Net Assets (Deficit)</b>									
Without donor restrictions	222,193,676	(29,156,273)	394,077	-	193,431,480	18,335,946	1,292,431	-	213,059,857
With donor restrictions	14,778,922	317,037	-	-	15,095,959	-	-	-	15,095,959
Total net assets (deficit)	236,972,598	(28,839,236)	394,077	-	208,527,439	18,335,946	1,292,431	-	228,155,816
<b>Total Liabilities and Net Assets</b>	<u>\$ 1,318,326,873</u>	<u>\$ 413,810,276</u>	<u>\$ 928,745,702</u>	<u>\$ (2,144,192,440)</u>	<u>\$ 516,690,411</u>	<u>\$ 223,044,385</u>	<u>\$ 29,719,973</u>	<u>\$ (196,020,599)</u>	<u>\$ 573,434,170</u>



**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidating Schedule – Balance Sheet Information**  
**June 30, 2023**

	University Health Hospital Hill	University Health Lakewood	University Health Corporate	Eliminations	Total University Health	University Health Physicians	Self- Insurance Trust	Eliminations	Total
<b>ASSETS</b>									
<b>Current Assets</b>									
Cash and cash equivalents	\$ 260,199	\$ 192,126	\$ 18,401,510	\$ -	\$ 18,853,835	\$ (1,390,177)	\$ -	\$ -	\$ 17,463,658
Short-term investments	-	-	5,656,668	-	5,656,668	-	-	-	5,656,668
Patient accounts receivable	72,413,758	22,543,472	-	-	94,957,230	11,147,476	-	-	106,104,706
Medicaid incentive receivable	5,559,573	789,557	-	-	6,349,130	-	-	-	6,349,130
Other receivables	70,161,209	54,473,423	31,130,820	(138,014,963)	17,750,489	14,569,734	615,387	(14,283,997)	18,651,613
Recoverable grant expenditures	1,242,213	1,438,255	-	-	2,680,468	-	-	-	2,680,468
Supplies	6,447,345	2,221,915	-	-	8,669,260	-	-	-	8,669,260
Prepaid expenses and deposits	1,220,231	304,616	8,739,599	-	10,264,446	-	46,664	-	10,311,110
Estimated amounts due from third-party payers	5,258,141	2,566,360	-	-	7,824,501	-	-	-	7,824,501
Assets limited as to use – required for current liabilities	-	-	-	-	-	-	7,300,258	-	7,300,258
Total current assets	162,562,669	84,529,724	63,928,597	(138,014,963)	173,006,027	24,327,033	7,962,309	(14,283,997)	191,011,372
<b>Assets Limited as to Use</b>									
Designated for self-insured losses	-	-	-	-	-	-	21,933,708	-	21,933,708
Board designated for capital acquisitions and other uses	-	-	4,905,894	-	4,905,894	8,131,688	-	-	13,037,582
Interest in net assets of University Health Foundation	13,006,525	-	-	-	13,006,525	-	-	-	13,006,525
Externally restricted by donors	624,444	400,700	-	-	1,025,144	-	-	-	1,025,144
	13,630,969	400,700	4,905,894	-	18,937,563	8,131,688	21,933,708	-	49,002,959
Less amount required to meet current obligations	-	-	-	-	-	-	7,300,258	-	7,300,258
Total assets limited as to use, net	13,630,969	400,700	4,905,894	-	18,937,563	8,131,688	14,633,450	-	41,702,701
<b>Property and Equipment, Net</b>	<b>218,989,603</b>	<b>47,404,636</b>	<b>6,338,003</b>	<b>-</b>	<b>272,732,242</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>272,732,242</b>
<b>Other Assets</b>									
Operating lease right-of-use assets	26,909,325	4,424,964	240,612	-	31,574,901	-	-	-	31,574,901
Long-term investments	693,472	-	-	-	693,472	-	-	-	693,472
	27,602,797	4,424,964	240,612	-	32,268,373	-	-	-	32,268,373
<b>Total Assets</b>	<b>\$ 422,786,038</b>	<b>\$ 136,760,024</b>	<b>\$ 75,413,106</b>	<b>\$ (138,014,963)</b>	<b>\$ 496,944,205</b>	<b>\$ 32,458,721</b>	<b>\$ 22,595,759</b>	<b>\$ (14,283,997)</b>	<b>\$ 537,714,688</b>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidating Schedule – Balance Sheet Information**  
**June 30, 2023**

(Continued)

	University Health Hospital Hill	University Health Lakewood	University Health Corporate	Eliminations	Total University Health	University Health Physicians	Self- Insurance Trust	Eliminations	Total
<b>LIABILITIES AND NET ASSETS</b>									
<b>Current Liabilities</b>									
Current maturities of long-term debt	\$ 4,703,787	\$ 2,423,424	\$ -	\$ -	\$ 7,127,211	\$ -	\$ -	\$ -	\$ 7,127,211
Accounts payable	27,007,671	111,173,314	55,936,811	(138,014,963)	56,102,833	1,599,261	947,938	(14,283,997)	44,366,035
Accrued payroll and related liabilities	24,569,723	9,858,550	4,801,977	-	39,230,250	12,643,670	110,960	-	51,984,880
Accrued expenses	2,231,293	613,455	79,083	-	2,923,831	2,342,308	7,300,258	-	12,566,397
Estimated amounts due to third-party payers	3,485,030	5,655,067	-	-	9,140,097	-	-	-	9,140,097
Operating lease liability - current	5,190,718	641,256	78,839	-	5,910,813	-	-	-	5,910,813
Other current liabilities	7,296,047	808,278	6,076,600	-	14,180,925	-	-	-	14,180,925
Total current liabilities	74,484,269	131,173,344	66,973,310	(138,014,963)	134,615,960	16,585,239	8,359,156	(14,283,997)	145,276,358
<b>Long-term Debt</b>	84,379,601	10,499,865	-	-	94,879,466	-	-	-	94,879,466
<b>Operating Lease Liability</b>	22,403,544	3,886,931	160,392	-	26,450,867	-	-	-	26,450,867
<b>Accrued Self-Insured Losses</b>	-	-	-	-	-	-	12,555,919	-	12,555,919
<b>Estimated Amounts Due to Third-Party Payers</b>	31,472,238	12,639,647	-	-	44,111,885	-	-	-	44,111,885
<b>Accrued Pension Cost</b>	-	-	7,885,327	-	7,885,327	-	-	-	7,885,327
Total liabilities	212,739,652	158,199,787	75,019,029	(138,014,963)	307,943,505	16,585,239	20,915,075	(14,283,997)	331,159,822
<b>Net Assets (Deficit)</b>									
Without donor restrictions	196,415,417	(21,840,463)	394,077	-	174,969,031	15,873,482	1,680,684	-	192,523,197
With donor restrictions	13,630,969	400,700	-	-	14,031,669	-	-	-	14,031,669
Total net assets (deficit)	210,046,386	(21,439,763)	394,077	-	189,000,700	15,873,482	1,680,684	-	206,554,866
<b>Total Liabilities and Net Assets</b>	<u>\$ 422,786,038</u>	<u>\$ 136,760,024</u>	<u>\$ 75,413,106</u>	<u>\$ (138,014,963)</u>	<u>\$ 496,944,205</u>	<u>\$ 32,458,721</u>	<u>\$ 22,595,759</u>	<u>\$ (14,283,997)</u>	<u>\$ 537,714,688</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidating Schedule – Statement of Operations Information**  
**Year Ended June 30, 2024**

	University Health Hospital Hill	University Health Lakewood	University Health Corporate	Eliminations	Total University Health	University Health Physicians	Self- Insurance Trust	Eliminations	Total
<b>Revenues, Gains and Other Support Without Donor Restrictions</b>									
Patient care service revenue	\$ 414,303,978	\$ 154,583,972	\$ -	\$ -	\$ 568,887,950	\$ 93,429,782	\$ -	\$ -	\$ 662,317,732
Subsidies from Kansas City and Jackson County, Missouri	27,106,640	9,748,257	-	-	36,854,897	-	-	-	36,854,897
Medicaid enhancements	79,191,412	26,289,994	-	-	105,481,406	-	-	-	105,481,406
Reimbursement of expenses									
Salaries and special services	932,961	5,770	1,157,118	-	2,095,849	-	-	-	2,095,849
Grant expenditures	10,212,867	5,205,627	2,161,624	-	17,580,118	-	-	-	17,580,118
Other	140,748,492	29,298,960	1,232,012	(89,480,797)	81,798,667	108,561,759	6,702,207	(103,501,477)	93,561,156
Other - FEMA Funds	10,668,425	3,556,155	-	-	14,224,580	-	-	-	14,224,580
Net assets released from restrictions used for operations	155,566	-	-	-	155,566	-	-	-	155,566
	<u>683,320,341</u>	<u>228,688,735</u>	<u>4,550,754</u>	<u>(89,480,797)</u>	<u>827,079,033</u>	<u>201,991,541</u>	<u>6,702,207</u>	<u>(103,501,477)</u>	<u>932,271,304</u>
<b>Expenses</b>									
Salaries and wages	238,763,910	94,179,763	45,018,786	-	377,962,459	81,555,423	653,254	-	460,171,136
Employee benefits	49,928,890	23,728,550	7,575,585	-	81,233,025	14,953,537	65,543	-	96,252,105
Purchased services and professional fees	139,787,031	53,700,299	36,879,695	(89,480,797)	140,886,228	98,712,931	469,132	(97,088,418)	142,979,873
Depreciation and amortization	19,339,099	5,885,186	2,194,922	-	27,419,207	-	-	-	27,419,207
Interest	3,891,046	428,810	13,706	-	4,333,562	-	-	-	4,333,562
Supplies and other	135,121,195	31,846,266	2,901,814	-	169,869,275	2,359,110	7,780,945	(6,413,059)	173,596,271
Federal reimbursement allowance	17,945,544	6,319,034	-	-	24,264,578	-	-	-	24,264,578
	<u>604,776,715</u>	<u>216,087,908</u>	<u>94,584,508</u>	<u>(89,480,797)</u>	<u>825,968,334</u>	<u>197,581,001</u>	<u>8,968,874</u>	<u>(103,501,477)</u>	<u>929,016,732</u>
<b>Operating Income (Loss)</b>	<u>78,543,626</u>	<u>12,600,827</u>	<u>(90,033,754)</u>	<u>-</u>	<u>1,110,699</u>	<u>4,410,540</u>	<u>(2,266,667)</u>	<u>-</u>	<u>3,254,572</u>
<b>Non-operating Income (Expense)</b>									
Investment return	1,149,652	201,956	431,490	-	1,783,098	301,499	1,878,414	-	3,963,011
Pension settlement expense	-	-	(28,651,831)	-	(28,651,831)	-	-	-	(28,651,831)
Contributions and other	(400,000)	-	(2,500)	-	(402,500)	(23,975)	-	-	(426,475)
	<u>749,652</u>	<u>201,956</u>	<u>(28,222,841)</u>	<u>-</u>	<u>(27,271,233)</u>	<u>277,524</u>	<u>1,878,414</u>	<u>-</u>	<u>(25,115,295)</u>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	<u>79,293,278</u>	<u>12,802,783</u>	<u>(118,256,595)</u>	<u>-</u>	<u>(26,160,534)</u>	<u>4,688,064</u>	<u>(388,253)</u>	<u>-</u>	<u>(21,860,723)</u>
Contributions for acquisition of property and equipment	7,393,857	185,699	-	-	7,579,556	-	-	-	7,579,556
Transfers (to) from affiliate	(60,908,876)	(20,304,292)	83,438,768	-	2,225,600	(2,225,600)	-	-	-
Change in defined benefit pension plan gains and losses	-	-	34,817,827	-	34,817,827	-	-	-	34,817,827
<b>Increase (Decrease) in Net Assets Without Donor Restrictions</b>	<u>\$ 25,778,259</u>	<u>\$ (7,315,810)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,462,449</u>	<u>\$ 2,462,464</u>	<u>\$ (388,253)</u>	<u>\$ -</u>	<u>\$ 20,536,660</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidating Schedule – Statement of Operations Information**  
**Year Ended June 30, 2023**

	University Health Hospital Hill	University Health Lakewood	University Health Corporate	Eliminations	Total University Health	University Health Physicians	Self- Insurance Trust	Eliminations	Total
<b>Revenues, Gains and Other Support Without Donor Restrictions</b>									
Patient care service revenue	\$ 381,682,097	\$ 148,065,069	\$ -	\$ -	\$ 529,747,166	\$ 76,907,715	\$ -	\$ -	\$ 606,654,881
Subsidies from Kansas City and Jackson County, Missouri	26,444,000	9,753,142	-	-	36,197,142	-	-	-	36,197,142
Medicaid enhancements	77,012,051	25,610,424	-	-	102,622,475	-	-	-	102,622,475
Reimbursement of expenses									
Salaries and special services	734,577	52,208	963,751	-	1,750,536	-	-	-	1,750,536
Grant expenditures	9,752,666	5,230,620	1,963,303	-	16,946,589	-	-	-	16,946,589
Other	115,600,605	26,545,048	908,472	(72,817,790)	70,236,335	98,632,083	3,741,616	(90,080,518)	82,529,516
Other - Provider Relief Funds	9,592,305	3,197,435	-	-	12,789,740	-	-	-	12,789,740
Other - FEMA Funds	1,036,545	345,515	-	-	1,382,060	-	-	-	1,382,060
Net assets released from restrictions used for operations	492,813	-	-	-	492,813	-	-	-	492,813
	<u>622,347,659</u>	<u>218,799,461</u>	<u>3,835,526</u>	<u>(72,817,790)</u>	<u>772,164,856</u>	<u>175,539,798</u>	<u>3,741,616</u>	<u>(90,080,518)</u>	<u>861,365,752</u>
<b>Expenses</b>									
Salaries and wages	225,795,985	85,045,713	38,153,817	-	348,995,515	73,293,569	589,712	(27,296,619)	395,582,177
Employee benefits	45,198,284	19,407,769	5,652,306	-	70,258,359	13,970,724	68,528	-	84,297,611
Purchased services and professional fees	132,444,318	51,350,692	39,033,192	(72,817,790)	150,010,412	83,359,874	4,665,056	(60,554,043)	177,481,299
Depreciation and amortization	18,486,996	5,960,428	1,984,213	-	26,431,637	-	-	-	26,431,637
Interest	3,842,210	551,516	14,136	-	4,407,862	-	-	-	4,407,862
Supplies and other	114,787,017	26,659,764	797,368	-	142,244,149	1,235,817	1,324	(2,229,856)	141,251,434
Federal reimbursement allowance	18,422,875	6,498,631	-	-	24,921,506	-	-	-	24,921,506
	<u>558,977,685</u>	<u>195,474,513</u>	<u>85,635,032</u>	<u>(72,817,790)</u>	<u>767,269,440</u>	<u>171,859,984</u>	<u>5,324,620</u>	<u>(90,080,518)</u>	<u>854,373,526</u>
<b>Operating Income (Loss)</b>	<u>63,369,974</u>	<u>23,324,948</u>	<u>(81,799,506)</u>	<u>-</u>	<u>4,895,416</u>	<u>3,679,814</u>	<u>(1,583,004)</u>	<u>-</u>	<u>6,992,226</u>
<b>Non-operating Income (Expense)</b>									
Investment return	99,339	187,835	183,721	-	470,895	212,790	1,673,687	-	2,357,372
Contributions and other	(200,000)	18	-	-	(199,982)	-	-	-	(199,982)
	<u>(100,661)</u>	<u>187,853</u>	<u>183,721</u>	<u>-</u>	<u>270,913</u>	<u>212,790</u>	<u>1,673,687</u>	<u>-</u>	<u>2,157,390</u>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	<u>63,269,313</u>	<u>23,512,801</u>	<u>(81,615,785)</u>	<u>-</u>	<u>5,166,329</u>	<u>3,892,604</u>	<u>90,683</u>	<u>-</u>	<u>9,149,616</u>
Contributions for acquisition of property and equipment	3,331,887	504,954	-	-	3,836,841	-	-	-	3,836,841
Transfers (to) from affiliate	(54,810,264)	(18,270,087)	75,160,351	-	2,080,000	(2,080,000)	-	-	-
Change in defined benefit pension plan gains and losses	-	-	6,455,434	-	6,455,434	-	-	-	6,455,434
<b>Increase in Net Assets Without Donor Restrictions</b>	<u>\$ 11,790,936</u>	<u>\$ 5,747,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,538,604</u>	<u>\$ 1,812,604</u>	<u>\$ 90,683</u>	<u>\$ -</u>	<u>\$ 19,441,891</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidating Schedule – Statement of Changes in Net Assets Information**  
**Year Ended June 30, 2024**

	<b>University Health Hospital Hill</b>	<b>University Health Lakewood</b>	<b>University Health Corporate</b>	<b>Total University Health</b>	<b>University Health Physicians</b>	<b>Self- Insurance Trust</b>	<b>Total</b>
<b>Net Assets Without Donor Restrictions</b>							
Excess (deficiency) of revenues over expenses	\$ 79,293,278	\$ 12,802,783	\$ (118,256,595)	\$ (26,160,534)	\$ 4,688,064	\$ (388,253)	\$ (21,860,723)
Contributions for acquisition of property and equipment	7,393,857	185,699	-	7,579,556	-	-	7,579,556
Transfers (to) from affiliate	(60,908,876)	(20,304,292)	83,438,768	2,225,600	(2,225,600)	-	-
Change in defined benefit pension plan gains and losses	-	-	34,817,827	34,817,827	-	-	34,817,827
Increase (decrease) in net assets without donor restrictions	25,778,259	(7,315,810)	-	18,462,449	2,462,464	(388,253)	20,536,660
<b>Net Assets With Donor Restrictions</b>							
Contributions and other	179,469	(83,663)	-	95,806	-	-	95,806
Net assets released from restrictions used for operations	(155,566)	-	-	(155,566)	-	-	(155,566)
Change in interest in net assets of University Health Foundation	1,124,050	-	-	1,124,050	-	-	1,124,050
Increase (decrease) in net assets with donor restrictions	1,147,953	(83,663)	-	1,064,290	-	-	1,064,290
<b>Increase (Decrease) in Net Assets</b>	26,926,212	(7,399,473)	-	19,526,739	2,462,464	(388,253)	21,600,950
<b>Net Assets, Beginning of Year</b>	210,046,386	(21,439,763)	394,077	189,000,700	15,873,482	1,680,684	206,554,866
<b>Net Assets, End of Year</b>	<u>\$ 236,972,598</u>	<u>\$ (28,839,236)</u>	<u>\$ 394,077</u>	<u>\$ 208,527,439</u>	<u>\$ 18,335,946</u>	<u>\$ 1,292,431</u>	<u>\$ 228,155,816</u>

**Truman Medical Center, Incorporated d/b/a University Health**  
**Consolidating Schedule – Statement of Changes in Net Assets Information**  
**Year Ended June 30, 2023**

	<b>University Health Hospital Hill</b>	<b>University Health Lakewood</b>	<b>University Health Corporate</b>	<b>Total University Health</b>	<b>University Health Physicians</b>	<b>Self- Insurance Trust</b>	<b>Total</b>
<b>Net Assets Without Donor Restrictions</b>							
Excess (deficiency) of revenues over expenses	\$ 63,269,313	\$ 23,512,801	\$ (81,615,785)	\$ 5,166,329	\$ 3,892,604	\$ 90,683	\$ 9,149,616
Contributions for acquisition of property and equipment	3,331,887	504,954	-	3,836,841	-	-	3,836,841
Transfers (to) from affiliate	(54,810,264)	(18,270,087)	75,160,351	2,080,000	(2,080,000)	-	-
Change in defined benefit pension plan gains and losses	-	-	6,455,434	6,455,434	-	-	6,455,434
Increase in net assets without donor restrictions	11,790,936	5,747,668	-	17,538,604	1,812,604	90,683	19,441,891
<b>Net Assets With Donor Restrictions</b>							
Contributions and other	329,264	(24,336)	-	304,928	-	-	304,928
Net assets released from restrictions used for operations	(492,813)	-	-	(492,813)	-	-	(492,813)
Change in interest in net assets of University Health Foundation	(970,393)	-	-	(970,393)	-	-	(970,393)
Decrease in net assets with donor restrictions	(1,133,942)	(24,336)	-	(1,158,278)	-	-	(1,158,278)
<b>Increase in Net Assets</b>	10,656,994	5,723,332	-	16,380,326	1,812,604	90,683	18,283,613
<b>Net Assets, Beginning of Year</b>	199,389,392	(27,163,095)	394,077	172,620,374	14,060,878	1,590,001	188,271,253
<b>Net Assets, End of Year</b>	<u>\$ 210,046,386</u>	<u>\$ (21,439,763)</u>	<u>\$ 394,077</u>	<u>\$ 189,000,700</u>	<u>\$ 15,873,482</u>	<u>\$ 1,680,684</u>	<u>\$ 206,554,866</u>

## ATTACHMENT 7



# Certificate of Need Program

## SERVICE-SPECIFIC REVENUES AND EXPENSES

**Project Title:** University Health UHKC Cath Lab

**Project #:** 6217 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.

	<b>Year</b>		
	<u>2026</u>	<u>2027</u>	<u>2028</u>
<b>Amount of Utilization:*</b>	<u>192</u>	<u>259</u>	<u>290</u>
<b>Revenue:</b>			
Average Charge**	<u>\$65,107</u>	<u>\$56,951</u>	<u>\$55,139</u>
Gross Revenue	<u>\$12,500,544</u>	<u>\$14,750,309</u>	<u>\$15,990,310</u>
Revenue Deductions	<u>9,048,189</u>	<u>10,633,957</u>	<u>11,515,624</u>
Operating Revenue	<u>3,452,355</u>	<u>4,116,352</u>	<u>4,474,686</u>
Other Revenue	<u>419,825</u>	<u>419,825</u>	<u>419,825</u>
<b>TOTAL REVENUE</b>	<b><u>\$3,872,180</u></b>	<b><u>\$4,536,177</u></b>	<b><u>\$4,894,511</u></b>
<b>Expenses:</b>			
Direct Expenses			
Salaries	<u>1,497,058</u>	<u>1,930,263</u>	<u>2,070,739</u>
Fees	<u>85,898</u>	<u>88,085</u>	<u>89,097</u>
Supplies	<u>557,232</u>	<u>659,516</u>	<u>715,495</u>
Other	<u>315,966</u>	<u>562,781</u>	<u>597,098</u>
<b>TOTAL DIRECT</b>	<b><u>\$2,456,154</u></b>	<b><u>\$3,240,645</u></b>	<b><u>\$3,472,429</u></b>
Indirect Expenses			
Depreciation	<u>754,414</u>	<u>754,414</u>	<u>754,414</u>
Interest***	<u>0</u>	<u>0</u>	<u>0</u>
Rent/Lease	<u>0</u>	<u>0</u>	<u>0</u>
Overhead****	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL INDIRECT</b>	<b><u>\$754,414</u></b>	<b><u>\$754,414</u></b>	<b><u>\$754,414</u></b>
<b>TOTAL EXPENSES</b>	<b><u>\$3,210,568</u></b>	<b><u>\$3,995,059</u></b>	<b><u>\$4,226,843</u></b>
<b>NET INCOME (LOSS):</b>	<b><u>\$661,612</u></b>	<b><u>\$541,118</u></b>	<b><u>\$667,668</u></b>

\*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.