



April 18, 2024

Stokes County
Attn: Amber Brown, Interim County Manager/Clerk to the Board
Ronald Reagan Building, 2nd Floor
1014 Main Street
Danbury, NC 27016

Re: Stokes Reynolds Memorial Hospital – Response to RFP

Dear Ms. Brown:

This response to Requests for Proposal sets forth a proposal from Tenor Health Partners (“Tenor”) to lease the real estate associated with Stokes Reynolds Memorial Hospital (“Hospital”) and all clinics and other sites associated with the Hospital. A comprehensive proposal of the lease is set forth below.

1. Describe the organizational and ownership structure of the proposer. Include the full name of the company, its state of organization, the date of its organization, its mailing and street addresses, telephone number, email and the name of the person to contact. Please provide the same information for each subsidiary and affiliate of the company which is engaged in the operation of a hospital.

Tenor Health Partners Stokes, LLC, shall be the operating entity which is a wholly owned subsidiary of Tenor Health Partners, LLC. Tenor Health Partners is wholly owned by R2 Power Investments, LLC, which is owned 100% by Radha Savitala. The current mailing address is 115 W. California Boulevard, Suite 9075, Pasadena, CA 91105. Upon acquisition, the address will be same as the Hospital address.

2. Provide names of the directors and principal officers of the proposer and each subsidiary, and a brief summary of the experience of each person in the healthcare industry. Also describe the management team that will be operating the hospital and provide a copy of their individual resumes. This description should also describe where these individuals will be geographically located as they perform their functions. An example would be the Chief Financial Officer (CFO) and whether that person would be physically located at the hospital or elsewhere.

The plan currently is to keep the employees of the Hospital the same to ensure continuity and success of the Hospital moving forward. Tenor's key management team consists of individuals outlined below and will provide subject matter expertise to the Hospital's employees.

Management Members¹

- *Radha Savitala – Founder & Managing Partner*
 - *Seasoned healthcare attorney and general counsel.*
 - *Led healthcare mergers & acquisitions for over 20 years.*
 - *Legal expertise in all aspects of healthcare operations and transitions.*
- *Bill Leyhe – Seasoned Healthcare Executive, Board Member*
 - *Business leader with over 30 years of health care leadership, in hospital operations, transactions, strategic planning, legislative and health plans.*
 - *Founder of Piera group that advises on hospitals turn around.*
- *Vik Torpunuri – Healthcare Technology & Operations*
 - *20+ years of expertise in healthcare operations & innovative technologies with a focus on health information management, revenue cycle, and supply chain.*
 - *Expertise in acute care, critical access hospitals, medical groups, MSO, Home Health.*
- *Paul Perroti – Chief Financial Officer*
 - *Experience in working with large health systems.*
 - *Expertise in hospitals finance and reporting.*

3. Describe the proposer / management team's number of years of operational experience operating licensed hospitals including critical access hospitals. Experience of the proposer's affiliates or predecessor companies may be submitted with explanation of relationship to proposer's current management team.

The team has extensive experience in operating hospitals in rural areas, urban cities, financially distressed hospitals and critical access hospitals. As outlined in the teams' profiles, each member worked tirelessly to turn around hospitals' financial performance and operational efficiencies.

4. Provide copies of the audited financial statements of the proposer and each subsidiary (including all footnotes and auditor's letters) for the last three fiscal years and unaudited interim statements for the current period.

The Hospital will be Tenor's first hospital and so no audited financial statements are available.

5. Please provide a copy of attorneys' letters regarding pending and threatened claims and investigations for the proposer and each subsidiary for each of the last three fiscal years.

Currently, there are no pending or threatened claims or investigations against Tenor.

¹ See attached resumes/profiles of Tenor's team. Tenor will add members of the team as needed.

6. Provide a statement as to whether or not the proposer, any subsidiary or any shareholder, officer or director of the proposer or any subsidiary has ever been suspended or excluded from or denied participation in any federal health care program, including without limitation Medicare, Medicaid and TRICARE. Please indicate whether there are any threatened or ongoing investigations relating to Medicare, Medicaid or TRICARE.

No member of Tenor has been suspended or excluded from or has been denied participation from any federal or state healthcare program, including Medicare, Medicaid or TRICARE nor are there any pending investigations against any team member.

7. Provide a statement as to whether or not the licensure or accreditation of the proposer or any Subsidiary, or any hospital owned or operated by the proposer or any Subsidiary of the Company, has ever been suspended, revoked or denied.

No license or accreditation of Tenor or its team member has been suspended, revoked or denied.

8. Provide a listing of the insurance coverage maintained by the proposer and each Subsidiary, including without limitation, professional liability, general liability and officers and directors coverage. Please include the name of each insurance company and provide the coverage limits and deductibles under each policy.

Tenor will procure Directors and Omissions policy, as well as workers' compensation, cyber security policy, premises and general liability and medical malpractice for the Hospital at closing.

9. Provide a copy of the indigent care policies in effect at hospitals owned, operated, or managed by the proposer and any subsidiary.

Tenor will follow or enhance the Hospital's current indigent care policies that are in effect.

10. Provide a copy of the most recent community benefit report or reports of the proposer and its subsidiaries.

Not available.

11. Provide a complete list of services provided by the hospitals owned and operated by the proposer and its subsidiaries.

Tenor currently does not operate any hospitals and the Hospital will be the first acquisition.

Other Matters to be Discussed

1. How you propose to structure the financial transaction of the purchase or lease of the Hospital?

Tenor has been approved for a loan for the acquisition of the Hospital already and is pending approval of the assignment of the Lease or confirmation of a new lease with the County of Stokes.

2. Describe your vision for providing health care services in the Hospital's service area and strategy you plan to employ to implement any changes necessary to achieve the vision.

Tenor is very excited about the service area and local market in Danbury, NC. We see prospects for collaboration with growing areas, including the city of King and the southern part of Virginia. We are excited to explore new programs including PACE program, cardiology, GI, bariatrics and orthopedics. We think that the surgery center needs improvement and entering into managed care contracts will be critical for this expansion.

3. How you propose to grow the Hospital's inpatient and outpatient volumes?

Similar to the response in number 2 above, we think that working with the communities to show that Tenor is committed to the Hospital and the community is key. Tenor plans to enhance the recruitment of staff, including RNs so that increase in patient volumes can be handled by the Hospital.

4. Describe your plan to reduce patient out migration.

We plan to work with the County of Stokes to renovate or reconstruct the physical plant of the Hospital. We will market the improvements along with physician recruitment so the communities will know that there are improvements and quality providers at the Hospital. Marketing and signages are also keys to success.

5. Give examples of successful growth strategies that you have utilized.

Some strategies include: Recruitment of Registered Nurses (NP) and other clinical support staff to increase acute care services, evaluate and enhance current clinics and SNF's electronic medical records to improve claims accuracy, capture all costs, business office efficiency and overall compliance. Replace acute care electronic medical records system to capture the entire patient journey, improve documentation and claims. Implement clinical protocols for better quality outcomes: such as admission criteria and transfer policies. Negotiate managed care rates to improve net revenue: Contract with Blue Cross Blue Shield of North Carolina and Cigna; commence negotiations with other payors to improve reimbursement rates.

6. Do you plan to make changes to the medical staff structure at the Hospital? If so, please describe your proposed changes?

We plan to increase the number of medical staff at the Hospital by recruiting physicians from local areas as well as national recruitment to bring more specialties to the facility.

7. Does the proposer or any of its subsidiaries operate a hospitalist program? If so, please describe the program?

Tenor currently does not have a hospitalist program as we have no other hospitals. We fully support the Hospital's hospitalist program.

8. Specifically describe the proposer's experience in physician recruitment and management of physician practices. What financial arrangements (income guarantees, loans, other financial assistance) does the proposer contemplate using when recruiting physicians?

In the past, the team implemented relocation agreements (income guarantees, national recruitment agreements, employment agreements including loan forgiveness for the recruitment of physicians. We have had success in keeping physicians satisfied and in the area for long term growth.

9. Describe the proposer's policies and programs regarding access to care for indigent and uninsured patients, including your specific experience with providing indigent care.

Tenor's proposed charity care and indigent care policies are included in this packet. We plan to keep the charity care and indigent care at current levels or improving them.

10. Describe the commitment to help the Hospital access sufficient capital to address its facility, physician recruitment and other requirements for long-term financial stability and ability to support clinical excellence in the future.

Physician recruitment is essential for long term viability of the Hospital as well as a facility that is in good physical condition. Tenor is committed to accessing capital towards the completion of the facility as well as attracting physicians to come and practice at the Hospital. Tenor has access to banks and financing and has already reached out to various entities for capital for long term benefits of the Hospital.

We are also considering the construction of medical office buildings to have physicians hold clinic for specialty services, but also to invite the physicians to have ownership in the building so that they have a vested interest in the growth of the Hospital.

11. Describe the information technology features the Company could offer to the Hospital. Include your plans to ensure an adequate electronic medical records (EMR) system for the hospital.

It is well known that the Hospital's EMR is insufficient. We have implemented EMR and other IT systems elsewhere over the past couple of decades and we have established relationships with the IT vendors. Those relationships will be leveraged for the benefit of the Hospital and improving the systems for staff's ease as well as the providers.

12. Your commitment to continued employment of current Hospital employees and continuation of equivalent benefits, including without limitation, retirement benefits.

The Hospital cannot run well if employees are unhappy with management. Employees are happy and stay if they have good pay, a reasonable working environment, including adequate system and equipment and good benefits. Tenor will work towards all these goals.

13. Your commitment to work with the county government to plan, develop construct and license new critical access hospital facilities in Danbury and the City of King within five (5) years of taking over. Include the establishment of a 24 hour, seven days a week Emergency Room in the City of King.

The city of King is growing and to the extent that a 24/7 emergency room is needed to services those needs that the service line will be adequately compensated, Tenor will collaborate with the city of King and Stokes County towards opening the free-standing ER.

14. Your record of regulatory compliance in any previous operation or management of a critical access hospital and/or skilled nursing facility.

Tenor's members have not faced compliance issues to date. We have worked with organizations facing such issues and assisted greatly to mitigating risks.

15. Your commitment to maintain appropriate amounts of insurance coverage including without limitation, professional liability coverage and "tail" coverage to protect the County after the lease or sale of the Hospital.

Tenor already engaged a broker to procure insurance including some lines of insurance currently not insured by LifeBrite.

16. Provide information on how the lease, or sale of the Hospital to your organization will provide for the health-related needs of medically underserved groups such as low-income persons, racial and ethnic minorities, and handicapped persons.

Due to EMTALA, in the emergency room, Tenor is required to treat members of the community regardless of their ability to pay. If emergency services are not needed, Tenor will coordinate with local FQHCs and other healthcare providers, as needed, to ensure such individuals will have the care that is required. Additionally, we will work with the patients to apply for Medicaid so that the patients' care and treatment will be covered by Medicaid or other such programs.

17. Provide information on charges, services, and indigent care at similar facilities owned, operated, or managed by the proposer and its subsidiaries.

This is inapplicable to Tenor as the Hospital will be our first acquisition.

18. Provide information and examples of your commitment to support psychiatric and mental health services and coordination of care through the hospital emergency department. Please describe your experience regarding innovative methods for assessment and coordination of care or including telepsychiatry.

Tenor's team is familiar with behavioral health services and such needs. We worked tirelessly to open various gero-psych units for other hospitals in the past. We can look to see if gero-psych is appropriate for the Hospital. We know various psychiatrists we reached out to have them practice at the Hospital.

19. Describe your plan for operating the Stokes-Reynolds Skilled Nursing Facility component of the hospital.

The skilled nursing facility needs to be updated/renovated. It also needs new EMR so that staff can work efficiently, and billing/collections can be more streamlined.

20. Provide information and examples of your commitment to support Stokes County EMS and other county departments

We have experience with working with EMS and supporting the efforts to ensure access to healthcare. We will request a meeting with EMS and determine how Tenor can partner with them.

21. Address requirements to obtain physician examination of employees with workers compensation injuries during and after normal business hours.

When employees are hurt there should be immediate attention to the injury and staff should be provided with information as to how care and treatment can be accessed. If staff is not properly trained to do this, training should commence.

22. Address your commitment to support public health initiatives and partnering with the Stokes County Health Department.

We will be available to partner with Stokes County Health Department and assist with their initiatives. We currently are not aware of any pending requests for the Hospital to provide any assistance but can meet with them and inquire.

23. Address your plan for marketing the hospital in Stokes and surrounding counties to increase patient numbers.

The Hospital requires adequate signage on the streets to show emergency services are provided. We will place ads locally to show the Hospital's commitment to remain open and to serve the community.

24. Address your plan for regular meetings and communications on the status of the hospital operations with the county commissioners. Also, include what your on-site local presence will look like to support daily operations of the hospital and its satellite facilities.

Tenor has already had meetings with the Stokes County Commissioners. The team made various visits and we have had multiple phone calls with the County. Tenor team will be onsite several times per month and will work with local staff on a regular basis to ensure proper operations.

25. Address your plans for billing to ensure revenues are received in a manner to support operational cash flow requirements and cash reserve requirements.

Tenor's revenue cycle is comprehensive. Some tools we used in the past include: Improve Clinical Case Mix Index (CMI) which will increase payor reimbursement rates and net patient revenue year over year. We will look to implement Artificial Intelligence enabled revenue cycle, denials management technology solutions to improve net revenue collections, and reduce denials. Physician-led CDI and Concurrent Coding Audit with 360-degree claim optimizations to improve clinical documentation, claim accuracy and compliance will be necessary. Finally, we will do retrospective Managed Care Audits to track underpayments in managed care contracts, appeal, collect and improve revenue recovery.

26. Describe your prior experience in operating a critical access hospital. If the proposer has not operated a critical access hospital, please provide any additional information that should be considered by county decision makers on why they should take a chance on the company operating its first critical access hospital in Stokes County.

Tenor's team has a proven track record of operational excellence and financial turn-around. While this will be our inaugural hospital, we plan to utilize strategic initiatives to ensure effective operations regardless of the Hospital's critical access status. However, the CAH designation does allow the Hospital to collaborate with CMS for expansion of clinics and enhanced reimbursement and so, those conversations with CMS and Office of Rural Health will have to be explored.

27. Describe how your policy or a proposed policy for determining whether or not a patient would qualify for charity care.

Tenor's policy is attached to this response.

28. Describe your experience operating or performing other functions associated with skilled nursing facilities.

Tenor's team worked with other facilities which incorporated skilled nursing facilities and this situation will be no different. We will implement ways for better record keeping including medical records, billing records and will update the facility.

Certifications as Required for Proposal

Tenor certifies as follows:

1. Tenor shall operate the hospital as a community general hospital open to the general public without discrimination based on race, creed, color, sex or national origin.

2. Tenor shall continue to provide the same or similar clinical hospital services in medical-surgery, pediatrics, outpatient and emergency treatment, including emergency services for indigent, that the hospital provided prior to the lease or sale of the hospital.
3. Tenor shall ensure that indigent care is available to the population of the area served by the hospital at levels related to need, as previously demonstrated and determined mutually by the County and the proposer.
4. Tenor shall ensure that admission to, and services of the hospital, are available to beneficiaries of governmental reimbursement programs without discrimination or preference because they are beneficiaries of such programs.
5. Tenor has been indicted or convicted of any criminal offense that could result in exclusion of the proposer or an affiliate being excluded from Medicare, Medicaid or other federal healthcare programs.
6. Tenor's team have never been suspended or excluded from participation in Medicare, Medicaid or other Federal healthcare programs.
7. Tenor has adequate financial resources available to lease or purchase the hospital facilities and operate the hospital facilities, as documented by copies of the most recent audited financial statements or other supporting financial information which should be included with the proposal.
8. Tenor has full legal and/or corporate authority to submit its binding proposal, as evidenced by certified copy of board minutes or other documentation, which should be included with the proposal.
9. Tenor will seek to participate in any other managed care programs in which hospital is not currently participating; and whether proposer plans that the covered services under such new managed care plan will be offered to the leased facilities in Stokes County under such program.
10. Tenor will operate the Hospital as a for-profit entity.

We look forward to a successful and mutually rewarding relationship in respect to the Hospital and the responses set forth herein. Should you have any questions, feel free to contact me at (310) 403-9595 or via electronic mail at radha@savitala-law.com.

Sincerely,

TENOR HEALTH PARTNERS, LLC

By:  _____

Name: Radha Savitala

Title: Principal

Policy: Financial Assistance Policy for Tenor Health Partners

OVERVIEW

As the leading provider of health care services in the State of North Carolina, Tenor Health Partners is committed to providing financial assistance and community services to improve access to care, advance medical knowledge, and relieve or reduce the burden of government or other community efforts.

This policy does not affect or limit Tenor Health Partners' dedication and obligation under EMTALA to treat patients with emergency medical conditions.

It is the policy of Tenor Health Partners to provide without discrimination:

- Indigent Care or Charity Care financial assistance for emergency and/or other medically necessary care to residents of the State of North Carolina who qualify for such assistance under this Policy;
- Catastrophic care financial assistance for emergency and/or other medically necessary care to individuals, who may incur a catastrophic medical event; and
- A discount to certain uninsured individuals who self-pay for items and services provided by Tenor Health Partners.

Financial Assistance

Eligibility for financial assistance is determined based on the patient's Family Income as compared to the U.S. Federal Poverty Guidelines (which are updated annually) and, in certain circumstances, on the ratio of Tenor Health Partners charges to Family Income, as further specified in this Policy. In addition, in order to qualify for financial assistance, a patient must cooperate in applying for Medicaid or third-party payment programs, and a patient must first utilize any available health coverage benefits, such as in-network services.

A patient qualifying for Indigent Care, Charity Care or Catastrophic Care will not be charged more for emergency and/or other medically necessary care than the Amounts Generally Billed, as defined below, to individuals who have insurance covering such care.

As further described below, this Policy:

- Includes the eligibility criteria for financial assistance and sets forth the circumstances in which a patient will qualify for free or discounted care.

- Describes the method by which patients may be presumptively determined to qualify for financial assistance and the method by which patients who are not presumptively determined to qualify for financial assistance may apply for financial assistance.
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this Policy, as well as the amounts to which discounts will be applied.
- Limits the amounts that Tenor Health Partners will charge for emergency and/or other medically necessary care provided to patients eligible for financial assistance to no more than the Amounts Generally Billed to individuals who have insurance covering such care.
- States that Tenor Health Partners maintains in a separate document the method by which Tenor Health Partners determines the Amounts Generally Billed to individuals who have insurance, and explains how an individual may readily obtain a free copy of that document.
- States that Tenor Health Partners maintains as a separate document a list specifying which providers (other than Tenor Health Partners itself) delivering emergency and/or other medically necessary care in the hospitals are covered by this Policy and which are not and explains how an individual may readily obtain a free copy of the list.

POLICY DETAILS

1. Financial Assistance for Uninsured and Under-Insured Patients

Uninsured patients (*i.e.*, those patients without third-party payer coverage for health care services) and under-insured patients (*i.e.*, those patients with insufficient third-party payer coverage for health care services) who are residents of the State of Georgia and who satisfy the following criteria will qualify for a financial assistance adjustment of amounts owed for emergency and/or other medically necessary care by the individual patient (but not on amounts owed by a third-party payor).

- a. Indigent Care – Under-Insured/Uninsured Patient: If a patient’s Family Income is less than or equal to 125% of the U.S. Federal Poverty Guidelines, the patient will receive a 100% charity care adjustment with respect to amounts owed by the patient.
- b. Charity Care – Uninsured Patient: If a patient’s Family Income is at least 126% but less than or equal to 225% of the U.S. Federal Poverty Guidelines and the patient is uninsured, the patient will receive a 100% charity care adjustment with respect to amounts owed by the patient.
- c. Catastrophic Care Financial Assistance – Under-Insured/Uninsured Patient: Patients who incur significant expenses may be eligible for assistance on a case-by-case basis and with

the approval of the Tenor Health Partners Chief Financial Officer or his/her designee. If a patient's family income exceeds 125% of the Federal Poverty Guidelines (under-insured) and 225% of the Federal Poverty Guidelines (uninsured), the patient can apply for catastrophic care financial assistance. For catastrophic care financial assistance, the patient or family member must apply for assistance as described under 4.B. A review of the patient's financial condition will occur and will require the applicant to provide the following items: recent tax returns, records of last two wage statements, bank statements for the previous two months and income award letter. If it is determined that the patient is eligible for an adjustment, the patient's account balance following the charity adjustment will not exceed 20% of their annual income.

For example: Patient has a balance of \$200,000 and has an annual income of \$50,000. If approved for assistance, the patient would only be responsible for \$10,000 (20% of \$50,000) and the remaining \$190,000 would be written off as catastrophic care financial assistance.

Catastrophic care financial assistance for under-insured and uninsured patients is also limited as follows:

- May be awarded once every 12 months from the date of last catastrophic care financial assistance approval. If financial and/or family size situations change, a new financial assistance application must be submitted.
- Balances in bad debt or already with collection agencies will be considered in determining eligibility. Prospective balances will not be considered in determining eligibility.
- All accounts for which the patient and/or the patient guarantor is responsible will be considered in the calculation of medical debt for determining eligibility for catastrophic care financial assistance.
- If there are balances pending third-party payment, when catastrophic care financial assistance is approved, the adjustment of the balances will be postponed until all third-party coverage has paid. Any patient balances left that were from dates of service on or prior to the approval date will then be adjusted.
- For patients pending Medicaid, determination of catastrophic care financial assistance may be postponed until after final Medicaid disposition to allow for full and accurate accumulation of charges.

Financial assistance is not applicable to an insurance company's or benefit plan's payment responsibility under a health benefits plan, regardless of whether the insurance company or health plan has made payment to the patient or to Tenor Health Partners.

Note: If the emergency and/or other medically necessary care are provided to an out of state Medicaid beneficiary, and Tenor Health Partners is not enrolled in that out-of-state Medicaid program, the Medicaid beneficiary who has insufficient coverage from the out of state plan may be eligible for financial assistance.

The financial assistance criteria specified above is summarized in the following table:

Family Income	Financial Assistance Adjustment
	(i.e., discount off amount otherwise owed by the patient to Tenor Health Partners)
Indigent Care -Uninsured and Under-Insured Patients:	
Less than or equal to 125% FPG	100%
Charity Care – Uninsured Patients:	
Between 126% - 225% FPG	100%
Catastrophic Care Uninsured/Under-Insured Patients (i.e., those patients with insufficient third-party payer coverage for healthcare services) discount for the self-pay portion of the bill	Patient’s responsibility will not exceed 20% of their annual income.

Tenor Health Partners includes Medicaid non-covered charges as charity adjustments for patients who qualify for financial assistance.

2. Financial Assistance for Medications Dispensed from Tenor Health Partners Retail/Specialty Pharmacies

Uninsured and under-insured patients who qualify for financial assistance adjustments under Section 1 may also qualify for such financial assistance adjustments to their out-of-pocket amounts for medications as specified below. Such patients are required to complete the financial assistance application as described under Section 4.B to establish eligibility for Tenor Health Partners Retail/Specialty Pharmacies financial assistance.

Requirements:

- Financial assistance for the medication must be in connection with a Tenor Health Partners service provided in relationship to the medication, as documented in the patient’s record. For the purpose of clarity, the sole dispensing of a drug by a Tenor Health Partners pharmacy does not qualify as a Tenor Health Partners service for this requirement.

- If a drug prescribed by a Tenor Health Partners physician is refilled, the patient must continue to be seen or treated by a Tenor Health Partners physician in order for the refilled prescription to be eligible for financial assistance.
- The script for the medication must originate from a Tenor Health Partners - credentialed provider.
- Drug must be for outpatient use.

3. Self-Pay Discount

Uninsured patients whose Family Income is greater than 225% of the U.S. Federal Poverty Guidelines may qualify for a 35% uninsured discount on gross charges when payment arrangements are established with Tenor Health Partners. *This discount does not apply to market or retail-priced services, or procedures that already are discounted.*

Note that patients who qualify for a self-pay discount under this section are not treated as qualifying for financial assistance under this Policy and, therefore, are not subject to the Amounts Generally Billed limitations or other requirements applicable to patients who qualify for financial assistance.

4. Determination of Eligibility

A. Presumptive Eligibility for Financial Assistance

Tenor Health Partners automatically screens through a third-party vendor each uninsured and under-insured patient to estimate the patient's Family Income. The third-party vendor verifies electronically the patient's credit records and evaluates the information relating to Family Income and propensity to pay. This information is in turn used to assess whether the patient is presumptively eligible for financial assistance.

B. Method by Which Patients May Apply for Financial Assistance

Patients who are not determined to be presumptively eligible for 100% financial assistance may apply for financial assistance at any time by contacting Patient Access Services at 1-_____ or in person at the facility.

In connection with a patient's application for financial assistance, Tenor Health Partners may require the patient to provide various types of information relating to the patient's Family Income including recent tax returns, last two pay stubs, bank statements for the previous two months, income award letter and proof of Georgia residency documents.

In addition to the Family Income criteria specified in Section 1 above, Medicare and Tenor Health Partners patients must complete a financial assistance application in order to receive financial assistance under this Policy. Financial assistance will not be processed until all required information is submitted.

If any information is found to be inaccurate, false, or misleading, any financial assistance that may have been approved will be rescinded, and the patient will be responsible for charges incurred and may risk discontinuation of services, legal action, and the requirement to pay in advance for future services.

A determination of eligibility for financial assistance will be effective for a maximum of 12 months prospectively from the date of approval and retroactively for all patient balances incurred prior to the approved financial assistance application.

Tenor Health Partners will post notices as required by law regarding the availability of financial assistance. Patients requiring financial assistance or thought to require such assistance will be referred to a financial counselor. An individual with extraordinary circumstances, such as a homeless patient, deceased patient, inmate, or international patient may be considered for financial assistance. Any extraordinary circumstance will be reviewed independently and approved by Tenor leadership.

5. Billing and Collection

Tenor Health Partners management has developed policies and procedures for internal and external collection practices that take into account the extent to which a patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program, and a patient's good faith effort to comply with any payment agreements with Tenor Health Partners. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their outstanding bills, Tenor Health Partners may offer extended payment plans. Tenor Health Partners will not impose Extraordinary Collection Actions (ECAs). Tenor may take actions that do not constitute ECAs, including referring debt to a collections agency, provided such collections agency does not engage in any ECAs prior to notifying Tenor to determine whether the patient is eligible under this Policy.

Uninsured and under-insured patients are screened for presumptive eligibility for financial assistance. All billing statements include information on how to obtain a copy of this Financial Assistance Policy and a plain language summary of this Policy, as well as contact information for the office that can provide information about this Policy and assistance with the financial assistance application process.

Patients with a balance due will have 120 days from the date of the first billing statement to respond. Patients will be allowed to apply for financial assistance for up to 240 days from the date of the first billing statement.

6. Basis for Calculating the Amounts Charged to Patients Who Qualify for Financial Assistance

Tenor Health Partners will not charge patients eligible for Indigent Care, Charity Care, or Catastrophic Care under this Policy for emergency and/or other medically necessary care more than the Amounts Generally Billed (AGB) to individuals who have insurance covering such care (*i.e.*, Tenor Health Partners will not charge patients eligible for financial assistance under this Policy for emergency and/or other medically necessary care more than the Gross Charges for such care multiplied by the AGB Percentage). The AGB percentage utilized by Tenor Health Partners at any particular time and a description of how Tenor Health Partners calculated such percentage is available by calling 1-_____, and upon request and without charge in Admissions and Registration areas, in the Emergency Room and, during normal business hours, at the locations listed in Section 8, below.

7. Definitions

The following definitions apply for purposes of this Financial Assistance Policy.

Amounts Generally Billed or “AGB”.

The “look-back method” for determining AGB, as defined under the Department of Treasury Regulations for Section 501(r) of the Internal Revenue Code of 1986 as amended will be used for Tenor Health Partners Hospitals.

AGB Percentage. The AGB Percentage is calculated annually by dividing (a) the sum of the amount of all claims that have been allowed for emergency and/or other medically necessary care by Medicare fee-for-service and all private health insurers together during the twelve (12)-month period ending July 31 by (b) the sum of the associated gross charges for those claims. Both the amount to be reimbursed by Medicare or the private insurer and the amount (if any) the Medicare beneficiary or insured individual is personally responsible for paying (in the form of co-insurance, copayments or deductibles) is included in the amount “allowed”, regardless of whether and when the individual actually pays all or any of his or her portion, and disregarding any discounts applied to the individual’s portion (under this Policy or otherwise). The AGB percentage utilized by Tenor Health Partners Hospitals at any particular time is available as described in Section 6 above.

Tenor Health Partners. Tenor Health Partners includes the Tenor Health Partners Hospitals.

Family Income. is defined as total income received by all family members in the patient’s household. During the presumptively eligibility screening process, Tenor Health Partners may estimate a patient’s Family Income by using a third-party developed calculation model, which utilizes credit report information, self-reported data, marketing data sources and average incomes for others near the patient’s reported address.

U.S. Federal Poverty Guidelines or “FPG”. The current Federal Poverty Income Guidelines as published in the *Federal Register* from time to time by the U.S. Department of Health and Human Services.

Gross Charges. Tenor Health Partners’ full established rates for the provision of healthcare items and services.

Resident. An individual shall be recognized as a resident of Georgia if he/she or his/her legal

guardian is able to provide proof of Georgia residency documents as requested.

Services generally excluded from Tenor Health Partners Financial Assistance Policy

Category	Definition	Financial Assistance	Service Definitions
Category 1	High Cost Treatment; Other Alternatives Usually Available	N	Cochlear implant Elective infant circumcision LDL apheresis Transplants Bariatric surgery Deep brain stimulation Penile or testicular implant Vasectomy reversal Preservation reproductive opportunities after cancer treatment (IVF for PROACT) Services provided to Veterans Administration recipients who refuse transfer to a VA facility Any other procedure which does not meet medical necessity criteria
Category 2	Excluded Services	N	Cosmetic surgery/procedures* Infertility Evaluation and Treatment Optical Shop products Routine eye exams Contact lenses or exams* Hearing aids Acupuncture

*Service is not eligible for a payment plan. Full payment required prior to service.

RADHA A. SAVITALA

• (310) 403-9595 • rsavitala@yahoo.com

PRACTICE SUMMARY

Seasoned attorney with over 19 years of extensive knowledge of corporate and healthcare legal/business operations. Federal and state regulatory expertise and experience in all aspects of contracting including compliance, employment, IT, real estate, and procurement agreements. Vast transactional experience including mergers and acquisitions, joint ventures, real estate purchase and finance transactions.

PROFESSIONAL EXPERIENCE

Savitala-Law, Pasadena, CA (3/2019-Present)

- Serve as outside general counsel to healthcare organizations, including medical groups, healthcare technology companies, hospitals, IPAs and home health agencies
- Conduct due diligence and advise clients on acquisitions and investment opportunities
- Draft and review contracts related to IT, labor & employment, real estate/leases, shareholder agreements, and purchase agreements
- Prepare organizational documents for new practices, surgery centers, imaging centers, and IPAs
- Review, negotiate and prepare managed care agreements
- Review claims from payors and negotiate settlements

Mission City Community Network, Inc., North Hills, CA (1/2018-2/2019)

General Counsel & Chief Compliance Officer

- Provide leadership, strategic direction and oversight of the Legal and Compliance function
- Develop and implement organizational policies and procedures
- Monitor and review activities of business and support organization to ensure compliance with internal policies and external laws and regulations.
- Act as a primary interface with regulators on Compliance matters, including HIPAA, fraud and abuse, false claims, and privacy laws
- Manage and coordinate with outside legal counsel
- Advise on risk management, employment matters, contracts, local and federal laws
- Responsible for providing comprehensive general legal services including contract review, drafting and preparing legal documents, and providing legal advice to internal leadership and stakeholders
- Responsible for advising and providing legal options and guidance to the Executive team on problems relating to the operation of the organization
- Responsible for developing, overseeing, maintaining the Corporate Compliance Program
- Monitor the performance and effectiveness of the compliance program; provide reports on a regular basis to keep executive and senior management and the Board of Trustees informed of the operation and progress of the compliance program
- Responsible for ensuring proper collaboration with internal departments and Human Resources for compliance matters involving investigation and resolution
- Responsible for implementing, maintaining, and managing all compliance-related training for leadership and staff

Prime Healthcare Services, Ontario, CA (4/2007 – 12/2017)

Deputy General Counsel

- Negotiate and draft agreements including provider agreements, employment, leases, procurement, and IT
- Experience in working with regulatory agencies such as California Department of Public Health and Department of Health Care Services; Department of Managed Health Care
- Conduct large scale acquisitions and financial transactions
- Review medical group/provider related matters and medical staff matters
- Work on matters relating to Knox-Keene Act, Medi-Cal and Medicare
- Oversee employment operations, including drafting policies and procedures, and preparing and updating human resources manuals
- Significant risk management, including agreement analysis, policies and procedures, and coverage and scope of various insurance programs

Epps, Yong and Coulson, LLP, Los Angeles, CA (5/2005 – 4/2007)

Associate Attorney

- Associate attorney at healthcare law firm which served as corporate counsel for healthcare entities including hospitals, independent physician associations, skilled nursing facilities, pharmacies, dialysis centers, laboratories, home health agencies, surgery centers and medical groups
- Drafted contracts on behalf of medical providers including agreements for physician recruitment, directorships, physician/group coverage, pharmacy services, employment agreements, and management services
- Executed corporate documents including articles of incorporation, bylaws, and operating agreements
- Performed requisite due diligence and drafted purchase agreements for mergers and acquisitions of healthcare entities, joint ventures, limited liability companies, and corporations
- Counseled clients on Stark, anti-kickback, self-disclosure, and corporate practice of medicine issues

Stephenson, Acquisto & Colman, Burbank, CA (3/2004 - 2/2005)

Associate Attorney

- Represented major hospitals and hospital systems in reimbursement litigation against insurance carriers, third parties, Medicare and Medi-Cal
- Drafted managed care contracts

Theofanis, Davidson, & Carnahan, Encino, CA (5/2003 - 3/2004)

Associate Attorney

- Represented insurance carriers in litigation matters
- Researched and prepared memoranda based upon California laws concerning issues involving employment, insurance and workers' compensation

BOARD POSITIONS

Pacific Mesothelioma Center, Board of Directors, Los Angeles, CA (6/2016 – Present)

- Represent non-profit organization as a member of the Board of Directors; acting as an ambassador
- Serve as a trusted advisor to the Executive Director and Scientific Advisor as they develop strategic plans and growth initiatives
- Review outcomes and measures for evaluating growth and performance
- Approve annual budget audit reports and material business decisions
- Assist with recruiting other board members
- Assist with fund raising

EDUCATION

Southwestern University School of Law, Los Angeles, CA, Juris Doctorate, May 2002

Honors: CALI Award; Fellow, North American Public Interest Law, Summer 2000

University of California, Irvine, CA, Bachelor of Arts in Economics, June 1997

Honors: Dean's List 1996 - 1997

BAR ADMISSIONS

State Bar of California; United States District Court, 9th Circuit, Central District

WILLIAM (BILL) LEYHE

Bill Leyhe is the Founder and President of The Peira Group, a healthcare consulting group specializing in transactions, strategic planning, bankruptcy turnaround and hospital optimum consulting. He has a thirty-year career encompassing virtually all areas of health care hospital operations, transactions, strategic planning, legislative and health plan contracting.

The Peira Group clients have included some of the country's largest healthcare systems including Adventist Health, Community Medical Centers, HealthCare Partners, Physicians for a Healthy Hospital, Providence Health Systems, Sana Healthcare, and St. Joseph Hospital of Orange.

Mr. Leyhe began his career with Tenet Healthcare as Chief Operating Officer of Century City Hospital in Los Angeles. He was then appointed the CEO and President of Norwegian American Hospital in Chicago. He was an inaugural recipient of Tenet's Circle of Excellence Award as outstanding hospital CEO. He then returned to California as Vice President of Operations where he had operational responsibility for nine acute care hospitals.

He then was appointed Vice President, Development for Tenet's Western Division of which he was responsible for hospital acquisitions and for the development of the Western Division Medical Group and IPA strategy. During his tenure in this position, Tenet acquired five hospitals in the West including Desert Regional Medical Center in Palm Springs.

Thereafter having then been appointed Vice President Managed Care and Strategy for Tenet's Western Division, Mr. Leyhe was responsible for managed care contracting activities for 39 hospitals. He was also Tenet's representative for legislative and medical group issues including operational responsibility for Tenet's four medical groups and 12 IPAs.

The Peira Group was formed in 2008 by Mr. Leyhe and several senior executives from Tenet healthcare where for the eight years they have been instrumental in the acquisition and strategic planning for many of California's largest medical groups and hospital systems.

Mr. Leyhe has served as Chairman of Hospital Association of Southern California (HASC), Chairman of the Integrated Delivery Systems Association and committee member of the legislative board and governing board of Federation of American Hospitals. He is a frequent speaker at various healthcare association functions.

Vik Torpunuri, MS, MBA

- **Healthcare entrepreneur with a passion to build innovative and disruptive solutions leveraging data.**
- **Currently leads a national healthcare analytics company that improves outcomes by lowering cost of care, improving quality, and recovering earned revenue.**
- **20+ years expertise ranges from large health systems, physician groups, behavioral health to home health. Clients include Cedars Sinai, Intermountain, NYU, Mayo Clinic, Lafayette General Health, Univ of Alabama-Birmingham, Lifespan and Tufts to name a few.**
- **Specializes in optimizing operational process along the patient continuum of care**
- **Operational expertise in major EMRs – Epic, Cerner, Meditech, Allscripts, eClinical Works, NextGen, Athena**
- **Innovation Advisor at UCI Applied Innovation Center for startups in digital health and life sciences. Mentor to University of California, Graduate Irvine Business School;**
- **Co-founded a health tech incubator and is ramping up companies in mental health, medical credentialing with blockchain, and IOT-based health device security.**
- **Thought leader in emerging health tech and frequently presents at Industry events**

Paul R. Perrotti, CPA

20+ years of disciplined and transformative financial leadership

LaGrange, Georgia

706.302.5492

paulperrotticpa@gmail.com

<https://www.linkedin.com/in/paul-perrotti-8447b34>

Demonstrated success in driving operational improvements in health system financial results.

Well versed in all health system services and continuums.

Track record of leveraging middle managers to assist in operational improvements.

M&A Strategist: Negotiated hospital/health system mergers more than \$500M in net revenue. Seamlessly integrated financial systems, strategy functions, HR policies and IT systems of 10 organizations.

Six Sigma Master Black Belt: Aligns strategy for daily standard of work with corporate goals, consistently improving EBITDA by 5% to 10% year-over-year.

Gifted Market Analyst: Offers keen understanding of market dynamics to identify, prioritize and capitalize on significant growth opportunities. Proven talent for driving operationally efficient, cost-effective expansion.

Seasoned Executive Overseeing Large Span of Control: Experienced in leading multiple for multiple facilities. Areas: Finance Teams, Information Technology, Revenue Cycle, Lean/Six Sigma, Physician Services Organization and Payer Contracting. Partnering with CEO's, CNO's, CMO's and COO's.

Leadership Progression

Scion St Francis/Emory—Columbus, Georgia

2023 – Current

A for profit 376 bed health system, inclusive of behavioral health and a physician services organization

Assistant CFO, responsible for several post-acquisition and systems projects.

Recruited for deep operational knowledge and financial management expertise.

- Directed organizational improvements relating to financial reporting and structure
- Assisted with physician services needs, inclusive of Clinic Accounts Receivable Analysis (waterfall, valuations, projections)
- Improved closing through structured reviews of operating performance
- Negotiating physician billing and coverage agreements for imaging
- Familiar with SAP (BW, SAC), Athena Health, and all Microsoft products

Hemophilia of Georgia—Atlanta, Georgia

2020 – 2023

A specialty pharmacy and comprehensive treatment Organization

Chief Financial Officer (initially a Tatum interim professional assignment)

Recruited as CFO to chart improved direction on Financial Management, Strategy and Growth.

- Directed net revenue growth from \$90M to \$140M over 3 years, creating extended networks and decreasing revenue deductions.

- Improved revenue cycle performance thru periodic dashboard reviews, including payer scorecards, and denial management.
- Evaluated health benefits and adopted an offshore benefits captive to reduce significant costs, adopting an offshore captive model.
- Implemented information system improvements for enterprise integration in dispensing, budgeting, and billing. Improving billing and revenue controls, enhancing data analysis.
- Increased operating EBIDA by more than 65% over 3 years, increasing days cash on hand.
- Decreased days in AR from 80 to consistently under 40 days.

TANNER HEALTH SYSTEM—Carrollton, Georgia

2019 - 2020

A tax-exempt hospital system with 366 beds across five hospitals and \$600M in annual net patient revenue.

Chief Operating Officer & Senior Vice President

Recruited to formulate growth strategy and lead overall operations, with a focus on driving improvements in quality, service and financial performance.

- Launched electrophysiology, oncology, pulmonary and gynecology services programs to power patient volume. Introduced Six Sigma methodology to analyze data and drive decision-making for operations.
- Managed consistent use of Studer practices for patient rounding and strengthened communication between leaders and their direct report to ensure service excellence.
- Renegotiated an MS infusion joint venture (the largest in the country) with opportunity for expansion.
- Designed a statewide behavioral health strategy and secured partner with second-largest acute care system in Georgia. Affiliation is expected to take effect in 2020 and projected to address large system challenges related to behavioral health care delivery.

WELLSTAR HEALTH SYSTEM (SOUTHERN REGION)—Marietta, Georgia

2004 – 2020

A \$400M division of the largest, not-for-profit health system in Georgia, WellStar Southern Region is comprised of three hospitals (463 total beds), a 250-bed nursing home, a home care agency, a 16-bed inpatient hospice, home hospice and a 100-bed assisted living facility.

Regional Chief Financial Officer & Senior Vice President of Finance

Recruited as CFO to chart new strategic direction for finance and IT division as \$120M West Georgia Health System faced market pressures. Transitioned organization from “non-rated” to “rated” by revitalizing financial performance, initiating a portfolio approach to business line management and implementing enterprise-wide IT/EMR strategies.

Named Regional CFO role upon merger with Wellstar Health System in 2016, with oversight for three locations and \$400M in annual net revenue. Harmonized goals and strategy for new system; aligned all financial processes; scaled Studer initiatives and Six Sigma projects to facilities.

Business Impact, WellStar Health System, Southern Region (2016 to 2020)

- Steered permanent financing of merger through a \$1B+ bond offering—the largest healthcare bond in Georgia history. Created RFP, secured authority approval and participated in TEFRA hearings.
- Facilitated post-merger system integration, including conversion to Epic EHR and Lawson ERP modules.
- Connected daily standard work to overall strategies and financial goals.

Business Impact, West Georgia Health System (2004 to 2016)

- Led RFP process to determine system partner and negotiated terms of 2016 merger with WellStar Health System, which created a \$3.5B, 11-hospital health system (the largest in Georgia). Merged six acquired hospitals into system in a single transaction.
- Initiated and established a physician organization. Personally recruited physicians, negotiated purchase of primary care and specialty practices, and merged practices into organization. Managed nearly 50 physicians whose practices comprised 60% of market share and accounted for 80%+ of hospital admissions annually.
- Directed financing for a new 100K-square-foot, \$70M patient tower. Pioneered first county public bond offering in 25+ years; secured county and independent financing approvals to facilitate debt issuance.
- Created West Georgia Health Partners, a clinically integrated and narrow network designed to care for employees of organization and its affiliates.
- Increased days-cash-on-hand from 80 to 200 by strengthening financial reporting and accountability. Created industry-standard scorecards to monitor patient accounting quality and performance; initiated Six Sigma process improvement to mitigate denials from approximately 5% to 1%.
- Deployed Six Sigma techniques and Lean principles to generate \$6M+ annually in system cost reductions.
- Executed co-management agreements with physician practices hospital-wide; agreements featured compensation incentives for quality, service, and efficiency.

CHEMTURA—Middlebury, Connecticut

2001 – 2004

A \$2.2B specialty chemical manufacturer operating in 12 countries in North America, South America, Europe and Asia. (Formerly Crompton Corporation.)

Director of Finance—Global Information Resources & Six Sigma Master Black Belt

Hired as top-ranking finance executive for global IT organization to provide expertise in financial planning, general management and operations. Designed and executed enterprise-wide IT/ERP strategies, projects and controls in partnership with CIO. Managed \$35M operating budget and \$15M capital budget.

Selected to become a Six Sigma Black Belt and Master Black Belt. Completed rigorous training program and appointed to serve as Master Black Belt for all administrative, non-manufacturing projects globally, as well as mentor 20 Six Sigma Black Belts throughout the enterprise, while maintaining Director of Finance role. Managed \$26M annual budget savings for enterprise Six Sigma initiatives.

- Created a deliverable budget linked to individual departmental accountabilities, cost justifications and value drivers, which produced 10% improvement in service level.
- Led Six Sigma initiatives that contributed \$7M in annual cost savings through development of solutions for inventory turnover, raw materials cost, HR systems conversions, staffing, administrative affairs and accounting/financial reporting.

Early Career & Additional Experience

JLP ENTERPRISES, LLC—LaGrange, Georgia

2020

An independent consulting and portfolio management company.

Principal

Provide business advisory services and talent management to hospitals, tech companies, private equity firms and startups in the healthcare sector. Areas of focus span interim C-suite leadership, M&As and growth strategies.

- Specializing in operational stabilization and cost reduction.
- Improving revenue cycle, inclusive of denials management.
- Enhancing strategies for internal and external improvements, using six sigma and lean principles.

- Mentoring and coaching existing staff to function with greater efficiency and expertise.

Adhere2Care —Carrolton, Georgia

2020

A start up remote patient monitoring company

Minority Owner

CFO to chart start up direction on Financial Management, Strategy and Growth.

- Created business plan and related projections to solicit funding.
- Leveraged care delivery networks to implement installations.
- Served as overall business advisor, market advisor, and transferred healthcare knowledge.

THE DEVEREUX TREATMENT NETWORK—Bryn Mawr, Pennsylvania

Director of Finance & Administrative Services—National

Director of Finance & Administrative Services—Georgia

CHARTER BEHAVIOR HEALTH SYSTEMS, LLC (CBH)—Atlanta, Georgia

Chief Financial Officer

THE HOSPITAL OF SAINT RAPHAEL (Now part of Yale New Haven Health System)—New Haven, Connecticut

Senior Accountant

BAILEY, MOORE, GLAZER, SCHAEFER & PROTO CPAs, LLP—New Haven, Connecticut

Manager (5 Years)

Staff Accountant (5 Years)

Education | Certification

Certificate in Executive Development

Emory University | Atlanta, Georgia

Bachelor of Arts, Business Administration, with Concentration in Accounting

Quinnipiac University | Hamden, Connecticut

Certified Public Accountant | Connecticut

Six Sigma Master Black Belt & Lean Champion, 2002

Six Sigma Certification received from Sigma Breakthrough Technologies, Inc. | San Marcos, Texas

Lean Certification received from Transformational Improvement Partners | Auburn, Alabama

Professional Affiliations | Community Involvement

- **American Institute of Certified Public Accountants** | Member
- **Healthcare Financial Management Association** | Past Member, Georgia Chapter
- **Georgia Hospital Health Services (GHHS)** | Chairman
- **Georgia CFO Networking Group** | Past Chairman
- **GHHS (Georgia Hospital Association)** | Past Chairman, & Finance Communications Subcommittee
- **Habitat for Humanity, Troup, Chambers & Randolph Counties** | Past Treasurer

Technical Experience

- EPIC / Meditech – Electronic Medical Records
- Kaufman Hall, Budget Advisor, Hospital Advisor
- Vena, budgeting, and reporting
- Minitab, statistical software used in Six Sigma initiatives.
- Microsoft Dynamics
- Fully Versed in Microsoft Office
- Paycor
- Strata, budgeting
- Multiple other incidental applications