



**State of Tennessee
Health Facilities Commission**

502 Deaderick Street, Andrew Jackson Building, 9th Floor, Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

hsda.staff@tn.gov

CERTIFICATE OF NEED APPLICATION

1A. Name of Facility, Agency, or Institution

Premier Radiology Clarksville Outpatient Diagnostic Center

Name

Unaddressed Lot 2 at the intersection of Chesapeake Lane and Dunlop Lane, across Chesapeake Lane from Premier Medial Group's office building, and across Dunlop Lane 0.6 miles from the entrance drive to the Tennova Healthcare Clarksville hospital.

Montgomery County

County

Street or Route

Clarksville

Tennessee

37040

City

State

Zip

None

Website Address

Note: The facility's name and address **must be** the name and address of the project and **must be** consistent with the Publication of Intent.

2A. Contact Person Available for Responses to Questions

John Wellborn

NA

Name

Title

DSG

john.wellborn.dsg@gmail.com

Company Name

Email Address

4505 Harding Pike Suite 53-E

Street or Route

Nashville

Tennessee

37205

City

State

Zip

CON Consultant

615-665-2022

Association with Owner

Phone Number

3A. Proof of Publication

Attach the full page of newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent. (Attachment 3A)

Date LOI was Submitted: 01/31/24

RESPONSE: The newspaper has not yet sent the applicant its affidavit of publication. When received, it will be submitted to the HFC under separate cover.

4A. Purpose of Review (*Check appropriate box(es) – more than one response may apply*)

- Establish New Health Care Institution
- Relocation
- Change in Bed Complement
- Addition of a Specialty to an Ambulatory Surgical Treatment Center (ASTC)
- Initiation of MRI Service
- MRI Unit Increase
- Satellite Emergency Department
- Addition of Therapeutic Catheterization
- Positron Emission Tomography (PET) Service
- Initiation of Health Care Service as Defined in §TCA 68-11-1607(3)

Please answer all questions on letter size, white paper, clearly typed and spaced, single sided, in order and sequentially numbered. In answering, please type the question and the response. All questions must be answered. If an item does not apply, please indicate “N/A” (not applicable). Attach appropriate documentation as an Appendix at the end of the application and reference the applicable item Number on the attachment, i.e. Attachment 1A, 2A, etc. The last page of the application should be a completed signed and notarized affidavit.

5A. Type of Institution (*Check all appropriate boxes – more than one response may apply*)

- Hospital
- Ambulatory Surgical Treatment Center (ASTC) – Multi-Specialty
- Ambulatory Surgical Treatment Center (ASTC) – Single Specialty
- Home Health
- Hospice
- Intellectual Disability Institutional Habilitation Facility (ICF/IID)
- Nursing Home
- Outpatient Diagnostic Center
- Rehabilitation Facility
- Residential Hospice
- Nonresidential Substitution Based Treatment Center of Opiate Addiction
- Other

Other -

Hospital -

6A. Name of Owner of the Facility, Agency, or Institution

Name

28 White Bridge Pike, Suite 111

615-356-3999

Street or Route

Phone Number

Nashville

Tennessee

37205

City

State

Zip

7A. Type of Ownership of Control (Check One)

- Sole Proprietorship
- Partnership
- Limited Partnership
- Corporation (For Profit)
- Corporation (Not-for-Profit)
- Government (State of TN or Political Subdivision)
- Joint Venture
- Limited Liability Company
- Other (Specify)

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the Tennessee Secretary of State’s website at <https://tnbear.tn.gov/ECommerce/FilingSearch.aspx>. If the proposed owner of the facility is government owned must attach the relevant enabling legislation that established the facility. (Attachment 7A)

Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member’s percentage of ownership, for those members with 5% ownership (direct or indirect) interest.

RESPONSE: The ODC will be wholly owned by Middle Tennessee Imaging, LLC d/b/a Premier Radiology. That entity is referred to in this application as “MTI” or “Premier” or “Premier Radiology”. MTI is a joint venture between Saint Thomas Health (70%); NOL, LLC (26.1%) and several physicians (3.9% in total). NOL, LLC is owned 72.76% by Radiology Partners and 27.24% by individual physicians, none of whom owns 5% or more of that LLC. The applicant’s active status is documented in Attachment 7A.

8A. Name of Management/Operating Entity (If Applicable)

PhyData, LLC

Name

28 White Bridge Road, Suite 111

Davidson

Street or Route

County

Nashville

Tennessee

37205

City

State

Zip

www.premierradiology.com

Website Address

For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the

agreement, and the anticipated management fee payment schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract. (Attachment 8A)

9A. Legal Interest in the Site

Check the appropriate box and submit the following documentation. (Attachment 9A)

The legal interest described below must be valid on the date of the Agency consideration of the Certificate of Need application.

- Ownership (Applicant or applicant’s parent company/owner) – Attach a copy of the title/deed.
 - Lease (Applicant or applicant’s parent company/owner) – Attach a fully executed lease that includes the terms of the lease and the actual lease expense.
 - Option to Purchase - Attach a fully executed Option that includes the anticipated purchase price.
 - Option to Lease - Attach a fully executed Option that includes the anticipated terms of the Option and anticipated lease expense.
 - Letter of Intent, or other document showing a commitment to lease the property - attach reference document
 - Other (Specify)
-

RESPONSE: See Attachment 9A. The lessor will be Saint Thomas Hospital West (or potentially a third-party developer), and MTI will be the lessee and the licensee of the ODC. Attachment 9A contains the executed letter of intent to enter into the lease, conditioned on CON approval. It states the terms and anticipated expenses of the intended lease.

10A. Floor Plan

If the facility has multiple floors, submit one page per floor. If more than one page is needed, label each page. (Attachment 10A)

- Patient care rooms (Private or Semi-private)
- Ancillary areas
- Other (Specify)

RESPONSE: See Attachment 10A for the floor plan of this one-level facility, with major areas labeled.

11A. Public Transportation Route

Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients. (Attachment 11A)

RESPONSE: The project is at Dunlop Lane and Chesapeake Lane, very close to Tennova Healthcare-Clarksville hospital whose location is well known to service area residents. Patients can come from the south on I-24, and exit at Dunlop Lane within sight of the hospital, and be no more than 3 minutes from this project on Dunlop Lane. Patients coming from the north on I-24 will exit on Wilma Rudolph Boulevard / US Highway 79 West, turning off it onto Dunlop Lane very close to the project. The Clarksville Transit Authority (CTA) operates bus lines throughout the city and to Fort Campbell in Christian County, Kentucky. CTA also provides vans with lifts for disabled and elderly passengers, scheduled on appointment. Bus route #8 has a stop at the hospital emergency department, which is approximately 500 yards from the site of this project. THE CTA transports residents into Clarksville from both the north and south of Clarksville. The CTA also operates route #1 that serves residents in the Fort Campbell area in nearby Kentucky. Outside of Clarksville, the low-cost Mid-Cumberland Public Transit system provides elderly and handicapped rural residents with transportation on an appointment basis, to and from Montgomery County destinations as needed. See Attachment 11A for a transit system map of the route that stops at the hospital, closest to this project.

12A. Plot Plan

Unless relating to home care organization, briefly describe the following and attach the requested documentation on a letter size sheet of white paper, legibly labeling all requested information. It **must** include:

- Size of site (in acres);
- Location of structure on the site;
- Location of the proposed construction/renovation; and
- Names of streets, roads, or highways that cross or border the site.

(Attachment 12A)

RESPONSE: See Attachment 21A for the plot plan, labeled as required.

13A. Notification Requirements

- TCA §68-11-1607(c)(9)(B) states that “... If an application involves a healthcare facility in which a county or municipality is the lessor of the facility or real property on which it sits, then within ten (10) days of filing the application, the applicant shall notify the chief executive officer of the county or municipality of the filing, by certified mail, return receipt requested.” Failure to provide the notifications described above within the required statutory timeframe will result in the voiding of the CON application.
 - Notification Attached (Provide signed USPS green-certified mail receipt card for each official notified.)
 - Notification in process, attached at a later date
 - Notification not in process, contact HFC Staff
 - Not Applicable
- TCA §68-11-1607(c)(9)(A) states that “... Within ten (10) days of the filing of an application for a nonresidential substitution based treatment center for opiate addiction with the agency, the applicant shall send a notice to the county mayor of the county in which the facility is proposed to be located, the state representative and senator representing the house district and senate district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of the municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution based treatment center for opiate addiction has been filed with the agency by the applicant.
 - Notification Attached (Provide signed USPS green-certified mail receipt card for each official notified.)
 - Notification in process, attached at a later date
 - Notification not in process, contact HFC Staff
 - Not Applicable

EXECUTIVE SUMMARY

1E. Overview

Please provide an overview not to exceed **ONE PAGE** (for 1E only) in total explaining each item point below.

- Description: Address the establishment of a health care institution, initiation of health services, and/or bed complement changes.

RESPONSE:

The project is establishment of an Outpatient Diagnostic Center (“ODC”) in Clarksville (Montgomery County), and the initiation of outpatient MRI service. The proposed ODC will offer MRI with the area’s first breast imaging capability,^[RP1] CT, ultrasound, x-ray, mammography, and bone densitometry. When the project is fully implemented, the applicant will remove from Montgomery County the applicant’s existing mobile MRI/ODC (which operates full-time at one location), and will surrender authorization for its future use in Montgomery County.

^[RP1]with new breast imaging capability

- Ownership structure

RESPONSE: The ODC will be wholly owned by the applicant, Middle Tennessee Imaging, LLC d/b/a Premier Radiology. That entity is referred to in this application as “MTI” or “Premier” or “Premier Radiology”. MTI is a joint venture between Saint Thomas Health (70%); NOL, LLC (26.1%) and several physicians (3.9% in total). NOL, LLC is owned 72.76% by Radiology Partners and 27.24% by individual physicians, none of whom owns 5% or more of that LLC.

- Service Area

RESPONSE: The primary service area of the project consists of Montgomery County in Tennessee, and adjoining parts of Christian County, Kentucky. They will contribute more than 82% of the project’s patients. No other county will contribute as much as 5%.

- Existing similar service providers

RESPONSE: : In the Tennessee sector of the primary service area in CY2022, the HFC Registry identified 5 MRI providers operating 5.8 MRI units, and 6 providers operating 7 CT units. See Table 5N in the Attachments. In adjoining Christian County, Kentucky, the local hospital in Hopkinsville also provided MRI and CT services.

- Project Cost

RESPONSE: The applicant’s estimated total project cost (CON; equipping; licensure) is \$15,400,407, of which \$5,060,713 is the actual capital cost, the balance being the amount of space lease payments over a 15-year period. The lease cost covers the developer’s costs for building the turnkey, finished facility for the applicant to equip and license.

- Staffing

RESPONSE: Year One utilization will require 8 FTE’s of radiology techs. The mobile MRI is already staffed with 2 MRI tech FTEs at its present location. Six techs will be recruited for the new modalities. Two patient services representatives will also be on staff to assist patients.

2E. Rationale for Approval

A Certificate of Need can only be granted when a project is necessary to provide needed health care in the area to be served, will provide health care that meets appropriate quality standards, and the effects attributed to competition or duplication would be positive for consumers

Provide a brief description not to exceed ONE PAGE (for 2E only) of how the project meets the criteria necessary for granting a CON using the data and information points provided in criteria sections that follow.

- Need

RESPONSE: • First, the applicant’s existing mobile MRI is currently operating at a single location, 10 hours a day, 6 days a week, at 123% of the 2,880-procedure State Plan optimal use standard. Patient waiting time—currently at 20 days--will continue to increase with the area’s rapidly growing population. The existing mobile MRI will be replaced with a faster MRI. • Second, the proposed faster stationary MRI will substantially exceed the State Health Plan’s optimal targets of 2,160; 2,520; and 2,880 annual procedures in its first three years, which meets that goal of the State Health Plan. • Third, the applicant’s proposed stationary MRI replaces the applicant’s existing mobile MRI, so the project is not an additional MRI service or unit for Clarksville. This makes it acceptable under the State Health Plan, which is primarily focused on the need for additional MRIs. • Fourth, the applicant’s proposed stationary MRI will introduce MRI breast imaging technology to the service area, which is an important addition to healthcare services in this service area. Technological innovation and improved consumer access are supported by the State Health Plan. • Fifth, there is an indication that the ODC-based MRI in Clarksville (Clarksville Imaging Center or “CIC”) will lose its radiologist coverage in the first quarter of CY2024. ADI Radiology, P.C. (which exclusively provides radiology reading services to CIC) anticipates that it will cease providing radiology reading services to Clarksville Imaging Center on March 31, 2024 and understands that the owners of Clarksville Imaging Center

- Quality Standards

RESPONSE: The applicant operates 18 licensed and accredited ODCs in Middle Tennessee and has longstanding diagnostic imaging presence in the proposed service area. In Montgomery County, the applicant is licensed for an Outpatient Diagnostic Center. Its existing mobile MRI unit is accredited by the American College of Radiology. In the proposed new fixed ODC, optimal quality of care will be assured not only by MRI accreditation and ODC licensure, but also by the quality of Premier’s 52 radiologists, with their extensive depth of subspecialty clinical training, and by Saint Thomas Health’s regionwide commitment to high quality care at a lower cost to consumers. In addition, the project’s MRI will introduce to Montgomery County an important advanced technology for sophisticated breast imaging, which is in high demand but is not available in this area as yet.

- Consumer Advantage

- Choice

RESPONSE: Consumers will have improved access to several new imaging services in one comprehensive fixed outpatient imaging center, including MRI-based breast studies, X-ray, and bone densitometry. Additionally, consumer preferences for ODC-based MRIs is strong, compared to the lower utilization of hospital MRIs. The high utilization of ODC-based MRIs is significant because (1) the ODC units are more affordable than the hospital units for most consumers, and (2) they are more accessible than physician office MRIs, which may limit testing to their own patients.

- Improved access/availability to health care service(s)

RESPONSE: The project’s stationary MRI will bring a valuable new breast coil technology to service area patients, who currently do not have it available at an easily accessible location. That improvement will also be financially accessible. Premier contracts with all area TennCare MCOs and has committed to follow Saint

Thomas' charity care policies. Premier has committed to charity care for this ODC at 1% of gross revenues. The location of the project is close to Montgomery County's only hospital, only about 500 yards from the applicant's existing mobile MRI.

○ Affordability

RESPONSE: The project's cost advantages will provide savings to uninsured and underinsured patients, to insurers, and to insured patients whose co-pays are based on a percentage of provider charges. The CY2022 Registry shows a CY2022 average gross charge of \$2,112 for Premier's existing mobile MRI. This contrasts with much higher hospital charges, which in CY2022 averaged \$5,535.

3E. Consent Calendar Justification

- Letter to Executive Director Requesting Consent Calendar (Attach Rationale that includes addressing the 3 criteria)
- Consent Calendar NOT Requested

If Consent Calendar is requested, please attach the rationale for an expedited review in terms of Need, Quality Standards, and Consumer Advantage as a written communication to the Agency's Executive Director at the time the application is filed.

4E. PROJECT COST CHART

A. Construction and equipment acquired by purchase:	
1. Architectural and Engineering Fees	\$0
2. Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	\$75,000
3. Acquisition of Site	\$0
4. Preparation of Site	\$0
5. Total Construction Costs	\$0
6. Contingency Fund	\$0
7. Fixed Equipment (Not included in Construction Contract)	\$4,146,140
8. Moveable Equipment (List all equipment over \$50,000 as separate attachments)	\$0
9. Other (Specify): <u>MRI and CT service agreements</u>	\$805,000
B. Acquisition by gift, donation, or lease:	
1. Facility (inclusive of building and land)	\$10,339,694
2. Building only	\$0
3. Land only	\$0
4. Equipment (Specify): _____	\$0
5. Other (Specify): _____	\$0
C. Financing Costs and Fees:	
1. Interim Financing	\$0
2. Underwriting Costs	\$0
3. Reserve for One Year's Debt Service	\$0
4. Other (Specify): _____	\$0
D. Estimated Project Cost (A+B+C)	\$15,365,834
E. CON Filing Fee	\$34,573
F. Total Estimated Project Cost (D+E) TOTAL	\$15,400,407

GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with TCA §68-11-1609(b), “no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, will provide health care that meets appropriate quality standards, and the effect attributed to completion or duplication would be positive for consumers.” In making determinations, the Agency uses as guidelines the goals, objectives, criteria, and standards adopted to guide the agency in issuing certificates of need. Until the agency adopts its own criteria and standards by rule, those in the state health plan apply.

Additional criteria for review are prescribed in Chapter 11 of the Agency Rules, Tennessee Rules and Regulations 01730-11.

The following questions are listed according to the three criteria: (1) Need, (2) the effects attributed to competition or duplication would be positive for consumers (Consumer Advantage), and (3) Quality Standards.

NEED

The responses to this section of the application will help determine whether the project will provide needed health care facilities or services in the area to be served.

- 1N.** Provide responses as an attachment to the applicable criteria and standards for the type of institution or service requested. A word version and pdf version for each reviewable type of institution or service are located at the following website. <https://www.tn.gov/hsda/hsda-criteria-and-standards.html> (Attachment 1N)

RESPONSE:

See Attachment 1N for responses to the State Health Plan's review criteria and standards for MRI Services and for Outpatient Diagnostic Centers.

- 2N.** Identify the proposed service area and provide justification for its reasonable ness. Submit a county level map for the Tennessee portion and counties boarding the state of the service area using the supplemental map, clearly marked, and shaded to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the border states, if applicable. (Attachment 2N)

RESPONSE:

See Attachment 2N for the required map designating the counties in the project 's primary service area. The primary service area ("PSA") consists of Montgomery County in Tennessee, and adjoining Christian County in Kentucky.

The PSA was identified by analyzing recent patient origin of Premier's existing mobile MRI. More than 82% of the applicant's patients were residents of the identified service area. No other county or state contributed as much as 5% of the mobile MRI patients. The proposed service area for the other modalities will reflect these same counties. The projected procedures for the project are as follows:

Montgomery County--16,126 procedures (76.0%); Christian County KY 1,337 procedures (6.3%); all other TN and KY counties and other States all under 5% each, 3,755 procedures (17.7%).

Complete the following utilization tables for each county in the service area, if applicable.

PROJECTED UTILIZATION

Unit Type: <input checked="" type="checkbox"/> Procedures <input type="checkbox"/> Cases <input type="checkbox"/> Patients <input type="checkbox"/> Other _____		
Service Area Counties	Projected Utilization Recent Year 1 (Year = 2025)	% of Total
Other State	5,092	24.00%
Montgomery	16,126	76.00%
Total	21,218	100%

3N. A. Describe the demographics of the population to be served by the proposal.

RESPONSE:

From CY2028 to CY2027, the population of the service area is projected to increase 7.3%, more than twice the projected Statewide growth rate of 2.9%. The targeted adult population will also increase at more than twice the State rate: 7.2% versus 3.1%.

The service area has a younger population and a 6% higher household income than Tennessee. It has a lower percent of persons living in poverty, and a slightly lower percent of TennCare enrollment

B. Provide the following data for each county in the service area:

- Using current and projected population data from the Department of Health. (www.tn.gov/health/health-program-areas/statistics/health-data/population.html);
- the most recent enrollee data from the Division of TennCare (<https://www.tn.gov/tenncare/information-statistics/enrollment-data.html>),
- and US Census Bureau demographic information (<https://www.census.gov/quickfacts/fact/table/US/PST045219>).

RESPONSE:

See Attachment 3N-B for the demographic table, based on required data sources. Note that the population data for Montgomery County and for Tennessee are the most recent data just released in late January 2024 by the Department of Health, incorporating the most recent U.S. Census.

4N. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly those who are uninsured or underinsured, the elderly, women, racial and ethnic minorities, TennCare or Medicaid recipients, and low income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

RESPONSE:

These groups will have multiple options for insurance coverage at this proposed ODC, as they now have with Premier's other ODCs across Middle Tennessee. The applicant is contracted with Medicare, with the three largest TennCare MCO's serving this area, and with TennCare Select. As an affiliate of Saint Thomas Health, the applicant is also committing to annual charity care based on income guidelines (to be developed) and 1% of the MRI gross revenues.

5N. Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: Admissions or discharges, patient days. Average length of stay, and occupancy. Other projects should use the most appropriate measures, e.g. cases, procedures, visits, admissions, etc. This does not apply to projects that are solely relocating a service.

RESPONSE:

There do not appear to be approved/unimplemented services of this type in the project's primary service area.

Please see Attachment 5N for a table of reported utilization data from existing providers in the service area, for the three years CY2020 through CY2022. With respect to MRI, in CY2022, the area had 5 providers of MRI—2 ODCs; 1 hospital; and 2 private physician offices. They operated 5.8 MRI units.

Table 5N Part A below summarizes area MRI providers' CY2022 percent of compliance with the State Health Plan target for optimal utilization, which is 2,880 procedures per year. The State Plan provides no targets for other modalities. The five providers as a group averaged 83.9% of the State Health Plan's optimal utilization target,

Table 5N Part A: MRI Providers' Compliance With State Health Plan Targets In CY2022							
County	Provider Type	Provider	Units	Procedures	Average Procedures Per Unit	Utilization Target for MRI Unit	% of Target Met
Montgomery	ODC	Premier ODC (The Applicant)	0.8	3,543	4,429*	2,880	153.8%
Montgomery	ODC	Clarksville Imaging Center (CIC)	1	1,959	1,959	2,880	68.0%
Montgomery	Hosp	Tennova Healthcare—Clarksville	2	3,965	1,982.5	2,880	68.8%
Montgomery	PO	TN Orthopaedic Associates	1	3,361	3,361	2,880	116.7%
Montgomery	PO	Premier Medical Group	1	1,184	1,184	2,880	41.1%

Totals	All		5.8	14,012	2,416	2,880	83.9%
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Source: HFC Registry.

*State Health Plan Target for 4 days/week mobile service. 123% of SHP target based on 1 unit.

Note: Hospital providers' data includes both hospital-based MRI units and MRI units in the hospital HOPDs (hospital outpatient departments).

It should be recognized that with the population growth in the service area, MRI utilization will increase. CY2022 utilization does not indicate the extent of area need three years later, in CY2025, when this project will open. For example, Table 5N Part B below documents the service area's growth in MRI average utilization per unit, in the two-year period of CY2020 through CY2022. The data are from HFC Registry data in Attachment 5N.

The average procedures per MRI unit increased almost 19% in only two years. This is a reliable predictor that in CY2025 when this project opens, area utilization of MRI will be significantly higher than it was in CY2022.

Table 5N Part B: Rapid Increases of Service Area MRI Utilization CY2020 - CY2022	
	All Providers
2020 MRI Utilization	
Units	5.8
Procedures	11,806
Procedures Per Unit	2,036
2022 MRI Utilization	
Units	5.8
Procedures	14,012
Procedures Per Unit	2,416
% Change in Procedures Per Unit, 2020-2022	+18.7%

Source: HFC Registry data, Attachment 5.

- 6N. Provide applicable utilization and/or occupancy statistics for your institution services for each of the past three years and the project annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

RESPONSE:

Table 6N Part A: Historic Utilization of Applicant's ODC (MRI Only)				
Year	Units	Procedures	State Health Plan Optimal Utilization Standard	% of Optimal Utilization Standard
CY2020	1	2,829	2,880	98.0%
CY2021	1	*1,972	2,880	69%
CY2022	1	3,543	2,880	123%
CY2023	1	3,900	2,880	135%

Note: The Registry does not provide CY2021 utilization for this unit; CY2021 data in the table is from the applicant's Joint Annual Report, p.6. A staffing shortage held utilization down for that year; but when fully staffed the next year, MRI procedures almost doubled, to 123% of the State Plan optimal utilization standard.

The Premier mobile MRI performed approximately 3,900 procedures last year.. Projections were made by officers of Premier Radiology based on experience in similar markets and on demand for the new capacities of this MRI (breast imaging and faster imaging speed). The projected increase is 4% per year, each year, from CY2023 through CY2027, without significant growth in CY2028.

The other modalities were projected for CY2025 at their likely volumes in relation to the MRI utilization. After that first year, CT was increased by 250 procedures each year; Mammography was rapidly increased by 500 procedures each year; ultrasound was increased by 250 procedures each year; and x-ray was increased by 250 and 500 procedures, respectively. Growth projections of these modalities reflect population increases in the service area.

Table 6N Part B: Projected Utilization of Applicant's MRI Service				
Year	Units	Procedures	State Health Plan Optimal Utilization Standard	% of Optimal Utilization Standard
Yr 1 - CY2025	1	4,218	2,880	146.5%
Yr 2 - CY2026	1	4,387	2,880	152.3%
Yr 3 - CY2027	1	4,563	2,880	158.4%

Table 6N Part C - Projected Utilization of Applicant's Major ODC Modalities				

Year	MRI	CT	Mammo	Ultrasound	X-Ray	TOTALS
CY2025 Yr 1	4,218	3,000	6,000	3,000	5,000	21,218
CY2026 Yr 2	4,387	3,250	6,500	3,250	5,250	22,637
CY2027 Yr 3	4,563	3,500	7,000	3,500	5,750	24,313

7N. Complete the chart below by entering information for each applicable outstanding CON by applicant or share common ownership; and describe the current progress and status of each applicable outstanding CON and how the project relates to the applicant, and the percentage of ownership that is shared with the applicant's owners.

RESPONSE:

CON Number	Project Name	Date Approved	Expiration Date
CN2309-021	Premier Radiology Lebanon	12/13/2023	1/13/2025

CONSUMER ADVANTAGE ATTRIBUTED TO COMPETITION

The responses to this section of the application helps determine whether the effects attributed to competition or duplication would be positive for consumers within the service area.

1C. List all transfer agreements relevant to the proposed project.

RESPONSE: Premier has in place a transfer agreement with Ascension Saint Thomas Hospital Midtown in Nashville. See Attachment 1C. Another may be requested from Tennova Healthcare-Clarksville hospital. The established protocol for an emergency transfer is to call in Montgomery EMS, which will send an ambulance and with the patient’s concurrence will take the patient to the most appropriate hospital. The staff is now, and will continue to be, trained in emergency response.

2C. List all commercial private insurance plans contracted or plan to be contracted by the applicant.

- Aetna Health Insurance Company
- Ambetter of Tennessee Ambetter
- Blue Cross Blue Shield of Tennessee
- Blue Cross Blue Shield of Tennessee Network S
- Blue Cross Blue Shiled of Tennessee Network P
- BlueAdvantage
- Bright HealthCare
- Cigna PPO
- Cigna Local Plus
- Cigna HMO - Nashville Network
- Cigna HMO - Tennessee Select
- Cigna HMO - Nashville HMO
- Cigna HMO - Tennessee POS
- Cigna HMO - Tennessee Network
- Golden Rule Insurance Company
- HealthSpring Life and Health Insurance Company, Inc.
- Humana Health Plan, Inc.
- Humana Insurance Company
- John Hancock Life & Health Insurance Company
-

- Omaha Health Insurance Company
- Omaha Supplemental Insurance Company
- State Farm Health Insurance Company
- United Healthcare UHC
- UnitedHealthcare Community Plan East Tennessee
- UnitedHealthcare Community Plan Middle Tennessee
- UnitedHealthcare Community Plan West Tennessee
- WellCare Health Insurance of Tennessee, Inc.
- Others

3C. Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact upon consumer charges and consumer choice of services.

RESPONSE:

The applicant is not an additional MRI provider in the service area; and the project will not add another MRI unit to the area. Charges will not be affected by this project.

4C. Discuss the availability of and accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements, CMS, and/or accrediting agencies requirements, such as the Joint Commission and Commission on Accreditation of Rehabilitation Facilities.

RESPONSE:

The applicant has extensive experience in recruiting and retaining staff to operate an imaging facility. All of its similar centers are fully staffed and in compliance with requirements of accreditation agencies, CMS, and the State of Tennessee.

5C. Document the category of license/certification that is applicable to the project and why. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.

RESPONSE:

The proposed facility will be licensed by the State of Tennessee as an Outpatient Diagnostic Center. The applicant operates 18 such centers in Middle Tennessee, and is familiar with and complies with applicable State licensure requirements and applicable regulations.

PROJECTED DATA CHART

- Project Only
- Total Facility

Give information for the *two (2)* years following the completion of this proposal.

	Year 1	Year 2
	<u>2025</u>	<u>2026</u>
A. Utilization Data		
Specify Unit of Measure <u>Procedures</u>	<u>21218</u>	<u>22637</u>
B. Revenue from Services to Patients		
1. Inpatient Services	<u>\$0.00</u>	<u>\$0.00</u>
2. Outpatient Services	<u>\$20,390,498.00</u>	<u>\$21,663,609.00</u>
3. Emergency Services	<u>\$0.00</u>	<u>\$0.00</u>
4. Other Operating Revenue (Specify) _____	<u>\$0.00</u>	<u>\$0.00</u>
Gross Operating Revenue	<u>\$20,390,498.00</u>	<u>\$21,663,609.00</u>
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	<u>\$14,885,064.00</u>	<u>\$15,814,435.00</u>
2. Provision for Charity Care	<u>\$203,905.00</u>	<u>\$216,636.00</u>
3. Provisions for Bad Debt	<u>\$636,183.00</u>	<u>\$675,905.00</u>
Total Deductions	<u>\$15,725,152.00</u>	<u>\$16,706,976.00</u>
NET OPERATING REVENUE	<u>\$4,665,346.00</u>	<u>\$4,956,633.00</u>

7C. Please identify the project’s average gross charge, average deduction from operating revenue, and average net charge using information from the Historical and Projected Data Charts of the proposed project.

Project Only Chart

	Previous Year to Most Recent Year	Most Recent Year	Year One	Year Two	% Change (Current Year to Year 2)
Gross Charge (<i>Gross Operating Revenue/Utilization Data</i>)	\$0.00	\$0.00	\$961.00	\$957.00	0.00
Deduction from Revenue (<i>Total Deductions/Utilization Data</i>)	\$0.00	\$0.00	\$741.12	\$738.04	0.00
Average Net Charge (<i>Net Operating Revenue/Utilization Data</i>)	\$0.00	\$0.00	\$219.88	\$218.96	0.00

8C. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

RESPONSE:

See response to question 9C, immediately below.

9C. Compare the proposed project charges to those of similar facilities/services in the service area/adjoining services areas, or to proposed charges of recently approved Certificates of Need.

If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

RESPONSE:

Please see Attachment 9C, Table 9C Part A, for a comparison of the latest available data on average gross charges of the MRI providers that reported their

CY2022 charges to the HFC Registry. In that year, the average MRI gross charge at the applicant’s MRI in Clarksville was \$2,112, below the \$2,623 average of all Montgomery County MRI providers. The Premier charge was only 38% of the average hospital-based MRI charge that year.

10C. Report the estimated gross operating revenue dollar amount and percentage of project gross operating revenue anticipated by payor classification for the first and second year of the project by completing the table below.

If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

**Applicant’s Projected Payor Mix
Project Only Chart**

Payor Source	Year-2025		Year-2026	
	Gross Operating Revenue	% of Total	Gross Operating Revenue	% of Total
Medicare/Medicare Managed Care	\$3,058,575.00	15.00	\$3,249,541.00	15.00
TennCare/Medicaid	\$2,446,860.00	12.00	\$2,599,633.00	12.00
Commercial/Other Managed Care	\$9,379,629.00	46.00	\$9,965,260.00	46.00
Self-Pay	\$101,952.00	0.50	\$108,319.00	0.50
Other(Specify)	\$5,403,482.00	26.50	\$5,740,856.00	26.50
Total	\$20,390,498.00	100%	\$21,663,609.00	100%
Charity Care	\$203,905.00		\$216,636.00	

**Needs to match Gross Operating Revenue Year One and Year Two on Projected Data Chart*

Discuss the project’s participation in state and federal revenue programs, including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project.

RESPONSE: As shown in the table immediately above, the project will serve Medicare and TennCare/Medicaid patients, and will commit a minimum of 1% of its gross revenues to charity care for medically indigent patients.

QUALITY STANDARDS

1Q. Per PC 1043, Acts of 2016, any receiving a CON after July 1, 2016, must report annually using forms prescribed by the Agency concerning appropriate quality measures. Please attest that the applicant will submit an annual Quality Measure report when due.

- Yes
- No

2Q. The proposal shall provide health care that meets appropriate quality standards. Please address each of the following questions.

- Does the applicant commit to maintaining the staffing comparable to the staffing chart presented in its CON application?
 - Yes
 - No

- Does the applicant commit to obtaining and maintaining all applicable state licenses in good 3standing?
 - Yes
 -

No

- Does the applicant commit to obtaining and maintaining TennCare and Medicare certification(s), if participation in such programs are indicated in the application?

Yes

No

3Q. Please complete the chart below on accreditation, certification, and licensure plans. Note: if the applicant does not plan to participate in these type of assessments, explain why since quality healthcare must be demonstrated.

Credential	Agency	Status (Active or Will Apply)	Provider Number or Certification Type
Licensure	<input checked="" type="checkbox"/> Health Facilities Commission/Licensure Division <input type="checkbox"/> Intellectual & Developmental Disabilities <input type="checkbox"/> Mental Health & Substance Abuse Services	Will Apply	Outpatient Diagnostic Facility
Certification	<input checked="" type="checkbox"/> Medicare <input checked="" type="checkbox"/> TennCare/Medicaid <input type="checkbox"/> Other _____	Will Apply Will Apply	Outpatient Diagnostic Facility Outpatient Diagnostic Facility
Accreditation(s)	ACR – American College of Radiology	Will Apply	MRI

4Q. If checked “TennCare/Medicaid” box, please list all Managed Care Organization’s currently or will be contracted.

- AMERIGROUP COMMUNITY CARE- East Tennessee
- AMERIGROUP COMMUNITY CARE - Middle Tennessee
- AMERIGROUP COMMUNITY CARE - West Tennessee
- BLUECARE - East Tennessee
- BLUECARE - Middle Tennessee
- BLUECARE - West Tennessee
- UnitedHealthcare Community Plan - East Tennessee
- UnitedHealthcare Community Plan - Middle Tennessee
- UnitedHealthcare Community Plan - West Tennessee
- TENNCARE SELECT HIGH - All
- TENNCARE SELECT LOW - All
- PACE
- KBB under DIDD waiver
- Others

5Q. Do you attest that you will submit a Quality Measure Report annually to verify the license, certification, and/or accreditation status of the applicant, if approved?

- Yes
- No

6Q. For an existing healthcare institution applying for a CON:

- Has it maintained substantial compliance with applicable federal and state regulation for the three years prior to the CON application. In the event of non-compliance, the nature of non-compliance and corrective action should be discussed to include any of the following: suspension of admissions, civil monetary penalties, notice of 23-day or 90-day termination proceedings from Medicare/Medicaid/TennCare, revocation/denial of accreditation, or other similar actions and what measures the applicant has or will put into place to avoid similar findings in the future.

- Yes
- No
-

N/A

- Has the entity been decertified within the prior three years? If yes, please explain in detail. (This provision shall not apply if a new, unrelated owner applies for a CON related to a previously decertified facility.)

- Yes
- No
- N/A

7Q. Respond to all of the following and for such occurrences, identify, explain, and provide documentation if occurred in last five (5) years.

Has any of the following:

- Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);
- Any entity in which any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or.

Been subject to any of the following:

- Final Order or Judgement in a state licensure action;

- Yes
- No

- Criminal fines in cases involving a Federal or State health care offense;

- Yes
- No

- Civil monetary penalties in cases involving a Federal or State health care offense;

- Yes
- No

- Administrative monetary penalties in cases involving a Federal or State health care offense;

- Yes
- No

- Agreement to pay civil or administrative monetary penalties to the federal government or any state in cases involving claims related to the provision of health care items and services;

- Yes
- No

Please Explain

RESPONSE: Please see details of 7QB5 in Attachment "Additional Document 1".

- Suspension or termination of participation in Medicare or TennCare/Medicaid programs; and/or

- Yes
- No

- Is presently subject of/to an investigation, or party in any regulatory or criminal action of which you are aware.

- Yes
-

No

8Q. Provide the project staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTEs) positions for these positions.

Existing FTE not applicable (Enter year)

Position Classification	Existing FTEs(enter year)	Projected FTEs Year 1
A. Direct Patient Care Positions		
MrI Tech	2.00	2.00
CT Tech	0.00	1.00
Mammography Tech	0.00	2.00
Ultrasound Tech	0.00	2.00
X-Ray Tech	0.00	1.00
Total Direct Patient Care Positions	2	8

B. Non-Patient Care Positions		
Personal Service Representative	0.00	2.00
Total Non-Patient Care Positions	N/A	2
Total Employees (A+B)	2	10

C. Contractual Staff		
Contractual Staff Position	0.00	0.00
Total Staff (A+B+C)	2	10

DEVELOPMENT SCHEDULE

TCA §68-11-1609(c) provides that activity authorized by a Certificate of Need is valid for a period not to exceed three (3) years (for hospital and nursing home projects) or two (2) years (for all other projects) from the date of its issuance and after such time authorization expires; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificate of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need authorization which has been extended shall expire at the end of the extended time period. The decision whether to grant an extension is within the sole discretion of the Commission, and is not subject to review, reconsideration, or appeal.

- Complete the Project Completion Forecast Chart below. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
- If the CON is granted and the project cannot be completed within the standard completion time period (3 years for hospital and nursing home projects and 2 years for all others), please document why an extended period should be approved and document the “good cause” for such an extension.

PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HFC action on the date listed in Item 1 below, indicate the number of days from the HFC decision date to each phase of the completion forecast.

Phase	Days Required	Anticipated Date (Month/Year)
1. Initial HFC Decision Date		03/27/24
2. Building Construction Commenced	90	06/24/24
3. Construction 100% Complete (Approval for Occupancy)	270	12/21/24
4. Issuance of License	273	12/24/24
5. Issuance of Service	280	12/31/24
6. Final Project Report Form Submitted (Form HR0055)	370	03/31/25

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

Attachment 3A
Proof of Publication

Attachment 7A
Legal Entity Existence Documents
And Organization Chart



Tennessee
 Secretary of State
 Tre Hargett

Business Services Online > Find and Update a Business Record

Business Information Search

As of January 28, 2024 we have processed all corporate filings received in our office through January 24, 2024 and all annual reports received in our office through January 23, 2024.

Click on the underlined control number of the entity in the search results list to proceed to the detail page. From the detail page you can verify the entity displayed is correct (review addresses and business details) and select from the available entity actions - file an annual report, obtain a certificate of existence, file an amendment, etc.

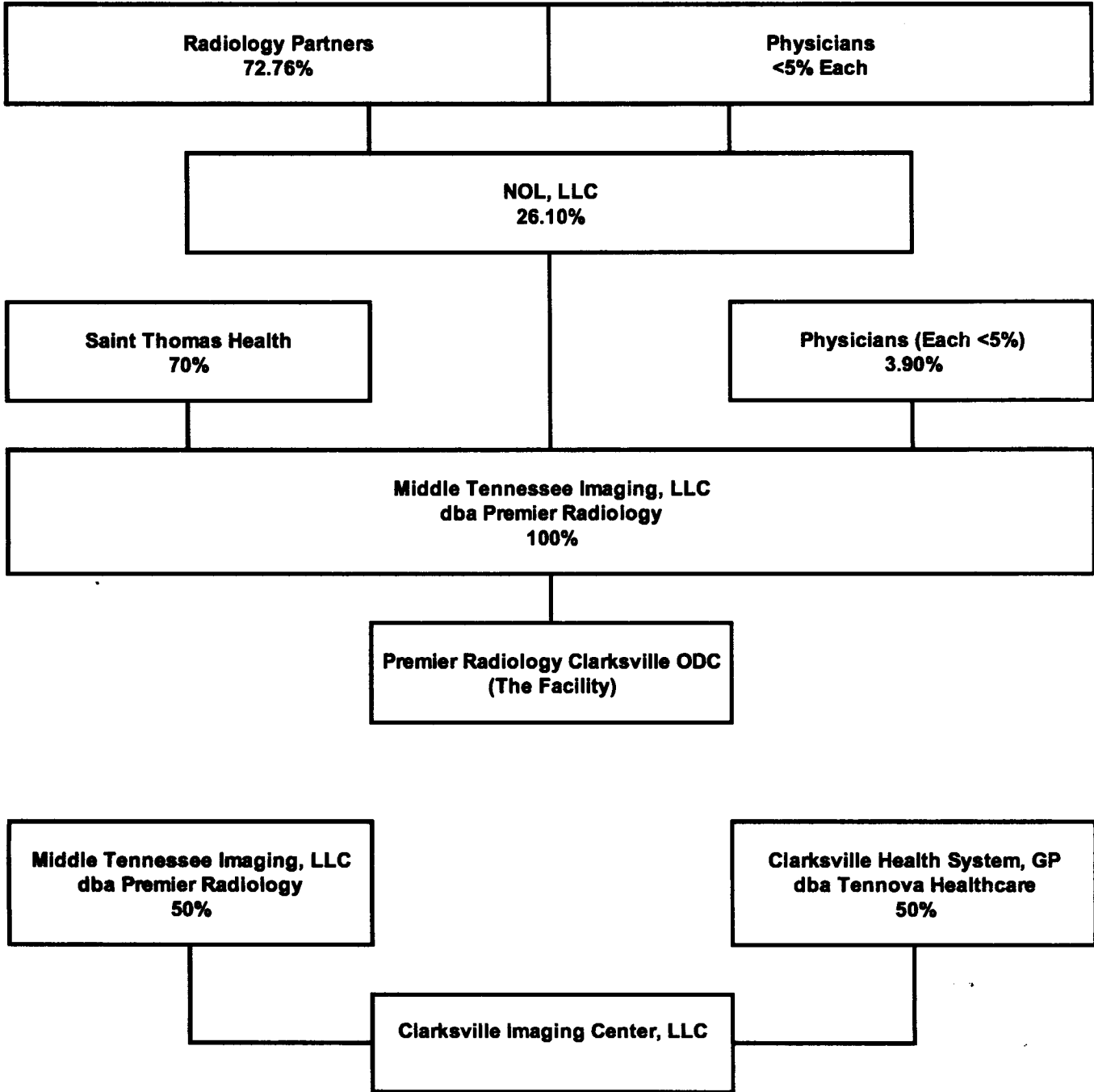
Search:						1-1 of 1
Search Name: <u>Middle Tennessee Imaging, LLC</u>			<input checked="" type="radio"/> Starts With <input type="radio"/> Contains			
Control #: _____					Search	
Active Entities Only: <input type="checkbox"/>						
Control #	Entity Type	Name	Name Type	Name Status	Entity Filing Date	Entity Status
<u>000396871</u>	LLC	MIDDLE TENNESSEE IMAGING, LLC TENNESSEE	Entity	Active	10/06/2000	Active
						1-1 of 1

Information about individual business entities can be queried, viewed and printed using this search tool for free.

If you want to get an electronic file of all business entities in the database, the full database can be downloaded for a fee by [Clicking Here](#).

[Click Here](#) for information on the Business Services Online Search logic.

ORGANIZATION CHART



Attachment 9A
Site Control (Legal Interest in Site)



Ascension Saint Thomas

January 10, 2024

Mr. Jim Drumwright
Chief Executive Officer
Premier Radiology
28 White Bridge Pike, Suite 111
Nashville, TN 37205

Re: Letter of Intent – Premier Radiology Clarksville Outpatient Diagnostic Center

Landlord: SAINT THOMAS WEST HOSPITAL (herein referred to as “Landlord”)

Tenant: MTI, LLC d/b/a PREMIER RADIOLOGY (herein referred to as “Tenant”).

Premises: Approximately 6,390 Rentable Square Feet (the “Leased Premises”). The Leased Premises is as shown on Exhibit A.

Initial Lease Term: 15 years.

Renewal Options: Three (3) Five (5) Year Options.

Base Rent: The triple net (NNN) base rent for the Leased Premises will initially be \$75.00 multiplied by the Rentable Square Footage of the Leased Premises. The rent will escalate by 3.0% annually throughout the Initial Lease Term and Renewal Options.

Tenant Improvement: Landlord will complete the improvements (collectively, the “Initial Tenant Improvements”) based on a mutually agreeable floor plan, using Building Standard Finishes, for the Leased Premises.

Lease Agreement: Landlord’s standard lease agreement will be provided to Tenant for review and approval.

Security Deposit: None.

Maintenance, Tax and Insurance: Tenant shall pay for real estate taxes, maintenance and liability and casualty insurance in prorated amounts as estimated by Landlord and reconciled annually for the Premises. The lease shall be considered triple net (NNN).



Ascension Saint Thomas

Renovation or Building

Modifications: Tenant shall be permitted to renovate the Leased Premises and modify (excluding structural modifications) as necessary to permit the operation of Tenant's business with Landlord's prior written approval of Tenant's plans.

Assignment/Sublet: Tenant may not assign or sublet the Leased Premises without the prior consent of Landlord.

Parking: Parking shall be as generally shown on the attached Exhibit A and shall not be modified without Landlord's prior written consent.

Signage: Tenant may install a sign on the pylon or monument sign in a position determined by Landlord.

Use: Outpatient Diagnostic Center.

Brokerage Fee: Landlord and Tenant agree there were no brokers involved in this agreement. Landlord and Tenant each covenant to hold harmless and indemnify each other from and against any and all costs (including reasonable attorney's fees), expense or liability for any compensation, commissions and charges claimed by any other broker or agent with respect to this Lease or the negotiation thereof.

Lease Contingency: The Lease shall be contingent upon the approval by the appropriate governmental authority of Tenant's Certificate of Need for the Use identified herein.

Delivery and Improvement Allowance:

The Leased Premises shall be delivered to Tenant with a completed building and parking lot in good working order per plans and specifications as developed jointly by both the Landlord and Tenant, paid for by Landlord. Tenant shall pay independently for its installation and material cost for any signage, furniture, fixtures, low voltage, security system and any medical equipment or system support.

Stark/Fraud Abuse:

Landlord and Tenant intended to comply with all present and future local, state and federal statutes, rules and regulations applicable to the medical industry in connection with the Letter of Intent, including but not limited



Ascension Saint Thomas

to, the Medicare/Medicaid Anti-Kickback statute (the "Anti-Kickback Law"), Section 1877 of the Social Security Act (the "Stark Law"), and rules applicable to tax exempt organizations (referred to herein collectively as the "Health Care Laws"). Should any provision of this Letter of Intent be determined by either party to be contrary to the provisions of the Health Care Laws, the parties agree to attempt in good faith to renegotiate such provision so it complies with the applicable provisions of the Health Care Laws and with the intention of staying as true to the economic and other material terms of the original structure of the Letter of Intent as is possible under the circumstances.

This Letter of Intent is not intended to be a legally binding offer or agreement for either party. Nothing contained herein shall be used or relied upon by either party hereto in any evidentiary manner, or otherwise, to subsequently attempt to demonstrate that the parties hereto have entered into any binding agreement or for any other purpose. It is the intent of the parties that no such legally binding agreement shall exist unless and until a formal and definitive lease agreement has been negotiated, drafted and approved by the respective parties and their legal counsel and executed and delivered by such parties.


Neither the expenditure of funds by you or any other party or commitments made, or action taken to implement any of the concepts in this request or otherwise shall be regarded as part performance of this letter or otherwise alter or modify the provisions of this paragraph. While the parties may commence or continue negotiations relating to the proposed Letter of Intent described in this Letter of Intent, each party reserves the right to terminate such negotiations at any time, with or without cause and for any reason, without any liability to the other party.

Please indicate your acceptance of the above terms by signing and returning a copy of this letter.

Landlord:
SAINT THOMAS WEST HOSPITAL

DocuSigned by:
Signature: 
Title: CEO
Date: 1/25/2024

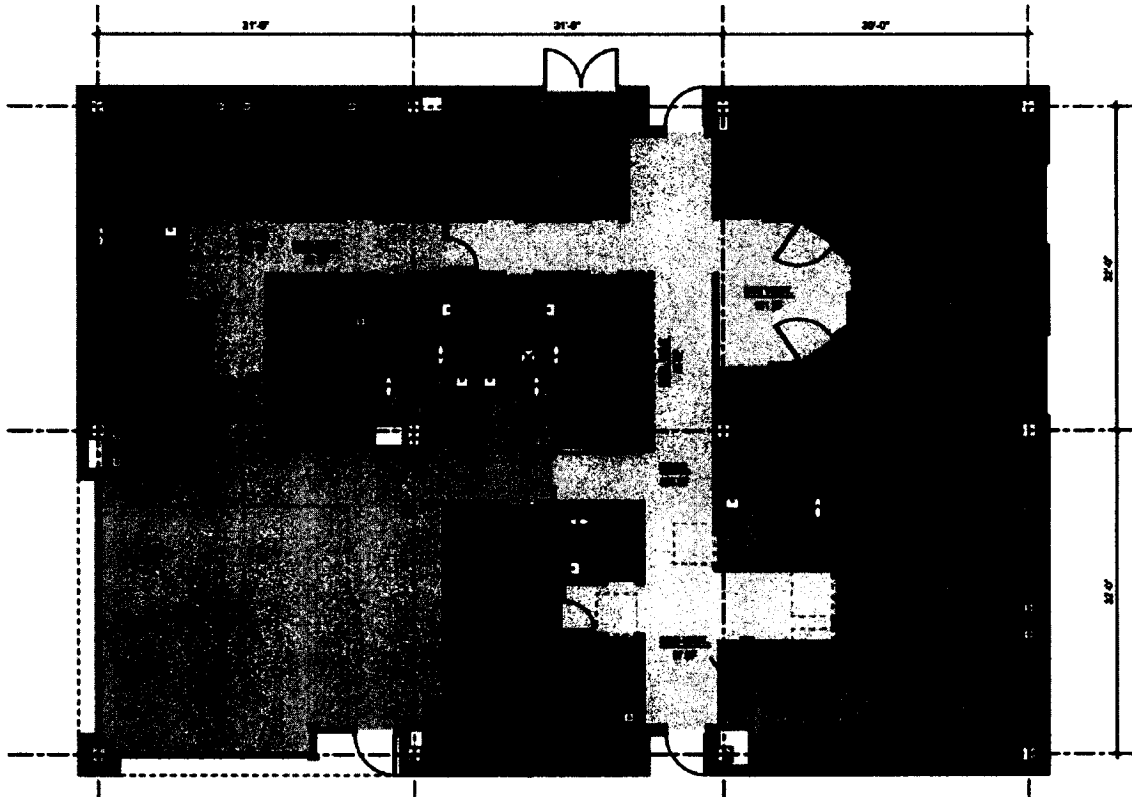
Tenant:
MTI, LLC d/b/a PREMIER RADIOLOGY

Signature: 
Title: Chief Executive Officer
Date: 1/11/2024



Ascension Saint Thomas

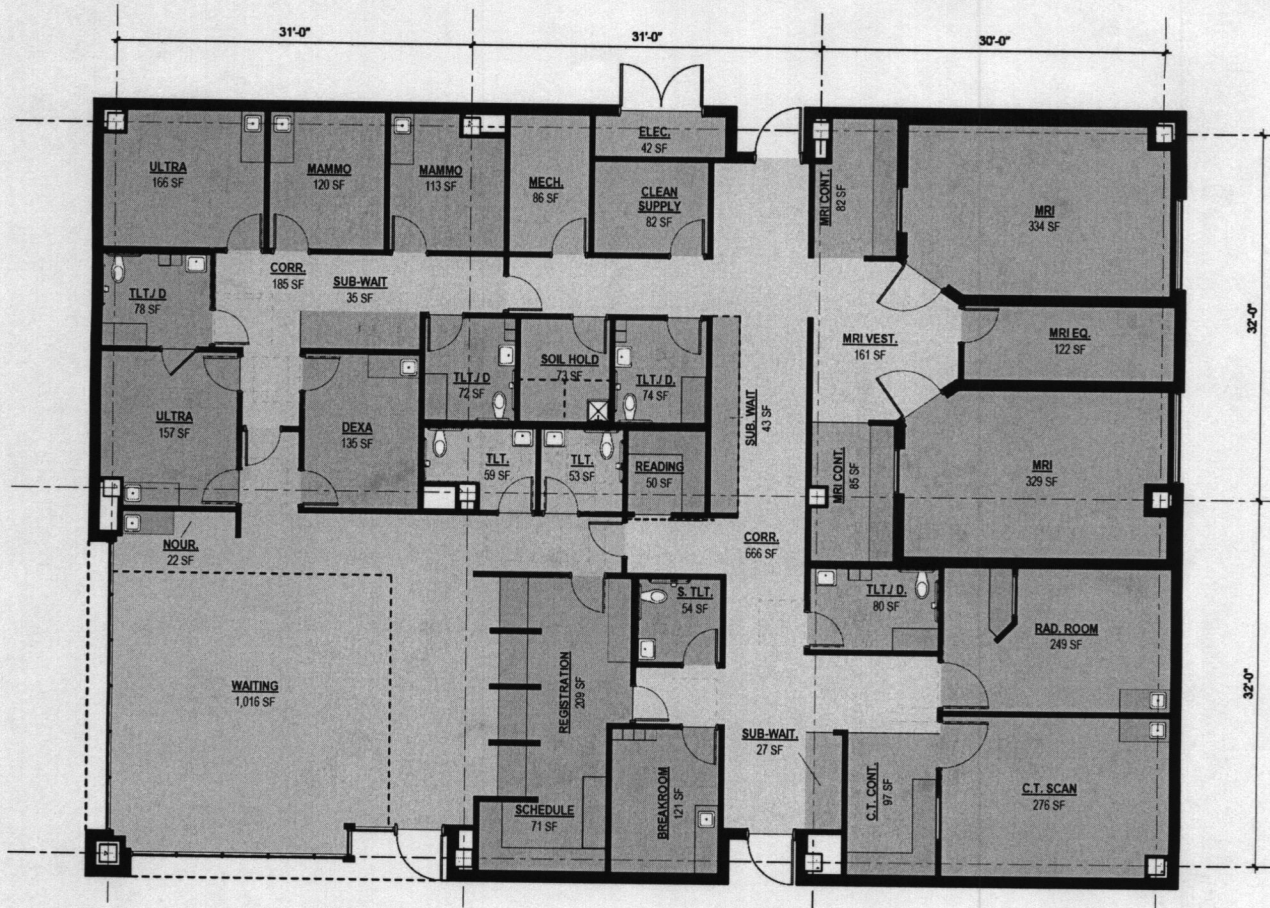
Exhibit A Leased Premises



① Floor Plan

Attachment 10A

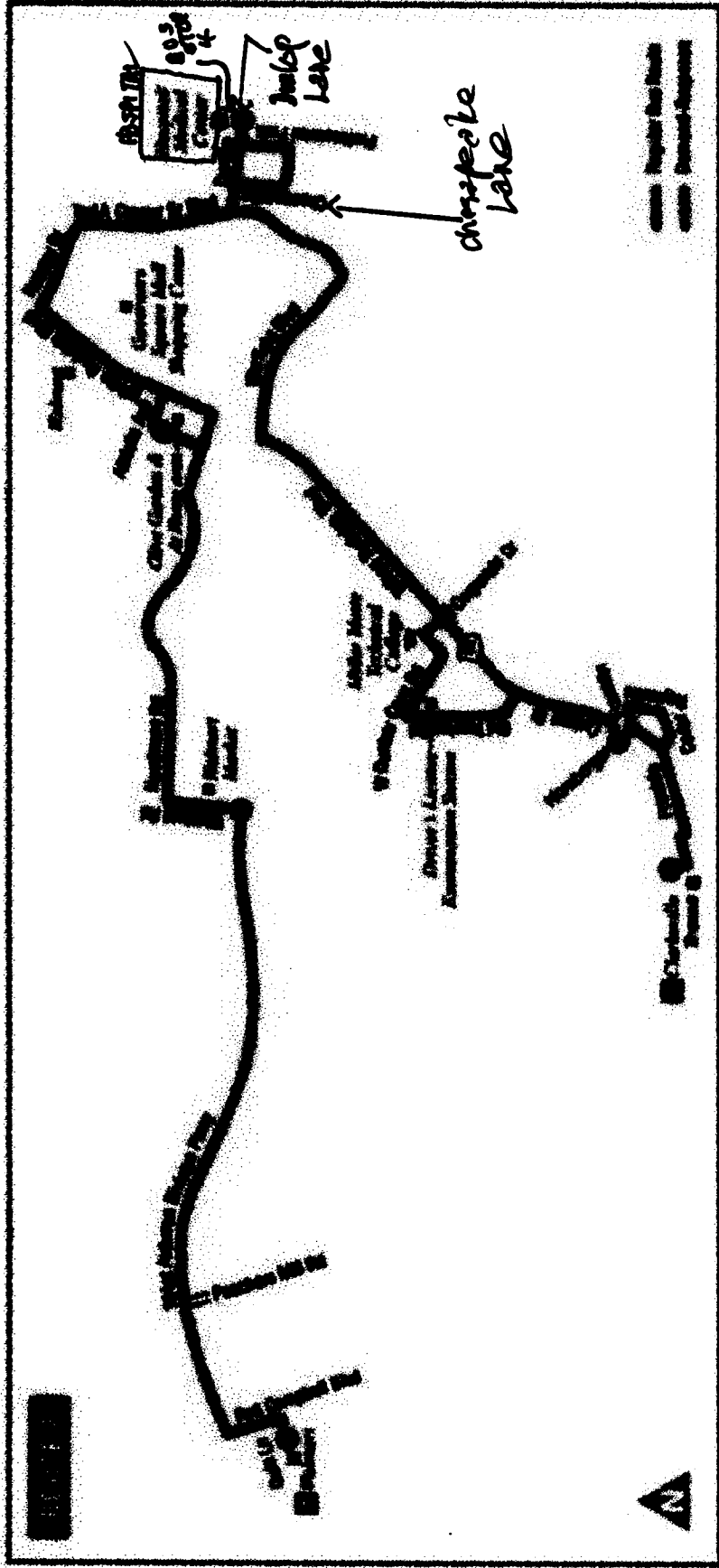
Floor Plan



① Floor Plan

6,370 s.f.

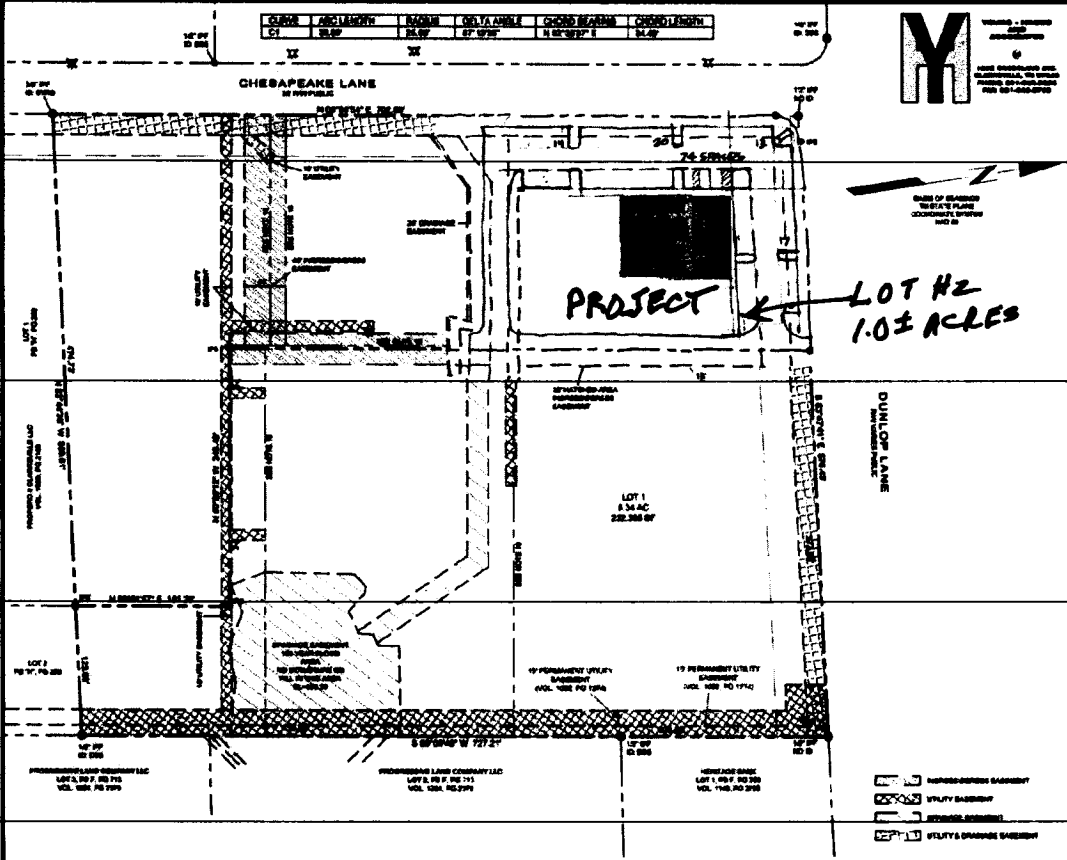
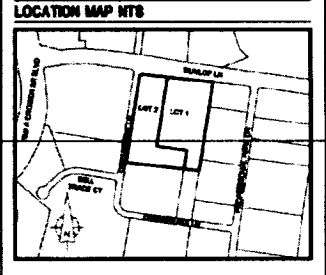
Attachment 11A
Public Transportation Route



Clarkesville Transit System Route 8: 101 Express / Hospital

Attachment 12A
Plot Plan

CURVE	ARC LENGTH	CHORD	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	125.00'	25.00'	1.0714°	S 89°52'14" E	125.00'



GENERAL NOTES:

1. THIS PLAN IS A PRELIMINARY PLAN AND IS NOT TO BE USED FOR CONSTRUCTION OR RECORDING PURPOSES WITHOUT THE APPROVAL OF THE CLERK OF THE CLERK OF MONTGOMERY COUNTY, TENNESSEE.

2. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

3. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

4. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

5. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

6. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

7. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

8. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

9. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

10. THE PROPERTY IS SUBJECT TO THE EASEMENTS AND RESTRICTIONS SHOWN ON THE PLANS AND RECORDS OF MONTGOMERY COUNTY, TENNESSEE.

Replat of Innovations Group Lot 1 and Minor Plat of PGF Investments I, LLC Property Dunlop Lane Lot 2

6TH CIVIL DISTRICT
MONTGOMERY COUNTY, TENNESSEE
1242 SHIP-48 PARCELS-411, 414, 416 & 418
VOL. 106A, PG 2771 & VOL. 106A, PG 304

- EASEMENT EASEMENT
- UTILITY EASEMENT
- STREETS EASEMENT
- UTILITY & STREETS EASEMENT

COMMISSIONER OF REVENUE	RECORDS	CERTIFICATE OF AGENCY	CERTIFICATE OF THE APPROVAL OF EASEMENTS	CERTIFICATE OF APPROVAL OF UTILITIES	CERTIFICATE OF APPROVAL FOR RECORDING	SCALE 1"=40'
<p>STATE OF TENNESSEE MONTGOMERY COUNTY COMMISSIONER OF REVENUE</p>	<p>STATE OF TENNESSEE MONTGOMERY COUNTY RECORDS</p>	<p>STATE OF TENNESSEE MONTGOMERY COUNTY CERTIFICATE OF AGENCY</p>	<p>STATE OF TENNESSEE MONTGOMERY COUNTY CERTIFICATE OF THE APPROVAL OF EASEMENTS</p>	<p>STATE OF TENNESSEE MONTGOMERY COUNTY CERTIFICATE OF APPROVAL OF UTILITIES</p>	<p>STATE OF TENNESSEE MONTGOMERY COUNTY CERTIFICATE OF APPROVAL FOR RECORDING</p>	<p>SCALE 1"=40'</p>

Attachment 1N – State Health Plan Criteria and Standards

**STATE HEALTH PLAN
 CERTIFICATE OF NEED STANDARDS AND CRITERIA
 FOR
 MAGNETIC RESONANCE IMAGING (MRI) SERVICES**

1. Utilization Standards for non-Specialty MRI Units.

a. An applicant proposing a new non-Specialty stationary MRI service should project a minimum of at least 2,160 MRI procedures in the first year of service, building to a minimum of 2,520 procedures per year by the second year of service, and building to a minimum of 2,880 procedures per year by the third year of service.

Response: The project includes a non-specialty stationary MRI. It will replace the applicant's non-specialty mobile MRI that remains continuously at one location, providing service 6 days a week, 10 hours per day, within a few yards of this project's site. So with respect to ownership, service, and general location, this project will not be a "new service" for the area.

Utilization of the applicant's existing mobile unit in CY2023, and projections for its proposed stationary unit in Years 1-3, exceed the 3-year targets of this criterion. This is shown in the tables below, which are also provided in Section 6N of the body of the application. Projections were made by officers of Premier Radiology based on experience in similar markets and on demand for the new imaging capabilities of this MRI.

The Premier mobile MRI performed approximately 3,900 procedures last year, which was 135% of the three-year performance standards of this criterion.

Table 6N Part A: Historic Utilization of Applicant's ODC (MRI Only)				
Year	Units	Procedures	State Health Plan Optimal Utilization Standard Yr 3	% of Optimal Utilization Standard
CY2020	1	2,829	2,880	98%
CY2021	1	*1,972	2,880	69%
CY2022	1	3,543	2,880	123%
CY2023	1	3,900	2,880	135%

Note: The Registry does not provide CY2021 utilization for this unit; CY2021 data shown is from the applicant's Joint Annual Report, p.6. A staffing shortage held utilization down for that year; but when fully staffed the next year, MRI procedures almost doubled, to 123% of the State Plan optimal utilization standard.

MRI utilization is projected to increase 2% per year in CY2024 and in CY2025, using the existing mobile unit while this project is under construction. The projection for the first three years of the project, CY2026-CY2028, is for 4% annual increases in utilization. This is based on continued area population growth, and on the faster scan capability of the new unit.

Year	Units	Procedures	State Health Plan Utilization Targets For Yrs 1-3	% of Utilization Targets
CY2024	1 mob	3,978	NA	NA
CY2025	1 mob	4,058	NA	NA
Yr 1 CY2026	1 stat'y	4,218	2,160	195%
Yr 2 CY2027	1 stat'y	4,387	2,520	174%
Yr 3 CY2028	1stat'y	4,563	2,880	158%

b. Providers proposing a new non-Specialty mobile MRI service should project a minimum of at least 360 mobile MRI procedures in the first year of service per day of operation per week, building to an annual minimum of 420 procedures per day of operation per week by the second year of service, and building to a minimum of 480 procedures per day of operation per week by the third year of service and for every year thereafter.

Response: Not applicable to a stationary MRI service.

c. An exception to the standard number of procedures may occur as new or improved technology and equipment or new diagnostic applications for MRI units are developed. An applicant must demonstrate that the proposed unit offers a unique and necessary technology for the provision of health care services in the Service Area.

Response: No exception is necessary due to the high utilization demonstrated by the applicant's existing service and by utilization projections for this new project.

However, an exception would be available under this criterion, because the proposed MRI will have breast imaging coils, bringing to the service area an important new imaging capability much more definitive than traditional mammography.

d. Mobile MRI units shall not be subject to the need standard in paragraph 1 b if fewer than 150 days of service per year are provided at a given location. However, the applicant must demonstrate that existing services in the applicant's Service Area are not adequate and/or that there are special circumstances that require these additional services.

Response: Not applicable.

e. **Hybrid MRI Units.** The HSDA may evaluate a CON application for an MRI “hybrid” Unit (an MRI Unit that is combined/ utilized with another medical equipment such as a megavoltage radiation therapy unit or a positron emission tomography unit) based on the primary purposes of the Unit.

Response: Not applicable. This is not a hybrid unit.

2. **Access to MRI Units.** All applicants for any proposed new MRI Unit should document that the proposed location is accessible to approximately 75% of the Service Area’s population. Applications that include non-Tennessee counties in their proposed Service Areas should provide evidence of the number of existing MRI units that service the non- Tennessee counties and the impact on MRI unit utilization in the non-Tennessee counties, including the specific location of those units located in the non-Tennessee counties, their utilization rates, and their capacity (if that data are available).

Response: The project will comply. The proposed ODC location is within sight of the local hospital and is accessible to more than 75% of the area’s population. Approximately 70% of the service area population (Montgomery and Christian counties) will be within 31 minutes drive time.

Table State Health Plan Criterion 2: Access to MRI Units Mileage and Drive Times Between the Project and Communities in the Primary Service Area				
Community	County	County Population Age 18+ in CY2023	Distance in Miles	Drive Time in Minutes
Clarksville (center)	Montgomery	166,005	7.3 mi	15 min
Sango	Montgomery		8.1 mi	15 min
Oakwood	Montgomery		20.5 mi	29 min
Cunningham	Montgomery		17.3 mi	31 min
Fort Campbell	Montgomery & Christian KY		18.9 mi	30 min
Hopkinsville	Christian, KY	73,037	29.0 mi	31 min

Source: Google Maps, 12-20-23.

3. Economic Efficiencies. All applicants for any proposed new MRI Unit should document that alternate shared services and lower cost technology applications have been investigated and found less advantageous in terms of accessibility, availability, continuity, cost, and quality of care.

Response: This is a replacement MRI unit, not a “new” MRI unit for the service area. However, it will introduce MRI breast imaging to the area, which is an important new capability needed by many patients for optimal diagnostic care. Performance of breast imaging studies requires significantly longer time. But the proposed MRI also has a shorter scan time for general purpose studies, which enables it to reach a higher daily utilization of general studies than the mobile MRI it is replacing. These two factors make this particular MRI more advantageous than any other option. They make a new type of imaging available at an accessible location, increasing the quality of diagnostic care, and at a very favorable cost when compared to hospital MRI costs.

4. Need Standard for Non-Specialty MRI Units.

A need likely exists for one additional non-Specialty MRI unit in a Service Area when the combined average utilization of existing MRI service providers is at or above 80% of the total capacity of 3600 procedures, or 2880 procedures, during the most recent twelve- month period reflected in the provider medical equipment report maintained by the HSDA. The total capacity per MRI unit is based upon the following formula:

Stationary MRI Units: 1.20 procedures per hour x twelve hours per day x 5 days per week x 50 weeks per year = 3,600 procedures per year

Mobile MRI Units: Twelve (12) procedures per day x days per week in operation x 50 weeks per year. For each day of operation per week, the optimal efficiency is 480 procedures per year, or 80 percent of the total capacity of 600 procedures per year.

Response: This is not applicable because this project is not proposing an additional non-specialty MRI unit for the service area. It is proposing to replace the applicant’s existing mobile MRI with a stationary MRI in a fixed-location Outpatient Diagnostic Imaging Center, in the same county.

The table on the following page summarizes area MRI providers’ CY2022 percent of compliance with the State Health Plan’s target for optimal 80% utilization, which is 2,880 procedures per year. The State Plan provides no targets for other modalities. The five providers as a group averaged 83.9% of the State Health Plan’s optimal utilization target,

Table: State Health Plan MRI Criterion 4 Part A: MRI Providers' Compliance With State Health Plan Targets In CY2022							
County	Provider Type	Provider	Units	Procedures	Average Procedures Per Unit	Utilization Target for MRI Unit	% of Target Met
Montgomery	ODC	Premier ODC (The Applicant)	0.8	3,543	4,429*	2,880	153.8%
Montgomery	ODC	Clarksville Imaging Center (CIC)	1	1,959	1,959	2,880	68.0%
Montgomery	Hosp	Tennova Healthcare—Clarksville	2	3,965	1,982.5	2,880	68.8%
Montgomery	PO	TN Orthopaedic Associates	1	3,361	3,361	2,880	116.7%
Montgomery	PO	Premier Medical Group	1	1,184	1,184	2,880	41.1%
Totals	All		5.8	14,012	2416	2,880	83.9%

Source: HFC Registry.

*State Health Plan Target for 4 days/week mobile service. 123% of SHP target based on 1 unit.

Note: Hospital providers' data includes both hospital-based MRI units and MRI units in the hospital HOPDs (hospital outpatient departments).

The applicant feels that it is appropriate for the Commission to strongly consider ODC utilization of MRI, giving it special weight when evaluating this application.

The 2 ODCs performed 5,502 procedures on 1.8 MRI units—an average of 3,056 procedures per unit, which exceeds the 2,880-procedure target of the State Health Plan.

This high utilization of ODC MRIs is very significant because (1) the ODC units are more affordable than the hospital units for most consumers, and (2) they are more accessible than private physician office MRI units—whose use may be restricted to the physician office's own patients.

And in fact, the area's utilization of MRI is increasing so rapidly that in CY2025, when this facility opens, the average procedures per MRI will be at or above the State Plan target. The table on the following page documents the service area's rapid growth in MRI average utilization per unit, in the two-year period of CY2020 through CY2022.

The average procedures per MRI unit increased 20.5% in those two years. The utilization of *publicly accessible units* (in ODCs and hospitals) increased 17.2%. MRI utilization at Outpatient Diagnostic Centers increased 22.2%. This is a reliable predictor that in CY2025 when this project opens, area utilization of MRI will be significantly higher than it was in CY2022, and that the Premier ODC is an appropriate provider for the replacement and expansion of MRI capacity.

Table: State Health Plan MRI Criterion 4 Part B: Rapid Increases of Service Area MRI Utilization CY2020-CY2022	
	All Providers
2020 MRI Utilization	
Units	5.8
Procedures	11,806
Procedures Per Unit	2,036
2022 MRI Utilization	
Units	5.8
Procedures	14,012
Procedures Per Unit	2,416
% Change in Procedures Per Unit, 2020-2022	18.7%

Source: HFC Registry data

5. Need Standards for Specialty MRI Units.

a. **Dedicated fixed or mobile Breast MRI Unit.** An applicant proposing to acquire a dedicated fixed or mobile breast MRI unit shall not receive a CON to use the MRI unit for non-dedicated purposes and shall demonstrate that annual utilization of the proposed MRI unit in the third year of operation is projected to be at least 1,600 MRI procedures (.80 times the total capacity of 1 procedure per hour times 40 hours per week times 50 weeks per year), and that:

1. It has an existing and ongoing working relationship with a breast-imaging radiologist or radiology proactive group that has experience interpreting breast images provided by mammography, ultrasound, and MRI unit equipment, and that is trained to interpret images produced by an MRI unit configured exclusively for mammographic studies;
2. Its existing mammography equipment, breast ultrasound equipment, and the proposed dedicated breast MRI unit are in compliance with the federal Mammography Quality Standards Act;
3. It is part of or has a formal affiliation with an existing healthcare system that provides comprehensive cancer care, including radiation oncology, medical oncology, surgical oncology and an established breast cancer treatment program that is based in the proposed service area.
4. It has an existing relationship with an established collaborative team for the treatment of breast cancer that includes radiologists, pathologists, radiation

oncologists, hematologist/oncologists, surgeons, obstetricians/gynecologists, and primary care providers.

Response: The criteria above are not applicable. This is not a dedicated breast unit. The MRI is a general-purpose fixed unit that has been equipped with breast coils. It cannot be classified as a dedicated breast unit.

b. Dedicated fixed or mobile Extremity MRI Unit. An applicant proposing to institute a Dedicated fixed or mobile Extremity MRI Unit shall provide documentation of the total capacity of the proposed MRI Unit based on the number of days of operation each week, the number of days to be operated each year, the number of hours to be operated each day, and the average number of MRI procedures the unit is capable of performing each hour. The applicant shall then demonstrate that annual utilization of the proposed MRI Unit in the third year of operation is reasonably projected to be at least 80 per cent of the total capacity. Non-specialty MRI procedures shall not be performed on a Dedicated fixed or mobile Extremity MRI Unit and a CON granted for this use should so state on its face.

Response: Not applicable. The project does not propose this type of unit.

c. Dedicated fixed or mobile Multi-position MRI Unit. An applicant proposing to institute a Dedicated fixed or mobile Multi-position MRI Unit shall provide documentation of the total capacity of the proposed MRI Unit based on the number of days of operation each week, the number of days to be operated each year, the number of hours to be operated each day, and the average number of MRI procedures the unit is capable of performing each hour. The applicant shall then demonstrate that annual utilization of the proposed MRI Unit in the third year of operation is reasonably projected to be at least 80 per cent of the total capacity. Non-specialty MRI procedures shall not be performed on a Dedicated fixed or mobile Multi-position MRI Unit and a CON granted for this use should so state on its face.

Response: Not applicable. The project does not propose a multi-position unit.

6. Separate Inventories for Specialty MRI Units and non-Specialty MRI Units. If data availability permits, Breast, Extremity, and Multi-position MRI Units shall not be counted in the inventory of non-Specialty fixed or mobile MRI Units, and an inventory for each category of Specialty MRI Unit shall be counted and maintained separately. None of the Specialty MRI Units may be replaced with non-Specialty MRI fixed or mobile MRI Units and a Certificate of Need granted for any of these Specialty MRI Units shall have included on its face a statement to that effect. A non-Specialty fixed or mobile MRI Unit for which a CON is granted for Specialty MRI Unit purpose use-only shall be counted in the specific Specialty MRI Unit

inventory and shall also have stated on the face of its Certificate of Need that it may not be used for non-Specialty MRI purposes.

Response: The HFC Registry's reports do not show that any breast, extremity, or multi-position MRI units are located in the project service area. The units in the service area from CY 2020 to CY 2022 were all non-specialty units. They are the only units included in this application's inventories.

7. Patient Safety and Quality of Care. The applicant shall provide evidence that any proposed MRI Unit is safe and effective for its proposed use.

a. The United States Food and Drug Administration (FDA) must certify the proposed MRI Unit for clinical use.

Response: Documentation of FDA certification is not required for MRI technology certified more than five years ago. The unit being acquired is a technology that was FDA-certified more than five years ago.

b. The applicant should demonstrate that the proposed MRI Procedures will be offered in a physical environment that conforms to applicable federal standards, manufacturer's specifications, and licensing agencies' requirements.

Response: The proposed unit's location, installation and operation will conform to all applicable Federal, State and local requirements and to the manufacturer's specifications. Full compliance will be maintained.

c. The applicant should demonstrate how emergencies within the MRI Unit facility will be managed in conformity with accepted medical practice.

Response: The MRI staff is now, and will continue to be, trained in emergency response. There will be at least one physician or physician extender on premises during MRI service hours. The MRI area will maintain a crash cart with appropriate equipment, medications, and supplies. For patients requiring an emergency admission to a hospital, the radiologist on site at the time will contact the local Emergency Medical Service (EMS) for emergency transport, keeping the patient stable while waiting for EMS to arrive. In consultation with the patient, EMS will decide where to transport the patient.

d. The applicant should establish protocols that assure that all MRI Procedures performed are medically necessary and will not unnecessarily duplicate other services.

Response: As the HFC is aware, all non-emergency MRI orders (except for Medicare orders) must obtain from the patient's insurance provider a precertification approval of medical necessity, before the MRI study is performed. The applicant will also perform retrospective reviews of MRI necessity as part of its Quality Improvement program. In addition, the supervising radiologists who receive all physician requests for MRI will routinely identify requested studies that need to be reviewed with the referring physician as to appropriateness and necessity.

e. An applicant proposing to acquire any MRI Unit or institute any MRI service, including Dedicated Breast and Extremity MRI Units, shall demonstrate that it meets or is prepared to meet the staffing recommendations and requirements set forth by the American College of Radiology, including staff education and training programs.

Response: The applicant is committed to meet the staffing and staff education and training requirements of the American College of Radiology ("ACR") and to seek and maintain ACR accreditation. The Premier fixed/mobile unit being replaced by this project has ACR accreditation of its MRI service. The proposed unit will also achieve accreditation.

f. All applicants shall commit to obtain accreditation from the Joint Commission, the American College of Radiology, or a comparable accreditation authority for MRI within two years following operation of the proposed MRI Unit.

Response: The Premier fixed/mobile unit being replaced by this project already has ACR accreditation and the applicant will seek it for the proposed fixed unit.

g. All applicants should seek and document emergency transfer agreements with local area hospitals, as appropriate. An applicant's arrangements with its physician medical director must specify that said physician be an active member of the subject transfer agreement hospital medical staff.

Response: Premier Radiology has protocols for dealing with an MRI patient emergency. For transport to a hospital, the applicant will stabilize the patient and will call in Montgomery County Emergency Medical Services, which will decide to transport the patient to the most appropriate hospital. The ODC will not have physicians on staff with hospital privileges to provide types of services other than diagnostic imaging.

8. The applicant should provide assurances that it will submit data in a timely fashion as requested by the HSDA to maintain the HSDA Equipment Registry.

Response: The applicant so commits.

9. In light of Rule 0720-11.01, which lists the factors concerning need on which an application may be evaluated, and Principle No. 2 in the State Health Plan, "Every citizen should have reasonable access to health care," the HSDA may decide to give special consideration to an applicant:

a. Who is offering the service in a medically underserved area as designated by the United States Health Resources and Services Administration;

Response: Complies. Montgomery County is designated as a medically underserved area.

b. Who is a "safety net hospital" or a "children's hospital" as defined by the Bureau of TennCare Essential Access Hospital payment program; or

Response: Not applicable to an ODC.

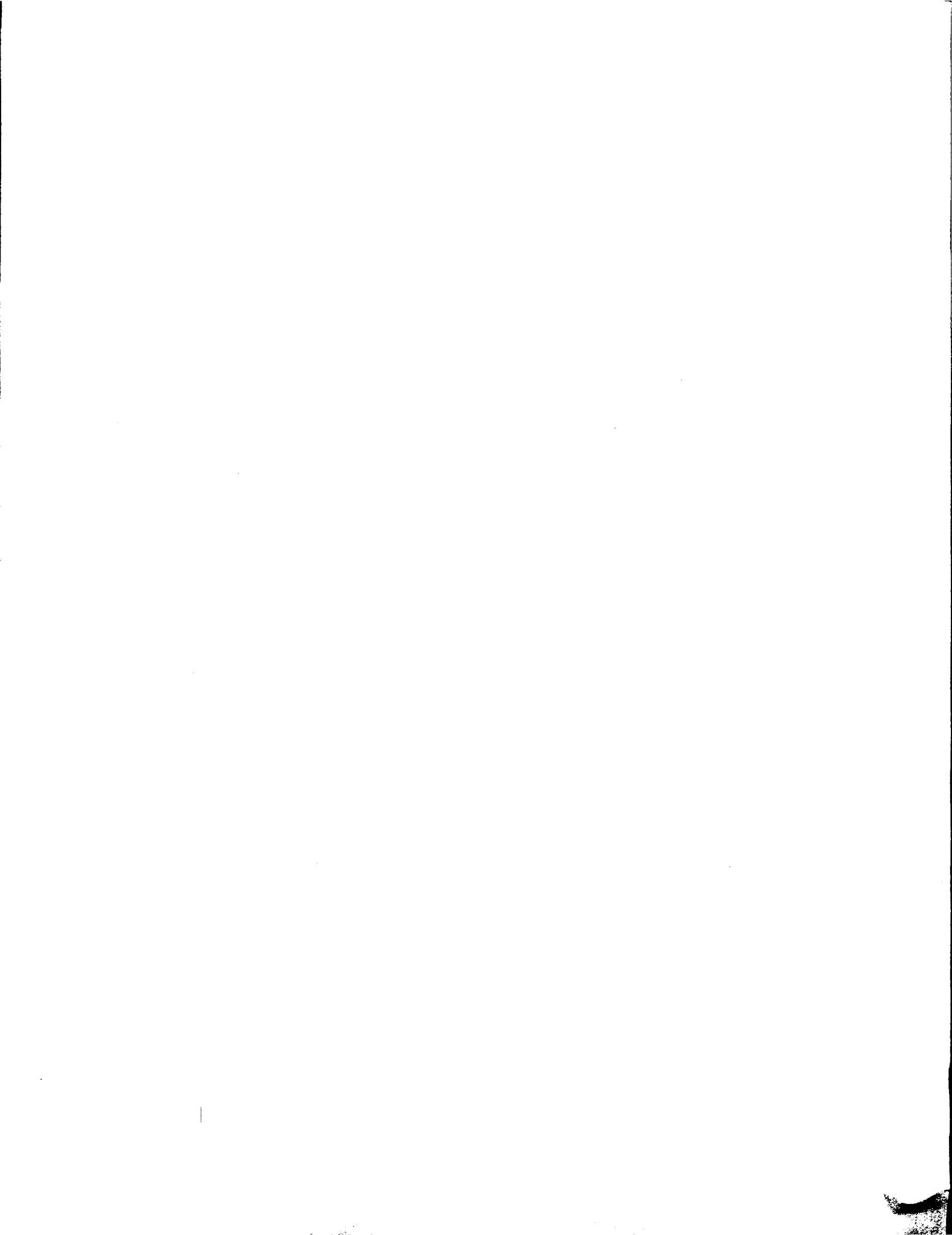
c. Who provides a written commitment of intention to contract with at least one TennCare MCO and, if providing adult services, to participate in the Medicare program; or

Response: Complies. The applicant's existing ODC/MRI in Clarksville participates in Medicare and in the four largest TennCare MCO's (Medicaid) in the service area. This proposed ODC in Clarksville will continue to participate in all of those. The applicant will bill the patient or insurer "globally"; the radiologist will not bill separately.

d. Who is proposing to use the MRI unit for patients that typically require longer preparation and scanning times (e.g., pediatric, special needs, sedated, and contrast agent use patients). The applicant shall provide in its application information supporting the additional time required per scan and the impact on the need standard.

Response: The applicant is not claiming this special consideration to offset any shortage of utilization, because this MRI will exceed the State Health Plan utilization standards each year. However, it has been noted that the unit will be equipped with coils for MRI

breast imaging, a type of study that addresses a special need of the population (a need not being met at present), and which does require longer scan times.

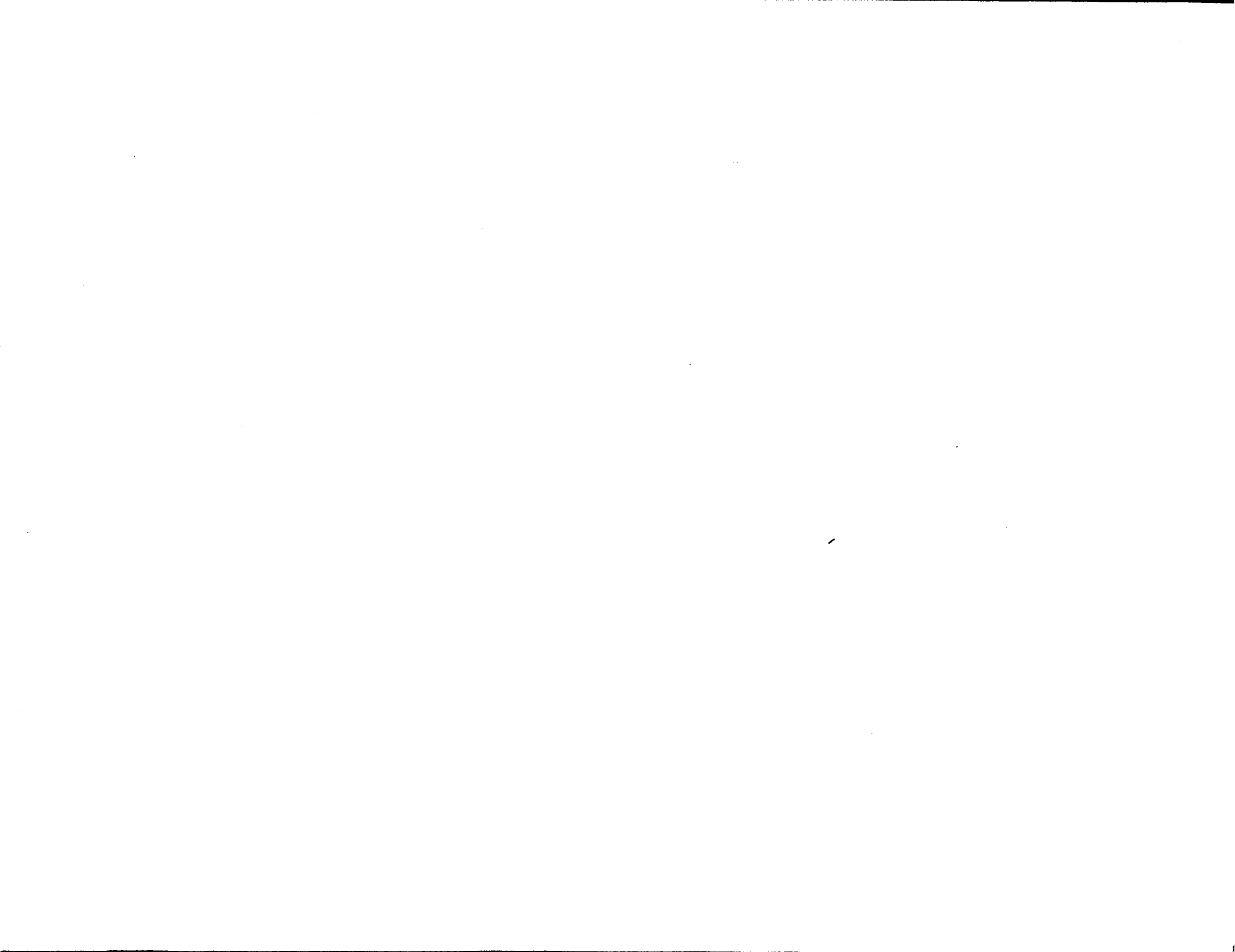


data.HRSA.gov

[REDACTED]										
Primary Care	03219	MONTGOMERY SERVICE AREA	Medically Underserved Area	Tennessee	Montgomery County, TN	57.0	Designated	Non-Rural	11/01/1978	11/01/1978
	Tennessee	Montgomery	Montgomery	Single County	47125			Non-Rural		

data.HRSA.gov

[REDACTED]										
Primary Care	01234	CHRISTIAN SERVICE AREA	Medically Underserved Area	Kentucky	Christian County, KY	60.3	Designated	Partially Rural	11/01/1978	11/01/1978
[REDACTED]										
Kentucky		Christian		Christian		Single County		21047		Partially Rural



**STATE HEALTH PLAN
CERTIFICATE OF NEED STANDARDS AND CRITERIA
FOR
OUTPATIENT DIAGNOSTIC CENTERS**

1. The need for outpatient diagnostic services shall be determined on a county by county basis (with data presented for contiguous counties for comparative purposes) and should be projected four years into the future using available population figures.

Response:

The applicant has adequately addressed the relevant aspects of this criterion, in responses to the State Health Plan Guidelines for MRI, in the preceding section of this application.

The service area was defined by county. Population growth of the area was projected four years into the future. Utilization of the applicant's existing mobile MRI, which this project will replace, already exceeds utilization targets of the State Health Plan. Its replacement with a stationary MRI in a new ODC will also exceed those targets. Utilization of the proposed stationary MRI will continue to increase as the service area population increases, and as referring physicians and patients learn about the new unit's breast imaging capability (the first in the service area).

The service area needs for other specific ODC modalities are not projected because there are no criteria for areawide need for them, and because there is not adequate information available on their distribution throughout the service area. However, the applicant did provide the first three years of projected utilization of all imaging modalities in the project.

2. Approval of additional outpatient diagnostic services will be made only when it is demonstrated that existing services in the applicant's geographical service area are not adequate and/or there are special circumstances that require additional services.

Response:

Clarksville and Montgomery County have increasing populations. Other than services in private physician offices or in Tennova's Clarksville hospital, Montgomery County has only one diagnostic imaging facility (CIC); and that facility will lose its radiologist coverage in the first quarter of CY2024. ADI Radiology, P.C. (which exclusively provides radiology reading services to CIC) anticipates that it will cease providing radiology

reading services to Clarksville Imaging Center on March 31, 2024, and understands that the owners of Clarksville Imaging Center will shortly discuss mediation regarding the dissolution of Clarksville Imaging Center, which does not offer several diagnostic modalities that the CON applicant's proposed facility will offer (breast imaging; bone densitometry; X-ray).

A special circumstance also merits approval of the project. It will provide area patients with the important new medical technology of MRI breast imaging, which has been in high demand where it has been introduced (e.g., when it was introduced by Premier in Wilson County). This MRI technology is not currently offered in Montgomery County.

3. Any special needs and circumstances:

a. The needs of both medical and outpatient diagnostic facilities and services must be analyzed.

Response:

The applicant has provided extensive data on utilization trends of MRI and CT units in service area hospitals, ODCs, and private physician offices. Information on use of other imaging modalities is not publicly available for physician offices.

c. The applicant must provide evidence that the proposed diagnostic outpatient services will meet the needs of the potential clientele to be served.

Response: The project will offer diagnostic imaging services routinely used in healthcare. The project will replace and expand some of those services at a new location. The need for MRI is well-established by utilization trends over the past two years.

d. The applicant must demonstrate how emergencies within the outpatient diagnostic facility will be managed in conformity with accepted medical practice.

Response:

The MRI staff will be trained in emergency response. There will be at least one physician or physician extender on premises during MRI service hours. The MRI area will maintain a crash cart with appropriate equipment, medications, and supplies. For patients requiring an emergency admission

to a hospital, the radiologist on site at the time will contact the local Emergency Medical Service (EMS) for emergency transport, keeping the patient stable while waiting for EMS to arrive. In consultation with the patient, EMS will decide where to transport the patient.

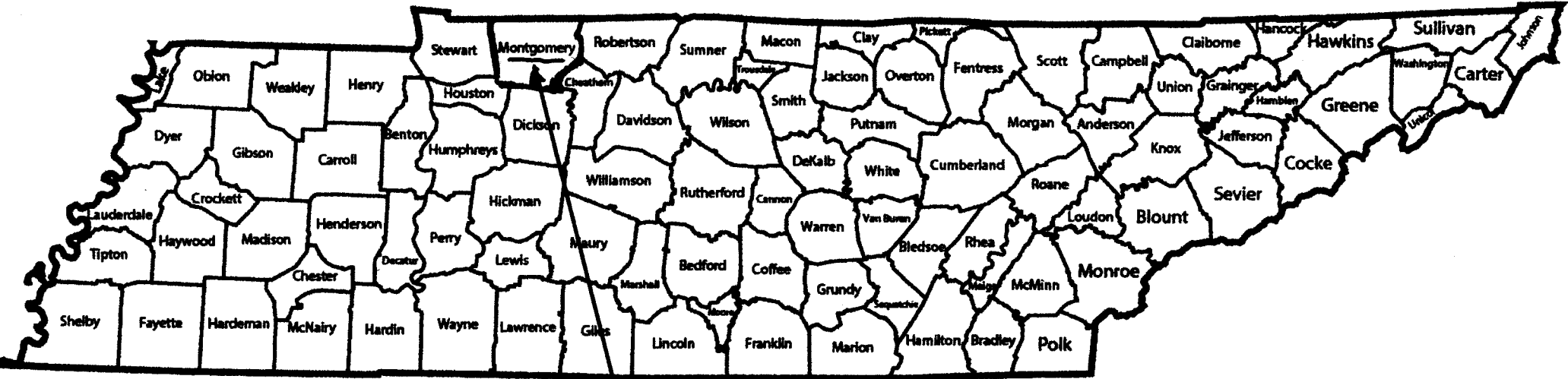
e. The applicant must establish protocols that will assure that all clinical procedures performed are medically necessary and will not unnecessarily duplicate other services.

Response:

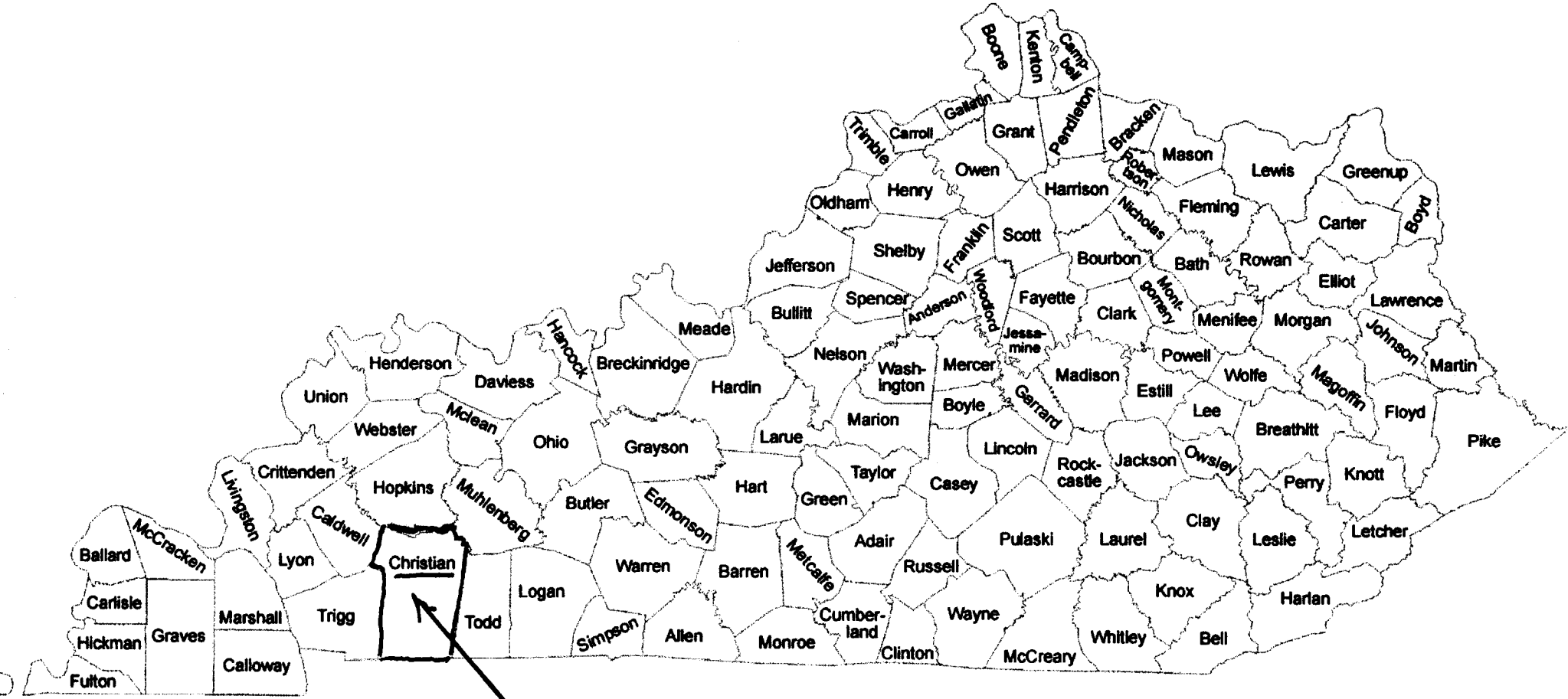
As the HFC is aware, all non-emergency MRI orders (except for Medicare) must obtain precertification approval from the patient's insurance provider before the MRI study is performed. The applicant will also perform retrospective reviews of MRI necessity as part of its Quality Improvement program. In addition, the supervising radiologists who receive all physician requests for MRI will routinely identify requested studies that need to be reviewed with the referring physician as to appropriateness and necessity.

Attachment 2N

County Level Map of Primary Service Area



**PREMIER RADIOLOGY - CLARKSVILLE ODC
PRIMARY SERVICE AREA – TENNESSEE**



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**PREMIER RADIOLOGY - CLARKSVILLE ODC
PRIMARY SERVICE AREA - KENTUCKY**

Attachment 3N.B
Service Area Demographic Table

**Table 3N-B: Premier Imaging ODC-Clarksville
Demographic Characteristics of Primary Service Area
2024-2028**

Primary Service Area Counties	Department of Health / Health Statistics							Bureau of the Census				TennCare	
	Current Total Population 2024	Projected Total Population 2028	Total Population % Change 2024-2028	Current Target* Population Age 18+2024	Projected Target* Population Age 18+2028	Projected Target* Population % Change 2024 - 2028	Projected Target* Population As % of Projected Total Population 2024	Median Age	Median Household Income	Persons Below Poverty Level	Persons Below Poverty Level as % of Total Population	Current TennCare Enrollees	TennCare Enrollees as % of Current Total County or Zip Code Population
Montgomery	231,296	248,145	7.3%	168,977	181,085	7.2%	73.0%	31	\$67,890	25,905	11.2%	51,753	22.4%
Service Area Total	231,296	248,145	7.3%	168,977	181,085	7.2%	73.0%	31	\$67,890	25,905	11.2%	51,753	22.4%
Tennessee (TDH)	7,125,908	7,331,859	2.9%	5,565,604	5,736,895	3.1%	78.2%	38	\$64,035	947,746	13.3%	1,666,030	23.4%

Sources: UTCBER & TDH Population Projections, 2021; U.S. Census QuickFacts; TennCare Bureau.
Service area data is either total, or average, as appropriate.

**Attachment 5N
Utilization of Existing Services
and Approved But Unimplemented Services**

**Table 5N: Historic Utilization of ODC Modalities in the PSA of Premier
Radiology ODC -- Clarksville (Part A: MRI & CT)**

Provider	Type	Year	MRI Units	MRI Procedures	CT Units	CT Procedures
Premier Fixed/Mobile MRI	ODC	2020	1	2,829	0	0
Montgomery County		2021	1	NR	0	0
		2022	1	3,543	0	0
Clarksville Imaging Center	ODC	2020	1	1,993	1	1,046
Montgomery County		2021	1	NR	NR	NR
		2022	1	1,959	1	1,104
Tennova HC Clarksville	Hosp	2020	2	3,812	3	31,787
Montgomery County		2021	2	3,992	3	33,963
<i>(includes freestanding ED)</i>		2022	2	3,965	3	35,077
Tennessee Orthopedic Assoc	PO	2020	1	2,212	0	0
Montgomery County		2021	1	3,023	0	0
		2022	1	3,361	0	0
Premier Medical Group, P.C.	PO	2020	1	1,058	1	1,454
Montgomery County		2021	1	1,122	1	1,574
		2022	1	1,184	1	1,970
Clarksville CT	PO	2020	0	0	1	2,573
Montgomery County		2021	0	0	1	2,556
		2022	0	0	1	2,892

Sources: MRI and CT from HFC Registry; other modalities from Joint Annual Reports.

NR = Not reported.

Hospital OP Imaging Utilization is combined with the parent hospital's utilization for providers whose hospital is in the PSA.

**Table 5N: Historic Utilization of ODC Modalities in the PSA of Premier Radiology
ODC – Clarksville (Part B: Other Imaging Modalities)**

Provider	Type	Year	Ultrasound Units	Ultrasound Procedures	Mammogr. Units	Mammog. Procedures	Bone Dens. Units
Premier Fixed/Mobile MRI	ODC	2020	0	0	0	0	0
Montgomery County		2021	0	0	0	0	0
		2022	0	0	0	0	0
Clarksville Imaging Center	ODC	2020	1	213	0	0	0
Montgomery County		2021	NR	NR	0	0	0
		2022	NR	1,642	0	0	0
Tennova HC Clarksville	Hosp	2020	5	10,019	3	7,168	1
Montgomery County		2021	5	11,402	2	5,492	1
<i>(includes freestanding ED)</i>		2022	5	11,180	2	6,188	1
Tennessee Orthopedic Assoc	PO	2020	0	0	0	0	0
Montgomery County		2021	0	0	0	0	0
		2022	0	0	0	0	0
Premier Medical Group, P.C.	PO	2020	NR	NR	NR	NR	NR
Montgomery County		2021	NR	NR	NR	NR	NR
		2022	NR	NR	NR	NR	NR
		2022	NR	NR	NR	NR	NR
Clarksville CT	PO	2020	NR	NR	NR	NR	NR
Montgomery County		2021	NR	NR	NR	NR	NR
		2022	NR	NR	NR	NR	NR

Sources: MRI & CT from HFC Registry; other modalities from JARS. NR=not reported.

Hospital OP Imaging is combined with the parent hospital's utilization for providers whose hospital is in the PSA.

Attachment 6N
Two-Year Utilization Projection

Table 6N Part B: Projected Utilization of Applicant's MRI Service				
Year	Units	Procedures	State Health Plan Optimal Utilization Standard	% of Optimal Utilization Standard
CY2025	1	4,218	2,880	146.5%
Yr 1-CY2026	1	4,387	2,880	152.3%
Yr 2-CY2027	1	4,563	2,880	158.4%
Yr 3-CY2028				

Table 6N Part C - Projected Utilization of Applicant's Major ODC Modalities						
Year	MRI	CT	Mammo	Ultrasound	X-Ray	TOTALS
CY2025 Yr 1	4,218	3,000	6,000	3,000	5,000	21,218
CY2026 Yr 2	4,387	3,250	6,500	3,250	5,250	22,637
CY2027 Yr 3	4,563	3,500	7,000	3,500	5,750	24,313

Attachment 1C
Transfer Agreements

PATIENT TRANSFER AGREEMENT

THIS PATIENT TRANSFER AGREEMENT (this "Agreement") is made as of March __, 2018, by and between SAINT THOMAS HEALTH SERVICES ("STHS"), a not-for-profit Tennessee corporation, MIDDLE TENNESSEE IMAGING, LLC ("Transferor"), and NOL, LLC, a Tennessee limited liability company ("NOL").

RECITALS:

A. Transferor, and its subsidiaries, operates or manages a number of health care entities located in Middle Tennessee ("Facilities" or singularly, a "Facility").

B. NOL owns two physician offices that provide imaging services under the name of Premier Radiology that are managed by Transferor.

B. STHS is a health system which includes multiple hospital campuses serving the Middle Tennessee area, which include, among others: St. Thomas Mid-Town Hospital, St. Thomas West Hospital, and St. Thomas Rutherford Hospital.

C. The parties desire to assure a continuity of care and appropriate medical treatment for the needs of each patient in their respective facilities, and have determined that, in the interest of patient care, the parties should enter into an agreement to provide for the transfer of patients from certain of Transferor's facilities to STHS hospitals on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows.

1. Term and Termination.

(a) The Agreement shall have a two (2) year term commencing on March 12, 2018 (the "Initial Term"). Upon the expiration of the Initial Term, this Agreement shall automatically renew for up to three additional one-year renewal terms ("Renewal Term") unless either party provides written notice of its intent not to renew to the other party at least sixty (60) days prior to the end of the then current term (the Initial Term and any Renewal Terms are collectively referred to herein as the "Term").

(b) This Agreement may be terminated by either party:

- (i) upon ninety (90) days prior written notice to the other party, or
- (ii) immediately should the other party fail to maintain the licenses, certifications or accreditations, including Medicare certification, required to operate its facility as it is currently being operated.

2. Transfer.

(a) Transferor's Facilities to which this Agreement is applicable, and those STHS hospitals to which Transferor's patients may be transferred (the "Hospital" or "Hospitals"), are set forth on Exhibit A which is attached hereto and incorporated herein by this reference.

(b) Upon such time that a patient's physician determines that the patient needs to be transferred from a Transferor Facility to a Hospital pursuant to Transferor's physician's order, Hospital

agrees to admit the patient as promptly as possible and provide healthcare services as necessary, provided all conditions of eligibility are met. Transferor agrees to send the following with each patient at the time of transfer, or as soon thereafter as possible in emergency situations:

(i) an abstract of pertinent medical and other information necessary to continue the patient's treatment without interruption; and

(ii) essential identifying and administrative information.

(c) Transferor shall also perform the following:

(i) notify Hospital of the impending transfer;

(ii) receive confirmation that Hospital can accept the patient, and that a Hospital medical staff physician has done so;

(iii) obtain patient's consent to the transfer; and

(iv) arrange for the transportation of the patient, including mode of transportation and the provision of one or more health care practitioners as necessary.

3. Relationship of the Parties.

(a) Nothing in this Agreement shall in any way affect the autonomy of either party. Each party shall have exclusive control of its management, assets and affairs. Neither party assumes any liability for the debts or obligations of the other party.

(b) Neither party shall be responsible, financially or otherwise, for the care and treatment of any patient while that patient is admitted to, or is under the care of, the other party's facility.

(c) Each party may contract or affiliate with other facilities during the term of this Agreement.

4. EMTALA. The parties agree that any patient transfers made pursuant to this Agreement shall be in compliance with 42 U.S.C. § 1395dd, et seq. and any amendments thereto ("EMTALA"), EMTALA's implementing regulations, such other requirements as may be imposed by the Secretary of Health and Human Services, and any other applicable Federal or State patient transfer laws.

5. Indemnification. Transferor agrees to indemnify, defend and hold STHS, its officers, trustees, employees and agents harmless, to the extent permitted by applicable law, from or against any loss, injury, damage or liability incurred by reason of any act or failure to act by Transferor, its officers, employees or agents in connection with the performance of this Agreement.

STHS agrees to indemnify, defend and hold Transferor, its officers, employees and agents harmless, to the extent permitted by applicable law, from or against any loss, injury, damages or liability incurred by reason of any act or failure to act by STHS, its officers, trustees, employees and agents in connection with the performance of this Agreement.

6. Compliance. In compliance with federal law, including the provisions of Title IX of the Education Amendments of 1972, Section 503 and 504 of the Rehabilitation Act of 1973, the Age Discrimination in Employment Act of 1967 and 1975 and the Americans with Disabilities Act of 1990, and

Title VI of the Civil Rights Act of 1964 each party hereto will not discriminate on the basis of race, sex, religion, color, national or ethnic origin, age, disability, or military service, AIDS and AIDS related conditions in its administration of its policies, including admissions policies, employment, or program activities.

7. **Record Availability.** Transferor agrees that, until the expiration of four (4) years after the furnishing of any goods and services pursuant to this Agreement, it will make available, upon written request of the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives, copies of this Agreement and any books, documents, records and other data of Transferor that are necessary to certify the nature and extent of the costs incurred by STHS in purchasing such goods and services. If Transferor carries out any of its duties under this Agreement through a subcontract with a related organization involving a value or cost of ten thousand dollars (\$10,000) or more over a twelve-month period, Transferor will cause such subcontract to contain a clause to the effect that, until the expiration of four (4) years after the furnishing of any good or service pursuant to said contract, the related organization will make available upon written request of the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives, copies of this Agreement and any books, documents, records and other data of said related organization that are necessary to certify the nature and extent of costs incurred by Transferor for such goods or services. Transferor shall give STHS notice immediately upon receipt of any request from the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives for disclosure of such information.

Transferor agrees to indemnify, defend and hold STHS harmless from and against any loss, liability, judgment, penalty, fine, damages (including punitive and/or compounded damages), costs (including reasonable attorneys' fees and expenses) suffered or incurred by STHS as a result of, in connection with, or arising from Transferor's failure to comply with this Section 7.

8. **Exclusion from Federal Health Care Programs.** Transferor represents and warrants that it has not been nor is it about to be excluded from participation in any Federal Healthcare Program. Transferor agrees to notify STHS within one (1) business day of Transferor's receipt of a notice of intent to exclude or actual notice of exclusion from any such program. The listing of Transferor or any Transferor-owned subsidiary on the Office of Inspector General's exclusion list (OIG website) or the General Services Administration's Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs (GSA website) for excluded individuals and entities shall constitute "exclusion" for purposes of this paragraph. In the event that Transferor is excluded from any Federal Healthcare Program, this Agreement shall immediately terminate. For the purposes of this paragraph, the term "Federal Healthcare Program" means the Medicare program, the Medicaid program, the Maternal and Child Health Services Block Grant program, the Block Grants for State for Social Services program, any state Children's Health Insurance program, or any similar program. Further, Transferor agrees to indemnify and hold STHS harmless from and against any loss, liability, judgment, penalty, fine, damages (including punitive and/or compounded damages), costs (including reasonable attorneys' fees and expenses) incurred by STHS as a result of Transferor's failure to notify STHS of its exclusion from any Federal Healthcare Program.

9. **Corporate Compliance.** STHS has in place a Corporate Responsibility Plan, which has as its goal to ensure that STHS complies with federal, state and local laws and regulations. The plan focuses on risk management, the promotion of good corporate citizenship, including a commitment to uphold a

high standard of ethical and legal business practices, and the prevention of misconduct. Transferor acknowledges STHS' commitment to corporate responsibility. Transferor agrees to conduct its business transactions with STHS in accordance with the principles of good corporate citizenship and a high standard of ethical and legal business practices.

16. Miscellaneous.

(a) The parties agree to provide each other with information regarding the resources each has available and the type of patients or health conditions that each is able to accept.

(b) Neither party shall use the name of the other in any promotional or advertising material unless the other party has been given the opportunity to review the material and prior written approval for the material and its use has been obtained.

(c) This Agreement supersedes all prior agreements, whether written or oral, between the parties with respect to its subject matter and constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement executed by the party to be charged with the amendment.

(d) If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

(e) This Agreement shall be governed by and construed and enforced in accordance with the laws and in the courts of the State of Tennessee.

(f) STHS may assign this Agreement, without the consent of Transferor, to an entity that directly or indirectly controls, is controlled by, or is under common control with, STHS. For the purposes of this paragraph, the terms "control" means, with respect to a person, the authority, directly or indirectly, to (i) act as controlling member, shareholder or partner or such person, (ii) appoint, elect or approve at least a majority of the individual members, shareholders or partners of such person, or (iii) appoint, elect or approve at least a majority of the governing body of such person. Except as set forth above, neither party may assign this Agreement or any obligation hereunder without first obtaining the written consent of the other party. Any attempted delegation or assigning in violation of this paragraph shall be null and void. Subject to the foregoing, this Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, administrators, successors and permitted assigns. Nothing expressed or referred to in this Agreement will be construed to give any person other than the parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement, except such rights as shall inure to a successor or permitted assignee pursuant to this paragraph.

(g) In the event that any legal action or other proceedings, including arbitration, is brought for the enforcement of this Agreement or because of an alleged dispute of breach, the prevailing party shall be awarded its costs of suit and reasonable attorney's fees.

(h) All notices, consents, waivers and other communications required or permitted by this Agreement shall be in writing and shall be deemed given to a party when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); or (b) received or rejected by the addressee, if sent by certified mail, return receipt requested, in each case to the following address and marked to the attention of the person (by name or title) designated below (or to such other address or person as a party may designate by notice to the other parties):

If to STHS: Saint Thomas Health Services
 102 Woodmont Boulevard, Suite 700
 Nashville, Tennessee 37205
 Attn: Chief Administrative Officer

With a copy to: Saint Thomas Health Services
 102 Woodmont Blvd., Suite 700
 Nashville, TN 37205
 Attn: Contract Administrator

If to Transferrer: Middle Tennessee Imaging
 28 White Bridge Road, Suite 316
 Nashville, Tennessee 37205
 Attn: General Counsel

(i) The headings of the various sections of this Agreement are inserted merely for convenience and do not expressly or by implication limit, define or extend the specific terms of the sections so designated. Any rule of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any party shall not apply to any construction or interpretation thereof.

(ii) This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile shall be deemed to be their original signatures for all purposes.

[Signature page to follow]

FACILITIES	RECEIVING HOSPITAL
Premier Radiology Belle Meade 28 White Bridge Pike, Suite 111 Nashville, Tennessee 37205	St. Thomas West
Premier Radiology Brentwood 788 Old Hickory Blvd. Brentwood, TN 37027	St. Thomas Midtown
Premier Radiology Briarcliff 1200 Briarcliff Rd. Brentwood, TN 37115	St. Thomas Midtown
Premier Radiology Clarksville (Mobile MRI) 555 Professional Park Drive Clarksville, TN 37040	St. Thomas Midtown
Premier Radiology/Clarksville Imaging Center 2330 Wilma Rudolph Blvd. Clarksville, TN 37040	St. Thomas Midtown
Premier Radiology Cool Springs 3818 Aspen Grove Drive, Suite 101 Franklin, Tennessee 37067	St. Thomas Midtown
Premier Radiology Hendersonville 100 New Market Island Rd. Hendersonville, TN 37075	St. Thomas Midtown
Premier Radiology Hermitage 1000 Old Hickory Boulevard, Suite 100 Hermitage, Tennessee 37076	St. Thomas Midtown
Premier Radiology Mt. Juliet 1000 Creekside Circle Suite 140 Mt. Juliet, TN 37122	St. Thomas Midtown
Premier Radiology Murfreesboro 1200 Medical Center Plaza South Building, Suite 101 Murfreesboro, TN 37129	St. Thomas Rutherford

FACILITIES CONTINUED

RECEIVING HOSPITAL

**Premier Radiology Charlotte
1800 Charlotte Avenue
Nashville, Tennessee 37203**

St. Thomas Midtown

**Middle Tennessee Imaging Smyrna
741 President Place, Suite 100
Smyrna, Tennessee 37167**

St. Thomas Rutherford

**Premier Radiology - St. Thomas Midtown
300 20th Ave. N., Suite 202
Nashville, TN 37203**

St. Thomas Midtown

**Premier Radiology - St. Thomas West
4230 Harding Pike
Nashville, TN 37205**

St. Thomas West

**Premier Radiology - Lenox Village
6130 Nolensville Pike
Suite 102
Nashville, TN 37211**

St. Thomas West

**Premier Radiology - Upright MRI
6130 Nolensville Pike
Suite 102
Nashville, TN 37211**

St. Thomas West

**Premier Radiology - New Salem
2725 New Salem Hwy, Suite 103
Murfreesboro TN 37128**

St. Thomas Rutherford

**Premier Radiology- Gallatin
110 St. Blake Rd
Gallatin, TN 37066**

St. Thomas Midtown

**Premier Radiology- Antioch
5754 Murfreesboro Pk
Antioch, TN 37013**

St. Thomas Midtown

**Premier Radiology- Upright
1718 Charlotte Ave, Suite B
Nashville TN 37203**

St. Thomas Midtown

IN WITNESS WHEREOF, the parties have executed this Patient Transfer Agreement as of the date first above written.

STHS:

SAINT THOMAS HEALTH SERVICES

By: [Signature]
Name: Lisa Brax
Title: CO

TRANSFEROR:

MIDDLE TENNESSEE IMAGING, LLC

By: [Signature]
Name: Michael R. McLeod
Title: Manager

NOL, LLC

By: [Signature]
Name: Michael R. McLeod
Title: Administrator

Attachment 9C
Charges of Similar Providers

Attachment 3Q
Licensure/Certification/Accreditation

Board for Licensing Health Care Facilities

State of  Tennessee

License No. 000000000058

This is to certify, that a license is hereby granted by the Health Facilities Commission to
MOBILE MRI MEDICAL SERVICES, LLC *to conduct and maintain*

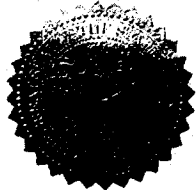
an Outpatient Diagnostic Center MOBILE MRI MEDICAL SERVICES, LLC

Located at 980 PROFESSIONAL PARK DRIVE, SUITE E, CLARKSVILLE

County of MONTGOMERY, *Tennessee.*

This license shall expire JULY 15, 2024, *and is subject to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable, and shall be subject to revocation at any time by the Health Facilities Commission, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the Health Facilities Commission issued thereunder.*

In Witness Whereof, we have hereunto set our hand and seal of the State this 18TH *day of* JULY, 2023.
For the Specialty (ies) of: MRI



By Caroline R. (Dunn) Egan, C.H.C.
DIRECTOR, LICENSURE & REGULATION

By Gregg H.
EXECUTIVE DIRECTOR

Additional Document 1
7QB5 – Legal Settlements

The applicant's legal Counsel advises that this small settlement, more than 4 years ago, is not described in the attached press release by the EEOC (Equal Employment Opportunity Commission). The event was a disputed flu shot which had been required as a condition of employment by a company serving a hospital which was not even in this project's service area. The applicant does not consider the event to be relevant to the review of this project.



U.S. Equal Employment Opportunity Commission

Press Release

04-18-2019

Saint Thomas Health to Pay \$75,000 to Settle EEOC Religious Discrimination Suit

***Hospital Demanded Employee Take Flu Shot Despite His Religious Beliefs,
Federal Agency Charged***

NASHVILLE, Tenn. - Saint Thomas Health (STH), operating Saint Thomas Rutherford Hospital in Murfreesboro, Tenn., will pay \$75,000 and furnish other relief to settle a religious discrimination lawsuit filed by the U.S. Equal Employment Opportunity Commission (EEOC), the federal agency announced today.

According to the EEOC's lawsuit, STH required all employees at Saint Thomas Rutherford Hospital to have an annual flu shot, including employees of

TouchPoint Support Services. TouchPoint provides food and environmental services at the hospital. Because of his religious beliefs, STH allowed a TouchPoint employee to wear a protective mask instead of having a flu shot in 2013 and 2014. When this employee asked again in 2015 not to have a flu shot, STH denied his request. When this employee refused to have a flu shot, STH told him and TouchPoint he could not work at the hospital. TouchPoint then fired the employee. The Nashville Area Office investigated the charge of discrimination.

Such alleged conduct violates Title VII of the Civil Rights Act of 1964 which requires employers to provide a reasonable accommodation for an employee's sincerely held religious beliefs. The EEOC filed suit (Civil Action No. 1:18-cv-00978 in the U.S. District Court for the Middle District of Tennessee) after first attempting to reach a pre-litigation settlement through its voluntary conciliation process. While denying any wrongdoing, STH chose to settle prior to trial.

According to the consent decree, STH will pay \$75,000 in compensatory damages to the employee. Additionally, STH must modify its accommodation policy to allow an employee to appeal the termination of an accommodation for a sincerely held religious belief. STH will provide annual training on that policy to its human resources employees and members of its flu committee for the next two years.

"We commend St. Thomas Rutherford Hospital for working quickly to resolve this litigation," said Faye A. Williams, regional attorney of the EEOC's Memphis District Office. "This settlement will ensure that employees who seek religious accommodations in the workplace for sincerely held religious beliefs are protected."

Delner Franklin-Thomas, district director of the Memphis Office, which has jurisdiction over Arkansas, Tennessee, and portions of Mississippi, added, "Title VII requires reasonable accommodations for sincerely held religious beliefs. Through this consent decree, we hope other employers learn to protect this right."

According to its website, STH is a family of Middle Tennessee hospitals and physician practices. STH is the leading faith-based health care system in Tennessee and is part of Ascension, the largest non-profit health system in the U.S. and the world's largest Catholic health system.

The EEOC advances opportunity in the workplace by enforcing federal laws prohibiting employment discrimination. More information is available at www.eeoc.gov (<https://www.eeoc.gov/>). Stay connected with the latest EEOC news by subscribing to our [email updates](https://public.govdelivery.com/accounts/USEEOC/subscriber/new) (<https://public.govdelivery.com/accounts/USEEOC/subscriber/new>).

Additional Document 2
Insurance Plans

Premier Radiology - Current Insurance Plans

AUTO	HMO
MVA ERIE INS	AARP MEDICARE COMP PLUS HMO POS ADV
MVA PROGRESSIVE HAWAII INSUR	AETNA MEDICARE
MVA STATE FARM INS	AMERIVANTAGE MEDICARE
MVA USAA AUTO	BCBS MEDICARE ADVANTAGE
	HEALTHSPRING MEDICARE HMO
BCBS	HUMANA GOLD CHOICE MEDICARE
BCBS FEDERAL	HUMANA GOLD PLUS
BCBS MEDICARE SUPPLEMENTAL	UHC COMMUNITY DUAL COMPLETE
BCBS Network E	UHC COMMUNITY DUAL COMPLETE
BCBS PREFERRED	UHC MEDICARE (ALL MEDICARE PLANS)
BCBS SELECT	WELLCARE PLANS
BCBS TN BLUE CARE TENNCARE SELECT	ZZZ DNU UHC COMM DUAL COMPLETE WI
SMART HEALTH TIER 1	
	MCAID
CHAMPUS	AMERIGROUP MEDICAID
CHAMPVA	UHC COMMUNITY PLAN MEDICAID
TRICARE EAST	WELLCARE OF GEORGIA/KY
VACCN OPTUM	ZZZ DNU UHC COMMUNITY PLAN WI
	MCARE
CIGNA	AARP Medicare Advantage
CIGNA	ASCENSION COMPLETE SAINT THOMAS
CIGNA EVICORE	CARE OREGON
CIGNA OSCAR	MEDICARE RAILROAD PART A & B
CIGNA PPO	PALMETTO MEDICARE PART B TN
CIGNA SEL SOUR PL HMO POS	SNF NHC HENDERSONVILLE
	OTHER
COMM	
ADMINISTRATIVE CONCEPTS INC.	AMERICAN BUSINESS COALITION
AETNA HEALTH	Ascension WI Charity Care
AETNA LIFE INS	Charity
ALLIED BENEFIT SYSTEMS INC	RED ROCK DIAGNOSTIC
AMBETTER	St Thomas Charity
AMERICAN FIDELITY INS CO	THE TOWN DOCTOR
AMERICAN PLAN ADMINISTRATORS	
ANTHEM FIRST HEALTH CA	PATIENT
ARIZONA FOUNDATION FOR MEDICAL	PATIENT
ASR HEALTH BENEFITS	
BEAZLEY HEALTHPLAN SERVICES	WCOMP
BENEFIT ADMINISTRATIVE SYSTEM	US DEPARTMENT OF LABOR
BENEFIT DESIGN SPECIALISTS INC	VANDERBILT UNIVERSITY MEDICAL
BIND UNITED HEALTH	WC ABSOLUTE SOLUTIONS
CARE IQ/ANCICARE	WC ALLIANCE RESOLUTION MGT
CIGNA SUPPLEMENTAL	WC AMSTRUST NORTH AMERICA
COMMERCIAL GENERIC	WC AVERIT INC
CONSECO MEDICARE SUPPLEMENTAL	WC BROADSPIRE
FRINGE BENEFIT GROUP	WC CARE IQ
GOLDEN RULE /UNITED HEALTHCARE ONE	WC CareWorks
GPA	WC CINCINNATI INSURANCE
HEALTH NEW ENGLAND	WC CORVEL
HEALTHPLANS INC	WC DEPARTMENT OF LABOR
Healthscope	WC DFEC
HIGHMARK BLUE SHIELD	WC DIRECT PAY PROVIDER NETWORK
HUMANA COMMERCIAL	WC FEDERATED RURAL
LUCENT HEALTH	WC GALLAGHER BASSETT
MAGNOLIA HEALTH PLAN/CLAIMS	WC HOMELINK
MEDI-SHARE	WC INJURY CARE SOLUTIONS OF TN LLC
MEDISHARE/CHRISTIAN CARE MINISTRIES	WC INJURY FINANCE
MERITAIN HEALTH	WC KEY HEALTH
MERITAN HEALTH	WC MEDCOMP USA INC
MUTUAL OF OMAHA	WC Navigere
NIPPON LIFE INS AMER	WC North American Risk Services
ONE CALL MEDICAL GRP HLTH COMMERCIA	WC ONE CALL MEDICAL
OSCAR	WC ORCHID MEDICAL
PAI	WC SEDGEWICK
PRAIRIE STATES ENTERPRISES	WC SEDGEWICK CMS FED EX/WALGREENS/C
PRIORITY HEALTH PPO	WC Sedgwick
PROJECT ACCESS NASHVILLE PRIMARY	WC SENTRY INS
PROJECT ACCESS NASHVILLE SPECIALTY	WC STATE FARM
SAMBA	WC Streamline Imaging
SELECT BENEFIT ADMINISTR	WC THE HARTFORD
TBCSP	WC TN RISK MNGMNT TRUST
TRUSTMARK LIFE INS CO	WC TRAVELERS
UGS GLOBALCARE INC	WC UNITED HEARTLAND
UHC	WC VANLINER INSURANCE
UHC ALLSAVERS INS	WC WELL STATES/WESTERN HEALTHCARE
UHC PPO, POS, HMO	WC YORK RISK MANAGEMENT
UMR/UNITED MEDICAL RESOURCES	WC ZURICH
UNITED HEALTH CARE	
UNITED HEALTH INTEGRATED/SHARED	
UNITED WORLD LIFE	
UNIVERA	
ZZDONOTUSEANTHEM BCBS	
ZZZ DNU TBCSP MID CUMBERLAND	

Additional Document 3
Comparison of Lease Payments to FMV of Premises

**PREMIER RADIOLOGY ODC - CLARKSVILLE
COMPARISON OF LEASE OUTLAY VS. FMV OF LEASED SPACE**

SPACE LEASE OUTLAY--FIRST TERM						
First Term of Years	Rentable SF	Base Lease Rate-\$PSF	Annual Base Lease Outlay	Pass-through Expenses-\$PSF	Annual PassThrough Expenses	Total Costs for Leased Space
Year 1	6,390	\$75.00	\$479,250.00	12.00	76,680.00	\$555,930.00
Year 2	6,390	\$ 77.25	\$493,627.50	12.36	78,980.40	\$572,607.90
Year 3	6,390	\$ 79.57	\$508,436.33	12.73	81,349.81	\$589,786.14
Year 4	6,390	\$ 81.95	\$523,689.41	13.11	83,790.31	\$607,479.72
Year 5	6,390	\$ 84.41	\$539,400.10	13.51	86,304.02	\$625,704.11
Year 6	6,390	\$ 86.95	\$555,582.10	13.91	88,893.14	\$644,475.24
Year 7	6,390	\$ 89.55	\$572,249.56	14.33	91,559.93	\$663,809.49
Year 8	6,390	\$ 92.24	\$589,417.05	14.76	94,306.73	\$683,723.78
Year 9	6,390	\$ 95.01	\$607,099.56	15.20	97,135.93	\$704,235.49
Year 10	6,390	\$ 97.86	\$625,312.55	15.66	100,050.01	\$725,362.56
Year 11	6,390	\$ 100.79	\$644,071.92	16.13	103,051.51	\$747,123.43
Year 12	6,390	\$ 103.82	\$663,394.08	16.61	106,143.05	\$769,537.14
Year 13	6,390	\$ 106.93	\$683,295.91	17.11	109,327.34	\$792,623.25
Year 14	6,390	\$ 110.14	\$703,794.78	17.62	112,607.17	\$816,401.95
Year 15	6,390	\$ 113.44	\$724,908.63	18.15	115,985.38	\$840,894.01
1st Term Total			\$8,913,529.48		\$1,426,165	\$10,339,694.20

Note: Base lease rate and estimated pass through expenses projected to increase at 3.0% per year.

PROJECT SPACE--FAIR MARKET VALUE

Project Space	6,390	Lease
Building Area	6,390	Developer's Documents
Project % of Building	100.0%	
Bldg and Land Value	\$5,935,320	site cost + site imprlvmt+constr costs+relateds+interim int
Project Space FMV	\$5,935,320	Project Space % X Bldg and Land Cost

Attachment
Medical Equipment

**PREMIER RADIOLOGY CLARKSVILLE ODC
 MEDICAL EQUIPMENT COSTING \$50,000 OR MORE
 (DOES NOT INCLUDE SERVICE CONTRACTS FOR MRI & CT)**

	Base Cost	Tax (9.5%)	Total
MRI	\$1,500,000	\$138,750	\$1,638,750
Service Contract	7 years X \$80,000		\$560,000
CT	\$275,000	\$25,438	\$300,438
Service Contract	7 years X \$35,000		\$245,000
Mammography Unit 1	\$275,000	\$25,438	\$300,438
Mammography Unit 2	\$275,000	\$25,438	\$300,438
X-Ray	\$165,000	\$15,263	\$180,263
Dexa	\$85,000	\$7,863	\$92,863
Ultrasound Unit 1	\$70,000	\$6,475	\$76,475
Ultrasound Unit 2	\$70,000	\$6,475	\$76,475



November 15, 2023
 Quote Number: 2010168710.3
 Customer ID: 1-25NM89
 Quotation Expiration Date: 12/29/2023

Premier Radiology Belle Meade
 Anderson Building 28 White Bridge Pike Ste 111
 Nashville, TN 37205-1466

This Agreement (as defined below) is by and between the Customer and the GE HealthCare business ("GE HealthCare"), each as identified below for the sale and purchase of the Products and/or Services identified in this Quotation, together with any applicable schedules referred to herein ("Quotation"). "Agreement" is this Quotation (including line/catalog details included herein) and either: (i) the Governing Agreement identified below; or (ii) if no Governing Agreement is identified, the GE HealthCare Terms and Conditions and Warranties that apply to the Products and/or Services identified in this Quotation.

GE HealthCare can withdraw this Quotation at any time before Customer: (i) signs and returns this Quotation or (ii) provides evidence of Quotation acceptance satisfactory to GE HealthCare ("Quotation Acceptance"). On Quotation Acceptance, this Agreement is the complete and final agreement of the parties relating to the Products and/or Services identified in this Quotation. There is no reliance on any terms other than those expressly stated or incorporated by reference in this Agreement and, except as permitted in this Agreement, no attempt to modify will be binding unless agreed to in writing by the parties. Modifications may result in additional fees and cannot be made without GE HealthCare's prior written consent.

Handwritten or electronic modifications on this Agreement (except an indication of the form of payment, Customer purchase order number and signatures on the signature blocks below) are void.

Governing Agreement:	Vizient Supply LLC
Terms of Delivery	FOB Destination
Billing Terms	80% on Delivery / 20% on Acceptance
Payment Terms	45 Net
Sales and Use Tax Exemption	No Certificate on File
Total Quote Net Selling Price	\$998,057.66

IMPORTANT CUSTOMER ACTIONS:

Please select your planned source of funds. Source of funds is assumed to be cash unless you choose another option. Once equipment has been shipped, source of funds changes cannot be allowed.

- Cash
- GE HFS Loan GE HFS Lease
- Other Financing Loan Other Financing Lease Provide Finance Company Name

The parties have caused this Agreement to be executed by their authorized representative as of the last signature date below.

Premier Radiology Belle Meade

Signature: _____

Print Name: _____

Title: _____

Date: _____

 Purchase Order Number, if applicable

GE Precision HealthCare LLC, a GE HealthCare business

Signature: Gary Young

Title: Account Manager - VASO Mfr Rep

Date: November 15, 2023

FEATURES AND BENEFITS

- Reduces noise and lessens vibration above or near patient care areas or offices

SPECIFICATIONS

- Custom galvanized dipped for added resistance to corrosive environments elements
- 750 lbs rated capacity each
- 1.12 rated inches deflection
- 670 lb spring constant
- 2.1 max G rating
- Comes in set of 8 (complete kit for a GE MR Heat Exchanger)

COMPATIBILITY

- E8911CA
- E8911CB
- E8911CC
- E8911CD
- E8912CA
- E8912CB
- E8912CC
- E8912CD

36	1.00	NI_MR_INS TALLATION	\$15,000 is applied to 3rd-Party Rigging Services, as directed by Customer. Rigging (including excess/additional rigging costs) remains the Customer's responsibility. Unapplied rigging funds will be forfeited without refund or credit.
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<p>Rigging, De-installation, Installation Charges. Rigging remains the responsibility of Customer. Any rigging costs in excess of this amount shall be the responsibility of Customer. Unapplied rigging funds will be forfeited without refund or credit.</p>	
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Total Quote Net Selling Price: \$998,057.66

If applicable, for more information on this devices' operating system, please visit GE HealthCare's product security portal at:
<https://securityupdate.gehealthcare.com/en/products>

+ 385,000
 OPPTS

 1,383,058
 +
 inflation

Optional Items

Please initial the Catalogs you wish to purchase

S7529HS	1.00	HyperSense 2.0 Package	\$115,000.00
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HyperSense 2.0 package is GE's compressed sensing application providing scan time reduction technique while maintaining SNR through an iterative reconstruction algorithm. This application can deliver higher spatial resolution images or reduced scan times, enabling faster imaging without the penalties commonly found with conventional parallel imaging.

HyperSense has been expanded to include T1 acquisitions including MP-RAGE & BRAVO for neuro imaging and LAVA, LAVA-Flex, DISCO and DISCO-Flex for body applications, and Vibrant for breast applications. In addition, HyperSense is now compatible with other 3D gradient echo sequences, such as MERGE, FIESTA and COSMIC.

M7008AC	1.00	HyperMAVRIC SL	\$50,000.00
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HyperMAVRIC SL is used in conjunction with MAVRIC SL for enabling shorter scan times and isotropic resolution. A separate, low-resolution, metal analysis calibration scan is run to determine the number of off-resonant spectral bins that are required for the specific patient and implant. This reduced number of bins is then used for acquiring and reconstructing the high-resolution MAVRIC SL scan which results in considerably less net scan time for small implants and those with low susceptibility.

M7100AF	1.00	MUSE	\$70,000.00
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MUSE is a diffusion weighted and diffusion tensor technique that allows higher spatial resolution with reduced EPI-based distortions. MUSE implements a segmented readout approach along the phase encoding direction and utilizes a dedicated image reconstruction algorithm to mitigate shot-to-shot motion-induced phase errors inherent to multi-shot diffusion. The technique is compatible with navigators, cardiac and respiratory gating, as well as in-plane parallel imaging acceleration.

M7100DA	1.00	PROGRES	\$50,000.00
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PROGRES is an automated distortion, motion and eddy current correction technique, based on an integrated Reversed Polarity Gradient (RPG) acquisition. Using a rigid affine registration, the technique outputs images with reduced susceptibility artifacts at no significant impact in overall scan time.

Extended DTI capabilities allow the selection and customization of up to 300 diffusion-encoding directions, resulting in more accurate diffusion tensor estimations.

S7529DT	1.00	DISCO Trio	\$100,000.00
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DISCO makes critical scans achievable by driving speed and performance without sacrificing spatial resolution on dynamic T1 imaging. DISCO is commonly used in liver, prostate, and breast imaging, and lets you choose your fat suppression (fat sat, LAVA, LAVA Flex, or none), your breathing options (Auto navigated or breath hold), and how you review it (source images or reformatted as an MRA). It provides highly accelerated, LAVA based volumetric imaging for high resolution 3D volumetric results without compromising temporal imaging performance and delivering 1.5mm isotropic results of whole organ coverage in as low as 3 seconds per phase.

DISCO Star and LAVA Star (Stack-of-stars) provides a better patient experience when it comes to abdominal MR imaging. Patients with limited breath-hold capability or are unable to follow breathing commands now have the option of a complete, free-breathing dynamic or single phase abdominal imaging that's independent of the patient. DISCO Star and LAVA Star provide image reconstruction in seconds without the need of any extra hardware for processing, so it doesn't disrupt the technologist's workflow. With simple, push button dynamic imaging, technologists can overcome timing challenges for dynamic imaging and avoid repeat scans due to motion artifacts or timing issues.

DISCO Star is a motion robust, free-breathing 3D radial (stack of stars) scan acquired in one continuous dynamic arterial phase to drive worry-free, consistent image quality regardless of the patient's condition. DISCO Star employs radial in-plane trajectory to provide active motion compensation without navigators or bellows. Not only can DISCO Star compensate for breathing artifacts, but also swallowing, bowel motion and other sources of motion artifacts for dynamic scans.

The offering also includes LAVA Star, which provides the same motion robust, free-breathing scan for single phase (pre-contrast or delayed) imaging. Like DISCO Star, LAVA Star also employs radial in-plane trajectory to provide active motion compensation without navigators or bellows. Not only can LAVA Star compensate for breathing artifacts, but also swallowing, bowel motion and other sources of motion artifacts.

M7006AA	1.00	HyperBand	\$65,000.00	_____
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HyperBand reduces scan time by delivering multiple slices for single shot EPI/Diffusion in one go up to reduction factors of 6x.

M7006AE	1.00	MAGiC DWI	\$40,000.00	_____
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MAGiC Diffusion (DWI) provides the ability to acquire lower b-value diffusion data and extrapolate to higher b-value results leading to inherent high signal to noise gains in addition to scan time reduction through the computed b-value principle.

M7006AG	1.00	HyperCube	\$45,000.00	_____
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HyperCube delivers reduced field of view imaging for 3D Cube acquisitions by selectively acquiring/reconstructing fewer k-space lines which leads to scan time reduction and artifact control through a selective excitation approach.

M7001SE	1.00	FOCUS	\$30,000.00	_____
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FOCUS delivers a highly efficient method for increasing the resolution in Single Shot DW EPI sequences. The outcome delivers robust high resolution results while removing artifacts typically induced from motion, image backfolding or unsuppressed tissue. In addition, with the higher efficiency of the application, the reduced field of view imaging leads to a reduction in blurring that translates into an overall improvement to the image quality result. The sequence utilizes 2D selective excitation pulses in DW-EPI acquisitions to limit the prescribed phase encoded field of view at both 1.5T and 3.0T field strengths.

Attachment 8A
Management Agreement

ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement (the "Agreement") is made and to be effective this 1st day of April, 2011 ("Effective Date"), by and between Middle Tennessee Imaging, LLC (the "Company"), a Tennessee limited liability company, and PlyData, LLC ("Administrator"), a Tennessee limited liability company.

RECITALS

WHEREAS, the Company owns and/or operates, either directly or through wholly-owned subsidiaries, one or more imaging centers that provide diagnostic imaging services and an ambulatory surgery center (collectively, the "Facilities"); and

WHEREAS, Administrator possesses capabilities and experience in the business of developing, managing and operating such Facilities; and

WHEREAS, the Company and Administrator desire to enter into this Agreement for Administrator to develop, oversee, manage and subcontract for the business operations of the Company (the "Business");

NOW, THEREFORE, in consideration of the premises and mutual promises and covenants contained herein, the sufficiency of which consideration is hereby acknowledged, the Company and Administrator do hereby agree as follows:

1. RELATIONSHIP OF THE PARTIES

1.1 Independent Contractor Status. Except as otherwise expressly set forth herein, for purposes of this Agreement it is acknowledged and agreed that Company and Administrator are at all times acting and performing hereunder as independent contractors. Each party shall be solely responsible for compliance with all state and federal laws pertaining to employment taxes, income withholding, unemployment compensation contributions and other employment related statutes regarding their respective employees, agents and servants. Administrator must exercise at all times its independent judgment and shall not be subject to direction, control, or supervision by Company in the performance of Administrator's services under this Agreement, except as specifically set forth in this Agreement. Neither Administrator nor any of its employees, agents, or subcontractors shall have any claim under this Agreement or otherwise against Company for workers' compensation, unemployment compensation, vacation pay, sick leave, retirement benefits, Social Security benefits, disability insurance benefits, unemployment insurance benefits, or any other benefits. Company shall not withhold, or in any way be responsible for, the payment of any federal, state, or local income taxes, F.I.C.A. taxes, unemployment compensation or workers' compensation contributions, Social Security, or any other payments on behalf of Administrator or any of Administrator's employees, agents, or subcontractors providing services on behalf of Company pursuant to this Agreement, all such withholdings or obligations shall be the sole responsibility of Administrator, and Administrator shall indemnify, defend, and hold harmless Company from any and all loss or liability arising with respect to such withholdings or obligations. In the event that the Internal Revenue Service ("IRS") or other governmental agency should question or challenge the independent contractor status of Administrator, the Company shall have the right to participate in any discussion or negotiation occurring with the IRS or other such governmental agency, irrespective of by whom such discussions or negotiations were initiated.

1.2 Non-Assumption of Liabilities. Unless otherwise specifically provided for under the terms of this Agreement, all debts, obligations and liabilities of the Company to third parties, whether

existing or future, shall be the debts, obligations and liabilities of the Company. Administrator shall not be liable for any such debts, obligations or liabilities, and the Company shall, and hereby does agree to, indemnify Administrator for any loss, liability, judgment, penalty, fine, damage or cost incurred by Administrator as a result of such debts, obligations or liabilities of the Company. Except as specifically provided for in this Agreement, all debts, obligations and liabilities of Administrator to third parties, whether existing or future, shall be the debts, obligations and liabilities of Administrator, and the Company shall not be liable for any such debts, obligations or liabilities and the Administrator shall, and hereby does agree to, indemnify Company for any loss, liability, judgment, penalty, fine, damage or cost incurred by Company as a result of such debts, obligations or liabilities of Administrator.

1.3 Controlling Nature of Company's Operating Agreement. Reference is hereby made to the Amended and Restated Operating Agreement of the Company of even date herewith as it may be amended, restated, supplemented or otherwise modified from time to time (the "**Operating Agreement**"), a copy of which has been provided to Administrator. Capitalized terms not otherwise defined in this Agreement shall have the meaning set forth in the Operating Agreement. Subject at all times and for all purposes to any applicable provisions of the Operating Agreement and the respective rights of the Company's Members, Board of Governors and Managers, Administrator shall carry out the terms and conditions of this Agreement and its responsibilities and obligations hereunder. Administrator acknowledges that the Company and its Board of Governors retain ultimate authority for management and operation of the Company. Administrator agrees that it shall perform its management functions under this Agreement in accordance with all applicable policies and procedures of the Company, the Budgets approved by the Company's Board of Governors, and the Operating Agreement, and that Administrator shall not be liable for, and shall be released from the performance of any of its obligations hereunder, as a result of any exertion of such ultimate authority by the Company or its Board of Governors that conflicts with this Agreement. Notwithstanding anything in this Agreement to the contrary, in the event of any conflict between the terms and conditions of this Agreement and the terms and conditions of the Operating Agreement, the Operating Agreement shall control at all times and for all purposes.

1.4 Operation in Furtherance of Charitable Purposes. Notwithstanding any contrary provision contained in this Agreement, in providing its services hereunder, Administrator shall cause the Company to be operated and managed in a manner that furthers the charitable purposes of Saint Thomas Health Services ("STHS"), a Tennessee corporation and a member of the Company, and in a manner that complies with the Ethical and Religious Directives for Catholic Health Care Services, as approved and amended from time to time by the United States Conference of Catholic Bishops or its successor organization, and as promulgated and/or interpreted by the Roman Catholic Bishop of Nashville, Tennessee.

2. COVENANTS AND OBLIGATIONS OF ADMINISTRATOR

2.1 Administrative Services. Pursuant to this Agreement, Administrator shall provide or arrange for the provision of the items and services described in this Section 2.1 to the Company and for its Business (collectively, the "**Administrative Services**"), but in each instance only as and to the extent the item or service is (a) in compliance with the Budget then in effect and (b) specified and/or limited with respect to each obligation of the Administrator by or within the capital and other resources allocated for the discharge of such obligation under such Budget. Company does not delegate, nor does Administrator assume, any of the powers, duties and responsibilities which Company is required to maintain under applicable law.

2.1.1 General. Administrator shall provide to Company or arrange for the provision to, by or on behalf of Company, all Administrative Services necessary for the Company to conduct its Business. Except as otherwise expressly set forth herein, Administrator is hereby

expressly authorized to perform and provide the Administrative Services hereunder to, for, by and/or on behalf of Company in whatever reasonable manner Administrator deems appropriate to meet the day-to-day requirements of the Business. Administrator shall have power and authority to administer, manage, control, and operate the business and affairs of the Company, and to make decisions affecting such business and affairs, consistently and in accordance with the Operating Agreement and with the Budgets then in effect, and in accordance with any policies or directives approved by the Board of Governors from time to time; provided, however, that Administrator shall have no power or authority under this Agreement to take any action that requires the approval of the Members (or any Member) or Board of Governors under the Operating Agreement unless such approval is or has been given.

2.1.2 Business Services. Administrator shall provide and manage, or arrange for the provision and/or management of, all business functions and services related to the Business during the term of this Agreement. Without limiting the generality of the foregoing, in providing the Administrative Services, Administrator shall perform or arrange for the performance of the following functions on behalf of Company:

- (a) Ordering and purchasing or subcontracting for such office equipment and supplies as are required or appropriate in the day-to-day operation of the Business and as are included in the approved Budgets. Any purchase by Administrator in any year for an amount in excess of One Hundred Thousand and NO/100 Dollars (\$100,000.00) made pursuant to this Agreement shall be subject to the prior approval of the Board of Governors or within guidelines and/or the Budget approved in advance by the Board of Governors;
- (b) Such business, legal and financial consultation and advice as may be reasonably required or requested by Company, and which is directly related to the operations of the Business and approved by the Board; provided that Administrator shall not be responsible for any services requested by or rendered to any Member or Manager of Company, nor shall Administrator itself be responsible or liable for any legal, accounting or tax advice or services or personal financial services rendered to the Company or to any Member or Manager of Company;
- (c) Securing or sub-contracting for necessary repairs, maintenance and replacements of furniture, fixtures, equipment and other assets owned by Company;
- (d) Overseeing any design, engineering and construction related to any owned or leased real estate of the Company in accordance with specifications approved by the Board of Governors;
- (e) Managing the negotiation and maintenance of service agreements utilized by the Business and providing support, where necessary, in the coordination of services supplied to the Business under such agreements;
- (f) Evaluating and negotiating equipment acquisitions, dispositions, leases, and financings included in approved Budgets or otherwise approved by the Board of Governors;

- (g) Evaluating, selecting and negotiating access agreements, equipment services and medical supplies contracts;
- (h) Assisting in the development of policies and procedures, quality improvement, utilization management, and systems for review and adoption by the Board of Governors and assist in the oversight and implementation of such policies and procedures once adopted by the Board of Governors;
- (i) Assisting in the creation of new or the adaptation of existing marketing materials and plans; provided, that Administrator shall have no involvement in direct sales for or marketing of Company or of any of its customers;
- (j) Scheduling of patients for the provision of services by the Company at the Facilities;
- (k) Obtaining and maintaining written physician orders for each imaging study performed by the Company at the Facilities as and to the extent required by the Patient Protection and Affordable Care Act of 2010;
- (l) Obtaining precertification from payors (subject to limitations and requirements, if any, imposed by each applicable payor specifying who is responsible for obtaining such precertification) in a timely manner for patients receiving services performed by the Company at the Facilities;
- (m) Assisting Company in its regulatory and other legal compliance efforts and causing Company to take such steps as are required to obtain and maintain all necessary licenses, permits, approvals, certificates of need and authorizations for the Company to conduct its Business and as are required to remain in material compliance with applicable laws, regulations and ordinances, subject to the rights of the Members and Board of Governors to address and resolve compliance issues in accordance with the Operating Agreement;
- (n) Implementing data processing and management information systems and procedures and make such changes in said systems and procedures as may be required from time to time for the Company's business operations, including assisting in planning and negotiating with third party vendors and selecting, installing and operating appropriate hardware and software to provide management, billing and clinical information systems support, in each case, in accordance with Section 2.5 below; and
- (o) Supervise the disbursement of funds for the operating expenses of the Facilities, including processing vendor's invoices and other accounts payable (including payment of the fees to Administrator required under this Agreement), in accordance with the Budget and the terms of this Agreement.

2.1.3 Budget Development; Preparation of Financial Reports.

- (a) Budget. Administrator shall prepare the annual Budget for the Company, which Budget shall be subject to approval by the Board of Governors in accordance with the Operating Agreement. The first Budget shall be developed by the Administrator and approved by the Board of Governors within thirty (30) days after execution of the Operating Agreement, with subsequent annual Budgets to be developed by the Administrator and approved by the Board of Governors at least sixty (60) days in advance of the commencement of each fiscal year of the Company and to apply to the succeeding fiscal year. Subject to and except as provided in the Operating Agreement, the Administrator and the Company shall use commercially reasonable efforts to act consistently and in accordance with the applicable Budget. The Budget shall be prepared in reasonable detail and shall include all matters necessary and appropriate for the efficient administration, management and operation of Company, including, but not limited to, revenue assumptions, proposed price increases, a summary of major programs to generate new business, detailed assumptions for all major expense categories, proposed capital expenditures and a summary of projected principal and interest payments and/or lease payments.

- (b) Financial Reports. Administrator shall deliver to the Company financial reports, prepared on an accrual basis, as follows:

- (1) On or before the fifteenth (15th) day of each month, a balance sheet, profit and loss statement, supporting detail general ledger schedules and key management statistics showing the results of operation of the Company and its Business for the preceding month as compared to the Budget and comparable year to date information.
- (2) Within sixty (60) days after the end of each fiscal year of Company, utilizing the information to be provided in accordance with Section 2.1.3(b)(1), a balance sheet and related statements of profit and loss for such fiscal year most recently ended.
- (3) Within at least twenty (20) days in advance of the commencement of each fiscal year, an estimated profit and loss statement and an estimated cash flow projection statement in reasonable detail for the succeeding fiscal year of the Company, all as part of the Budget described in Section 2.1.3(a).

2.1.4 Personnel. Administrator shall provide or sub-contract for the provision, or arrange for the employment by Company, of all clinical, technical, and office personnel (including the patient scheduling function) required to provide services on-site at the Facilities and other Company locations as necessary for the day-to-day operation of the Business (the "Company Staff"). The number and type of Company Staff shall be consistent with the Budget and any staffing plan for the Facilities approved by the Board of Governors. All Company Staff shall have the basic qualifications, training and proficiency necessary to provide the services being performed by such personnel and shall possess all licenses, certifications, credentials, and

other permits as may be required by applicable federal, state or local law and regulations, and Administrator shall maintain documentation available for review that these requirements are met. Administrator shall determine the salaries and fringe benefits of all Company Staff in a manner consistent with the Budget and any guidelines approved by the Board of Governors. The prior approval of the Board of Governors will be required for (a) the payment of any bonus or other compensation to any Company Staff in addition to ordinary salary amounts, (b) any material increase in salary or compensation for any Company Staff other than as part of the establishment of the Budget for a new fiscal year, or (c) any material increase in the cost of the benefits provided to Company Staff which results from greater or expanded benefits (as opposed to increases in premiums for continuation of existing benefits). Administrator shall provide all payroll processing and payroll tax reporting and related obligations relating to the Company Staff. In exercising its judgment with regard to personnel as provided in this Agreement, Administrator agrees not to discriminate against such personnel on the basis of race, religion, age, sex, disability, national origin or other prohibited factor. If the Company is dissatisfied with the services of any of the Company Staff provided by Administrator, the Company shall consult with Administrator. Administrator shall in good faith and in consultation with the Company determine whether the performance of that employee could be brought to acceptable levels through counsel and assistance, whether such employee should be reassigned to responsibilities not involving the Company, or whether such employee should be terminated. Hiring and firing decisions with respect to the Company Staff shall be within Administrator's sole and absolute discretion; provided, however, that Company may require Administrator to remove any Company Staff from providing services under this Agreement if such removal is approved by the Board of Governors, and provided further that any hiring shall be consistent with any staffing plan and Budget approved by the Board of Governors. In addition, the employee who shall serve as the executive director of the Company's Business shall be subject to the prior approval of the Board of Governors, shall be subject to ongoing review by the Board of Governors on a regular basis to be determined by the Board, and shall also be subject to removal by the Board of Governors.

2.1.5 Financial Records. Administrator shall maintain all files and records relating to the operation of the Business including, but not limited to, customary financial records and files. Notwithstanding anything in this Agreement to the contrary, the administration of all files and records shall comply with all applicable federal, state and local statutes and regulations. Administrator shall have the sole responsibility for preparing, or having prepared, on behalf of Company, and making payment, or causing payment to be made, on behalf of the Company all applicable federal, state and local income taxes, gross receipt taxes, FICA taxes, and all other withholding taxes, unemployment and disability benefits, and workers' compensation obligations, and any and all license and permit fees of whatever nature which may be applicable to Company, and for filing all information and other tax returns and other returns or reports as may be required of Company; provided, however, that Administrator shall not itself be responsible for paying, and shall have no liability with respect to, the actual amount of any taxes, benefits, obligations, fees or other amounts described in this sentence or for which the Company has any obligation to pay. Company or any Member of Company, or any authorized representative of Company or any Member, including any auditor engaged by Company or any Member, shall have the right, upon reasonable, advance written notice, during normal business hours, to audit any and all files and records maintained by Administrator related to Company and/or the operation of the Business. Notwithstanding the preceding sentence or anything contained in the Business Associate Agreement, attached as Exhibit A to the contrary, at such time as this Agreement expires or terminates, and upon reasonable request and for a bona fide business purpose of Administrator or an affiliate of Administrator related to professional liability matters or regulatory or legal compliance, Company shall provide Administrator with true and complete copies of patient records of all continuing patients of the Company, to the extent such records have been

maintained by or on behalf of Company, with Administrator to pay the cost of making and providing such copies.

2.1.6 Patient Records. Administrator shall manage the preparation of, and direct the contents of, patient medical records, all of which shall be and remain confidential and the property of the Company. Administrator shall maintain, on behalf of the Company, all books, records, documents, and other evidence necessary to certify the nature and extent of the services provided by the Company in accordance with accepted business practices, appropriate billing and accounting procedures, and applicable federal, state or local law and regulations. Administrator shall preserve the confidentiality of patient medical records and use the information in such records only for the limited purposes necessary to perform the Administrative Services and other services hereunder.

2.1.7 Charity Care. Administrator acknowledges that Company has adopted the charity care policy of STHS. Administrator will provide services under this Agreement in a manner that enables Company to comply with this policy, including without limitation, providing patients with appropriate notice of Company's charity care policy and confirming patient eligibility under the policy. In addition Administrator will track charity care provided by the Company in accordance with standards established by STHS, and will include this information in monthly financial reports provided to Company.

2.1.8 Quality Control. Administrator shall implement and maintain a quality improvement program to provide ongoing objective measurements of the quality and efficiency of health care services provided at the Facilities and shall provide data and make regular reports to the Board of Governors regarding quality assurance measures.

2.1.9 Planning. Administrator will assist Company in developing and reviewing short, medium and long-range objectives of the Facilities and in formulating recommendations with respect thereto. Any long-range or strategic plans for the Facilities must be adopted by the Board of Governors prior to implementation.

2.1.10 Governmental Regulations. Administrator shall use commercially reasonable efforts to cause all things to be done in and about the Facilities necessary for the operations at the Facilities to be in compliance with the requirements of any applicable statute, ordinance, law, rule, regulation, or order of any governmental or regulatory body having jurisdiction over the use of the Facilities. In the event of any change in laws, rules and/or regulations governing the operation of the Facilities to the detriment of either Administrator or Company, Administrator will fully advise Company of such changes and of any actions initiated by any agency which might reasonably be expected to adversely affect the Facilities. Administrator shall immediately notify the Company of any and all facts known to Administrator relating to conduct that presents a material issue of compliance with applicable laws or standards related to Company's business or the Facilities' operations, and shall notify Company of any inquiries outside of normal business practices and/or claims made by third parties, including but not limited to federal health care programs, relating to Company's business or the Facilities' operation of which Administrator becomes aware. Company, acting with the approval of the Board of Governors, shall be solely responsible for reporting any actual or perceived violation of law by Company to any governmental entity.

2.1.11 Utilization Review. Administrator shall review the appropriateness and cost-effectiveness of services rendered at the Facilities to its patients and shall provide data and make regular reports to the Board of Governors regarding utilization review measures. The scope and

timing of such review, data provision and reporting shall be as mutually agreed by Administrator and the Company.

2.1.12 Patient and Referring Physician Satisfaction. Administrator shall implement procedures to measure patient and referring physician satisfaction at the Facilities and shall provide data and make regular reports to the Board of Governors regarding patient and physician satisfaction measures. The scope and timing of such procedures, measurement, data provision and reporting shall be as mutually agreed by Administrator and the Company.

2.2 No Billing and Collection Services. Administrator shall not be responsible under this Agreement for providing or arranging for the provision of health care service billing, collection and accounts receivable management services to Company and/or its Business.

2.3 Archiving Services. Pursuant to this Agreement, Administrator shall provide, or arrange for the provision of, archiving services ("Archiving Services") for digital diagnostic imaging services. Such Archiving Services will include the storing, indexing, and archiving, for a reasonable period of time as determined by the Administrator, but not less than five (5) years or such longer time as may be required by applicable law, of all digital radiographs transmitted to Administrator by online system or other electronic media and the provision of reasonable backup devices. The Archiving Services shall enable the images to be accessible by all radiologists providing the professional component of services provided at Facilities as well as by physicians whose patients receive services at such Facilities.

2.4 Transcription Services. Pursuant to this Agreement, Administrator shall provide, or arrange for the provision of, transcription services ("Transcription Services") for diagnostic imaging services provided at the Facilities. Such Transcription Services shall consist of an electronic speech recognition system which will produce an electronic report based on dictation by physicians of professional radiology interpretations rendered by the physicians for imaging studies. Such electronic speech recognition system shall initially be Nuance PowerScribe unless a different system is selected by Company subject to the written approval of Administrator, which approval shall not be unreasonably withheld or delayed.

2.5 Information Systems. Pursuant to this Agreement, Administrator shall provide, or arrange for the provision of, information systems ("Information Systems") for diagnostic imaging services provided at the Facilities. Such Information Systems shall include a radiology information system, a speech recognition system and a PACS system and shall initially be comprised of Fuji Synapse, Nuance PowerScribe and IntelRad, in each case, unless a different system or systems is or are selected by Company subject to the written approval of Administrator, which approval shall not be unreasonably withheld or delayed.

2.6 Additional Services. In the event that Company wishes to obtain services in addition to those enumerated herein, Administrator shall discuss with the Company the options available for obtaining such services, and the related costs hereof.

2.7 Cooperation. Administrator shall cooperate with Company in the transition of the services provided hereunder as described in Section 5.5.

3. COVENANTS AND OBLIGATIONS OF COMPANY

3.1 Exclusive Arrangement. Company acknowledges that, during the term of this Agreement, Administrator is and shall be the exclusive provider to Company of Administrative Services, Archiving Services and Transcription Services for any and all Facilities directly or indirectly wholly-

owned by Company during the term of this Agreement. Except with Company's prior written consent, which consent may be withheld in its sole discretion, Administrator will not, during the term of this Agreement, provide services substantially similar to the Administrative Services, Archiving Services, Transcription Services or the Information Systems for any Competing Imaging Center (as hereinafter defined) that is located within a twenty (20) mile radius of any imaging center, ambulatory surgery center, or other location at which the Company provides outpatient imaging services or any other health care diagnostic imaging and/or therapeutic services. For purposes hereof, the term "Competing Imaging Center" has the meaning set forth in Section 2(b) of that certain Professional Services Agreement dated as of the date hereof by and between Company and Advanced Diagnostic Imaging P.C., a Tennessee professional corporation.

3.2 Performance by Company. Company expressly acknowledges and agrees that performance of Administrator's obligations hereunder will require the timely cooperation and support of Company, its Governing Board, Managers and agents, and affirm that they will cooperate and use reasonable efforts to ensure that Administrator is provided in timely fashion the information, including financial data, required by it in the performance of its duties hereunder.

3.3 Remedies. In the event of a breach of Section 3.1, Administrator recognizes that monetary damages shall be inadequate to compensate Company and Company shall be entitled, without the posting of a bond or similar security, to an injunction restraining such breach, with the costs (including attorneys' fees) of securing such injunction to be borne by Administrator. Nothing contained herein shall be construed as prohibiting Company from pursuing any other remedy available to it for such breach or threatened breach. The parties hereto hereby acknowledge the necessity of protection against the competition of Administrator and that the nature and scope of such protection has been carefully considered by the parties. The promises of Company contained herein are deemed to be sufficient and adequate to compensate the Administrator for agreeing to the restrictions contained in Section 3.1. If, however, any court determines that the foregoing restrictions are not reasonable, such restrictions shall be modified, rewritten or interpreted to include as much of their nature and scope as will render them enforceable.

4. FEES TO ADMINISTRATOR AND PAYMENT OF OPERATING EXPENSES

4.1 Administrative Fee.

4.1.1 Payment of Preliminary Payment. In exchange for the Administrative Services provided by the Administrator, the Company shall pay a monthly administrative fee to Administrator (the "Preliminary Payment") in an amount equal to four and one-half percent (4.5%) of the product of (a) eighty percent (80%) multiplied by (b) Net Collections (as hereinafter defined) for the immediately preceding calendar month, subject to the reconciliation mechanism described in Section 4.1.2 below. "Net Collections" shall mean, for any calendar month, the sum of all monies collected or received in such month for health care services billed by or for the Company, less amounts refunded or credited in such month to a patient or third party payor for any reason, including as a result of overpayments, erroneous payments or bad checks. When unpaid billings are referred to a collection agency, the amount of Net Collections shall include the net amount received through the efforts of the collection agency after deducting the collection agency's fees. Except as otherwise provided in Section 4.1.2, the Preliminary Payment shall be billed to Company on or before the fifteenth (15th) day of the immediately succeeding calendar month and shall be payable monthly in arrears on or before forty-five (45) calendar days after the end of the applicable month.

4.1.2 Reconciliation.

- (a) Within thirty (30) days after the end of each successive three (3) month period (such period, the "Payment Period") beginning on the Effective Date, Company shall do and calculate each of the following:

- (1) Determine (on a cash basis of accounting) the amount of the Net Collections it has received during the Payment Period that is attributable to the technical component only of the services provided by the Company as follows: Net Collections for each imaging study performed by the Company shall be multiplied by the Technical Component Percentage (as hereinafter defined) applicable to each such imaging study (the product of such amounts for each such imaging study, the "Imaging Study Technical Collections"). For purposes hereof, (i) the "Technical Component Percentage" means the percentage (based on the split between the professional component and technical component set forth in the Resource Based Relative Value Scale (the "RBRVS") used in the Medicare Physician Fee Schedule in effect on the date of service of such imaging study) of the global billing for the technical component that Medicare pays (or would pay if it were the applicable third-party payor) for such imaging study; (ii) the sum of all Imaging Study Technical Collections shall be referred to as the "Aggregate Technical Collections"; and (iii) the product of four and one-half percent (4.5%) multiplied by the Aggregate Technical Collections shall be referred to as the "Actual Quarterly Administrative Fee".

- (2) The Actual Quarterly Administrative Fee shall be compared against the aggregate of the Preliminary Payments made by Company for the first two (2) months of the period plus the Preliminary Payment to be made for the third (3rd) month.

- (3) The amount, if any, by which the Actual Quarterly Administrative Fee exceeds the aggregate of the Preliminary Payments shall be added to the third (3rd) Preliminary Payment, and the amount, if any, by which the Actual Quarterly Administrative Fee is less than the aggregate of the Preliminary Payments shall be subtracted from the third (3rd) Preliminary Payment.

- (b) The third (3rd) Preliminary Payment shall be payable in arrears on or before fifteen (15) calendar days after the date of determination of the Actual Quarterly Administrative Fee.

4.1.3 Refund or Credits. If Company is required to refund or credit any patient or third party payor after this Agreement expires or is terminated, Company will invoice Administrator for fees already paid to Administrator on such refunded or credited amounts and Administrator will pay such invoice within thirty (30) days after receipt thereof. This provision shall survive the expiration or earlier termination of this Agreement.

4.2 Archiving, Transcription and Information Services Fee. In exchange for the Archiving Services, the Transcription Services and use of the Information Systems, in each case, provided

by the Administrator, the Company shall pay a fee to Administrator (the "IT Services Fee") equal to Two Dollars and Eighty Cents (\$2.80) per CPT code billed (each a "Procedure Code") for each procedure (that generated the Procedure Code) performed during the term of this Agreement. The IT Services Fee shall be billed to Company on or before the fifteenth (15th) day of the month immediately succeeding the month in which the procedure that generated the Procedure Code was performed and shall be payable monthly in arrears on or before forty-five (45) calendar days after the end of such month.

4.3 Company Staff. In exchange for the Company Staff provided by the Administrator, the Company shall pay Administrator the "Reimbursable Amount" (as defined below). The term "Reimbursable Amount" for any period is an amount equal to the following costs paid or expenses accrued by Administrator during such period for the Company Staff based on the proportionate share of the time in which the Company Staff provides services to the Company relative to other activities or services for Administrator or its affiliates: (i) salaries and wages; (ii) Administrator's share of social security taxes, Medicare taxes, and other payroll taxes; (iii) premiums, contributions and other amounts paid by Administrator for coverage by any welfare or pension plans; (iv) premiums for worker's compensation insurance; (v) vacation, holiday, sick pay and other paid time off attributable to the Company Staff; to the extent such amounts are actually paid out to Company Staff as additional compensation; and (vi) any expense reimbursement for reasonable business expenses incurred by Company Staff while providing services on behalf of the Company to the extent consistent with the business expense policy adopted by the Board of Governors from time to time. The proportionate share of the time in which members of the Company Staff provide services to the Company relative to other activities or services for Administrator or its affiliates shall be consistent with the Budget and with the terms of any staffing plan for the Facilities approved from time to time by the Board of Governors. Administrator shall issue an invoice to the Company semi-monthly (*i.e.*, twice per month) specifying the Reimbursable Amount for the immediately preceding pay period. Company shall pay the Reimbursable Amount specified in each invoice via electronic funds transfer on approximately the 11th and the 27th day of each month, which is the approximate date on which Administrator pays its payroll (the "Payroll Date"). If the Payroll Date falls on a holiday, Company will pay the Reimbursable Amount on the business day immediately preceding the holiday. Administrator will provide Company with written instructions for the electronic funds transfer, and Company will be responsible for any costs of making the electronic funds transfer. The Company shall not have any liability to any of the Company Staff with respect to compensation or benefits provided by Administrator. The sole liability of the Company shall be to reimburse Administrator for the Reimbursable Amount. As used in this Agreement and for purposes of calculating the Reimbursable Amount, the term "Company Staff" shall not include the Administrator's President (as of the Effective Date, Chad L. Calendine, M.D., serves in such position), Chief Executive Officer (as of the Effective Date, Michael Moreland serves in such position), Chief Financial Officer (as of the Effective Date, Mark Gaw serves in such position), Chief Operating Officer (as of the Effective Date, Joy Sweeney serves in such position), Director of Information Technology (as of the Effective Date, James C. King, III, M.D., *de facto* serves in such position, although he does not hold this title), any physician (unless reimbursement for the services of the physician has been specifically approved by the Board of Governors), or any personnel providing Transcription Services, Archiving Services or access to and use of the Information Systems for the Company, it being the intention of the parties that the Actual Quarterly Administrative Fee and the IT Services Fee, respectively, shall compensate Administrator for the provision of these services by these personnel. In addition, the term "Company Staff" shall not include any personnel providing billing and collection services.

4.4 Other Reimbursable Expenses. To the extent Administrator, in providing services to Company pursuant to this Agreement, pays or incurs any other Company expenses, the Company shall reimburse Administrator for such Company expenses to the extent they are included in or consistent with the approved Budgets (such expenses being referred to herein as "Operating Expenses"). Any Operating Expenses to be reimbursed to Administrator pursuant to this Section 4.4 shall be billed and paid with the

Actual Quarterly Administrative Fee as provided in Section 4.1.2 of this Agreement.

4.5 Method of Calculation. All calculations under this Article 4 including, but not limited to, those related to the determination of collections or receipts of the Company, shall be made on an accrual basis of accounting in accordance with United States of America Generally Accepted Accounting Principles ("GAAP"), reasonably and consistently applied.

4.6 Access to Books and Records. For purposes of confirming the compensation due and owing Administrator: (a) Company shall provide Administrator and its authorized representatives reasonable access, during regular business hours and upon reasonable, advance written notice, to those books and records of Company which directly relate to the calculation of such compensation; and (b) Administrator shall provide Company and its authorized representatives reasonable access, during regular business hours and upon reasonable, advance written notice, to those books and records of Administrator which directly relate to the calculation of such compensation. All such information and access shall be subject to the terms and conditions of Section 7.4 herein.

5. TERM OF AGREEMENT

5.1 Term. Unless earlier terminated as set forth herein, this Agreement shall be effective as of the Effective Date hereof and shall continue in full force and effect for an initial term of one (1) year through March 31, 2012. This Agreement may be renewed by the Company on the same terms set forth in this Agreement for one (1) additional one (1) year term upon delivery of written notice of renewal to Administrator not less than thirty (30) days prior to the end of the initial term, subject to the written consent of Administrator, which consent shall not be unreasonably withheld or delayed.

5.2 Termination Upon Cause or Upon a Specified Event.

5.2.1 Either party shall be entitled to terminate this Agreement upon written notice if the other party breaches any material government agreement, term or provision of this Agreement (other than Section 1.4, the breach of which Section shall be governed by Section 5.2.5 below) required to be kept, observed or performed by such party, and such failure shall continue and is not cured to the reasonable satisfaction of the non-breaching party within a period of thirty (30) days after written notice thereof to the defaulting party.

5.2.2 Either party shall be entitled to terminate this Agreement upon written notice if the other party enters a plea of *nolo contendere* for or is convicted of a criminal offense (including, but not limited, to fraud or embezzlement), is convicted of violating any federal, state or local law, rule or regulation related to the provision of or billing for health care services, or is excluded from Medicare or any other governmental health care program.

5.2.3 This Agreement shall automatically terminate if either party dissolves or voluntarily files a petition in bankruptcy or makes an assignment for the benefit of creditors or otherwise seeks relief from creditors under any federal or state bankruptcy, insolvency, reorganization or moratorium statute, or either party is the subject of an involuntary petition in bankruptcy which is not set aside within sixty (60) days of its filing.

5.2.4 This Agreement shall automatically terminate on the date that NOL, LLC, a Tennessee limited liability company, or any Affiliate thereof, ceases, for any reason, to be a Member of the Company.

5.2.5 Company shall be entitled to terminate this Agreement upon written notice if

Administrator breaches Section 1.4 and such failure shall continue and is not cured to the reasonable satisfaction of Company within a period of thirty (30) days after written notice thereof to Administrator.

5.2.6 Company shall be entitled to terminate this Agreement upon not less than thirty (30) days prior written notice to Administrator in connection with the establishment of a successor billing and administrative services company as contemplated in the Operating Agreement (the "Successor Administrator").

5.3 Leopardy.

5.3.1 Change in Law. In the event that legislation is enacted (or any final legislation is proposed and will become effective within one (1) year thereafter), new regulations are promulgated (or any final rule is issued and will become effective within one (1) year thereafter), a decision of a court with jurisdiction over Company is rendered or an opinion of a government agency is issued that, in the written opinion of Administrator's or Company's legal counsel issued to such party with respect to the specific matter in question, affects or may affect the legality of this Agreement or the ability of any party hereto to operate in accordance with applicable laws, rules and regulations ("Change in Law"), then the affected party (the "Affected Party") shall send the other party a notice of the Change in Law and the parties shall negotiate in good faith to amend this Agreement to comply with such Change in Law, while also preserving, to the maximum extent possible, the underlying economic, financial and operational arrangements and delegation of responsibilities and discretion among the parties hereto. In the event that the parties hereto are unable to reach an agreement on how to amend this Agreement to comply with such Change in Law within forty-five (45) days of notice of the Change in Law from the Affected Party to the other party, then any party may, by delivery of written notice thereof to the other party, promptly terminate this Agreement.

5.3.2 Tax-Exempt Status Issues. If, in the reasonable and good faith judgment of STHS (so long as it is a Member of Company) and its legal counsel, any term or provision of this Agreement or the manner in which the Company is being operated or managed pursuant to this Agreement, could result in a Tax-Exempt Issue, then STHS shall send a notice to Administrator and the parties shall negotiate in good faith to amend this Agreement to address such Tax-Exempt Issue, while also preserving, to the maximum extent possible, the underlying economic, financial and operational arrangements and delegation of responsibilities and discretion among the parties hereto. In the event that the parties hereto are unable to reach an agreement on how to amend this Agreement in a manner that is satisfactory to STHS to address the Tax-Exempt Issue within forty-five (45) days of notice of the Tax-Exempt Issue from STHS to Administrator, then Company (at the direction of STHS) may, by delivery of written notice thereof to Administrator, promptly terminate this Agreement.

5.4 Actions Upon Termination. Upon termination of this Agreement for any reason: (a) Company may retain any information and materials prepared for Company by Administrator, including, but not limited to, administrative, accounting and personnel policy and procedure manuals prepared by Administrator, and all data accumulated through Administrator's provision of Administrative Services, Archiving Services or Transcription Services or through its business administration, utilization management or quality improvement systems, programs, plans or procedures; (b) Company shall return to Administrator any software or hardware systems owned, leased or licensed by Administrator; (c) Administrator shall cooperate with the Company to effect the transition to another administrative company if one is appointed by the Company to succeed Administrator; (d) Administrator shall return to Company all books, records, files, information and other property of Company, including, without

limitation, all patient records (including PACS images), billing records, licenses, accreditations, supplies, inventory, contracts, and financial and accounting records; and (e) Administrator shall deliver to the Company all funds, if any, controlled by or in the possession of Administrator as agent for the Company; provided, however, that, except as otherwise provided in Section 4.1, Administrator shall be entitled to all Actual Quarterly Administrative Fees, IT Services Fees and Operating Expenses which have accrued or are owed to Administrator under this Agreement.

5.5 Transition of Services. Administrator will cooperate with and reasonably assist Company in transitioning the Administrative Services and other services provided hereunder from the Administrator to the Successor Administrator, such that the Successor Administrator can assume responsibility for such services effective as of the termination of this Agreement without any disruption in the operations of any of the Facilities. Without limitation, Administrator shall cooperate with the Company and the Successor Administrator in transitioning employment of Company Staff to the Successor Administrator provided such transitioning of personnel has been approved by the Company.

6. INSURANCE; RESPONSIBILITY FOR CLAIMS

6.1 Insurance to be Maintained by Administrator. Throughout the term of this Agreement, Administrator shall, at its sole cost and expense, procure, keep and maintain insurance coverage in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate for errors and omissions and commercial general liability, and applicable state statutory limits for workers compensation. Said insurance policies shall be issued by an insurance company licensed in the state where Administrator is located, and the policy shall cover all services company licensed in the state, officers, employees, agents, Company Staff and/or contractors provide. Administrator shall arrange to have Company named as additional insured as its interests may appear with respect to such insurance coverage and shall provide Company with a certificate evidencing such insurance and endorsement upon request.

6.2 Insurance to be Maintained by Company. Throughout the term of this Agreement, Company shall, at its sole cost and expense, procure, keep and maintain insurance coverage in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate for professional liability and commercial general liability, and applicable state statutory limits for workers compensation. Said insurance policies shall be issued by an insurance company licensed in the state where Company is located, and the policy shall cover all services Company, its directors, officers, employees, agents and/or contractors provide. Company shall provide Administrator with a certificate evidencing such insurance upon request.

6.3 Indemnification. Company shall indemnify, hold harmless and defend Administrator, its members, managers, governors, employees, agents, successors and assigns, from and against any liability, loss, damage, claim, cause of action, cost or expense, including reasonable attorney's fees, caused by or as a result of the any acts or omissions of Company or any of its managers or employees. Administrator shall indemnify, hold harmless and defend Company, its members, managers, governors, employees, agents, successors and assigns, from and against any liability, loss, damage, claim, cause of action, cost or expense, including reasonable attorney's fees, caused by or as a result of any acts or omissions of Administrator or any of its managers or employees, including Company Staff.

7. PROPRIETARY/CONFIDENTIAL INFORMATION AND ACCESS TO BUSINESS

7.1 Access to Records.

7.1.1 Administrator shall, during the term hereof, be given complete access to

Company, the Business and their respective records, offices and the Facilities, equipment, personnel and vendors, in order that Administrator may carry out its obligations hereunder, subject to confidentiality requirements of patient medical records.

7.1.2 Administrator shall keep all records relating to this Agreement open and available for inspection by the Company or other authorized persons, and shall maintain all books, records, documents and other evidence necessary to certify the nature and extent of the services provided under this Agreement consistent with accepted business practice, appropriate accounting procedures and applicable federal, state or local law and regulations. The Company or any other duly authorized person shall have reasonable access during normal business hours to such books, records, documents, and other evidence of the Administrator for the purpose of inspection, audit, and copying, at its sole cost and expense.

7.2 Confidentiality. Administrator recognizes that all information and records, and all business information, documents, and records, including but not limited to those located at any Facility which the Company operates are the property of Company (collectively the "**Confidential Information**"), and that during and after the term of this Agreement, Administrator shall not remove, use, disclose or reproduce such Confidential Information except for the limited purpose of fulfilling Administrator's obligations under this Agreement or as otherwise directed in writing by Company. Administrator shall not have any rights to such Confidential Information or records or to copies thereof except as may be required by applicable law. Administrator may disclose Confidential Information in response to any valid subpoena or other valid compulsory process, provided that Company shall have the right, at its discretion, to first use its best efforts to make all legitimate, good faith objections, if any, to the production of such information and, if production is required, shall have the right, at its discretion, to use its best efforts to seek a protective order limiting dissemination of such Confidential Information, the contents thereof and the transactions contemplated thereby solely to persons having a need to know for purposes of the proceeding in which the production is sought. In the event that Administrator is requested or becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to make any disclosure which is prohibited or otherwise constrained by this Section 7.4, Administrator shall (i) provide Company with prompt notice of such request(s) so that Company may seek an appropriate protective order or other appropriate remedy (at Company's sole expense) and/or waive Administrator's compliance with the provisions of this Section 7.4, and (ii) cooperate with Company in its efforts to decline, resist or narrow such requests. Administrator also acknowledges that any damages for breach of this Section 7.4 may be incalculable and an insufficient remedy. Accordingly, Administrator agrees that in the event of any breach of this Section 7.4, Company shall be entitled to equitable relief, including injunctive relief and specific performance.

8. MISCELLANEOUS

8.1 Excluded Provider. Administrator and Company hereby represent and warrant to each other that they are not and at no time have been excluded from participation from any federally funded health care program, including Medicare and Medicaid. Administrator agrees to immediately notify the Company and Company agrees to immediately notify Administrator of any threatened, proposed or actual exclusion from any federally funded health care program, including Medicare or Medicaid. In the event that Administrator or Company is excluded from any federally funded health care program during the Term of this Agreement, this Agreement shall, as of the effective date of such exclusion, automatically terminate. In addition, each party agrees that it will not employ, contract with, or otherwise use the services of any individual whom it knows or should have known, after reasonable inquiry, (a) has been convicted of a criminal offense related to health care (unless the individual has been reinstated to participation in Medicare and all other Federal health care programs after being excluded because of the conviction), or (b) is currently listed by a Federal agency as excluded, debarred, or otherwise ineligible

for participation in any Federal health care program and further agrees that it will immediately notify the other in the event that any person in its employ, has been excluded, debarred, or has otherwise become ineligible for participation in any Federal health care program. Each party agrees to continue to make reasonable inquiry regarding the status of its employees and independent contractors on a regular basis by reviewing the General Services Administration's List of Parties Excluded from Federal Programs and the HHS/OIG List of Excluded Individuals/Entities. If an employee or contractor of either party is excluded from any Federal health care program, the applicable party shall immediately remove that employee or contractor from providing services under this Agreement. Each party will indemnify and hold the other party harmless from and against any loss, liability, judgment, penalty, fine, damages (including punitive and/or compounded damages), costs (including reasonable attorneys' fees and expenses) incurred by the other party as a result of an exclusion with respect to the indemnifying party or any employee or contractor thereof, or the indemnifying party's breach of this Section.

8.2 Assignment; Subcontracting. This Agreement shall be binding upon, and shall inure to the benefit of, the parties and their respective legal representatives, successors, and permitted assigns. Company may not assign this Agreement nor any rights hereunder, nor may it delegate any of its duties to be performed hereunder, without the prior written consent of Administrator. Administrator may not assign or transfer this Agreement in its entirety, or assign or subcontract any of the responsibilities or duties of Administrator hereunder, without the prior written consent of Company; provided, however, that Administrator shall have the right to assign certain responsibilities under this Agreement and/or to subcontract with any responsible party(ies) (including affiliates of Administrator) to arrange for the provision of certain items and services hereunder (but not for substantially all of Administrator's responsibilities and obligations under this Agreement) as long as: (a) any assignment or subcontracting by Administrator is consistent with or specifically contemplated by the applicable Budget and is for items or services that either: (i) Administrator is incapable of providing, (ii) will be provided through such assignment or subcontract on only a reasonably temporary basis, or (iii) must be provided through such or subcontracted basis in order to address or respond to urgent or emergent circumstances; (b) Administrator shall remain primarily responsible for any assignee's or subcontractor's performance; and (c) Administrator shall be solely responsible for payment of any fees, expenses or other amounts due to any assignee or subcontractor, and Company shall not be liable for any such fees, expenses or other amounts either directly or as expenses of Administrator charged to Company.

8.3 Confidentiality of Agreement. This Agreement and the terms and conditions hereof shall be maintained in confidentiality by both parties except where disclosure is required by law or in performance hereof.

8.4 Amendment. This Agreement may only be amended or modified by a written instrument executed by both parties. Subject to the severability provisions set forth in Section 8.9 and to the terms of Section 5.3.1 above, this Agreement shall be subject to immediate review and amendment if required by any change in state or federal regulations, including regulations pertaining to state, federal, or other third-party reimbursement programs; provided, however, that any such amendment shall be subject to the approval of the parties hereto.

8.5 Headings. The headings of the various sections of this Agreement are for convenience of reference only, and shall not modify, define, limit or expand the express provisions of this Agreement.

8.6 Entire Agreement. This Agreement represents the entire agreement between the parties with respect to the subject matter hereof and any representation, promise, or condition in connection therewith not incorporated herein shall not be binding upon either party. This Agreement supersedes any prior agreement between the parties with respect to such subject matter.

8.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which, including facsimiles thereof, shall be deemed to be an original, and each such counterpart shall together constitute the same agreement.

8.8 Notices. All notices or other communications pursuant to this Agreement shall be in writing and shall be deemed to have been duly given, if by hand delivery, upon receipt thereof; by telefax upon confirmation of transmission; or if mailed by certified or registered mail or nationally recognized courier service, postage or delivery costs prepaid, on the date of deposit at the courier service or in the United States mail, and in any event, to be addressed to either party at the addresses provided in the signature blocks below, or at such other address as may hereafter be provided by proper notice. A courtesy copy of any notice required hereunder shall also be sent to each party's counsel at such address as may be requested, but failure to do so shall not in any way affect the rights, obligations, and liabilities of the parties hereto.

8.9 Effect of Invalidity. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the effective period of this Agreement, such provision shall be fully severable. This Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of each illegal, invalid or unenforceable provision there shall be added automatically as part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

8.10 Applicable Law. The parties agree that this Agreement shall be construed and enforced in accordance with the laws of the State of Tennessee without regard to principles of conflicts of laws.

8.11 HIPAA Compliance. As of the Effective Date, Company and Administrator shall enter into the Business Associate Agreement attached as Exhibit A.

8.12 No Obligation to Make Referrals. The parties acknowledge that none of the benefits granted the parties under this Agreement is conditioned on any requirement or expectation that the parties make referrals to, be in a position to make or influence referrals to, or otherwise generate business for the other party. The parties further acknowledge that neither party is restricted from referring any service to, or otherwise generating any business for, any other entity of its choosing.

8.13 Waiver. No consent or waiver, express or implied, by a party to or of any breach or default by any other party in the performance by such party of its obligations under this Agreement shall be deemed or construed to be a consent or waiver to or of any breach or default in the performance by such party of the same or any other obligations of such party hereunder. Failure on the part of a party to complain of any act or failure to act of any other party or to declare any other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of such default or its rights under this Agreement. The giving of consent by a party in any one instance shall not limit or waive the necessity to obtain such party's consent in any future instance.

8.14 Prevention of Performance by Administrator. Administrator shall not be liable for any loss or damage to Company (including, without limitation, direct, indirect, incidental and consequential damages) due to any failure in Administrator of its performance hereunder (a) because of compliance with any order, request, or control of any governmental authority or person purporting to act therefore, whether or not said order, request or control ultimately proves to have been invalid; or (b) when Administrator's performance is interrupted, frustrated or prevented, or rendered impossible or impractical

because of wars, terrorism, hostilities, public disorders, acts of enemies, sabotage, riots, insurrection, strikes, lockouts, fires, or acts of God, or any other cause beyond Administrator's control similar to any of the foregoing. Without limitation of the foregoing, Administrator shall not be required to challenge or resist any such order, request or control, or to proceed or attempt to proceed with performance, if such performance shall involve material additional expense or a material departure from Administrator's normal practices, unless the parties shall expressly agree as to the further obligations (including, without limitation, an obligation to bear all or part of any such additional expense) to be borne by Company as a result thereof.

8.15 Interpretation. All section headings contained in this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter as the context requires.

8.16 No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent and agreement, and no rule of strict construction shall be applied against any party.

[remainder of page intentionally left blank]

Pamela Kramer
Mintz Levin
Jun 11, 2019 15:50