

RESOLUTION # _____

**“RESOLUTION OF THE LARAMIE COUNTY COMMISSIONERS TO APPROVE A
MANAGEMENT SERVICES AGREEMENT BETWEEN MEMORIAL HOSPITAL OF
LARAMIE COUNTY D/B/A CHEYENNE REGIONAL MEDICAL CENTER AND
UNIVERSITY OF COLORADO HEALTH”**

WHEREAS, Memorial Hospital of Laramie County, currently doing business under the name Cheyenne Regional Medical Center (“CRMC”), has been providing care to the residents of Laramie County for over one hundred years; and

WHEREAS, the Board of County Commissioners of Laramie County (“County Commissioners”) enjoys a close working relationship with the leadership of CRMC, appoints the members of CRMC’s Board of Trustees (“CRMC Board”) pursuant to County authority under Title 18 of the Wyoming Statutes, and thereby delegates to the CRMC Board general authority to manage and control the operations of CRMC as its agent; and

WHEREAS, such delegated authority over operational matters is subject to Title 18’s reservation to the County Commissioners of explicit approval rights for the additional powers set forth in §18-8-108 and §18-8-301, such as the power to engage in shared services and other cooperative ventures, enter into partnerships, and have members of its governing body or its officers or administrators serve as directors, officers or employees of any venture, association, partnership, corporation, or entity entered into or formed under §18-8-301; and

WHEREAS, the mission of CRMC, is to nurture and improve the health of individuals and the quality of life for our community; and

WHEREAS, providing access to University of Colorado Health resources and expertise in the management of health care facilities will greatly improve the performance and efficiency of the delivery of health services to the citizens of Laramie County; and

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WHEREAS, The changing landscape of healthcare in the United States has led to challenges for hospitals and health systems. Limited resources and expertise create challenges for hospitals and health systems which seek to provide quality care to patients accessing care in both inpatient and outpatient clinic settings. The citizens of Laramie County would benefit from the leadership and experience provided by a Management Services Agreement with University of Colorado Health.

NOW, THEREFORE, BE AND IT IS HEREBY RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LARAMIE COUNTY, WYOMING, AS FOLLOWS:

1. The Board of County Commissioners has determined that pursuant to §18-8-301 and §18-8-301, CRMC may enter into a Management Services Agreement with the University of Colorado Health

BOARD OF LARAMIE COUNTY
COMMISSIONERS

K.N. "Buck" Holmes, Chairman

ATTEST:

Debra Lee, Laramie County Clerk

Reviewed and approved as to form:

Mark Voss



Laramie County Attorney

MANAGEMENT SERVICES AGREEMENT

This Management Services Agreement (“Agreement”) is entered into with an effective date of _____, 2018 between University of Colorado Health, a Colorado non-profit corporation (“UCHealth”), and Memorial Hospital of Laramie County d/b/a Cheyenne Regional Medical Center (the “Hospital”), individually referred to as a “Party” and collectively as “Parties”.

RECITALS

- A. The Hospital is engaged in the business of operating an acute care hospital known as Cheyenne Regional Medical Center with its principal place of business at 214 East 23rd Street, Cheyenne, Wyoming 82001.
- B. Hospital requires certain management services which UCHealth is capable of providing, and the Board of Trustees of Cheyenne Regional Medical Center (the “Board”) has determined that it would be advantageous for the Hospital and the community if Hospital could obtain its management services through UCHealth. The Parties acknowledge and agree that, while the Board is the governing board of the Hospital, neither the Board nor the governing board of UCHealth, have rights or obligations under this agreement independent from the Hospital and UCHealth.
- C. UCHealth is a healthcare system that operates hospitals and related facilities providing services in Colorado, western Nebraska and southern Wyoming. UCHealth has the resources available to provide the Hospital with management services and wishes to support the goal of maintaining the Hospital as a quality community health facility.
- D. The Board has authorized Hospital to engage UCHealth to provide management services as set forth in this Agreement.

OPERATIVE PROVISIONS

The Parties hereby agree as follows:

1. SERVICES TO BE PROVIDED BY UCHealth

1.1 Purposes. The purpose of this Agreement is to provide the terms upon which UCHealth will have the authority and responsibility to provide management services to the Hospital. The Board shall continue to hold and exercise ultimate authority and responsibility for the Hospital, including the exercise of all powers, rights and responsibilities required: (a) by applicable statute or regulation to be exercised by the governing board of the Hospital as a licensee in the State of Wyoming; (b) to be exercised by the governing board of a hospital participating under the terms and conditions of the Hospital’s Medicare Participation Agreement, and; (c) for accreditation of the Hospital by CMS as an acute care hospital. In particular, the Board shall establish the charges to be made for the Hospital’s services and facilities. UCHealth, in performing its services hereunder, at all times shall be subject to the direction of the Board and shall carry out the policies and protocols adopted by the Board, including any quality initiatives or planning. Neither UCHealth nor the CEO (as hereinafter defined) shall have the responsibility to supervise, nor shall they be responsible for the quality of, the physician-provided or

directed medical care provided in the Hospital. In addition, neither UCHealth nor the CEO shall infringe on any physician's independent medical judgment in his/her rendering of clinical care.

1.2 Appointment of UCHealth. The Board, on behalf of the Hospital, hereby appoints UCHealth to provide management services to the Hospital, and UCHealth accepts such appointment. UCHealth agrees to provide management services in accordance with accepted management standards for hospitals and health care facilities of the size and type of facility as the Hospital. These management services shall be provided as follows, all as set forth more fully in this Agreement:

(a) Through UCHealth's employment of the chief executive officer of the Hospital (the "CEO"), who shall be a full-time employee of University of Colorado Hospital Authority, a body corporate and political subdivision of the State of Colorado ("UCHA");

(b) Through UCHealth utilizing its expertise to assist Hospital in achieving the mutually agreed upon goals set forth in Exhibit C of this Agreement;

(c) Through routine reporting of the metrics as set forth in Exhibit C of this Agreement;

(d) Through recommendations of efficiencies and improvements, including recommendations related to group purchasing, shared services, service line enhancements, and process improvement;

(e) Through recommendations of strategic growth opportunities that could be pursued by the Hospital;

(f) Through other goals and actions mutually agreed upon by the Hospital and UCHealth.

(g) Through UCHealth utilizing its expertise to consult, support, and where feasible, collaborate to strengthen Hospital's outreach and care efforts in its secondary and tertiary service areas.

It is understood that in performing the management services contracted for herein, UCHealth will bring to bear its full management expertise to the Hospital.

1.3 Initial Assessment. As of the Effective Date of this Agreement, UCHealth shall conduct an assessment of targeted operations of the Hospital, including a leadership assessment of the incumbent interim CEO, as described in Exhibit E, and present its findings and recommendations to the Board (the "Initial Assessment"). Hospital shall devote appropriate resources to assist in the Initial Assessment as may be requested by UCHealth. The Initial Assessment shall take no more than one hundred twenty (120) days. The Initial Assessment shall be used to determine and/or refine the strategic, quality, financial and operational goals of the Hospital, and the corresponding targeted metrics that shall be set forth in Exhibit C.

1.4 Appointment of CEO. Until such time as the Initial Assessment, as described in Section 1.3 of this Agreement and as more fully described in Exhibit E, is completed, Hospital's incumbent Interim CEO shall continue as Hospital's employee and Interim CEO. Following the Initial Assessment results, UCHealth shall propose to the Board for its approval, persons UCHealth deems to be appropriate to serve as the CEO, which persons may include the Hospital's incumbent Interim CEO. The persons proposed by UCHealth to fill the position shall have the skills and qualifications as established by the Board and will meet the qualifications of the UCHealth job description for a chief executive officer of a hospital. The CEO will be a full-time employee of UCHA and reside in Laramie County, Wyoming. The Board, in consultation with UCHealth, will establish the salary of the CEO commensurate with similar positions in Wyoming and other acute care Hospitals. The CEO will comply with an annual evaluation conducted by UCHealth and the Board, and may be able to participate in any bonus plans as established by the Board. The Board shall have the right at any time and from time to time, without cause, to require UCHealth, as soon as practicable after notice from the Board, to replace the person then serving as the

CEO, provided the Board shall not have the right to require UCHHealth to replace the CEO in violation of any federal, state or local laws, rules and regulations regarding employment including, without limitation, the Older Workers Benefit Protection Act, the Family and Medical Leave Act of 1993, the Age Discrimination in Employment Act of 1967, Title VII of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973, as currently in effect or subsequently modified. UCHHealth may not replace the CEO without the prior written consent of the Board. The Board agrees to reimburse UCHHealth for all reasonable expenses in the recruiting process for a CEO for the Hospital. At any time during which a CEO appointment is required, UCHHealth shall present a minimum of two and a maximum of six bona fide candidates for Board's consideration. Should Board reject all such bona fide candidates presented, the Parties, by mutual agreement, may terminate this Agreement.

1.5 Time Commitment of CEO. The Hospital will require the full-time services of the CEO. The CEO shall accumulate vacation and personal leave time according to the benefit plan provided to CEO and Executive Staff by Hospital, but use of such vacation and personal leave time shall be subject to UCHHealth personnel policies, and coordination with the Board as to timing of use.

1.6 Senior UCHHealth Liaison. UCHHealth shall appoint a member of its senior leadership team in northern Colorado as the Senior UCHHealth Liaison to the Board. The Senior UCHHealth Liaison shall, individually or through his/her designee, attend all meetings of the Board, make him/herself available to meet with the Board in executive session and shall otherwise be responsive to inquiries made by the Board. Attendance shall be in person where possible, but the Senior UCHHealth Liaison may attend meetings virtually when necessary.

1.7 Staffing and Employees. The CEO shall be responsible to the Board for recruiting, selecting, supervising and, as necessary, terminating Hospital employees in accordance with the personnel policies and procedures of the Hospital. Except as required by law or the policies of the Board, UCHHealth shall not be required to hire any former or laid-off employees of the Hospital and shall not be precluded from hiring or replacing additional employees or terminating such current or newly hired employees as the CEO may determine to be necessary or appropriate to carry out the terms of this Agreement.

1.8 Financial and Planning Services.

(a) Subject to the exclusive right of the Board to establish the charges to be made for the Hospital's services and facilities, the CEO shall prepare a proposed budget for the Hospital each fiscal year setting forth operating objectives and anticipated revenues and expenses. Proposed budgets shall be provided to the Board for its approval.

(b) The CEO in conjunction with the Executive Staff or other people as requested by the Board, shall develop a multi-year strategic plan and an annual operating plan with the objective of maintaining the Hospital as a viable community health facility for consideration and approval by the Board.

(c) The CEO in conjunction with the Executive Staff or other people as requested by the Board, shall establish goals and objectives in connection with the continued operation of facility, including, without limitation, ensuring continuing access to the facility, physicians and other health care services for local residents in or near the communities where they live.

1.9 General Operations. The CEO shall be responsible for general operations of the Hospital in support of the Board including, at a minimum, the provision of clinical services, quality assurance, housekeeping, maintenance, personnel and security. The CEO shall be responsible to the Board for supervising the Hospital functions related to accounts payable, patient billing, and for preparation of cost reports and all other documentation necessary in order to obtain reimbursement from third party payers. The CEO shall prepare or arrange for the preparation of all financial statements and the payment of all bills and taxes. All costs of operation of the Hospital and other related costs shall be borne by the Hospital.

1.10 Limitation of Liability. It is understood and agreed to by Hospital and UCHealth that, except as expressly provided in Section 7.2 hereof, UCHealth shall not be liable for any of the obligations or liabilities of the Board or the Hospital, of any kind or nature whatsoever, whether existing now or hereafter, except as are incurred by any willful act or omission on the part of UCHealth incurred in connection with the operation of the Hospital.

2. SUPPORT SERVICES TO BE PROVIDED BY THE HOSPITAL

The Hospital agrees to make all reasonable efforts to provide, at its sole expense, all facilities, supplies, Hospital staff employees and support services required to enable UCHealth and the CEO to carry out their duties in support of the Board under this Agreement. The Hospital shall be the employer of all employees selected by CEO to staff the Hospital and shall be responsible for payment of all compensation and benefits to such employees.

3. SERVICES TO BE PROVIDED BY UCHEALTH

3.1 Support Services. UCHealth, by virtue of its size and complexity as an integrated health system, has many and varied health related services as described in Exhibit B attached hereto and incorporated herein by reference. UCHealth will, where practical, make these services available to the Board and to the Hospital where allowable by law. UCHealth agrees to provide services under or pursuant to this Agreement based on a fair and reasonable standard of care, consistent with industry standards.

Hospital shall designate the Chief Strategy Officer and/or the Chief Operating Officer, under direction of the CEO, as liaison to UCHealth, to facilitate, coordinate and direct Hospital's support services requests, as contemplated in Section 3 of this Agreement.

3.2 Consultative Services. In addition, UCHealth will make available, from time to time and at such request of the Hospital, routine or episodic consultative services in the following categories: finance, compliance, contracting, quality assurance, information systems, process improvement, marketing, strategic planning, emergency medical services, pharmacy support services, senior services, educational programs, and other general hospital departmental services as mutually agreed upon ("Consultative Services"). Hospital shall pay the cost for the above Consultative Services, which cost will be agreed upon by the Parties at the time they are engaged, and shall be set forth in a Consultative Services Amendment to be incorporated into this Agreement after the terms of such Consultative Services are agreed upon by the Parties and prior to engagement of said Consultative Services. A sample form of a Consultative Services Amendment is attached and incorporated herein as Exhibit A. Agreed upon

expenses and charges for Consultative Services due to UCHealth will be invoiced and reimbursed to UCHealth as described in the Consultative Services Amendment, as described in Section 4. Brief phone calls, brief meetings or email inquiries will not be charged, but may lead into Consultative Services, at the reasonable discretion of UCHealth, if additional investment of time and resources is required to support Hospital's requests.

3.3 Specific Program or Project Services. The Hospital may also take part and benefit from other specific programs or project expertise during the term of this Agreement (i.e. Telemedicine/Telestroke, Information System links, buying discounts, marketing services, strategic planning services, performance excellence programs, emergency air medical transportation, or outreach physician services when available) by participating in such developments. Cost for such programs, which will not exceed UCHealth costs unless required by applicable regulations, will be agreed upon by the Parties on a per-project basis or under separate agreement, and shall be set forth in Exhibits to be attached hereto and incorporated into this Agreement prior to engagement of said services.

3.4 Integration Activities. The Parties agree that the CEO and the Executive Staff shall be offered appropriate opportunities to participate with comparable UCHealth counterparts in initiatives that are designed to further collaboration between the Hospital and UCHealth. These types of events may include strategic planning events, leadership events, development of quality programs, selection and deployment of information systems and process improvement initiatives for the goal of sharing best practices that improve patient care and communication between Hospital and UCHealth at no additional cost to the Hospital, subject to any applicable regulatory requirements.

3.5 Management Services. It is understood by both UCHealth and the Hospital that the intent of this Agreement is to allow the Hospital access to UCHealth's expertise in order to assist the Hospital in maintaining its quality and services. UCHealth shall provide, at a minimum, the Management Services described in Exhibit B, the Schedule of Management Services, attached hereto and incorporated herein by reference.

3.6 Marketing. UCHealth agrees to permit Hospital to use, for marketing purposes only, "an affiliate of UCHealth" in Hospital's signage, websites, advertising and marketing campaigns and to represent Hospital as an affiliate of UCHealth for marketing purposes. UCHealth and Hospital agree to engage in co-naming activities, where mutually agreed to in advance. CRMC shall not be considered an "affiliate" in any legal sense and shall not be subject to any rights or obligations of any legal affiliate of UCHealth contained in any agreement between UCHealth and a third-party now existing or executed in the future.

3.7 Education. UCHealth and the Hospital agree to maintain existing relationships with the Hospital's cooperative education partners as described in Exhibit D, attached hereto, as well as the University of Wyoming, the University of Colorado, University of Northern Colorado and Laramie County Community College their students and faculty, regarding established and potential student placements, internships and educational opportunities provided at Hospital and to increase and enhance existing opportunities and where needed, explore new cooperative education relationships.

3.8 Physician Recruitment. UCHealth, in consultation with Hospital's medical staff, shall use diligent efforts to assist Hospital in the recruitment of additional physicians to become active, consulting or associate members of Hospital's medical staff. The specialty areas identified for physician

recruitment shall be established by Hospital upon UCHHealth's recommendation based upon needs of the communities served by Hospital. UCHHealth will also recommend financial and contracting structures for such physicians. Recruited physicians shall meet such criteria as established by Hospital. Any cost incurred in the recruitment of such physician relating to income guarantees, signing bonuses, moving expenses, travel expense or other similar type expenses shall be Hospital's expense.

3.9 Medical Staff: Medical and Professional Matters. Medical professional matters shall be the responsibility of Hospital's duly appointed Medical Staff (the "Medical Staff") and Hospital, all as provided under applicable state law and Hospital's Medical Staff Bylaws, Rules and Regulations ("Medical Staff Bylaws"). Hospital's Medical Staff shall be organized and function according to its Medical Staff Bylaws, as amended from time to time, subject to review and approval of Hospital. If requested by Hospital, UCHHealth, through its choice of designee, may advise Hospital in the development and maintenance of Medical Staff relations, assist Hospital and Medical Staff in updating and revising Medical Staff Bylaws, and advise on recommended changes to Hospital's credentialing process. If requested by Hospital, UCHHealth may also work with the Medical Staff to develop and update the Medical Staff Development Plan.

4. COMPENSATION.

4.1 Reimbursement for CEO. Hospital, through the Board and in consultation with UCHHealth, shall determine base salary as well as any annual increases or incentive bonus for CEO compensation, provided that the Board's determinations shall not violate or cause UCHA to violate any federal, state or local laws, rules and regulations regarding employment including, without limitation, the Older Workers Benefit Protection Act, the Family and Medical Leave Act of 1993, the Age Discrimination in Employment Act of 1967, Title VII of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973, as currently in effect or subsequently modified. Any other direct business expenses incurred by CEO in the performance of his/her job (travel, meals, education) will be the responsibility of the Board to approve, provided the CEO submits a detailed accounting thereof to the Board for consideration and reimbursement, and provided that the CEO shall comply with UCHHealth's policy on Payment for Travel and Business-Related Expenses.

4.2 Consultative Services. The Parties may enter into one or more Consultative Services Amendments (Exhibit A). Each Consultative Service Amendment shall set forth the compensation for those Consultative Services.

4.3 Specific Program or Project Services. Hospital may also engage UCHHealth for services related to one or more specific programs or services. Each engagement will be documented through an Exhibit to this Agreement that will set forth the compensation for those services.

4.4 Payment. UCHHealth shall invoice the Hospital on a monthly basis for any charges and expenses agreed upon by both Parties in any Consultative Services Amendment(s), Exhibits, CEO salary expenses, and severance, if any, or other expenses incurred by UCHHealth to provide services under this Agreement. The Hospital shall pay any invoices within thirty (30) days of receipt.

5. TERM AND TERMINATION.

5.1 Term. The initial term of this Agreement shall commence on the Effective Date and will last for three (3) years (the “Initial Term”). Thereafter, this Agreement shall automatically be extended for one successive three (3) year “Renewal Term” unless otherwise terminated as provided in this Agreement. Hospital and UCHHealth acknowledge that this Agreement is a six (6) year commitment and will budget each year for the expenses and resources for the coming year as contemplated in this Agreement accordingly.

5.2 Termination During the Initial Term. During the Initial Term of this Agreement, the Agreement may only be terminated (a) by mutual agreement of both Parties or (b) by one Party providing thirty (30) days’ written notice of termination due to a Material Breach (as defined herein) by the other Party or (c) in accordance with Section 13.10.

5.2.1 A “Material Breach” shall be defined as (a) a Party’s fraud against the other Party, (b) material violations of the terms of this Agreement, (c) appointment of a receiver for a Party’s assets, an assignment by a Party for the benefit of its creditors, or any relief taken or suffered by a Party under any bankruptcy or insolvency act, and (d) decisions, actions or omissions of a Party that the other Party reasonably believes, on the advice of outside counsel nationally recognized in the applicable matter, are manifestly likely to cause, or have caused, a violation of an applicable law, regulation, license or other requirement, including but not limited to those requirements contained under Sections 501(c)(3) of the Internal Revenue Code of 1986, as amended and either Party’s bond documents.

5.2.2 If a Party possesses a basis to terminate for Material Breach under this Section 5.2, in order to terminate, such Party (the “Complaining Party”) must promptly serve the other Party with a written notice (a “Material Breach Notice”) identifying the alleged Breaching Party and setting forth in detail (a) the Material Breach(es) of this Agreement for which it claims the right to terminate, (b) an estimate of the damages incurred or likely to be incurred by the Complaining Party, and (c) proposed actions of the other Party that, if taken, would adequately address or eliminate the Material Breach. If the alleged Breaching Party fails to cure the identified Material Breach within thirty (30) days, the Complaining Party may then terminate this Agreement immediately.

5.3 Termination During the Renewal Term. During the Renewal Term of this Agreement, the Agreement may be terminated (a) by mutual agreement of both Parties as approved by the Board and UCHHealth Board, (b) by one Party providing thirty (30) days’ written notice of termination due to a Material Breach (as defined herein) by the other Party, or (c) by one Party providing one hundred eighty (180) days’ notice of termination without cause to the other Party. Said one hundred eighty (180) days’ notice can be provided as early as 180 days prior to the Renewal Term should either Party wish to terminate the agreement on the date of renewal.

5.4 Cooperation. The Parties agree to work together in good faith to resolve any issues that may arise relating to the Agreement and the services to be provided under the Agreement. In the event that a dispute does arise, each Party will assign a representative to coordinate discussions and will work with the opposing Party in good faith.

5.5 Survival. Termination of this Agreement shall not relieve either Party of its obligations for breaches of this Agreement occurring prior to termination. The obligations of the Parties pursuant to Sections 7, 8, 10 and 11 of this Agreement shall survive the term of this Agreement or its earlier termination pursuant to this Section 5.

6. BENCHMARKS and BALANCED SCORECARD.

6.1 The efforts of UCHealth to provide satisfactory management services under this Agreement and the efforts of Hospital to maintain and/or improve upon the service it provides its patients shall be reviewed quarterly and measured annually against the benchmarks and annual balanced scorecard approved by Board, to be fully defined in Exhibit C following review and approval of recommendations from the Initial Assessment described in Exhibit E.

6.2 If Hospital and/or UCHealth fail to meet any of the benchmarks in Exhibit C, the Parties shall meet, analyze the reason(s) for any deficiency(ies) and cooperate to establish an action plan to achieve the benchmark measure(s). If the benchmark measure(s) continues to be deficient at the next annual measurement, provided the Agreement is past the Initial Term, either Party may terminate this Agreement with thirty (30) days' notice to the other Party.

7. INDEMNIFICATION AND INSURANCE.

7.1 Indemnification of UCHealth. Except as provided in Section 1.10 above and except as to any claims brought by CEO for violations of any federal, state or local laws, rules and regulations related to UCHA's employment of CEO, the Hospital agrees to indemnify, defend, and hold harmless UCHealth and UCHA and their directors, officers, employees, and agents, from and against any and all claims, causes of action, demands, liabilities, losses, damages, costs and expenses including, but not limited to, interest and attorneys' fees and expenses, which they or any of them may at any time sustain or incur by reason of any claims, demands, or actions against them by any person arising from the health care services or other activities of the Board or Hospital, whether or not related to the Hospital.

7.2 Indemnification of Hospital. UCHealth agrees to indemnify, defend, and hold harmless Hospital and its respective directors, officers (excluding the CEO), employees, and agents, from and against any and all claims, causes of action, demands, liabilities, losses, damages, costs and expenses including, but not limited to, interest and attorneys' fees and expenses, which they or any of them may at any time sustain or incur by reason of any claims, demands or actions against them by any person arising from a violation by UCHealth of its obligations under this Agreement resulting from the errors or omissions, gross negligence or willful and wanton conduct of UCHealth or its employees or agents, including any claims brought by CEO for violations of any federal, state or local laws, rules and regulations related to UCHA's employment of the CEO, including, without limitation, the Older Workers Benefit Protection Act, the Family and Medical Leave Act of 1993, the Age Discrimination in Employment Act of 1967, Title VII of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973, as currently in effect or subsequently modified.

7.3 Insurance. The Hospital shall obtain and maintain in force at its expense policies of professional liability insurance, commercial general liability insurance, directors and officers insurance, automobile insurance, property and casualty insurance, workers compensation insurance, and such other insurance with such coverage, in such amounts and with such insurance companies as appropriate for the industry. The Hospital shall not change the nature or limits of, or the carrier providing the coverage provided by those policies, without obtaining UCHealth's prior written consent, which shall not be unreasonably withheld. The insurance companies supplying such insurance shall be licensed to do business in the State of Wyoming, and such policies shall name UCHealth and UCHA (as the employer of

the CEO) as additional insureds. The Board/ Hospital agrees to inform UCHHealth sixty (60) days prior to any changes in its insurance policy. The Board/Hospital agrees to purchase, at its cost, appropriate “tails” for any insurance policies which are on a “claims made” basis and which expire or are terminated.

7.4 Directors and Officers Insurance. UCHA shall obtain and maintain in force at its expense policies of directors and officers insurance for the acts and omissions of its CEO employee and such other insurance with such coverage and in such amounts and with such insurance companies as appropriate for the industry. UCHA shall not change the nature or limits of, or the carrier providing any applicable coverage provided by those policies, without obtaining Hospital’s prior written consent, which shall not be unreasonably withheld. The insurance companies supplying such insurance shall be licensed to do business in the State of Wyoming, and such policies shall name Hospital as an additional insured. UCHA agrees to inform Hospital sixty (60) days prior to any changes in its applicable insurance policies. UCHA agrees to purchase, at its cost, appropriate “tails” for any insurance policies which are on a “claims made” basis and which expire or are terminated.

8. RECORDS; CONFIDENTIALITY.

8.1 All business, financial, personnel and medical records, data, programs and materials created by the CEO in the performance of his or her duties under this Agreement, other than those relating solely to the internal affairs of UCHHealth or related to the CEO’s employment by UCHA, shall be and, upon termination of this agreement, shall remain the property of the Hospital.

8.2 UCHHealth agrees to maintain and preserve the confidentiality of all medical records and business information acquired in performing its obligations under this Agreement except for such disclosure as may be required by law.

8.3 For the purpose of implementing Section 1861 (v)(1)(I) of the Social Security Act, as amended, and any written regulations thereto, UCHHealth agrees to comply with statutory requirements governing the maintenance of documents to verify the cost of services rendered under this Agreement as follows:

(a) Until the expiration of six (6) years after the furnishing of such services pursuant to this Agreement, UCHHealth shall make available upon written request by the Secretary of the Federal Department of Health and Human Services (the “Secretary”), or upon request of the Comptroller General, or any of their duly authorized representatives, the contracts, books, documents and records of UCHHealth that are necessary to certify the nature and extent of such costs; and,

(b) If UCHHealth carries out any of the duties of this Agreement through a subcontract, with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period, with a related organization (as that term is defined with regard to a provider in Title 42 of the Code of Federal Regulations § 405.427(b) or any successor regulation), such subcontract shall contain a clause to the effect that until the expiration of six (6) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the Secretary, or upon request by the Comptroller General, or any of their duly authorized representatives, the subcontract, and books, documents and records of such organization that are necessary to verify the nature and extent of such costs; and,

(c) UCHealth will immediately notify the Board of any request it receives from any of the persons or entities listed in (a) above for access to its records; and,

(d) UCHealth shall cause any subcontract to be entered into by UCHealth to contain provisions of the type described in subparagraph (b) above.

9. REPRESENTATIONS AND WARRANTIES.

UCHealth and the Board or Hospital each represent and warrant to the other as follows:

9.1 Power and Authority. They each have the requisite corporate power and authority to enter into this Agreement and to perform their respective obligations hereunder.

9.2 Authorization. Their respective execution and delivery of, and performance under this Agreement have received all necessary corporate approvals and authorizations, including, the approval of the Board.

9.3 No Conflicts. Each Party's execution, delivery and performance of this Agreement do not and will not conflict with or violate any provision of the Articles of Incorporation, Bylaws or other chartered documents of such Party; violate any provision of any statute or regulation which is applicable to such Party; conflict with, violate, result in a breach of, constitute a default under (without regard to requirements of notice or lapse of time) accelerate or permit the acceleration of the performance by any contract, agreement or other obligation to which such Party is a party or by which such Party or any properties owned or leased by such Party are bound or affected; or result in the creation or imposition of any security interest against or upon any of the assets or properties owned or leased by such Party.

10. NON-COMPETITION. During the Term of this Agreement, to include any Renewal Term(s), and for one (1) year immediately following the termination of this Agreement for any reason, UCHealth agrees that it will not, without the prior written consent of Hospital, establish, manage, develop, rent, construct, operate or purchase an investment interest in any health care or hospital facility (other than Hospital) located within Laramie County Wyoming (excluding open market purchase of publicly traded companies and passive ownership interests that represent less than five percent of the outstanding equity interests of a third-party). Notwithstanding the foregoing prohibition, UCHealth shall be permitted to continue all health care activities in which it is already engaged as of the effective date of this agreement, including but not limited to all operations by UCHealth Medical Group. With the prior written consent of the Board, UCHealth may establish and/or operate additional clinics, primary care practice or other medical offices in Laramie County, Wyoming, during the Term of this Agreement. During the Term of this Agreement, to include any Renewal Term(s), Hospital agrees it will not, without the prior written consent from UCHealth, establish, manage, develop, rent, construct, operate or purchase an investment interest in any health care or other facility located within Colorado, which renders services of a type normally rendered by a healthcare organization (excluding open market purchase of publicly traded companies and passive ownership interests that represent less than five percent of the outstanding equity interests of a third-party).

10.1 During the Term of this Agreement, to include any Renewal Term(s), UCHealth agrees to provide Hospital at least ninety (90) days' notice prior to engaging in any new health care activities in the Wyoming counties of Carbon, Platte, Goshen, Converse or Niobrara (the "Wyoming Counties"). During that 90-day period, Hospital will have the opportunity to develop and propose opportunities for collaboration between Hospital and UCHealth related to the new health care activity, and UCHealth will duly consider any proposals from Hospital. Section 10.1 of this Agreement shall not apply to any acquisition, partnership, affiliation, or management arrangement with an acute care hospital, nor any clinical or physician agreements necessary to effectuate such an acute care hospital arrangement.

11. NON-SOLICITATION OF EMPLOYEES. The Parties agree that at no time during the term of this Agreement or for a period of one (1) year immediately following the termination of this Agreement for any reason, will they, or their respective agents or representatives, attempt to recruit, employ or use the services of, directly or indirectly, any salaried (exempt) employee of the other Party. If a Party, its agent or representative should hire a salaried (exempt) employee of the other Party without prior written approval, it agrees to reimburse the other Party an amount equal to one (1) year of such employee's then current salary. The non-solicitation restriction in this paragraph shall not prohibit either party from employing or contracting with any such salaried (exempt) employee who contacts the Party on his/her own initiative or as a result of responding to a job posting, advertisement or similar solicitation which is directed to individuals at large, nor shall it, upon expiration or termination of the Agreement, prohibit the Hospital from extending an offer of employment to the then current CEO of the Hospital

12. ASSIGNMENT. Hospital may assign this Agreement to an entity controlling the operations of the Hospital, under common control with, or controlled by the Hospital, to a successor to the Hospital, or to any entity that acquires all or substantially all of Hospital's assets or its business that is the subject hereof or to any such entity, if as a condition of such assignment, the Hospital requires such entity to assume the duties and obligations hereunder. UCHealth may assign this Agreement to an entity controlling the operations of UCHealth, under common control with, or controlled by UCHealth, to a successor to UCHealth, or to any entity that acquires all or substantially all of UCHealth's assets or its business that is the subject hereof or to any such entity, if as a condition of such assignment, UCHealth requires such entity to assume the duties and obligations hereunder. Under any other circumstances, UCHealth shall not assign this Agreement or any of its rights and duties hereunder, without written consent of Hospital.

13. MISCELLANEOUS.

13.1 Notices. All notices, certificates or other communications under this Agreement shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, with proper address as indicated below. The Board and UCHealth may, by written notice given by each to the other, designate any address or address to which notices, certificates or other communication to them shall be sent when required as contemplated by this Agreement. Until otherwise provided by the respective individuals, all notices, certificates and communication to each of them shall be addressed as follows:

As to the Board:

Cheyenne Regional Medical Center
214 E 23RD ST CHEYENNE, WY 82001-3748
Attention: Chairperson, Board of Trustees

As to the Hospital:

Cheyenne Regional Medical Center
214 E 23RD ST CHEYENNE, WY 82001-3748
Attention: Chief Legal Officer and Chief Strategy Officer

As to UCHealth:

University of Colorado Health
2315 E Harmony Road, Suite 200
Fort Collins, CO 80528
Attention: President and CEO, UCHealth VP Community Outreach, and Legal
Department

With a copy to:

University of Colorado Health
12401 E. 17th Avenue, Mail Stop F415
Anschutz Medical Campus
Aurora, Colorado 80045
Attn: General Counsel

13.2 Independent Contractors. It is the intention of the Parties that UCHealth and the Hospital shall be independent contractors. The UCHealth personnel who provide services pursuant to this Agreement shall be and remain employees of UCHA and it shall be the responsibility of UCHA to arrange for and pay their compensation, including pension and other fringe benefits, to withhold and to pay (as applicable) all employment related taxes and to arrange and pay workers compensation and unemployment compensation insurance and benefits. All of the personnel who provide services at the Hospital shall be and remain employees of the Hospital and it shall be the responsibility of the Hospital to arrange for and pay their compensation, including pension and other fringe benefits, to withhold and to pay (as applicable) all employment related taxes and to arrange and pay for workers compensation and unemployment compensation insurance benefits.

13.3 Severability. Subject to the provisions of Section 5, if any one or more of the terms, provisions, promises, covenants or conditions of the Agreement or the application thereof to any person or circumstance shall be adjudged to any extent invalid, unenforceable, void or voidable for any reason whatsoever, by a court of competent jurisdiction, or shall be determined by the ruling or interpretations of a Governmental agency or new legislation, to cause either Party to perform an act which threatens its governmental provider or tax status, then such terms shall be deemed stricken from this agreement, and each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement or their application to other persons or circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law. Notwithstanding the aforesaid, should the severance have the effect of materially altering the meaning of this Agreement, this Agreement shall be void.

13.4 Entire Agreement. This Agreement and the Exhibits hereto constitute the entire agreement between the Parties with respect to the subject matter contained herein and supersede all prior and contemporaneous agreements, representations and understandings of the Parties.

13.5 No Third Party Beneficiaries. This Agreement is intended to be for the benefit of the Parties and their respective successors and assigns only, and it is not intended to create any third party beneficiaries, implied trusts, or similar implied agreements, nor may the provisions hereof be enforced by any person or entity not a Party hereto; except that UCHA shall be a third-party beneficiary of those provisions of the Agreement in Sections 1.4, 4.1, 7.1 and 7.3 which pertain to it.

13.6 Binding Effect. Subject to this limitation on assignments in Section 12, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

13.7 Amendment and Waiver. This Agreement may be amended in writing only, which amendment shall be signed by both Parties. No provision of this Agreement shall be waived except by an instrument in writing signed by the Party to be charged with such waiver and delivered by such party to the party claiming the benefit of such waiver. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver, unless otherwise provided in the written waiver.

13.8 Certification about Status with Government Health Programs. UCHealth certifies that it, and its employees and/or agents providing services under this Agreement (“UCHealth Related Persons”) (a) are not now debarred and have never been, excluded or otherwise ineligible for participation in any government health care program(s); (b) have not been convicted of a felony offense in the immediately preceding seven (7) years; and (c) are not now subject to, and have no reason to believe that they are subject to, any specific investigation for violation of federal, state, or local criminal or civil law or regulation. UCHealth shall report in writing to Hospital immediately if UCHealth becomes aware of any effort to debar UCHealth, or any UCHealth Related Person, from any government health care program or any imposition of sanctions under 42 U.S.C. §1320a-7a or §1320a-8 or conviction under 42 U.S.C. §1320a-7b. Failure to disclose any relevant information regarding these matters is reason for immediate termination of this Agreement at Hospital’s sole discretion.

13.9 No Influence on Referrals. It is not the intent of either Party to this Agreement that any remuneration, benefit or privilege provided for under this Agreement shall influence or in any way be based upon the referral or recommended referral by either Party of patients to the other Party or its affiliated entities, if any, or the purchasing, leasing or ordering of any services other than specific services described in this Agreement. Any payments specified in this Agreement are consistent with what the Parties reasonably believe to be a fair market value for the services provided. Without limiting the foregoing, the Parties acknowledge that neither Party has promised or represented that the other will receive any specific business volume or be the exclusive provider of services in the geographic area.

13.10 Change of Law. The terms of the Agreement are intended to be in compliance with all federal, state and local statutes, regulations and ordinances applicable as of the Effective Date. In the event of conflict, the state and/or the federal law will supersede the terms of the Agreement. The Parties agree to execute such amendments as may be necessary for compliance with such laws or regulations as they are promulgated or become final and effective. In the event that any federal or state legislative or regulatory authority adopts any law or regulation which (a) renders the Agreement illegal or prohibited by applicable law or regulation; (b) threatens Hospital’s tax-exempt status; (c) establishes a material adverse change in the method or amount of reimbursement or payment for services under the Agreement; (d) imposes requirements which require a material adverse change in the manner of either Party’s operations

under the Agreement or (e) legal counsel for either Party gives a good faith opinion that the application of any law, regardless of when adopted, poses a substantial threat of any of the foregoing, then, upon the request of either Party, the Parties will enter into good faith negotiations for the purpose of establishing such amendments or modifications as may be appropriate in order to accommodate the change in law or regulations while preserving the original intent of the Agreement to the greatest extent possible. If, after fifteen (15) days of such good faith negotiations, the Parties are unable to reach an agreement as to how the Agreement will continue, then either Party may terminate the Agreement upon one (1) day prior written notice. Notwithstanding the foregoing, if the change in law requires the immediate termination of the Agreement, the Agreement will be deemed to be so terminated.

13.11 Governmental Immunity. The Parties acknowledge that Hospital does not, by entering into this Agreement, waive the tort immunity provided to it by the Wyoming Governmental Claims Act, W.S. § 1-39-101 et seq. (the “Act”), and Hospital retains all immunities and defenses provided to it by the Act. Furthermore, as contemplated by the Act (in W.S. § 1-39-104(a)), Hospital specifically reserves to itself immunity from actions based upon contract, including actions based upon this Agreement. Any part of this Agreement that conflicts either with the tort immunity provided by the Act or with Hospital’s reservation of contractual immunity under this Section shall be void and of no effect. Any actions or claims against Hospital under this Agreement, to the extent that the same are permissible under the terms of this Section and/or applicable law, must be brought in accordance with the procedural requirements of the Act.

13.12 Confidentiality of Patient Information. The purpose of this provision is to ensure that Hospital as a Covered Entity meets its obligations under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and under the regulations promulgated thereto, the *Standards for Privacy of Individually Identifiable Health Information* and the *Security Standards* (45 C.F.R. Parts 160, 162 and 164, issued by the Department of Health and Human Services, hereinafter referred to as the Privacy and Security Regulations). UCHealth acknowledges that medical information, including payment information, regarding Hospital’s patients must be kept confidential. The Parties understand and agree that the Privacy and/or Security Regulations apply to the use and disclosure of Protected Health Information (as that term is defined in HIPAA) which may occur in fulfilling the duties and responsibilities delineated in the Agreement. UCHealth agrees that any Protected Health Information that it receives directly or indirectly, whether or not inadvertently, through its employees or agents, regarding Hospital’s patients shall be treated as confidential in compliance with all state and federal laws, including but not limited to HIPAA and the Privacy and Security Regulations. Furthermore, UCHealth agrees to execute any necessary documents to comply with such state and federal laws and regulations, including a Business Associate Agreement, if necessary.

IN WITNESS WHEREOF, the Parties have executed this Agreement the date first above written.

University of Colorado Health

By: _____

Memorial Hospital of Laramie County dba Cheyenne Regional Medical Center

By: _____

Exhibit A-__
Consultative Services Amendment

This Exhibit A-__, the Consultative Services Amendment, is made and entered into on _____, 20__ (the "Effective Date") by and between University of Colorado Health, a Colorado non-profit corporation ("UCHealth"), and Memorial Hospital of Laramie County dba Cheyenne Regional Medical Center, (the "Hospital"). UCH shall provide a fee schedule for personnel proposed to provide consultative services.

Standard Fee Structure unless otherwise specified:

Total Cost = Actual expenses incurred by UCHealth

Employee(s) = [(salary * 30% benefits) * ten percent (10) % admin fee] * hours spent on project

Travel = actual mileage at IRS rate and employee(s) travel time

Efforts will be made to determine if work can be completed remotely or via skype or conference calls to reduce travel costs.

Materials = Related project materials or miscellaneous resources needed for request completion

Fee Structure Variation.

There are certain departments/areas within UCHealth that have already set up a consultative fee structure to serve local and regional requests. For these requests, separate cost agreements may need to be put into place and a different fee structure may be followed that differs from the above standard fee structure.

Pursuant to the Management Services Agreement entered into by the Parties and dated _____, 2018, UCHealth and Hospital agree to the following terms:

1. Scope of Support Services: *Describe project in detail and expected outcome.*
2. Costs: *List details (who is involved, area of focus, and materials needed) and total estimated dollars.*
3. Date(s) of Support Services: *Specify timeline.*
4. Location of Support Services: *Specify location.*
5. Hospital Main Contact Person: _____
UCHealth Main Contact Person: _____

APPROVAL of the Hospital CFO:

Signature: _____

Name/Title: _____

Date: _____

APPROVAL OF UCHealth:

Signature: _____

Name/Title: _____

Date: _____

EXHIBIT B

SCHEDULE OF MANAGEMENT SERVICES

The Parties agree that UCHealth will provide or make available to Hospital, at a minimum, the Management Services described in this Exhibit B. Hospital and UCHealth shall work together to create action plan yearly for Hospital priorities.

Hospital shall be entitled to:

1. Participate in UCHealth service line leadership/administrative planning, meetings and events, as appropriate;
2. Participate in UCHealth education offerings for Board members, management, medical staff and employees, as appropriate;
3. Access through Hospital's senior management team to Policies and Procedures from system perspective and from current facilities (PVH, MCR, UCH, MH, LPH) as appropriate;
4. Share balanced scorecard and other performance monitoring tools or tracking procedures to compare data, allowing mutual access to data from Hospital;
5. Participate in committee work through the UCHealth senior team, as needed;
6. Access to UCHealth's HIPAA and Compliance training;
7. Access to qualified specialists in hospital administration and management to foster networking and best practice sharing with a focus on quality outcomes. (Examples may include: Quality improvement, leadership, organizational development, lean training, CFO, CNO, department leadership, finance, strategy, IT, master facility planning and physician leaders.)

UCHealth shall:

1. Assist Hospital in obtaining a community physician needs assessment and recruitment of physicians needed in Laramie County, as requested;
2. Facilitate relationships between UCHealth physicians and Hospital's physician groups, as requested;
3. Posting hard to fill Hospital's open employment positions on UCHealth's hiring website;
4. Evaluate and help with analysis of opportunity for Hospital to participate in UCHealth's volume group purchasing program, if possible;
5. Participate in Hospital's Strategic Planning sessions to align Hospital and UCHealth when needed;
6. Establish annual goals and objectives through the relationship in support of the strategic plans for the Hospital, establishing a connection with the continued operation of Hospital, and ensuring continuing access to Hospital, physician and other health care services for Laramie County residents;
7. Complement existing physician specialty services provided by Hospital, if resources are available;
8. Provide an annual report to Board of benefits of the agreement for evaluating opportunities for enhancing the relationship and continuous improvement.

EXHIBIT C
HOSPITAL BENCHMARKS AND HOSPITAL SCORECARD

{Note: Subject to revision upon conclusion of the Initial Assessment described in Exhibit E}

(a) Financial Benchmarks. *To be determined*

(b) Quality Benchmarks. *To be determined*

(c) Market Share. *To be determined*

Review of Current Hospital Scorecard. *To be determined*

Exhibit E

Targeted Hospital Operations Assessment

Overview of Process

The anticipated timeline for completion of initial assessment will not exceed 120 days. The purpose of the targeted assessment is to help UCHealth gain a better understanding of Cheyenne Regional's current operations, culture, and priorities for future success.

There are two main components of the targeted assessment in the initial phase of the partnership. The Cheyenne Regional Board will drive the final priorities.

1. **Leadership** – A leadership assessment of the incumbent CEO will occur to define characteristics, skills, experience and attributes of a Chief Executive Officer needed for success, and to identify an initial CEO Development Plan. Additionally, the readiness for organizational change may be assessed.
2. **Operations** - There will be several categories of focus for the initial operations assessment. The general categories will be defined by the Cheyenne Regional in consultation with UCHealth and will be mutually agreed to prior to beginning the assessment.

UCHealth will request information from Cheyenne Regional's Chief Strategy Officer to obtain an organizational snapshot and understand key performance indicators. Information will be provided within two weeks after receiving the request to maintain schedule completion and sent electronically to designated UCHealth contact.

UCHealth representative(s) will be onsite to conduct interviews with stakeholders that will be prescheduled to minimize day to day disruption. Upon the completion of interviews and data review, recommendations will be summarized in a written report for Hospital consideration.

Recommendations will include 1-3 year project plan for Cheyenne Regional for actionable decision-making based on assessment findings.

Stakeholders will include hospital senior management, select directors, select physicians, and various community members, as appropriate.

Timeline Subject to Revision Pending final Execution Date

| | |
|--|---|
| Week of: | |
| February 20 | Effective date of Management Services Agreement |
| Feb 26 | Stakeholder interviews scheduling completed |
| March 5 | Finalize all data requests to Cheyenne Regional |
| March 12 | Ongoing interviews |
| March 26 | Conclusion of leadership interviews, data requests returned to UCHealth |
| April 30 | CEO Leadership assessment report & plan submitted to Cheyenne |
| May 7 | Conclusion of operational interviews |
| May 14 | General Q&A session to occur with Cheyenne Regional and UCHealth |
| June 4 | Operational assessment report submitted to Cheyenne Regional |
| <i>The above timeline is a guideline only and subject to change.</i> | |

Components:

The organizational assessment will be critical to both assess the needs of the organization with respect to the CEO assessment and development planning, but also helping UCHHealth get a better understanding of the operations at Cheyenne Regional. The following priority areas are identified as focus areas for the initial phases of the partnership. Other areas may be assessed in the future.

| | |
|---|---|
| 1 | Leadership – Chief Executive Officer Assessment |
| 2 | <p>Targeted Operations Assessment.</p> <p>Six priorities:</p> <ul style="list-style-type: none"><input type="checkbox"/> Clinical quality<input type="checkbox"/> Patient Experience<input type="checkbox"/> Physician Engagement (Employed & Independent)<input type="checkbox"/> Employed Medical Group: Efficiencies possible around EMR workflows, staffing models, benchmarking, data abstraction, etc.<input type="checkbox"/> Telehealth remote monitoring opportunities, i.e. chronic care management<input type="checkbox"/> Supply Chain Review, e.g. Pharmacy, OR, Cath Lab, Specials in Radiology <p>Other areas may emerge over the life of the agreement as project requests, e.g. population health payer strategy development, coding and documentation, physician coverage agreements; referral pattern assessment; rural community provider assessments.</p> |

Fees. The fee for providing all components of the assessment shall be Ten Thousand Dollars (\$10,000.00), due and payable upon conclusion of the assessment activities and delivery, review and acceptance of the assessment report.