

APPENDIX K

INDIAN STREAM HEALTH CENTER & UCVH

RHC DISCUSSION

AGENDA

Date: November 4, 2020

Location: Zoom Meeting: <https://us02web.zoom.us/j/85960050840>

Zoom Dial-in Information:

Telephone Number: 1.929.205.6099

Passcode: 85960050840#

Time: 1:00 PM to 1:30 PM

Attendees:

Indian Stream Health Center: Gail Fisher, Dave Thatcher, Mike Burtnick, Suzanne Phinney, Greg Culley

Upper Connecticut Valley Hospital: Odette Crawford, Lynn Brewer, Jim Wells, Eric Stohl, Scott Colby

North Country Healthcare: Tom Mee

- | | | |
|----|------------------------------------|-----------|
| 1. | Welcome and Introductions | 5 Minutes |
| 2. | Letter of Intent and Due Diligence | 5 Minutes |
| 3. | Work Group Formation | 5 Minutes |

ISHC:

Greg Culley - Interim CEO

Gail Fisher - Board President

Mike Burtnik - Board Member

Sergio Zullich - Pharmacist

Lori Morann - Practice Manager

Billie Paquette - HR Director

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UCVH:

Scott Colby, President & CEO
Celeste Pitts, CFO
Monique Hand, Practice Manager
Rob Gooch, Director of Pharmacy
Rona Glines, V.P. Physician Services, Weeks Medical Center
Jonathan Pantenburg, Stroudwater Associates

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| 4. | Priority Area of Focus (Agenda for Work Groups) | 10 Minutes |
| 5. | Other Items | 5 Minutes |

INDIAN STREAM HEALTH CENTER & UCVH

RHC DISCUSSION

MINUTES

Date: November 4, 2020

Time: 1:00 PM to 1:30 PM

Members Present:

Indian Stream Health Center ["ISHC"]: Gail Fisher, Dave Thatcher, Suzanne Phinney, Greg Culley, MD

Upper Connecticut Valley Hospital ["UCVH"]: Odette Crawford, Lynn Brewer, Jim Wells, Eric Stohl, Scott Colby

North Country Healthcare ["NCH"]: Tom Mee

Members Excused: Mike Burtnick

1. Welcome and Introductions:

Scott welcomed the group and advised that this would be a very quick meeting intended to flush-out the work group participants and the priorities.

2. Letter of Intent and Due Diligence:

Scott mentioned that the MOU and Confidentiality Agreements had been executed and will provide the legal framework necessary to hold these discussions and share information.

3. Work Group Formation:

The parties had previously identified the participants in the work groups. It was determined that ISHC would also include Dave Thatcher, Treasurer of the ISHC Board of Directors. The lists of work group members are as follows:

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ISHC:

Greg Culley - Interim CEO
Gail Fisher - Board President
Dave Thatcher - Board Treasurer
Mike Burtnik - Board Member
Sergio Zullich - Pharmacist
Lori Morann - Practice Manager
Billie Paquette - HR Director

UCVH:

Scott Colby, President & CEO
Celeste Pitts, CFO
Monique Hand, Practice Manager
Rob Gooch, Director of Pharmacy
Rona Glines, V.P. Physician Services, Weeks Medical Center
Jonathan Pantenburg, Stroudwater Associates

4. Work Group Priority Area of Focus:

There was a general discussion about the work groups' objectives. These work groups will be exploring the following areas and will present their findings to the Executive Committees of ISHC and UCVH:

- Financial position of ISHC including the 2019 audited financials and financials through the first nine (9) months of 2020
- Debt position and assets of ISHC
- Transitioning ISHC's corporate structure to an RHC and how a change in control would be handled: Would there be a mechanism to transfer assets to another entity or would UCVH simply become the Sole Member of the ISHC corporation:
 - Legal advice will need to be sought to determine the best approach for the structure moving forward
- 340B Discount Program for patients under an RHC model – can an RHC model preserve the current discount program?
- Sliding Scale/Free Care – Comparing the ISHC model against the RHC-UCVH model
- Case Management & Outreach – Understanding the RHC's capabilities in contrast to that which is currently offered through ISHC
- Behavioral Health – Would the RHC preserve the outpatient behavioral health program offered by ISHC on-site

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These areas of focus will serve as the agenda for the first joint work group meeting which is scheduled for November 16th.

It is likely that there will be subgroups of this joint work group meeting which will be assigned to perform tasks and report back to the larger group.

ACTION ITEMS:

- Scott will prepare an agenda for the November 16th joint work group meeting
- Greg Culley will establish a Drop Box for the sharing of documents such as the audited financials and YTD financials

5. **Other Items:**

Timing of Decision/Proposal:

- Work group presentation to the Executive Committees may be ready by mid-to late December
- Gail Fisher mentioned that it was important to reach a timely conclusion on moving forward (or not) with an RHC model
- There was recognition that ISHC is exploring other options as is UCVH exploring other options for its primary care RHC

The meeting concluded at approximately 1:20 PM

Respectfully submitted, Scott G. Colby, President & CEO, UCVH

INDIAN STREAM HEALTH CENTER & UCVH

RHC WORK GROUP

AGENDA

Date: November 16, 2020

Time: 11:00 AM to 12:00 PM

Zoom: <https://us02web.zoom.us/j/86228713732>

Dial-in Number: 1.929.205.6099
Passcode: 862 2871 3732#

Members:

Indian Stream Health Center ["ISHC"]: Gail Fisher, Dave Thatcher, Mike Burtnick, Greg Culley, MD, Sergio Zullich, Lori Morann, Billie Paquette

Upper Connecticut Valley Hospital ["UCVH"]: Scott Colby, Celeste Pitts, Monique Hand, Rob Gooch, Jonathan Pantenburg, Rona Glines

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|----|-------------------------------------|------------|
| 1. | Welcome and Introductions | 5 Minutes |
| 2. | Elect Co-Chairs | 5 Minutes |
| 3. | Minutes & Agendas | 5 Minutes |
| 4. | Priority Tasks/Areas of Assessment: | 40 Minutes |
- Presentation to Executive Committees & Timeline
 - Subgroup Formation
 - Areas of Focus:
 - Financial position of ISHC including the 2019 audited financials and financials through the first nine (9) months of 2020
 - Debt position and assets of ISHC

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- Areas of Focus: (continued)
 - Transitioning ISHC's corporate structure to an RHC and how a change in control would be handled: Would there be a mechanism to transfer assets to another entity or would UCVH simply become the Sole Member of the ISHC corporation:
 - Legal advice will need to be sought to determine the best approach for the structure moving forward
 - 340B Discount Program for patients under an RHC model – can an RHC model preserve the current discount program?
 - Sliding Scale/Free Care – Comparing the ISHC model against the RHC-UCVH model
 - Case Management & Outreach – Understanding the RHC's capabilities in contrast to that which is currently offered through ISHC
 - Behavioral Health – Would the RHC preserve the outpatient behavioral health program offered by ISHC on-site

5. Meeting Schedule

5 Minutes

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RHC WORK GROUP MEETING
MINUTES**

Date: November 16, 2020

Time: 11:00 AM to 12:00 PM

Location: Zoom

Members Present:

Indian Stream Health Center ["ISHC"]: Gail Fisher, Dave Thatcher, Greg Culley, MD, Lori Morann, Sergio Zullich, Billie Paquette

Upper Connecticut Valley Hospital ["UCVH"]: Scott Colby, Celeste Pitts, Monique Hand, Rob Gooch, Rona Glines (Weeks Medical Center), Jonathan Pantenburg (Stroudwater)

Members Excused: Mike Burtnick, ISHC

1. Welcome and Introductions:

Scott welcomed the group and the participants each introduced themselves.

Scott briefly reminded the group of the purpose of this Work Group, which is to determine the viability of Upper Connecticut Valley Hospital ["UCVH"] assuming control of Indian Stream Health Center ["ISHC"] and converting it to an RHC.

There was a recognition that both ISHC and UCVH are exploring other options outside of these discussions, including UCVH's decision to establish a primary care Rural Health Clinic in Colebrook – preferably, but not exclusively, as a result of these discussions.

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Presentation of Findings: Once the group has completed its work, a presentation comparing the current structure and benefits to patients of the FQHC to the proposed structure and benefits to patients of an RHC will be created and will be shared with the Executive Committees of the ISHC and UCVH Boards of Directors.

Timeline:

It was agreed that we should attempt to have much of the analysis and a recommendation on structure completed by mid-December and that the final presentation should be ready for the Executive Committees no later than mid-January.

This is anticipated to be a 30 to 60-day process.

2. Co-Chairs:

It was agreed that the Work Group would have two Co-Chairs, one from ISHC and one from UCVH as follows:

- ISHC: Sergio Zulich
- UCVH: Scott Colby

3. Minutes & Agendas:

Sergio and Scott will work together on minutes and formulating the agendas.

Scott offered to take the lead in drafting minutes and agendas and will share those with Sergio prior to circulating them to the Work Group.

4. Priorities and Subgroup Formation:

A suggestion was made by ISHC to work on key priorities initially in order to determine whether proceeding with the proposed transaction made sense.

The concern was that if we spent too much time on a financial and legal analysis only to determine that UCVH could not structure an acquisition with the patient protections ISHC is requiring, it would not be an effective use of time.

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Additionally, Dr. Culley mentioned that ISHC would want assurances that UCVH can meet the patient protection requirements ISHC is desiring.

Scott commented that the best approach would be for UCVH to demonstrate its (or Weeks') current capabilities and processes and compare them to the current ISHC capabilities and processes. Admittedly, the 340B savings to patients would be the most material assurance UCVH would have to make – all others being current capabilities which ISHC will have a chance to evaluate.

All agreed and after some discussion, the following subgroups were formed with target dates for their completed work agreed to:

Sliding Scale/Charity Care:

Deliverable: Side-by-side comparison of the ISHC sliding fee scale and UCVH charity care discount programs.

Examples: At least ten (10) patient examples by age group and complexity, capturing the differences in charges from ISHC to the UCVH-proposed charges for the same services.

Due Date: December 2, 2020

Subgroup Members:

Monique Hand, UCVH – Chair
Jodie Smith, UCVH
Lori Morann, ISHC
Jordan Phinney, ISHC

Care Coordination & Outreach:

Deliverable: Side-by-side comparison of community outreach activities and care coordination activities of the ISHC care management department and the structure which UCVH will adopt from Weeks Medical Center [“WMC”]

Due Date: December 2, 2020

Subgroup Members:

Rona Glines, WMC – Chair
Greg Culley, MD, ISHC
Chantal Dostie, ISHC

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Behavioral Health:

Deliverable: Side-by-side comparison of the outpatient behavioral health programs (including the Medication-Assisted Treatment program offered to substance use disorder patients) offered by ISHC and WMC, including the embedded structure currently offered in each of the practices and the depth and breadth of clinical staff currently in place.

Due Date: December 2, 2020

Subgroup Members:

Ron Glines, WMC – Chair
Nick Hunt, WMC
Greg Culley, MD, ISHC
Kathleen Killeen, ISHC

340B Retail Pharmacy:

Deliverable: A summary of the current sliding scale pricing offered by ISHC which are passed along to patients and the overall contribution margin of this program to ISHC. There will also be an analysis of the discount programs currently offered to WMC primary care patients and an analysis of how a UCVH-run retail pharmacy would compare, (in terms of the benefit to patients) with ISHC's current program. It was noted that approximately 1/3 of all ISHC pharmacy prescriptions are extended the sliding scale pricing, including the Medicare Part D recipients.

Examples: At least ten (10) examples comparing current ISHC 340B/sliding scale pricing for patients against a proposed structure under which UCVH will provide retail pharmacy.

Due Date: December 16, 2020

Subgroup Members:

Sergio Zullich, ISHC – Chair
Greg Culley, MD, ISHC
Scott Colby, UCVH
Celeste Pitts, UCVH
Rob Gooch, UCVH
Jonathan Pantenburg, Stroudwater Associates/UCVH

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5. Other Items:

Legal Review:

UCVH:

Scott will engage UCVH counsel and Jonathan Pantenburg of Stroudwater on the legal structure and process of converting ISHC into an RHC under UCVH.

Scott and Jonathan will also explore whether current ISHC HRSA grants can be assigned to an RHC and UCVH. UCVH will work with counsel and the NH/VT Congressional Delegations for assistance on this effort.

ISHC:

Greg and Gail will be meeting with Jacki Leifer, Esq. of Feldesman/Tucker/Leifer/Fidell LLP, regarding similar legal considerations.

6. Next Meeting: December 2, 2020, via Zoom. Time TBD.

The meeting concluded at approximately 11:45 AM

Respectfully submitted, Scott G. Colby, President & CEO, UCVH

INDIAN STREAM HEALTH CENTER & UCVH

RHC WORK GROUP

AGENDA

Date: December 2, 2020

Time: 11:00 AM to 12:00 PM

Zoom: <https://us02web.zoom.us/j/89217257487>

Dial-in Number: 1.929.205.6099
Passcode: 892 1725 7487#

Members:

Indian Stream Health Center ["ISHC"]: Gail Fisher, Dave Thatcher, Mike Burtnick, Greg Culley, MD, Sergio Zullich, Lori Morann, Billie Paquette

Upper Connecticut Valley Hospital ["UCVH"]: Scott Colby, Celeste Pitts, Monique Hand, Rob Gooch, Jonathan Pantenburg, Rona Glines

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|----|--|---------------------------|
| 1. | Welcome and Review and Approval of the November 16 th Minutes | 5 Minutes |
| 2. | Subgroup Reports: Completed Tasks: | 20 Minutes |
| | Sliding Scale/Charity Care: | Monique Hand |
| | Care Coordination & Outreach: | Rona Glines |
| | Behavioral Health: | Rona Glines |
| 3. | 340B Subgroup: Update on Progress | Sergio Zullich 10 Minutes |

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| 4. | Legal Review Updates:

UCVH/HRSA Grant Research: Scott Colby

ISHC: Greg Culley, MD | 10 Minutes |
| 5. | Financial Analysis: Subgroup Formation | 5 Minutes |
| 6. | Executive Committee Presentation Subgroup Formation | 5 Minutes |
| 7. | Other Items | 5 Minutes |

**INDIAN STREAM HEALTH CENTER & UCVH
RHC WORK GROUP MEETING
MINUTES**

Date: December 2, 2020

Time: 11:00 AM to 12:00 PM

Location: Zoom

Members Present:

Indian Stream Health Center ["ISHC"]: Gail Fisher, Dave Thatcher, Mike Burtnick, ISHC, Greg Culley, MD, Lori Morann, Sergio Zullich, Billie Paquette

Upper Connecticut Valley Hospital ["UCVH"]: Scott Colby, Celeste Pitts, Monique Hand, Rona Glines (Weeks Medical Center), Jonathan Pantenburg (Stroudwater)

Guests: Jordan Phinney, ISHC

Members Excused: Rob Gooch, UCVH

1. Welcome Approval of November 16, 2020:

The group was asked if there were any questions or proposed changes to the November 16th minutes.

There were none and the minutes were accepted without vote.

2. Priorities and Subgroup Formation:

Scott reminded the group that we were focusing on four (4) key areas to determine if the proposed conversion of ISHC to an RHC makes sense.

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Scott also reminded the group that under the proposed transaction, the primary care RHC would be a UCVH program managed by WMC initially and as such, UCVH will adopt current WMC primary care RHC policies, processes, and staffing models.

At the November 16th meeting, subgroups for each of these four areas were established and their reports were given as follows:

Sliding Scale/Charity Care:

The subgroup chaired by Monique, met to provide a side-by-side comparison – see attached:

- UCVH and ISHC have different approaches to charity care/discounts
- The UCVH process for charity care is more of a formal application and “means testing” approach based on income, eligibility for Medicaid Expansion and asset limitations
- WMC recently eliminated the asset limitations from its charity care program due to the loan forgiveness program requirement of the National Health Service (leveraged for behavioral health at this time). UCVH will explore adopting this approach
- ISHC’s model is less formal than this and is simply based on income as a % of the Federal Poverty Level
- NOTE: UCVH did not provide a comparison of its self-pay discount program
- Charge comparison between ISHC and UCVH (WMC) for primary care services must be made and policies for both organizations should be shared

ACTION STEPS:

- Monique to convene the subgroup to do a side-by-side comparison of charges with examples of patient liability estimation for ISHC and UCVH
- Examples offered will also include the self-pay discount program UCVH offers to patients
- Scott & Celeste to discuss a modification to the UCVH Charity Care Policy to eliminate asset limitations to the policy
- Monique, Scott and Celeste will report-out on December 16th

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Care Coordination & Outreach:

The subgroup chaired by Rona, met to provide a side-by-side comparison – see attached:

- Rona reviewed the services and functions currently offered by both UCVH (WMC structure which will be used by UCVH) and ISHC
- While there were comparisons done, the functions did not line-up perfectly due to workflow; however, it was agreed by both UCVH and ISHC that the programs are essentially very similar with no material differences
- Dr. Culley offered that the current staffing at ISHC includes:
 - 2 RN Case Managers
 - 1 LPN Case Manager/Referral Coordinator
 - 2 Outreach Workers
 - 1 Behavioral Health Case Manager
- Patient examples were provided, and it was agreed that the side-by-side and patient examples would be shared with the entire work group for discussion
- It was noted that UCVH will have local (Colebrook-area) resources such as care management in order to effectively provide services and home visits to patients in the area – these will not be based in Lancaster
- Chantal Dostie is on vacation and was unable to give the final sign-off on the attached and we will await her final approval

ACTION STEPS:

- Rona will ensure that Chantal Dostie reviews and signs-off on these comparisons
- Rona will make some minor revisions to the comparison document based on feedback during the meeting
- Work Group Members will all review these documents and be prepared to discuss any concerns or differences on December 16th
- Rona and the Work Group Members will report-out on December 16th

Behavioral Health:

The subgroup chaired by Rona, met to provide a side-by-side comparison – see attached:

- As with Care Coordination & Outreach, the group agreed that the UCVH (WMC) capabilities and resources aligned very closely with the ISHC resources and capabilities

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ACTION STEPS:

- Work Group Members will review the attached side-by-side comparison by December 16th

340B Retail Pharmacy:

The subgroup chaired by Sergio, has been exchanging emails and will be meeting via Zoom the week of December 7th – date TBD.

Sergio has provided a document to the group detailing current ISHC pricing by drug as well as patient responsibility based on the sliding scale. Sergio has also provided price comparisons through GoodRX.

John Pantenburg of Stroudwater is working with the UCVH team on developing a comparable pricing model – this will be discussed at greater length during the Zoom meeting.

Sergio recommends that the presentation to the Boards' Executive Committees includes a definition and overview of the 340B program.

3. Other Items:

Legal Review:

UCVH:

Scott and Jonathan met with UCVH's counsel which will be available to work on a conversion if the decision is made to move forward in converting ISHC to an RHC.

ISHC:

Greg and Gail will be meeting with Jacki Leifer, Esq. of Feldesman/Tucker/Leifer/Fidell LLP, regarding similar legal considerations.

Financial Subgroup:

We will form this subgroup at the December 16th meeting assuming our comparisons in the four (4) areas highlighted above lead us to determine that moving forward makes sense.

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Executive Committee Presentation Subgroup:

We will form this subgroup at the December 16th meeting assuming our comparisons in the four (4) areas highlighted above lead us to determine that moving forward makes sense.

4. Next Meeting: December 16, 2020, via Zoom. Time: 11:00 AM to 1:00 PM

The meeting concluded at approximately 11:55 AM

Respectfully submitted, Scott G. Colby, President & CEO, UCVH

INDIAN STREAM HEALTH CENTER & UCVH

RHC WORK GROUP

AGENDA

Date: December 16, 2020

Time: 11:00 AM to 12:00 PM

Zoom: <https://us02web.zoom.us/j/81024487381>

Dial-in Number: 1.929.205.6099
Passcode: 810 2448 7381#

Members:

Indian Stream Health Center ["ISHC"]: Gail Fisher, Dave Thatcher, Mike Burtnick, Greg Culley, MD, Sergio Zulich, Lori Morann, Billie Paquette

Upper Connecticut Valley Hospital ["UCVH"]: Scott Colby, Celeste Pitts, Monique Hand, Rob Gooch, Jonathan Pantenburg, Rona Glines

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|----|---|---------------|
| 1. | Welcome and Review and Approval of the December 2 nd Minutes | 5 Minutes |
| 2. | Subgroup Reports: Completed Tasks: | 60 Minutes |
| | Sliding Scale/Charity Care: | Monique Hand |
| | Care Coordination & Outreach: | Rona Glines |
| | Behavioral Health: | Rona Glines |
| | 340B Subgroup: Update on Progress | Sergio Zulich |

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|--------|---|---------------|
| 3. | Legal Review Updates: | 10 Minutes |
| | UCVH/HRSA Grant Research: Scott Colby | |
| | ISHC: Greg Culley, MD | |
|
4. |
Financial Analysis: Subgroup Formation |
5 Minutes |
| 5. | Executive Committee Presentation Subgroup Formation | 5 Minutes |
|
6. |
Other Items |
5 Minutes |

**INDIAN STREAM HEALTH CENTER & UCVH
RHC WORK GROUP MEETING
MINUTES**

Date: December 16, 2020

Time: 11:00 AM to 1:00 PM

Location: Zoom

Members Present:

Indian Stream Health Center ["ISHC"]: Gail Fisher, Dave Thatcher, Mike Burtnick, Suzanne Phinney, Greg Culley, MD, Lori Morann, Sergio Zullich, Billie Paquette

Upper Connecticut Valley Hospital ["UCVH"]: Scott Colby, Celeste Pitts, Monique Hand, Rob Gooch, Rona Glines (Weeks Medical Center), Jonathan Pantenburg (Stroudwater)

Guests: Jordan Phinney, ISHC

Members Excused:

1. Welcome Approval of December 2, 2020:

The group was asked if there were any questions or proposed changes to the December 2nd minutes.

There were none and the minutes were accepted without vote.

2. Priorities and Subgroup Formation:

The four subgroups reported out as follows:

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Sliding Scale/Charity Care:

The subgroup chaired by Monique, met to provide a side-by-side comparison which had previously been shared:

- Building off of the December 2nd presentation, the group did a side-by-side comparison of charges at the code level
- It was determined that there are two ways to view the patient cost comparison – what a Medicare/Medicaid patient would pay following insurance payment and what a commercial or sliding scale patient would pay
- Medicare pays a flat rate using a “G” code while others pay off of a CPT code – this drives differences in patient cost share
- Medicare: For an FQHC, the patient’s 20% cost share is based on Medicare’s payment of \$175.00 and for an RHC, it is based on 20% of the RHC charge for the actual visit
- After discussion, Jordan provided Scott with volumes by codes and current payor mix so that we may do an analysis of what the patient liability would be under an FQHC vs. an RHC – in the aggregate

ACTION STEPS:

- Monique to convene the subgroup to continue the analysis
- Scott and Jonathan may be called upon to assist
- Scott will forward the analysis to the Work Group once it is complete

Care Coordination & Outreach:

The subgroup chaired by Rona, met to provide a side-by-side comparison which had previously been shared:

- Rona advised that Chantal from ISHC had reviewed this and there are no material differences between the programs
- The notable exception is 340B/Rx pricing which was discussed under that subgroup report

ACTION STEPS:

- N/A

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Behavioral Health:

The subgroup chaired by Rona, met to provide a side-by-side comparison which had previously been shared:

- As with Care Coordination & Outreach, the group agreed that the UCVH (WMC) capabilities and resources aligned very closely with the ISHC resources and capabilities
- The notable exception is 340B/Rx pricing which was discussed under that subgroup report

ACTION STEPS:

- N/A

340B Retail Pharmacy:

The subgroup chaired by Sergio, met to provide an overview and comparison – see attached:

- Sergio provided a brief summary of what the 340B program is and the charity care/self pay discounts offered by UCVH and the sliding scale discounts offered by ISHC
- The sliding scale breaks down patients into groups where they may only have a nominal prescription co-pay – passing the majority of the 340B pricing on to the patients
- The sliding scale patients comprise approximately 1/3 of total prescription volumes annually – 6,000 to 7,000 prescriptions filled for these patients
- The sliding scale pharmacy program assists approximately 425 patients annually (accounting for the 6,000 to 7,000 prescriptions filled under this discount arrangement)
- It was also noted that 36% of ISHC's patients are Medicare
- Commercial insurance reimbursement subsidizes the overall operations as 340B pricing is not passed along to commercial insurance
- UCVH can establish a retail pharmacy (just not under an RHC) and the 340B pricing UCVH and ISHC pay to procure the drugs is the same – national pricing which is updated quarterly
- Discussion occurred around whether UCVH could match these discounts for patients falling in a charity care/sliding scale category – this is a business decision

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- UCVH will evaluate this and it was stated that UCVH will need some of the savings from the 340B program to fund losses – since an RHC does not have access to the 330 grant funding that an FQHC does
- WMC currently does not have a retail pharmacy, but offers samples, pharmacy company program enrollment and some limited vouchers with Walgreens
- A question was raised about whether ISHC could require some level of 340B savings for patients if converted to an RHC
- Scott advised that depending on the nature of the transaction and conversion to an RHC, the NH Attorney General may be able to make stipulations and would have the authority to enforce those
- A question was also asked about patients already transferring to WMC – N. Stratford and why they were coming back to ISHC due to lack of pharmacy pricing support and programs
- The group was satisfied with the report and acknowledged that additional detail would be needed on the structure UCVH would establish should this conversion to an RHC take place

ACTION STEPS:

- N/A

3. Other Items:

Legal Review:

UCVH:

Scott and Jonathan will meet with UCVH counsel Friday, December 18th to discuss the options for a structure and approach to converting ISHC to an RHC.

ISHC:

Greg and Gail will meet with Jacki Leifer, Esq. of Feldesman/Tucker/Leifer/Fidell LLP, at the time the ISHC Board decides (if at all) to convert to an RHC under UCVH

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Financial Subgroup:

Scott will draft an email to Gail to propose moving into the next phase of the analysis which will include the sharing of specific financial information. The purpose of this email will be for Gail to discuss this at the ISHC Board meeting being held tonight, December 16th.

The MOU signed by UCVH and ISHC in October allows for this sharing of information including among affiliates and experts.

ACTION STEPS:

- Scott will draft an email to Gail requesting that we move into the next phase of financial analysis
- Gail will discuss this proposal with the ISHC Board and get back to Scott

Executive Committee Presentation Subgroup:

Mike Burtneck and Scott will coordinate the creation of the presentation which will be made to the Executive Committees.

Next Meeting: FQHC/RHC Comparison:

Jonathan will present on the Federal structure of FQHCs versus RHCs in a PowerPoint presentation he has.

This will be distributed to all prior to the next meeting.

ACTION STEPS:

- Jonathan will provide the Work Group with an advanced copy of the PowerPoint he will present at the December 30th meeting

4. Next Meeting: December 30, 2020, via Zoom. Time: 11:00 AM to 12:30 PM

The meeting concluded at approximately 12:40 PM

Respectfully submitted, Scott G. Colby, President & CEO, UCVH

**INDIAN STREAM HEALTH CENTER & UCVH
RHC WORK GROUP MEETING
MINUTES**

Date: December 30, 2020

Time: 11:00 AM to 12:30 PM

Location: Zoom

Members Present:

Indian Stream Health Center ["ISHC"]: Gail Fisher, Dave Thatcher, Mike Burtnick, Suzanne Phinney, Greg Culley, MD, Lori Morann, Sergio Zullich

Upper Connecticut Valley Hospital ["UCVH"]: Scott Colby, Celeste Pitts, Monique Hand, Rona Glines (Weeks Medical Center), Jonathan Pantenburg (Stroudwater)

Guests:

Members Excused: Billie Paquette (ISHC), Rob Gooch (UCVH)

1. Welcome Approval of the December 16, 2020 Minutes:

The group was asked if there were any questions or proposed changes to the December 16th, minutes.

There were none and the minutes were accepted without vote.

2. Comparison of an FQHC to an RHC:

Jonathan Pantenburg of Stroudwater provided an overview of the PowerPoint presentation he shared with the group the week of December 21st

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In addition to the presentation, other items discussed by the group included:

- Jonathan explained that with the passage of the stimulus bill last week, RHC reimbursement to hospital-based RHCs will be reduced; however Scott reaffirmed UCVH's commitment to establishing an RHC either through WMC or on its own
- The issue of Chronic Care Management reimbursement being offered by an RHC came up. WMC offers this for both medical and behavioral health services and gets reimbursed for it
- Timing: The process for converting ISHC to an RHC under UCVH will be a long one involving the NH AG's office:
 - UCVH will be establishing primary care access in a matter of weeks in Colebrook
 - The possibility of WMC entering into a Professional Services Agreement ["PSA"] with ISHC to stabilize the practice during the transition was discussed
 - It is unlikely that WMC or UCVH could rent space from ISHC; rather, a PSA is more likely
 - ISHC employees will not automatically be hired by UCVH or WMC – there will need to be interviews based on need and cultural fit

3. Priorities and Subgroup Formation:

The four subgroups reported out as follows:

Sliding Scale/Charity Care:

An updated side-by-side comparison of ISHC's and UCVH's/WMC's charges and patient liability was modeled:

- The analysis was based on a tremendous amount of work Jordan Phinney has done
- The analysis was skewed by pharmacy charges which Celeste, Jordan and Sergio will continue to work through
- Once completed, the full analysis will be shared with the entire Work Group
- It looks as though the difference in patient liability, on an annual basis between ISHC and the RHC model would be:
 - \$137K with Pharmacy: More patient liability under an RHC
 - \$6K without pharmacy: More patient liability under an RHC
- RHCs and FQHCs both get a fixed fee/per encounter rate for Medicare – FQHC rate is established by CMS and the RHC rate is based on cost
- Currently the WMC N. Stratford RHC receives between \$175 and \$200 per encounter

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ACTION STEPS:

- In the final spreadsheet, Celeste will include the patient liability per unit of service billed – average based on the annual volumes and the annual patient liability (annual liability/annual number of visits = liability per visit)
- Scott will distribute the final Excel file once Celeste, Jordan and Sergio sign-off on it

Care Coordination & Outreach:

A question was raised about whether the care coordination and outreach function would be Colebrook-based or handled out of Lancaster.

It will substantially be based out of Colebrook with support from NCH/WMC in Lancaster

Behavioral Health:

There were no additional updates.

340B Retail Pharmacy:

The subgroup has completed its work; however, the level of 340B savings UCVH will be able to extend to patients will be determined once the overall financial analysis is completed:

- The ISHC retail pharmacy sliding scale patients comprise approximately 1/3 of total prescription volumes annually – 6,000 to 7,000 prescriptions filled for these patients
- The self-pay discount when comparing ISHC pricing to local retail pricing, amounts to a savings/discount of approximately \$745 K annually
- Overall for the past two years, the retail pharmacy as generated approximately \$2.6 M in gross revenue – this is not net income, but gross revenue before expense and overhead allocation
- The overall financial analysis being conducted by Stroudwater will show whether a UCVH RHC could offer the subsidies to retail pharmacy at the current ISHC retail pharmacy levels and if not, how much those subsidies would be reduced

ACTION STEPS:

- N/A

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4. Other Items:

Legal Review:

UCVH:

Scott and Jonathan will meet with UCVH counsel the week of January 4, 2021, to discuss options to convert ISHC to an RHC. This will likely take months to finalize due to the need for NH Attorney General approval.

It was agreed that we need to work collaboratively with ISHC if ISHC decides to move forward to minimize disruption for the patients.

ISHC:

Greg and Gail will meet with Jacki Leifer, Esq. of Feldesman/Tucker/Leifer/Fidell LLP, at the time the ISHC Board decides (if at all) to convert to an RHC under UCVH.

Greg will be meeting with the HRSA Project Officer to discuss the HRSA transition of ISHC to a new Project Officer. AT this meeting, Greg will mention these discussions with UCVH and the discussion ISHC is having with others.

Financial Subgroup:

Jonathan will attempt to have the Financial Analysis phase completed by January 20, 2021.

Jonathan will work with Dave on the outstanding data request – Jose will provide that data the week of January 4, 2021, when he returns from vacation

ACTION STEPS:

- Jonathan will email Dave with the outstanding data elements he has requested
- Jonathan will provide an interim update on the analysis on January 13th

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Executive Committee Presentation Subgroup:

Mike Burtnick and Scott have agreed on the format for the presentation.

Scott will draft the presentation and send an advanced copy Mike and then to the Work Group. This first draft will contain all of the information except the Financial Analysis section.

ACTION STEPS:

- Scott will begin drafting the presentation and send Mike a draft for review

5. Next Meeting: January 13, 2021, via Zoom. Time: 12:30 PM to 2:00 PM

The meeting concluded at approximately 12:35 PM

Respectfully submitted, Scott G. Colby, President & CEO, UCVH

INDIAN STREAM HEALTH CENTER & UCVH

RHC WORK GROUP

EXECUTIVE COMMITTEE PRESENTATION OUTLINE

The following is the suggested outline for the PowerPoint presentation the ISHC-UCVH Work Group will create to explain its findings and recommendations as it relates to the conversion of ISHC to an RHC:

Section I: Overview of the Process

- 2 slides
- Work group members
- Number of meetings
- Subgroup formation and areas

Section II: RHC Vs. FQHC – Federal Program Definitions

- 4 slides
- Highlights of the differences in structure, requirements and capabilities of each
- Side-by-side comparison of key areas
- Will be taken from Stroudwater Associates presentation (to be made to the Work Group on 12/30)

Section III: Capabilities of FQHC vs. RHC:

- 4 slides – one for each subgroup
 - Care Management/Outreach
 - Behavioral Health
 - Sliding Scale/Charity Care & Self Pay
 - Retail Pharmacy and 340B/Sliding scale discounts

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Section IV: Financial Analysis:

- 5 slides
- Overview of ISHC assets, debt, cash position and cash burn rate
- Remaining Government funds which would have to be returned (330 Grant, CARES Act, other, etc.)
- Overview of operating income/loss/performance including:
 - Number of active patients
 - Number of appointments
 - Provider productivity
 - FTE count
 - Done for overall operations and for each of these areas:
 - Medical Practice
 - B-H Practice
 - Retail Pharmacy
- Note: UCVH will rely on Stroudwater for its analysis and evaluation of the ISHC's financials and this section could change

Section V: Legal Structure Considerations

- 3 slides
- Legal options for converting ISHC to an RHC
- How would the asset transfer look
- When do we sign a formal letter of intent to convert ISHC to an RHC
- Is a merger document to be drafted which would define the process

Ending with Q&A