

APPENDIX P-3

SolutionHealth Board of Trustees' Meeting Minutes dated June 24, 2021

(confidential treatment requested)

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**SolutionHealth
Board of Trustees Meeting**

A meeting of the SolutionHealth Board of Trustees was held on June 24, 2021 by Zoom Video Conference in New Hampshire. Ms. Dianne Mercier, Chair, called the meeting to order at 5:00 p.m. with a quorum present.

Attendees:

Howard Brodsky
Sherry Hausmann, President & CEO
John Hession, Treasurer
Lawrence Hoopp, MD
Hon. Clifford Kinghorn, Jr.
Stephen Loosigian, DO
Dianne Mercier, Chair
Martha O'Neill, Esq., Secretary
Praveen Suchdev, MD, Vice Chair
Timothy Sullivan, Esq.

Staff:

Greg Baxter, MD, CCO and President, EHS
Kelly Corbi, Chief Operating Officer
Joe Felkner, Chief Financial Officer
John Friberg, Esq., Chief Legal Officer
Bill Lewkowski, Chief Information Officer
Steve Norton, Chief Strategy Officer
Scott Wolf, DO, CQO and President, SNHHS
Sylvie White, Sr. Executive Assistant

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Home Health and Hospice Care: Mr. Steve Norton reported that the documents included in the meeting materials represent the journey the organization has been on over the past two years to create a regionally integrated post-acute care system to prepare for value-based care. In January 2021, the Board approved a Letter of Intent (LOI) that allowed management to begin the work on the development of the Combination Agreement. Mr. Norton noted there was very little different between the LOI and the Combination Agreement. The principle difference in terms of material or structural terms is that the Combination Agreement includes a termination agreement and negotiated expenses associated with shared services provided by SolutionHealth to HHHC following closing. Mr. Norton stated that the Combination Agreement has been approved by the Home Health and Hospice Care (HHHC) Board, the SNHH Board and the EHS Board.

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Mr. John Friberg stated that following the summary and update on the proposed transaction between HHHC and SolutionHealth, management will request the Board's approval on a resolution that authorizes Ms. Sherry Hausmann and her management team to proceed with executing the Combination Agreement, to bring our first new organizational entrant into SolutionHealth. Mr. Friberg noted HHHC will be a participant in the governance structure in a different way than the EHS and SNHHS hospital system, as created through specifically crafted reserved powers in the Amended HHHC Bylaws, as proposed and attached to the Combination Agreement in the Board's packet.

The act of bringing HHHC into the SolutionHealth organizational and governance structure will be effectuated legally by entering into the Combination Agreement and then seeking regulatory approval followed by a closing. The Combination Agreement includes two attachments: Exhibit A (amended Articles of Agreement for HHHC) which are the governing documents of HHHC that will make SolutionHealth the sole member of HHHC and Exhibit B (amended Bylaws for HHHC) which introduce a version of shared and reserved governance powers. Mr. Friberg stated that the Combination Agreement, including both attachments, has already been approved by three out of the four relevant boards. While it would be reasonable to take the position that a relationship of this nature only requires the approval of the HHHC and SolutionHealth boards, and not of the two hospital system boards, he and the management team have approached the review and approval process in the most inclusive and transparent manner, given the significance of a new organizational entrant to the relatively young regional system, the importance of all trustees understanding the new relationship and how it will impact strategic growth and governance, and the fact that HHHC will naturally begin to work with the VNA of Manchester and Southern New Hampshire, the sole member of which is EHS.

Mr. Friberg provided a description and summary of the key substantive terms of the Combination Agreement which sets forth the purposes for and terms of the combination relationship, which were re-reviewed particularly with regard to the integrated governance model and shared services to be provided to HHHS, as well as the mechanisms by which the boards may opt to terminate the relationship both before and after closing. The Combination Agreement also includes important technical and legal terms and conditions, relating to the documents to be delivered and steps necessary prior to closing (following regulatory review and approval); representations and warranties from and to both parties; covenants in place between execution and closing; what representations and warranties survive closing and the details relating to indemnification rights in the event that a breach is later alleged; confidentiality and publicity; dispute resolution via discussion, mediation and if necessary binding arbitration between the parties, and; technical legal terms pertaining to notice, governing law, forum selection, no third-party beneficiaries and definitions.

Mr. Friberg re-reviewed the shared governance model as originally depicted in a previously-circulated chart which was Exhibit A to the LOI, and with a few modifications has now been incorporated into proposed Amended HHHC Bylaws that are Exhibit B to the Combination Agreement, in the Board's packet. Under the shared governance structure between HHHC and SolutionHealth, HHHC will remain its own independent charitable trust, subject to certain

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reserved powers of the SolutionHealth Board. The SolutionHealth Board will have decision making authority over HHHC including matters involving strategy, finance and information technology. HHHC and SolutionHealth will share powers and decisions on matters such as the removal of trustees, changes to governing documents and the dissolution of entities. HHHC will receive shared services from SolutionHealth for which they will financially contribute a portion of their net patient service revenue relative to the whole system. Also, HHHC will retain niche reserved powers relating to its volunteer program, community benefit and community philanthropic activities, the Hospice House and Board directed endowment funds, as a carve out from the finance authority that is otherwise migrating to the SolutionHealth Board. Although there is shared governance, this model differs from that of the Hospital Systems given the relative size of the HHHC organization.

Mr. Friberg reported that the due diligence phase is near completion. Once finalized to the satisfaction of management and transaction counsel, with the Board's authorization, management will proceed with executing the Combination Agreement, which will be followed by the filing of a Notice with the Director of Charitable Trusts pursuant to RSA 7:19-b, which will begin the 180-day review period by the Charitable Trusts Unit. In addition, two public hearings will likely be scheduled. The closing will occur thereafter, once all regulatory processes and conditions have been fulfilled.

Mr. Friberg provided a summary of the Board's fiduciary duties applicable to the review and approval of a relationship such as the one presently before the Board, including common law duties and those established by New Hampshire RSA 7:19-b. Management and transaction counsel anticipate that the outcome of the due diligence process will be favorable and recommend proceeding with the Combination Agreement at this time, subject to notification to the Boards if that recommendation changes for any reason based upon new information.

Mr. Friberg presented the Board proposed Resolutions, which was followed by a group discussion and a question and answer session. Mr. Sullivan and Mr. Hession shared the unanimous and enthusiastic support of the SNHH and EHS Hospital System Boards, respectively.

Ms. Mercier recognized Judge Cliff Kinghorn for his involvement and relationship as a former member of the HHHC Board, and thanked several members of the Board and management including Mr. Friberg and Mr. Norton for their efforts. Mr. Friberg also recognized Judge Kinghorn for his review and early input regarding the LOI.

Upon motion duly made and seconded, it was enthusiastically and unanimously,

**VOTED: To approve the SolutionHealth Board Resolutions for approval of the Home Health and Hospice Care Combination Agreement.
(See attached).**

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Adjournment: With no further business, the meeting adjourned at 6:20 p.m.

Respectfully submitted,

Sylvie White