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Reply to: Manchester Office
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December 13, 2022

VIA ELECTRONIC MAIL

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Re: *Proposed Transaction between Exeter Health Resources, Inc. and Beth Israel Lahey Health, Inc.* – EHR's Responses to November 10, 2022 Request for Information and Documents

Dear Attorney Quinlan:

Thank you for your letter dated November 10, 2022 through which your office has requested information and documents in connection with the above-referenced transaction. Below please find narrative responses to each request. We have attached responsive documents to this letter organized by response number and have specified below where EHR and/or BILH requests confidential treatment of the documents produced. The basis for all confidentiality requests cited herein is that the requested information is "confidential, commercial or financial" under RSA 91-A:5.

Several requests seek information concerning what actions or commitments BILH will take or make. In most cases, EHR has coordinated those responses with BILH to ensure accuracy and completeness. In a few instances, EHR's answers will include information or documents that it cannot share with BILH pending consummation of the proposed transaction. In those cases, EHR will provide your office with access to this information through a separate, secure Box folder.

There are certain requests that seek information about EHR and BILH's integration plans and similar efforts. In several cases you will see that, while the parties may have engaged in preliminary "planning to plan" efforts, they have not taken further action to avoid "gun jumping". Because EHR and BILH are and must remain independent from the perspective of federal and state antitrust laws until the closing occurs, their activities are subject to Section 1 of the Sherman Act, 15 U.S.C. § 1, which prohibits collective action in restraint of trade.

"Gun jumping" is a term used by federal antitrust agencies to refer to actions that merging parties cannot legally engage in before closing, even if those actions might facilitate the merger and expedite post-merger integration. Even though the motivation behind such actions is to advance and begin to resolve efficiency concerns and is pro-competitive, premature integration activities can lead to civil and criminal antitrust enforcement because independent entities are not permitted to exercise control over other independent entities or exchange competitively sensitive information. Gun jumping can also expose EHR and BILH to private antitrust litigation from competitors or business partners. To ensure compliance with antitrust laws, EHR and BILH, as independent entities, must remain separate and distinct until closing. Because compliance also requires that they avoid sharing any competitively sensitive information that could lead to an inference of anticompetitive conduct, there are strict limitations on the integration planning efforts that the parties can legally undertake until after the transaction is completed.

RESPONSES

BOARD DUE DILIGENCE

1. Explain why the EHR board chose Kaufman Hall to solicit proposals from potential affiliation partners, and the names and qualifications of the individuals from the firm with whom the EHR board consulted.

   RESPONSE: Kaufman Hall is a nationally recognized healthcare consulting firm that advises clients like EHR across the country on strategic affiliations such as the one proposed by EHR and BILH. Kaufman Hall has a significant client base in the Northeastern U.S. and has a deep understanding of the economic and market competition factors affecting community health systems in New Hampshire and bordering states. Accordingly, Kaufman Hall is uniquely qualified to provide guidance and advisory services to EHR.

   EHR originally retained Kaufman Hall to provide economic and strategic advisory services that helped EHR determine that it could not sustain itself as a stand-alone health system. EHR subsequently used the firm to advise in connection with its previous attempted affiliation with Mass General Brigham ("MGB"). Given Kaufman Hall's familiarity with the organization, and understanding of the New Hampshire healthcare market, EHR again engaged the firm to advise EHR and its board in connection with the search for a new affiliation partner.

   Nick Gialessas, Senior Vice President, has been EHR's main point of contact at Kaufman Hall. EHR has also worked with Mark Grube, former Managing Director, and Deborah Pike, Senior Vice President, during the engagement.

See Attachment 1 for Mr. Gialessas' CV and materials concerning Kaufman Hall's qualifications.

2. Provide a copy of the Request for Proposal issued by EHR and referenced in the notice as well as the affiliation criteria established by the board.

   RESPONSE: Attachment 2 contains a copy of the Request for Proposal ("RFP") that EHR sent to BILH, which is substantially in similar form as those sent to the other potential affiliation partners. The RFP references the extensive affiliation criteria established by the EHR Board.

   Confidential treatment of documents requested.

3. Provide a list of the names of the 16 potential partners from which the strategic consultant solicited proposals, and the names of the 3 potential partners that submitted proposals.

   RESPONSE: The information sought by this response is confidential pursuant to the terms of Non-Disclosure Agreements with the 16 potential partners referenced above and, therefore, is not being produced by agreement with your office.

4. Provide any and all documentation, including reports, presentations, and minutes of meetings, relating to the proposals submitted by the 3 potential partners. Include the "high level side-by-side overview of the relative merits and considerations of each affiliation proposal" provided to the board on September 24, 2021.

   RESPONSE: See redacted documents in Attachment 4.

   Confidential treatment of documents requested.

5. Provide the names of the two "possible affiliation partners" mentioned in the November 15, 2021, Executive Committee meeting, and provide the "high level side by side summary of the key terms of draft letters of intent" submitted by the two potential partners and referred to in the December 17, 2021, meeting of the board.

   RESPONSE: See redacted documents in Attachment 5. Per Response No. 3 above, EHR has not disclosed the names of the two possible affiliation partners.

Confidential treatment of documents requested.

6. Provide copies of the documents referred to in the minutes of the January 4, 2022, meeting related to the proposals by the potential affiliation partners.

   RESPONSE: See redacted documents in Attachment 6.

   Confidential treatment of documents requested.

7. To the extent not previously provided, submit copies of the minutes of any and all EHR board and committee meetings during which the aforementioned proposals submitted by the 3 potential partners were reviewed and discussed and the meetings during which the board voted on the proposals.

   RESPONSE: EHR submitted all applicable Board meeting minutes and Board Executive Committee Meeting minutes with its Notice filing.

8. To the extent not previously provided, provide minutes of board meetings related to the letter of intent between EHR and BILH, including, but not limited to, discussions regarding the negotiation and approval of the letter of intent.

   RESPONSE: EHR submitted all applicable Board meeting minutes and Board Executive Committee Meeting minutes with its Notice filing.

9. Describe in detail the due diligence process conducted by EHR management and the EHR board. Provide the names of any consultants, advisors, or experts retained by EHR or the EHR board in connection with the due diligence process (other than Kaufman Hall), the selection of BILH as a partner, the negotiation of the letter of intent, and the negotiation of the Affiliation Agreement.

   RESPONSE: EHR, its Board of Trustees and management, with assistance from Kaufman Hall and Locke Lord, its legal advisors, conducted extensive due diligence before selecting BILH as its desired affiliation partner. As reflected in Response 2 above, EHR sent BILH a comprehensive RFP that required BILH to provide responses to several detailed and targeted inquiries from EHR. EHR then carefully analyzed BILH's RFP response with its advisors and compared the BILH response to the

responses received from other interested parties in order to ensure that BILH satisfied the established criteria.

In addition, EHR and BILH conducted several peer-to-peer diligence meetings on important topics such as Human Resources, Finance, and Information Technology. Attachment 9 contains minutes of these peer-to-peer sessions. In November of 2021, EHR also hosted BILH representatives for a facility tour and asked questions regarding BILH, its operations, culture, and more. A copy of the list of tour attendees and a sample question list are in Attachment 9.

The Analysis Group, an economics consulting firm, was retained by Locke Lord to provide a preliminary comparison of potential competition and antitrust issues, if any, posed by each of the three finalists selected by EHR through the RFP process. The Analysis Group's reports were provided to Locke Lord and are subject to the attorney-client and work product privileges.

Kaufman Hall assisted EHR with analyzing the LOI proposed by BILH and, along with Locke Lord, aided EHR in the negotiation of the LOI. Kaufman Hall prepared a presentation for the EHR Board of Trustees, which discussed the terms of the LOI, emphasized the points on which BILH agreed to make changes, and determined responsiveness to EHR's affiliation criteria in order to better enable the EHR Board to assess, and ultimately approve, the LOI. Attachment 9 contains the presentation materials.

Confidential treatment of documents requested.

10. Provide copies of any financial forecasts and consultant reports submitted to the EHR board in connection with the consideration of an affiliation, merger, acquisition, and/or combination transaction with BILH and other potential partners that have not previously been provided.

RESPONSE: Attachment 10 contains financial forecasts prepared by Kaufman Hall and EHR management.

Confidential treatment of documents requested.

11. To the extent not previously provided, provide any and all documentation, including, but not limited to reports, presentations, and minutes of meetings, relating to the review of the Affiliation Agreement and its terms, its discussions, the negotiations, and the vote by the EHR board and board committees. Include any and all reports and presentations made by representatives of BILH to the EHR board.

    RESPONSE: Attachment 11 contains two presentations that Kaufman Hall made to the EHR Board concerning the terms and negotiation of the Affiliation Agreement.

    Confidential treatment of documents requested.

12. Provide copies of any written comments, complaints, questions, and other input submitted to EHR management and/or the EHR board from physicians, employees, volunteers, management, and the public related to the transaction with BILH. Include any comments and questions submitted during the listening session held on May 18, 2022.

    RESPONSE: Attachment 12 contains comments, questions, and input received from members of the public before, during, or after the listening session. EHR has conducted—and continues to conduct—meetings with community organizations, leaders, and legislators about the transaction.

    Confidential treatment of documents requested.

13. Describe any changes made to the Affiliation Agreement as a result of comments, questions, or concerns raised at the listening session held on May 18, 2022.

    RESPONSE: There was no negative feedback provided at the listening session. Several questions were asked and certain positive feedback and comments were made. All feedback, comments, and questions from the listening session were presented to the EHR Board for consideration before it voted on the Affiliation Agreement. Because no concerns were raised during the listening session, there were no resultant changes to the Affiliation Agreement.

14. Identify the names of the EHR board members who attended the listening session on May 18, 2022.

    RESPONSE: The following EHR trustees attended the May 18, 2022 listening session:

Kevin Callahan
Robert Eberle
David Falck
Stephen Hermans
Nicholas Toumpas
Sally Ward
Joseph Simeone (former Trustee)

15. Describe the notice and the "town hall" meetings held by EHR for its workforce. Include the dates of the meetings and the number of people who attended each meeting. Provide copies of the notice of the meetings, the presentations, and the FAQ document. Describe any oral comments, questions, and complaints and provide any written comments, questions, and complaints submitted by employees at or following the meetings.

RESPONSE: EHR's CEO, Kevin Callahan, conducted four, all staff virtual town hall meetings via WebEx on March 16, 2022, May 13, 2022, and October 27, 2022. The March 16th meeting concerned EHR's signing of the BILH LOI and had 285 attendees. The May 13th meeting covered updates on the BILH affiliation process and had 251 Attendees. Mr. Callahan conducted two similar meetings on October 27th (8:30 a.m. and 3:00 p.m.) and provided an update on the BILH affiliation process. A total of 346 people attended the two October 27th meetings. Notifications of these meetings, the press release distributed to all staff, and an FAQ document are in Attachment 15.

In addition to these town hall meetings:

a. Mr. Callahan conducted an all-managers meeting concerning the proposed BILH affiliation on March 15, 2022 with 209 attendees. His presentation materials are in Attachment 15.

b. EHR has provided ongoing affiliation updates at quarterly staff business meetings, Exeter medical staff meetings, and Core Physicians provider meetings.

EHR did not keep a record of oral comments, questions, or complaints raised at town hall, business, or provider meetings. During a medical staff meeting in which the BILH transaction was discussed, however, one provider asked a question about EHR's intent to continue its relationship with MGB with respect to EHR's cancer center.

AFFILIATION AGREEMENT

16. Provide the terms of each of the EHR trustees. Describe the standards or criteria that will be employed by BILH in determining whether to appoint nominees to the EHR board.

RESPONSE: The terms of the current EHR trustees who are intended to complete their current terms are as follows:

TRUSTEE	CURRENT TERM EXPIRES
Rob Eberle, Chair	**2023 Annual Meeting***
Amy Case, Vice Chair	**2023 Annual Meeting***
Kevin J. Callahan, President	**Ex Officio (concurrently with service as CEO of EHR)**
Susan DesJardins	**2023 Annual Meeting***
Cindy Dominguez	**2024 Annual Meeting***
David Falck	**2024 Annual Meeting***
Charles Davis Farmer, Jr.	**2023 Annual Meeting***
Robert Hevert	**2023 Annual Meeting***
Richard Hollister, MD	**Ex Officio (concurrently with service as President of Exeter Hospital Medical Staff)**
Michael Pangan, MD	**2024 Annual Meeting***
Nick Toumpas	**2024 Annual Meeting***
Sally Ward	**2023 Annual Meeting***

Following the Closing Date of the Affiliation, there will be an additional ex officio Trustee appointed to the EHR Board by BILH.

See also **Sections 9.1(b) and 9.1(c) of the Affiliation Agreement for the criteria concerning the appointment of trustees following closing. Among other things, board members must be members of the communities served by EHR and independent (i.e., having no financial relationship with EHR). Section 3 of the Amended and Restated Bylaws of EHR, which take effect as of the closing, addresses the EHR Board of Trustees including number, qualification, term length, appointment, reappointment, removal and resignation. Section 3.1.2 of the Amended and Restated Bylaws of EHR contains the standards and criteria to be employed by BILH in electing (or approving EHR's nominations) of EHR Trustees.**

The Governance/Nominating Committee of EHR will nominate all trustee candidates for recommendation by the EHR board to the BILH board for approval. It has been BILH's practice to defer to the recommendations of its community hospital boards, absent some conflict of interest. Since its formation in 2019, BILH has never rejected a trustee candidate recommended by one of its community hospital boards.

17. Provide additional information concerning the Integration Committee, including the number of people from EHR and BILH who will serve on the committee, how the committee members will be selected, and the specific responsibilities of the committee. Submit any directives, guidance, or instructions that will be provided to the Integration Committee in carrying out their responsibilities.

<u>RESPONSE</u>: As described in Section 10.2 of the Affiliation Agreement, EHR and BILH have created a committee of representatives from both organizations tasked with coordinating the integration of EHR and BILH. This committee (hereinafter, the "Executive Oversight Committee") holds ultimate decision-making authority for matters relating to the integration of EHR into the BILH system. The following depicts the governance structure of the Executive Oversight Committee.

[*Response continued on next page*]

The Executive Oversight Committee is responsible for overseeing the integration of EHR into BILH and has the authority to provide strategic direction to integration planning, and to approve recommendations brought forth by the Integration Committee and various work groups. Directly under the Executive Oversight Committee sits the Integration Committee, which is responsible for establishing expectations, guiding progress on, and ensuring achievement of target goals and timelines for the potential integration of EHR into BILH.

The Executive Oversight Committee consists of four representatives from EHR and five representatives from BILH. The Integration Committee consists of twelve EHR representatives and fourteen BILH representatives.

More detailed information regarding these committees' structures, responsibilities, and membership can be found in Attachment 17 (presentation developed for the inaugural meeting of the Executive Oversight Committee). Legal counsel has provided guidance to the Executive Oversight Committee on how to avoid gun jumping (see *supra* gun jumping discussion).

Confidential treatment of documents requested.

18. Please provide additional information on how the investment levels were determined and the expected improvements associated with each:

    - $165M capitalization of inpatient beds
    - $35M Epic
    - $50M additional capital investment
    - $125M additional capital investment in the later five years
    - $49.8M in direct support for community safety net affiliates (under access to healthcare for low-income communities)

    RESPONSE: The investment levels described in the Affiliation Agreement and referenced in Request 18 closely align with the expectations and requirements outlined by EHR during its RFP process. Attachment 18 contains a report prepared by Kaufman Hall concerning EHR's estimated capital needs.

    The $165 Million capitalization of inpatient beds is necessary because existing inpatient units are in old buildings (some over 50 years old), and the units are too small and inflexible. Many building systems require significant upgrades or replacements, and windows and roofs are failing and need repair. There are also an insufficient number of private rooms for medical-surgical patients resulting in delayed patient room assignments, overcrowding and the potential for patient privacy issues. This dollar amount was based on a long history of assessing the facility requirements at Exeter Hospital and estimating their upgrade costs.

    The $165 Million capitalization for a new inpatient building will include new state-of-the-art private patient rooms and equipment, a new lab and pharmacy, space to support care coordination and clinical integration efforts, and additional support space to maximize workflow efficiency for hospital staff. The new building will also enhance privacy, be safer for patients and staff, decrease turn-around time for room assignment and patient admissions, and improve patient and family satisfaction.

    The $35 Million for Epic is what BILH will invest to facilitate the conversions of the existing electronic medical record ("EMR") systems at Exeter and its facilities and clinics to the single Epic system.

    The additional $50 Million is to support the 5-Year Capital Plan that has yet to be developed, and includes investments for routine capital and other strategic capital for intended investments in the expansion of access to primary care (with integrated behavioral health), urgent care, appropriate specialty services and outpatient diagnostics, testing and rehabilitative services in communities served by Exeter but geographically distant including, but not limited to, Raymond and Plaistow, in

alignment with the findings of EHR's community needs assessment and EHR's existing community partnerships.

The additional $125 Million investment in the later five years of the contemplated affiliation reflects a level that exceeds EHR's capital expense in 2019.

The $49.8 Million investment refers to commitments made to the Commonwealth of Massachusetts as part of BILH's Assurance of Discontinuation ("AOD") to directly support community safety net affiliates and programs targeted to underserved populations. This investment is reflective of BILH's commitment to the types of underserved populations served by EHR. For example, BILH provided ~$8M in direct financial support in FY 2021 to the following Community Health Centers in Massachusetts that provide care to low-income and underserved populations:

- **Charles River Community Health Center**
- **The Dimock Center**
- **Fenway Community Health Center**
- **Outer Cape Health Services**
- **South Cove Community Health Center**

Confidential treatment of documents requested.

19. Describe the sources of funding for the 5 Year Capital Plan and the Capital Commitment, including, but not limited to, any sources of funding from EHR assets and debt. Confirm whether BILH's commitment to ensure the funds necessary to satisfy EHR's debt includes any debt incurred after the date of the closing.

RESPONSE: As described in Section 3.1(c) of the Affiliation Agreement, the parties will draw upon appropriate sources of funds for the 5-Year Capital Plan and Capital Commitment, which may include without limitation, operating cash flow, BILH unrestricted cash and investments, debt and/or other sources. In no event will Exeter's endowment funds or Board-designated funds, whether restricted or unrestricted, including all investment gains, dividends, income or principal appreciation derived thereof on or after the Closing, be considered a source of funds for the 5-Year Plan or the Capital Commitment.

20. The 2021 EHR community benefits report indicates the need for support to address substance use and mental health problems in the community, as well as the aging population/senior services, transportation issues, and suicide prevention. Among the types of support listed include cash donations, healthcare support services, community based clinical services, and grants. Please provide comparative information on how EHR's financial plans for investment in these areas will change after the affiliation.

    RESPONSE: In accordance with Section 10.11 of the Affiliation Agreement, the EHR Board of Trustees will have the authority to oversee a Local Community Benefits Allocation of up to $3 Million annually in inflation-adjusted dollars. The current financial performance of EHR does not support this level of spending at present, but EHR intends to increase its community support spending as financial performance permits and with the assistance of the Local Community Benefits Allocation. The Local Community Benefits Allocation is intended to be spent both on grants to local service providers who already have a track record of providing these services and on subsidizing existing and expanded efforts to address related concerns internally by EHR.

21. Considering the challenges with filling staff vacancies, how does BILH anticipate recruiting and expanding capacity and access in the areas identified in the Affiliation Agreement:
    - Behavioral health, including through access to primary care
    - Programs for substance use disorder treatment
    - Healthcare for low-income and disadvantaged populations
    - Elder care
    - Primary care office hours and availability for walk-ins
    - Use of LCSWs in primary care offices
    - Collaborative Care Model (CoCM)

    RESPONSE: BILH has a robust Talent Acquisition strategy to ensure it is competitive in this challenging labor market. The BILH Careers site markets its open positions and the many benefits of working for BILH. Its job postings are 'scraped' to additional on-line job boards to reach the broadest audience possible. BILH has an on-going recruitment campaign on social media platforms, including LinkedIn and Facebook, spotlighting its own employees and its BILH stories which helps it reach both passive and active candidates. BILH hosts on-site and virtual career events, with over 20 events taking place just this month. BILH's recruitment team partners with local colleges and universities to place Social Work and Mental Health Counselor interns, an important talent pipeline. BILH participates in college career events and posts its jobs to their

career sites. Its recruiters source candidates via LinkedIn and Indeed, and also routinely outreach to former employees who might be interested in returning. BILH offers signing bonuses, employee referral bonuses, and market-competitive wages and benefits. For social workers and mental health counselors, BILH offers reimbursement for license and CEU costs as well as paid supervision. Post-closing BILH will extend these efforts to the New Hampshire market and work collaboratively with EHR to meet its staffing needs.

22. Please provide additional details on the maturity level of the BILH CoCM, including the extent to which it is currently deployed within BILH. Please contrast with EHR's investment and status with CoCMs in NH.

    a. Have there been any positive and measurable outcomes associated with the BILH CoCM?
    b. How many patients are receiving treatment under this model now?
    c. Among the patients referenced in the prior question, what portion of the practices and patients are in practices that meet the model requirements to submit claims to Medicare and commercial payers using the CoCM CPT codes?

RESPONSE: As part of the AOD with the Massachusetts Office of the Attorney General ("MA AG"), BILH committed to having 50% of its employed BILH primary care sites in the CoCM in three years (i.e., by February 2022). BILH also committed to having 100% of its employed BILH primary care sites within five years (i.e., by February 2024). As of October 2022, BILH integrated 62 sites (equivalent to 79% of the target practices), with the integration of 8 more sites planned by February 2023.

BILH tracks several measures associated with its CoCM. Examples of such measures include:

- **Provider/Clinician experience, with an aim to increase the confidence of behavioral health clinicians in managing mental health or substance use disorders in primary care: In 2022, 43.7% of the providers in the CoCM were extremely or very satisfied with the ability of the primary care team to address the needs of mental health disorders, compared to the 2.9% of providers outside of the CoCM.**

- **Patient remission of depression and anxiety symptoms: In October 2022, 19.2% of active patients met criteria for remission status of their depression symptoms, and 19.4% of active patients met criteria for remission of their anxiety symptoms.**

- **<u>Access to CoCM across BILH</u>: Currently, 83.4% of BILH primary care providers have access to refer to the CoCM.**

As of October 2022, over 2,700 patients were actively participating in CoCM treatment plans. Almost 100% of the coding volume for practices in the CoCM model is submitted using CoCM CPT codes.

Core Physicians has implemented CoCM in one of its three pediatric practices since October 2021, one of the first primary care providers in New Hampshire to do so. In 2023, Core intends to expand CoCM into two of its six adult primary care practices. Ideally, access to integrated behavioral health services would be accessible in all of Core's primary care practices; however, ongoing financial and resource challenges have been a barrier to expansion of this effort.

The initial funding source for Core's behavioral health work came from the NH Integrated Delivery Network (IDN). That funding expired in 2020. Since then, Core has worked to achieve sustainability of the integrated care model, but has not yet been able to reach that point.

BILH is further along than Core Physicians in its CoCM journey, and has experience at greater scale. This affiliation will support EHR/Core Physicians in addressing barriers to expanding Core's behavioral health services to more of Core's primary care locations by 1) improving access to necessary CoCM resources (i.e., recruitment and retention); 2) guiding the establishment of clinical, operational and billing best practices to improve financial sustainability of the CoCM model (i.e., through access to BILH subject matter experts); 3) facilitating access to more efficient medical record tools for documentation and establishment of registries; and 4) furthering Core's expansion into tele-behavioral health services.

23. Are there different versions of Epic in the BILH system?

- If multiple versions are in use within BILH, please indicate that and describe the version with the highest level of functionality.
- Will the EHR Epic system be equivalent to the BILH systems with the highest level of functionality?
- Will the EHR Epic system allow full customization for the EHR site and meeting New Hampshire specific needs?
- Will EHR be required to pay BILH for use of BILH's Epic system? If so, what payment(s) will be required?

RESPONSE: Within the BILH system, there are currently two versions of Epic. However, BILH is embarking on a project to create a new version, based on the latest functionality from Epic. This new version will have greater functionality than any current versions and will be the version that would be used at EHR. The EHR Epic system will be equivalent to the BILH system with the highest level of functionality. The Epic system does allow for customization—through a thoughtful design process, BILH plans to deliver one version of the Epic system that can support local needs. BILH will fund the installation of Epic consistent with commitments described in the Affiliation Agreement. For ongoing proportional operating charges, EHR would receive an IT system service allocation expense similar to those received by other first-tier entities within the BILH system.

24. Is there an existing business plan or conceptual framework that will inform the development of the joint BILH/EHR Clinical Services Growth Plan?

RESPONSE: Section 10.6 of the Affiliation Agreement outlines the objectives of the Clinical Services Growth Plan ("CSGP"), pursuant to which BILH and EHR will develop jointly a plan to expand the breadth and depth of services provided locally in EHR's service area, including access to tertiary/quaternary services. The parties have six months from closing to develop the CSGP. BILH has committed to include behavioral health and substance use as specific areas of focus within this planning effort, as described in more detail in Part III of the Notice to the Director of Charitable Trusts filed by EHR on September 30, 2022 (the "CTU Notice"). Importantly, Section 10.6 of the Affiliation Agreement also states that the CSGP will be informed by, and consistent with, EHR's Community Health Needs Assessment. Please see Attachment 17 for a preliminary conceptual framework that is intended to inform the development of the joint CSGP.

25. Please provide any demand projections used to identify the opportunity with the clinical growth areas, and the source of increased patient volumes BILH anticipates.

RESPONSE: Given restrictions under antitrust laws, BILH and EHR are limited in their ability to share information necessary for developing demand projections that could be used to identify opportunities within the clinical growth areas or sources of increased patient volumes.

26. Are existing commercial payer reimbursement rates considered sufficient to support the BILH Clinical Services Growth Plan? If not, what are the increases anticipated?

    - Please comment with separate consideration for hospital services, professional services, hospital outpatient department services, and free-standing outpatient services, with additional detail by specialty area.
    - Include consideration for BILH's intentions to grow the homecare and hospice network.
    - What clinical service lines are expected to have the greatest return on investment and the lowest?

    RESPONSE: Generally, determining the financial viability of new programs is a multifaceted process that looks at a long-term Return on Investment ("ROI"). The factors include an assessment of community need, anticipated net new volume and fit with other programs to decrease overhead associated with the new line of business.

    In developing an approach to payor negotiations, BILH looks at the competitive landscape in the market and the all-payor database. BILH assesses the overall costs associated with providing care and anticipated factors that impact that cost, such as inflation and staffing costs. However, given restrictions under antitrust laws, BILH and EHR are limited in their ability to share information necessary for fully understanding the sufficiency of existing commercial payor reimbursement rates as they relate to supporting the CSGP. See *supra* gun jumping discussion.

27. Please expand on BILH's intentions to "increase access to primary care and behavioral health through augmented scale, resource planning, and alignment of behavioral health resources within primary care practices." Include any estimates developed internally for staffing capacity changes, patient volumes, and/or revenue.

    RESPONSE: BILH has committed to including primary care and behavioral health as specific areas of focus as part of its proposed affiliation with EHR. This comprehensive planning effort of BILH and EHR will identify shared initiatives and investments across services lines. In furtherance of BILH's intent to increase access to primary care and behavioral health, BILH plans to work jointly with EHR to develop EHR's existing primary care capabilities, including expansion of primary care office hours and accommodating more walk-in patients, among other enhancements. BILH has also taken steps to integrate behavioral health into primary care across the BILH system, including the integration of behavioral health providers into patient care teams and embedding licensed clinical social workers in each of BILH's employed primary care offices. The parties anticipate that such integration could also be replicated with EHR. More detailed descriptions of these and other approaches to primary care and behavioral health are provided in Part III of the CTU Notice.

Given restrictions under antitrust laws, BILH and EHR are limited in their ability to share information necessary for developing more detailed plans in the primary care and behavioral health contexts and, therefore, have not developed any internal estimates for staffing capacity changes, patient volumes, and/or revenue. See *supra* gun jumping discussion.

See also Response No. 22 above.

28. After the affiliation, does BILH anticipate New Hampshire patients receiving more acute care treatment in Massachusetts?

    a. If so, will there be capacity to discharge them sooner and continue their treatment in NH at lower-level care centers?
    b. Will New Hampshire patients be more likely to travel to Massachusetts for non-acute care in the BILH system?

RESPONSE: Given restrictions under antitrust laws, BILH and EHR are limited in their ability to share information necessary for fully understanding the effect that the proposed affiliation could have on where New Hampshire patients choose to seek certain types of care and, accordingly, have not shared such information. See *supra* gun jumping discussion. Care delivered within the BILH system is a unique balance of tertiary and community care, compared to other large health systems in New England. BILH views this unique balance as a key point of strength and differentiation.

The following are examples of prior BILH investment in programs developed to avoid tertiary referrals and expand community hospital capabilities:

- **Beth Israel Deaconess Hospital – Plymouth ("BID-Plymouth"): Interventional Cardiology, Thoracic Surgery, Urology**
- **Beverly Hospital: Cardiology partnership with Lahey Hospital & Medical Center ("LHMC") and Atrius**
- **Anna Jaques Hospital: Cancer Center**
- **Winchester Hospital: Gynecologic Oncology, Robotic Surgery**

BILH anticipates more patients in the EHR service area will receive acute care treatment and ambulatory services at EHR facilities. Investing in EHR's local capabilities is central to BILH's vision and strategic rationale for the proposed affiliation; expanding local capabilities will keep more care—both hospital-based and ambulatory—in the local market.

29. Submit copies of EHR's and BILH's uninsured, charity care, and financial assistance policies.

RESPONSE: Attachment 29 contains EHR's policies. BILH and its community hospitals' policies can be accessed at the links below.

Anna Jaques Hospital: https://www.ajh.org/patients-and-visitors/billing-and-insurance

Beth-Israel Deaconess Hospital-Milton ("BID-Milton"): https://www.bidmilton.org/for-patients-and-visitors/financial-assistance/

BID-Needham: https://www.bidneedham.org/your-visit/insurance-and-financial-information

BID-Plymouth: http://www.bidplymouth.org/body.cfm?id=90

Beth Israel Deaconess Medical Center ("BIDMC"): https://www.bidmc.org/patient-and-visitor-information/patient-information/your-hospital-bill/financial-assistance

LHMC: https://www.lahey.org/lhmc/your-visit/insurance-billing-records/financial-counseling-assistance/

Mount Auburn Hospital: https://www.mountauburnhospital.org/patients-visitors/billing-insurance/financial-assistance/

New England Baptist Hospital: https://www.nebh.org/patients-care-partners/financial-resources/financial-services-guide/

Northeast Hospital Corporation: https://www.beverlyhospital.org/locations--services/patients--visitors'-guide/billing--patient-accounts

Winchester Hospital: https://www.winchesterhospital.org/my-visit/insurance-billing--records/financial-assistance

30. What are BILH's plans for the EHR NH-CARES ACO? Within the next three years, will the ACO participate in Medicare ACO programs and downside risk sharing arrangements with commercial carriers?

RESPONSE: The parties will assess EHR's participation in Medicare ACO programs and downside risk-sharing arrangements with commercial carriers in the future, including the NH-CARES ACO operated by Core Physicians, based on the programs

available. BILH is awaiting CMS's determination as to what new products/programs will be available, at which time a multi-pronged assessment of such programs will be performed. BILH maintains a strong commitment to participating in risk-based population health reimbursement models with Medicare, Medicaid, and commercial payors. This commitment is demonstrated, in part, by the ~500,000 covered lives currently under risk-based contracts within the BILH system.

31. Please provide an update on the plans for addressing the identified needs in the 2019 and 2022 Community Needs Assessments.

RESPONSE: Financial challenges facing EHR since early 2020 have undercut its ability to further respond to the issues identified in the 2019 and 2022 Community Needs Assessments. Notably, EHR has been forced to eliminate its budget for support of health-related community organizations until its financial performance improves. As noted in the Affiliation Agreement, after the closing of the affiliation, EHR and BILH plan to reassess and resume support for EHR's community initiatives.

32. Are there any changes envisioned with care levels provided to individuals and families without insurance or the financial counseling process and assistance in place?

RESPONSE: Section 10.10 of the Affiliation Agreement states, in pertinent part:

> **10.10 Care to Vulnerable Populations. As of the Closing Date, BILH shall adopt policies for the provision of care to vulnerable populations served by the Exeter Entities that are no less generous than the written policies of the Exeter Entities immediately prior to Closing, in conformance with New Hampshire law and to changes in Laws, as applicable. Any changes to such policies must comply with applicable Law. Should the Exeter Entities' current policies governing the provision of care to vulnerable populations be less generous than those provided by BILH, BILH shall take actions necessary to ensure such policies in effect at the Exeter Entities are enhanced to a level commensurate with those utilized by BILH as of the Closing Date.**

To date, the parties have not had any discussions about changing EHR's financial assistance policies. The parties will continue to assess the best ways to meet the needs of vulnerable patient populations.

33. Does BILH envision any changes to the overall level of charity care provided, excluding amounts for bad debt and costs associated with government payer shortfalls?

RESPONSE: As stated above, per Section 10.10 of the Affiliation Agreement, BILH agrees to adopt policies for the provision of care to vulnerable populations served by EHR that are no less generous than the written policies of EHR immediately prior to closing. Furthermore, under Section 10.11 of the Affiliation Agreement, BILH agrees to maintain EHR's commitment to community health and charitable initiatives, consistent with EHR's historical clinical and financial support.

34. Are there any known clinical affiliation EHR legacy commitments that BILH will seek to terminate or replace?

RESPONSE: BILH has no plans to alter existing Exeter clinical affiliations proactively, but it does intend to work collaboratively with current Exeter partners to ensure patient access to services, including in situations where services are ultimately transitioned to BILH. One EHR legacy clinical partner, MGB, which brings medical hematologists/oncologists from MGB to Exeter Hospital's Center for Cancer Care ("CCC"), has indicated that it has no interest in continuing the CCC partnership once the Exeter-BILH transaction closes. Exeter is working to extend the MGB partnership to allow continuity of care for patients. Beyond ensuring that patient care is not compromised in terms of quality or access, no specific plans exist as to how these specialty health care services will be transitioned.

35. The commitment to maintain services in section 10.5 (b) of the Affiliation Agreement refers to "material clinical service or program." How is the phrase "material clinical service or program" defined?

RESPONSE: The phrase "material clinical service or program" has not been further defined. "Material" means significant or meaningful. A clinical service or program could be material in one of two ways, in terms of either revenue contribution, or importance to the patient population to be served. The parties believe that this clause addresses both kinds of materiality. Whether a clinical service or program is "material" at a particular time will depend on the specific circumstances that apply at that time. Given the innovative and changing nature of the health care market, including the movement from inpatient to outpatient sites of care, and the uncertainty of the closing date for this contemplated affiliation transaction, it is difficult to anticipate which clinical services or programs would be considered material at any given point in time. BILH and EHR do not currently anticipate any Material

Reduction in Services (as the term is defined in the Affiliation Agreement), but should the parties encounter a situation requiring such a reduction, the parties at that time would collaboratively assess whether a clinical service or program would be considered "material" as contemplated under Section 10.5 of the Affiliation Agreement.

36. Section 2.2 of the proposed bylaws provides that BILH shall not cause EHR to close any "essential service" without consulting with EHR's board. How is the term "essential service" defined?

RESPONSE:

The term "essential service" is not defined in the Affiliation Agreement. The parties intend it to mean a service of great importance to the community served by EHR. Examples include operation of an emergency department. The term "essential service" is included in the form of Bylaws used across all BILH community hospitals. The definition of what constitutes an "essential service" varies depending on the services provided by the particular BILH entity and the communities it serves.

37. Please provide a complete copy of the proposed bylaws of EHR (the copy provided ends at page 2).

RESPONSE: Attachment 37 contains a complete copy of EHR's proposed Amended and Restated Bylaws, which will take effect as of the closing of the affiliation with BILH.

38. How will the $3 million commitment to community benefit programs and initiatives described in section 10.11 of the Affiliation Agreement be funded (by EHR or BILH)?

RESPONSE: Consistent with the Affiliation Agreement, BILH will maintain all community health and charitable initiatives provided by EHR, including the disbursement of funds identified within Section 10.11 of the Affiliation Agreement. As also described in the Affiliation Agreement, the EHR Board of Trustees and EHR Executive Leadership Team shall be responsible for identifying needs, developing plans and determining the use of funding, including grants or awards.

HUMAN RESOURCES MATTERS

39. Describe any plans developed by EHR and BILH for the integration of their workplace cultures, processes, staff, employment practices and policies, pay and benefits, and philosophies. If the plans include engaging an organizational consultant, provide the name of the consultant.

RESPONSE: BILH does not have any current plans to engage a consultant for such purposes. To the extent permissible by antitrust law, EHR will be included in BILH's planned Workday rollout. Workday is the single software system used by all organizations in the BILH system to support daily operations in the areas of Human Resources, Finance, and Supply Chain. Including EHR in the Workday rollout would bring EHR processes for these functions in line with other organizations within the BILH system. Due to gun jumping concerns, the parties have not developed any of the plans described in Request 39. See *supra* gun jumping discussion.

40. Describe how the transaction will impact the numbers of full-time and part-time management, administrative, and clinical staff currently employed or retained by EHR.

RESPONSE: Per Section 9.3(a) of the Affiliation Agreement, BILH commits that substantially all employees of EHR and its affiliates who are in good standing as of the closing date and who meet screening and other diligence requirements will continue their employment on terms substantially similar to those in place immediately prior to the closing date. This commitment will extend for at least two years after the transaction closes, subject to for-cause terminations.

DONOR RESTRICTED FUNDS

41. Provide original cost, most recent year end market value, and restriction status for each of EHR's donor restricted funds which comprise its donor restricted net assets, both temporary and permanent/perpetual.

RESPONSE:

Endowments

Exeter Health Resources, Exeter Hospital, and Rockingham VNA & Hospice hold a total of five perpetual endowment funds, as follows:

Fund name	Entity Holding Title	Original cost - date	FMV at 9/30/22
Fuller	Exeter Hospital	$ 16,173,103 - 8-99 and 9-01	Pooled – FMV of indiv fund not available
Schleyer Fund	Exeter Hospital	$ 100,000 - 2-21	Pooled – FMV of indiv fund not available
Aggregated endowment	Exeter Hospital	$ 596,218 - various	Pooled – FMV of indiv fund not available
Aggregated endowment	Exeter Health Resources	$ 3,073,845 - various	Pooled – FMV of indiv fund not available
Town of Derry	RVNA	$ 411,317 - approx. as of 9-17	$472,865
Total			$20,416,031

Note: the "Aggregated Endowments" are the result of many small gifts received years ago. Unfortunately, sufficient records do not exist to identify the original principal values of these gifts, and they are treated as two permanent endowments, one held by Exeter Hospital and one held by Exeter Health Resources.

Restricted Specific Purpose Funds

Exeter Health Hospital, Exeter Health Resources, RVNA and Core Physicians maintain a total of forty-three Specific Purpose funds. The temporary restricted value of all of these specific purpose funds was $1,467,478 as of September 30, 2022. A detailed listing of each fund is in Attachment 41.

Summary

The FMV balance for the all donor restricted funds as of 9/30/22 was as follows:

Endowment Perpetual $ 20,416,031

Specific Purpose Funds $ 1,467,478

Cumulative Earnings/Losses $ 4,983,287 (this is cumulative for Specific Purpose & Perpetual)

Less: Endowment Spend $ 2,625,095 (Endowments are spent at 6% annually as of FY 21)

FMV: all donor restricted Funds $ 24,741,701

Confidential treatment of documents requested.

42. Following the closing, will EHR's donor restricted assets be transferred into the pooled investment accounts managed by BILH?

RESPONSE: BILH has not made any commitments relating to the management and investment of EHR's donor-restricted funds. However, per Section 10.12 of the Affiliation Agreement, philanthropic funds raised in New Hampshire (whether restricted or unrestricted) will continue to be deployed within New Hampshire and consistent with the direction of the funds' respective donors for the support of EHR's charitable mission. As such, EHR's donor-restricted funds will continue to be part of EHR's balance sheet.

43. Provide copies of EHR's investment policy applicable to donor restricted and board restricted assets as well as copies of its spending policies for appropriation of donor restricted and board restricted assets.

RESPONSE: Attachment 43 contains the responsive EHR policies.

BILH

44. Submit copies of all correspondence between BILH and the Massachusetts Office of the Attorney General, and all documents BILH submitted, including emails, reports, and presentations, regarding the proposed transaction with EHR.

RESPONSE: BILH has not exchanged directly any written correspondence with the MA AG regarding the proposed affiliation. However, the MA AG was provided a copy of the Material Change Notice (and its attachments) that BILH submitted to the Massachusetts Health Policy Commission ("HPC") on July 28, 2022 as required by HPC regulations. In addition, the NH Consumer Protection and Antitrust Bureau has been copied on all submissions to the Federal Trade Commission and MA AG. Attachment 44 contains BILH's Health Policy Commission filing.

45. Describe the extent to which the Assurance of Discontinuance entered into between BILH and the Massachusetts Office of the Attorney General will apply to the proposed transaction with EHR, particularly the price constraints set forth in the Assurance of Discontinuance.

RESPONSE: As discussed with New Hampshire Assistant Attorney General, Jennifer Foley, the AOD is uniquely tailored to the competitive realities of the Massachusetts health care market and limited in jurisdiction to the Commonwealth of Massachusetts. The AOD, including the price constraints contained within it, does not apply to this transaction and would not encompass EHR's operations in New Hampshire. The proposed transaction seeks to preserve and enhance Exeter's community-focused care, enhancing Exeter as a provider of comprehensive, high-value system for care in New Hampshire, and as BILH's destination center of care in New Hampshire. To the extent that there is any impact from the proposed transaction, it increases competition by strengthening EHR to help ensure its continuing presence in the market. Moreover, in the Affiliation Agreement and as described herein, BILH has made numerous, substantial commitments to support Exeter and the community it serves.

46. During the listening session held on May 18, 2022, BILH represented that it "successfully collaborated with regulators to design a system that increases access, sustainability, and helps contribute to managing health costs." Provide documentary evidence to support this statement.

RESPONSE: As detailed in the table below, BILH has made significant progress in realizing the benefits of its 2019 system integration. In fact, despite the impact of COVID-19, BILH achieved $79.0 million in targeted cost savings in FY 2021 relative to the pre-merger baseline of FY 2018. BILH achieved these savings through efforts to integrate operations, resulting in operational synergies and patient care efficiencies, which BILH has similarly identified as a high-priority initiative for the proposed affiliation with EHR. Source: https://link.zixcentral.com/u/5ef15db4/QDyKdhZ47RG2AMgoh3soMg?u=https%3A%2F%2Fwww.mass.gov%2Fdoc%2Fbilh-report-to-ago-year-3-3-1-2022%2Fdownload (BILH Annual Report to the Massachusetts Office of the Attorney General, pg. 3)

[*Response continued on next page*]

$ in Millions	FY 2021 Original Projection	FY 2021 Actual Savings
Operational Synergies		
Supply Chain	17.9 –2.9	22.1
Revenue Cycle	7.2 – 12.3	0.7
Other Operations	10.8 – 14.0	26.6
Patient Care Efficiencies		
Pharmacy	4.0 – 8.5	14.9
Laboratory	3.6 – 5.7	8.5
Clinical Engineering	1.2 – 2.9	0.2
BILH Performance Network	2.2 – 3.8	6.0
Total	**47.0 – 69.2**	**79.0**

47. During the listening session held on May 18, 2022, BILH represented that it has a "track record of growing community health systems." Provide documentary evidence to support this statement.

RESPONSE: As detailed in the table below, BILH has successfully strengthened capabilities at its community providers. BILH measures its success at strengthening the capabilities of its community providers by tracking the case mix index ("CMI") and inpatient volume trends. The following table demonstrates that BILH has shifted volume to community hospitals (e.g., the smaller decline in patient volume at community hospitals compared to the BILH system as a whole) and expanded local capabilities (e.g., the four-percent increase in CMI). Specifically, in FY 2021, BILH redirected over 14% of all patient transfer requests for tertiary facilities to a BILH community hospital.

Inpatient Volume and CMI for BILH Hospitals, FY 2018 – FY 2021					
	FY 2018	**FY 2019**	**FY 2020**	**FY 2021**	**% Change FY 18 to FY 21**
CMI for BILH Hospitals					
TOTAL BILH Hospitals	1.54	1.55	1.57	1.60	**4%**
BILH Community Hospitals	1.23	1.24	1.25	1.28	**4%**
Inpatient Discharge Volume for BILH Hospitals					
TOTAL BILH Hospitals	150,037	150,149	136,963	138,975	**-7%**
BILH Community Hospitals	76,761	77,286	72,1882	73,767	**-4%**

These inpatient volume trends build on significant growth trajectories at BID-Plymouth and BID-Milton, following each such hospital joining one of BILH's legacy health systems in 2014 and 2012, respectively. From FY2013 to FY2019, inpatient discharges increased by 46% and inpatient surgical volume increased by 27% at BID-Plymouth. Similarly, from FY2011 to FY2019, inpatient discharges increased by 34% and inpatient surgical volume increased by 80% at BID-Milton.

Examples of specific investments that BILH has made to grow community hospital capabilities are provided in the response to Request 28. To further mitigate unnecessary transfers to higher-cost tertiary facilities, in FY 2021, BILH's BIDMC and LHMC launched teleconsulting programs for select tertiary care services for its community hospitals, which allow care to stay local when appropriate. BILH views this as the model for integration of Exeter into the BILH system and that it is in all stakeholders' interest to direct care to community hospitals, such as Exeter Hospital.

48. Describe how "BILH will sustain, reinforce and expand EHR's and the EHR Entities' existing programs to address the most significant health needs of their communities." (Statement of Acquirer).

RESPONSE: Given restrictions under antitrust laws, BILH and EHR are limited in their ability to share information necessary for fully understanding EHR's existing programs and how BILH can best support such programs. See *supra* gun jumping discussion. Notwithstanding the foregoing, BILH has demonstrated success in strengthening capabilities at its community providers, as detailed in response to Request 47, above. See also the response to Request 20 above.

49. Describe how "BILH continues to sustain and expand investments in behavioral health and substance use disorder treatment across its system." (Statement of Acquirer).

RESPONSE: As detailed in the response to Request 27, above, as well as Part III of the CTU Notice, one aspect of BILH's investment in behavioral health is the steps that BILH has taken to increase access by integrating behavioral health with primary care. BILH has also implemented programs to increase access to and treatment for patients with substance use disorders by linking emergency departments and community-based programs, such as at Addison Gilbert and Beverly Hospitals, as well as BID–Plymouth. More detailed descriptions of these programs can be found in Part III of the CTU Notice.

Please contact me if you have any questions, concerns, or need additional information. Thank you.

Very truly yours,

Jason D. Gregoire, Esq.

cc: Constance Sprauer, Esq. (via email)
David Szabo, Esq. (via email)
Leslie Joseph, Esq. (via email)
Adria Warren, Esq. (via email)

Enclosures

ATTACHMENT 1

KaufmanHall

EXETER HEALTH RESOURCES
The Art of Wellness

Exeter Hospital | Core Physicians | Rockingham VNA & Hospice

Kaufman Hall Qualifications

November 2022

Our Core Principles

1. We put clients first. Period.
2. We act with the highest integrity.
3. We create value for our clients.
4. We are curious, we learn, and we innovate.

Kaufman Hall "At a Glance"

KaufmanHall

Exceptional Partners. Exceptional Performance.

35+ Years of Firm Experience

200+ Employees

700+ Clients Nationally

500+ Partnership Engagements

#1 Financial Advisor

1,500+ Integrated Strategic Financial Plans

We Work with Leading Not-For-Profit Healthcare Organizations Throughout the Country

SELECT HEALTHCARE CLIENTS INCLUDE:

Not-for-Profit Health Systems

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Integrated Advisory Services "Menu"

*Kaufman Hall's advisory services allow for an offering of integrated services including **Strategic & Financial Planning** and **Partnership, Mergers & Acquisitions** to enhance a process and create value with multiple facets of expertise.*

MORE THAN

150 M&A Transactions

ADVISED SINCE 2014

TYPICALLY AVERAGING

40 Active M&A Engagements, Including Partnership Transactions

CURRENTLY ADVISING

MORE THAN

1,500 Integrated Strategic and Financial Planning Assessments

DELIVERED SINCE 1985

Kaufman Hall Provides a Comprehensive Approach to Evaluating Strategic Alternatives

EXETER HEALTH RESOURCES
The Art of Wellness

Exeter Hospital | Core Physicians | Rockingham VNA & Hospice

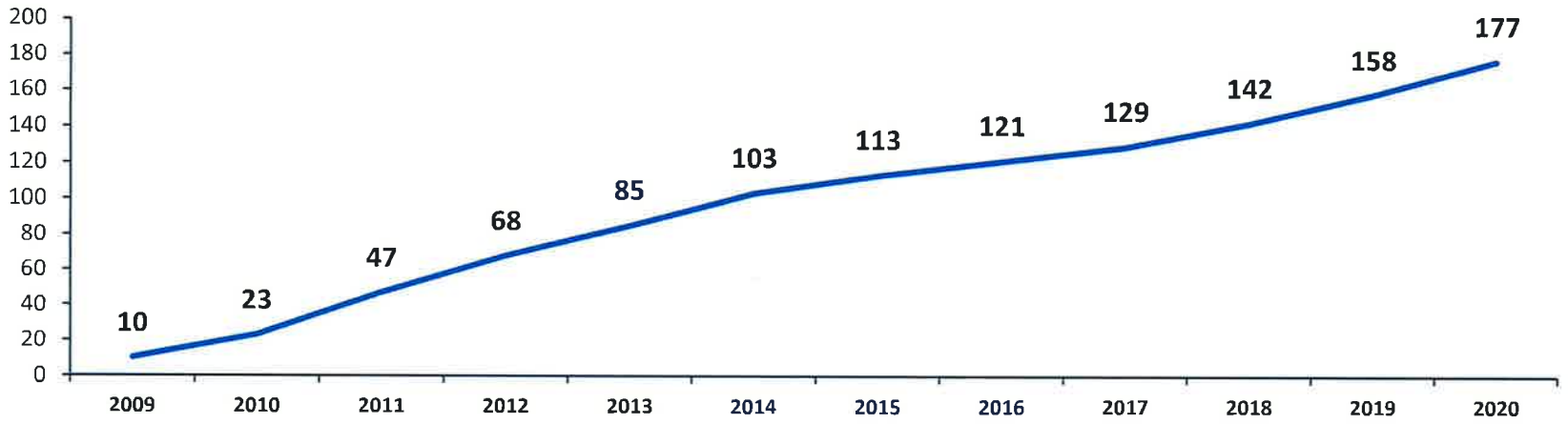
KAUFMAN HALL

Strategic Planning	M&A and Partnerships
• Industry point of view • Service area assessments • Competitive landscape/Strategic position analyses • Assessment of "current state" position • Establishment of vision for the "future state" • Development of critical success factors • Evaluation of all strategic alternatives	• Deep industry and partnership transaction subject matter expertise • Rigorous partner identification process and strategic/cultural fit assessment • Partnership process management and transaction structuring and execution advisory • Evaluation of partners' abilities to advance critical success factors

Kaufman Hall is the Top Advisor to Health Systems Across Both Strategic Options & Transaction Execution Advisory

STRATEGIC OPTIONS ADVISORY

Cumulative Number of Strategic Options Engagements



Our experience evaluating a wide array of strategic alternatives for our clients uniquely equips Kaufman Hall to objectively approach engagements, helping our clients make the most optimal decision from a both strategic and financial perspective…

…and is complemented by our position as the national leader advising health systems execution of a variety of transaction structures

Note: Based on publicly disclosed information

Kaufman Hall's Partnership Transaction Advisory Services Offer Unique Value

M&A Capabilities

40+	Active strategic partnership engagements for healthcare providers across the continuum, including strategic partnership identification and evaluation
150+	Partnership engagements executed since 2014
20+	Dedicated partnership specialists, with deep expertise to navigate both industry and market-specific complexities

Industry Sub-Sectors


Hospitals/ Health Systems


Lab/ Diagnostic


Imaging


LTC/Rehab/Skilled Nursing Facilities


Home Care/ Hospice


Ambulatory Surgery Centers


Medical Groups


Behavioral Health


Dialysis


Managed Care

Kaufman Hall Delivers Exceptional Results

Select Community Hospital Client Success Stories:

Client	Client Profile and Situation	KH-Led Results
KDH King's Daughters' Health ***Closed December 2021*** *Madison, IN*	• *Leading community hospital with 600+ days cash on hand* • *Initiated partnership process to secure the resources, expertise and capabilities required to thrive in the future and ensure mission fulfillment* • *Conducted a rigorous multi-party partnership evaluation process and selected a partnership with Norton Healthcare, the leading health system in Louisville, that provided significant commitments to KDH*	KDH ***partners with*** Norton Healthcare
Lake Health ***Closed April 2021*** *Cleveland, OH*	• *Comprehensive delivery network with three acute care hospitals* • *Historically strong financial position characterized by ~$400M of revenue and 220+ days cash on hand* • *Initiated a robust study of the industry and local landscape; upon completion, the Board began a proactive partnership process to secure the long-term sustainability of the organization with a high-quality partner*	Lake Health ***partners with*** University Hospitals
Huntington Hospital ***Closed August 2021*** *Pasadena, CA*	• *Premier community-based hospital generating $650M+ revenue* • *Initiated a comprehensive evaluation of its strategic plan, current-state assessment and future operating prospects as a standalone organization* • *Conducted a targeted competitive process seeking a partner that would strengthen its already reputable clinical, operational, and financial chassis – ultimately selecting Cedars Sinai, one of the top systems nationally*	Huntington Hospital ***partners with*** Cedars Sinai

Qualifications, Assumptions and Limiting Conditions (v.12.08.06):

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Nick Gialessas, *Senior Vice President*
Kaufman, Hall & Associates, LLC

Nick Gialessas is a Senior Vice President at Kaufman Hall and a member of the firm's Mergers and Acquisitions practice. Focused on providing strategic advisory services to healthcare organizations including health systems, physician practices, laboratory services, managed care companies, and other related non-acute healthcare services businesses, his responsibilities include transaction management, structuring and negotiation, valuation, and ongoing strategic advice regarding transaction execution across a broad range of transactions including mergers, acquisitions, partnerships, divestitures, joint ventures, strategic investments, and other affiliation alternatives.

Prior to joining Kaufman Hall, Mr. Gialessas spent provided investment banking services to healthcare organizations nationwide, including acute care hospitals, multi-state health systems, academic medical centers, children's hospitals, and non-acute healthcare organizations. Most recently, he served as a Vice President at U.S. Bancorp, where he focused on capital market solutions, including fixed and variable rate debt, tax-exempt and taxable debt, public offerings, private placements, and interest rate hedging alternatives. Prior to U.S. Bancorp, Mr. Gialessas worked in the investment banking division of Raymond James, serving healthcare clients in a M&A and capital markets advisory capacity.

Mr. Gialessas has an M.B.A. with concentrations in Strategy and Managing Organizations from Northwestern University's Kellogg School of Management and B.A. degrees in Economics and Political Science from Washington University in St. Louis.

Mr. Gialessas is currently serving on the Board of the Alzheimer's Association, Illinois Chapter.

Contact information:
Email: ngialessas@kaufmanhall.com
Mobile: 630-404-0915

ATTACHMENT 15

exeter health resources

The Art of Wellness

Together As One

Core Physicians | Exeter Hospital | Rockingham VNA & Hospice

SPECIAL MEETING

MARCH 2022

Kevin J. Callahan, President and Chief Executive Officer

The Art of Wellness

Together As One

Core Physicians | Exeter Hospital | Rockingham VNA & Hospice

Beth Israel Lahey Health

ANNOUNCEMENT

Exeter Health Resources, Inc. (Exeter), including its operating affiliates; Exeter Hospital, Core Physicians and Rockingham Visiting Nurse Association & Hospice, and Beth Israel Lahey Health (BILH) have signed a non-binding Letter of Intent (LOI) to further explore the opportunity for Exeter to join BILH. The decision represents the first step toward reaching a definitive agreement intended to strengthen, enhance and expand local access to high quality care in New Hampshire.

Transitioning to the next curve of sustainable health system evolution – to enable our aspirations – to sustain our mission – to avoid a dead end full of constraints

WHY AFFILIATE?

- The investment mandate – clinical services, people, facilities
- The evolving public health responsibilities
- The demands of population health management and valued base care
- *... AND MUCH MORE*

ALL OF WHICH CAN ONLY BE ACCOMPLISHED AT SCALE

Together As One

Core Physicians | Exeter Hospital | Rockingham VNA & Hospice

EXETER DRIVEN PROCESS

A year ago Exeter launched a comprehensive and competitive process seeking a fully integrated partnership

ATTACHMENT 29

P	EXETER HOSPITAL, INC. POLICY	POLICY #: (LD).326	PAGE: 1 of 9
		EFFECTIVE DATE: 10/2022	

TITLE: Financial Assistance Policy

REVIEWED DATE(S): 09/2016, 4/2017, 10/17, ------, -----, 11/18, 4/19, 01/2020, 3/20, 4/20, 11/2020, 01/2021, 02/2021, 04/2021, 04/19/2021, 10/2021, 04/2022, 10/2022

REVISION DATE(S): 09/2016, 4/2017, 10/17, 1/18, 4/18, 11/18, 4/19, 01/2020, 3/20, 4/20, 11/2020, 01/2021, 02/2021, 04/2021, 04/19/2021, 10/2021, 04/2022, 10/2022

FUNCTION: Leadership (LD)

SCOPE: Patient Accounts

DEVELOPED BY: Patient Accounts/Finance

APPROVED BY: Board of Trustees 06/2016, Allison Casassa, VP

REVIEWED BY: Tracie Kirby, Director of Patient Accounts

CROSS REFERENCES:

POLICIES/SCOPE OF SERVICE:
(LD).327 – Debt Collection Policy
(RI).032 – EMTALA – Collection of Financial Information
(RI).008 - Effective Communication for Patients / Families with Language Barriers

STANDARD OPERATING PROCEDURES:

WORK INSTRUCTIONS:

FORMS:
- 1639 - Financial Assistance Application
- 1639-ES - Financial Assistance Application (Spanish)
- 1641 - Plain Language Summary of Financial Assistance Policy (FAP)
- 1641-ES- Plain Language Summary of Financial Assistance Policy (FAP) (Spanish)
- 1668 - Financial Assistance Program (Signage)
- Stock #40922 - Financial Assistance Card - Patient Accounts

CHANGE CONTROL:

Effective Date	A=Add D=Delete C=Change	Description of changes	Responsible Person *(e.g. S.Smith)*
04/2018	C	• Updated financial assistance guidelines	T.Kirby
11/2018	C	• Updated Attachment C	A.Casassa
04/2019	C	• Updated financial assistance guidelines	T. Kirby
01/2020	C	• Updated Attachment C	A.Casassa
03/2020	C	• Updated financial assistance guidelines	T. Kirby
04/2020	C	• Updated Attachment C	A.Casassa
11/2020	C	• Updated Attachments B & C	T. Kirby
01/2021	C	• Updated Amounts Generally Billed from 42% to 40%	T.Kirby
02/2021	A	• Updated Attachment C	A.Casassa
04/2021	C	• Updated Attachment A	T. Kirby
04/19/2021	C	• Updated Attachment C	T. Kirby
10/2021	C	• Updated Attachment B & C	T. Kirby
04/2022	C	• Update Attachment A	T. Kirby
10/2022	C	• Update Attachment B & C	T. Kirby

PURPOSE:

It is the policy of Exeter Hospital to provide financial assistance to those patients who receive emergency medical care and other medically necessary care and meet the eligibility requirements of its Financial Assistance Program as set forth in this policy. Exeter Hospital's Financial Assistance Program was developed to comply with the Internal Revenue Code Section 501(r) as required under section 9007(a) of the Federal Patient Protection and Affordable Care Act. Exeter Hospital maintains a separate Debt Collection Policy.

This policy only covers services provided and billed by Exeter Hospital. This means Exeter Hospital's Financial Assistance Program does not apply to charges incurred by or bills patients receive from private physicians or physician practices for professional services provided in the Hospital. For a detailed listing of physician services not covered by Exeter Hospital's Financial Assistance Program, ("FAP") see Attachment C.

DEFINITIONS:

Amounts Generally Billed (AGB): The amounts generally billed for emergency or other medically necessary care to individuals who have insurance covering such care, determined in accordance with 26 C.F.R. § 1.501(r)-5(b). See Attachment B.

Assets: Property and items of value including but not limited to bank accounts, money market or other investment accounts, retirement accounts (e.g., 401K, 403B, IRA, pension), inheritances, mutual funds, life insurance, trust fund distributions, stocks, bonds, land, and property other than a primary residence; however, the following items will be excluded from consideration in determining a patient's eligibility for financial assistance:

- Family of 1: assets up to $7,500.00 in total or Family of 2 or more: assets up to $15,000.00 in total;
- One motor vehicle per person or a maximum of two vehicles per Family; and,
- Primary residence.

Days: All references to days shall mean calendar days, unless otherwise specified.

Emergency Medical Care: Care provided by a hospital for emergency medical conditions.

Emergency Medical Conditions: Emergency medical conditions as defined in section 1867 of the Social Security Act (42 U.S.C § 1395dd).

Family: is defined by the U.S. Census Bureau as a group of two or more people who reside together and who are related by birth, marriage or adoption.

- The state law regarding marriage or civil union and the federal guidelines are used to determine who is included in a family.
- In the case of applicants who earn income by caring for disabled adults in their homes, the disabled adults will be counted as a family member and their income included in determination
- The Internal Revenue Service rules that define who may be claimed as a dependent for tax purposes, are used as a guideline to validate family size in granting financial assistance

Federal Poverty Guidelines: Federal Poverty Guidelines are updated annually in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code.

Gross Charges: The established price for medical care before applying any discounts, contractual allowances, or deductions.

Hospital: Exeter Hospital.

Income: Total income before taxes derived from such things as wages and salaries, welfare payments, social security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities paid to the individual.

Insured: Patients who have any governmental or private health insurance.

Medically Necessary: Healthcare services or supplies needed to diagnose or treat an illness, injury, condition, disease, or its symptoms and that meet accepted standards of medicine. Treatment for infertility and surrogacy, cosmetic procedures, and services not covered by insurance (due to the lack of authorization, for example) or considered experimental are all deemed not medically necessary.

Service Area: The geographic location where a patient must reside to be eligible to apply for financial assistance. See Attachment A.

Uninsured: Patients with no insurance or third-party assistance to help resolve their financial liability for healthcare items and services provided to the patient.

Underinsured: Patients who have limited healthcare coverage or coverage that leaves the patient with an out of pocket liability that exceed his or her financial abilities.

POLICY STATEMENTS:

A. Notice and Availability of Financial Assistance

1. Exeter Hospital's Financial Assistance Program ("FAP") is available to all patients who receive emergency medical care or other medically necessary care at Exeter Hospital and meet the FAP's eligibility requirements, as set forth by this policy. For financial assistance income and asset criteria and service area, see Attachment A. All sources of payment must be applied to a patient's account prior to becoming eligible for financial assistance. In addition, Exeter Hospital reserves the right to reverse financial assistance decisions and financial assistance adjustments if undisclosed income or assets are discovered after a patient's application for financial assistance is submitted and processed.
2. The Hospital's FAP shall be widely publicized in both English and Spanish by:
   a. Making this policy, the FAP application form, and a plain language summary of the FAP available on the Hospital's website;
   b. Setting up conspicuous public displays within the Hospital, including the Emergency Department and Registration areas, and all satellite locations of the Hospital, that notify and inform patients about the FAP, and making paper copies of this policy, the FAP application form, and a plain language summary of the FAP available upon request and without charge, both at the Hospital and by mail ;
   c. Notifying and informing members of the community served by the Hospital about the FAP in a manner reasonably calculated to reach those members who are most likely to require financial assistance from the Hospital (e.g. publishing in local newspapers at least annually and distributing this information to community partners to display this information);
   d. Offering a paper copy of the plain language summary of the FAP to patients as part of the intake or discharge process;
   e. Including a conspicuous written notice on billing statements that notifies and informs recipients about the availability of financial assistance through the Hospital's FAP and includes (i) the telephone number of Patient Accounts (603-580-6627), where financial counselors can be reached during regular business hours to provide information about the FAP and assist with the application process and (ii) the Web site address where copies of this policy, the FAP application form, and a plain language summary of the FAP may be obtained;
3. All uninsured patients, who do not quality for financial assistance under this policy, will receive an uninsured discount in the amount specified in Attachment B.
4. Uninsured patients approved for financial assistance will be responsible for a copayment, payable at the time of service. See Attachment B.
5. Any patients unable to pay their balance, whose accounts have not been sent to a collection agency, are offered interest free payment plans of up to 60 months, starting at a minimum of $25.00 per month.
6. The Hospital maintains a separate Debt Collection Policy.
7. The Hospital's Patient Accounts Department in conjunction with the Compliance Department is responsible for conducting an annual review to determine whether reasonable efforts have been made to determine FAP eligibility.

B. FAP Eligibility Criteria

Patients may be eligible for financial assistance after meeting the following criteria:

1. The patient must be a citizen of the United States or have a valid green card, and must have his or her primary residence within the Hospital's service area.
2. Annual Family Income plus Assets will be combined. The resulting total will be compared against the financial assistance guidelines based on Family size. See Attachment A.
3. A patient must apply for coverage through the Health Insurance Exchange and/or the New Hampshire Health Medicaid Expansion Program during open enrollment and provide proof of coverage of exemption/denial. If covered by insurance, a patient can not voluntarily cancel insurance coverage, which includes failure to pay his or her premiums.
4. If a patient is covered by insurance and chooses to receive services out of network that are not medically necessary, any denied balance or out of pocket expense will not be eligible for financial assistance

C. FAP Required Documentation

The patient/applicant must provide documentation establishing eligibility for financial assistance, including (without limitation):

a. Fully completed application with signatures.
b. Completed and signed copy of most recent year's Federal Income Tax Return, including all schedules and W-2 forms. If not required to file a tax return, a copy of your SSA-1099 Social Security Benefit Statement or a verification letter of non-filing from the IRS (www.irs.gov/transcript)
c. Copies of three months of bank and other financial account statements (e.g. savings, checking, money market, IRA, 401K, 403B, and pension), including all pages for all accounts.
d. For applicants who state they are not working or receiving any income, a signed and notarized No Income/Support verification form will need to be completed.
e. Copies of government assistance notices (including Department of Health & Human Services).
f. Proof of Healthcare Exchange or Medicaid Expansion exclusion/denial.

Financial Assistance applications are to be submitted to the following office:

Exeter Hospital – Patient Accounts
7 Holland Way – 2nd Floor
Exeter, NH 03833

D. Application Process

1. The patient must apply and supply all required documentation needed to establish eligibility for financial assistance no later than 240 days after the date of their first post-discharge billing statement. An unpaid account will not be submitted to a collection agency prior to 120 days from the date of first post-discharge billing statement. If after 120 days and on or before 240 days after the date of the first post-discharge billing statement, the patient applies for financial assistance, the account will be placed on hold pending determination of eligibility for financial assistance.
2. Patients can apply for financial assistance prior to services or after receipt of a bill. Patients can also apply after a bill has been sent to a collection agency, so long as the FAP application is submitted within 240 days of the date of the first post-discharge billing statement.
3. Failure to disclose income or asset information may result in the patient's application being denied. This may include but will not be restricted to, third party settlements, Workers' Compensation settlements, certificates of deposit, stocks and bonds, property sold, land sold, and bank and other financial information.
4. Exeter Hospital reserves the right to request additional information regarding the patient's credit evaluation, income tax return, banking information and to have the patient verify their expenses versus their income, if necessary.
5. Exeter Hospital reserves the right to run a credit report.
6. Any accounts that have been submitted to a collection agency and are beyond the 240 day filing period from date of first post-discharge billing statement will not be considered for financial assistance.
7. Any attempt to fraudulently obtain financial assistance shall result in the automatic denial of a patient's application and the patient will not be eligible to reapply for assistance at any time.
8. The patient is to be notified of approval, denial, or pending status within 30 days.

9. Financial assistance will be valid for six months from the date of approval or, for those on a fixed income (e.g., Social Security), it will be valid for one year from the date of approval. Patients need to reapply for financial assistance to have it extended beyond these time periods.
10. If the patient has been denied financial assistance, the patient cannot reapply for a period of six months, unless they have made payments toward the denied account(s) showing good faith and their financial situation has changed.
11. If an uninsured patient has previously qualified for financial assistance and has not made any required copayments, they may not reapply for financial assistance.

E. Appeals and Dispute Resolution

All patients have the right to appeal any decisions made regarding their financial assistance. Appeals must be submitted in writing to the below address within 30 days of receipt of the denial and must include the basis of the appeal. Appeals will be reviewed and responded to within 30 days of receipt of the request.

Patient Accounts
Attn: Patient Accounts Manager
7 Holland Way, 2nd Floor
Exeter, NH 03833

F. Basis for Calculating Financial Assistance

A patient may be eligible for financial assistance if his/her Family's combined income and Assets do not exceed the financial assistance guidelines set forth in Attachment A and has his or her primary residence within our service area.

The uninsured discount cannot be combined with financial assistance. If an uninsured patient qualifies for financial assistance, the uninsured discount will be reversed and financial assistance will be calculated based on the gross charge.

For underinsured patients, financial assistance would be applied against any patient responsibility such as a copay, coinsurance, or deductible.

No FAP eligible individual will be charged more for emergency medical care or other medically necessary care than the AGB. See Attachment B.

REFERENCES:

1. Patient Protection & Affordable Care Act, Internal Revenue Code Section 9007(a) Pub. L No. 111-148
2. Internal Revenue Code Section 501 (r)
3. Federal Poverty Guidelines

ATTACHMENT A *(a.k.a. Form #1641)*

Plain Language Summary of Financial Assistance Policy (FAP)

Overview

If you do not have insurance, or your health insurance did not cover all of your bill, you may qualify for financial assistance if you live in our service area. A paper application along with supporting documentation is required. If you have insurance, financial assistance does not apply to non-covered services or out of pocket expenses. If you do not have insurance, you must first apply for insurance through state or other programs.

Financial assistance is for your hospital bill. It does not cover any physician services. Financial assistance must be for emergency or medically necessary care. If you qualify, you will not pay more than amounts generally billed to individuals who have insurance.

Financial Assistance from Exeter Hospital

You may be able to get financial assistance if:

- You do not have insurance;
- You do not have enough insurance; or
- It will be hard for you to pay the full amount of your bill for our services.

Some care is not covered under the FAP, such as, but not limited to:

- Cosmetic procedures;
- Infertility and surrogacy services;
- Services denied by your insurance company (because, for example, you did not receive the required prior authorization); and,
- Services deemed by your insurance company to be experimental.

To Get Assistance under our FAP

- If you do not have insurance, live in one of the towns listed below and your combined income and assets are less than the amount noted below, you may be able to get free care with a copayment.
- If you have insurance, live in one of the towns listed below and your combined income and assets are less than the amount noted below, you may be able to get free care, after insurance has paid its share.

Exeter Hospital's Financial Assistance Guidelines

FAMILY SIZE	Combined Income and Assets less than
1	$ 43,488
2	$58,592
3	$73,696
4	$88,800
5	$103,904
6	$119,008
7	$134,112
8	$149,216

ATTACHMENT A (Cont.) *(a.k.a. Form #1641)*

Exeter Hospital's Service Area – To get assistance, you must live in one of these towns:

Atkinson	Barrington	Brentwood	Candia	Chester
Danville	Deerfield	Durham	East Hampstead	East Kingston
Epping	Exeter	Fremont	Greenland	Hampstead
Hampton	Hampton Falls	Kensington	Kingston	Lee
Madbury	New Castle	Newfields	Newmarket	Newton
Newton Junction	Northwood	North Hampton	Nottingham	Plaistow
Portsmouth	Raymond	Rye	Rye Beach	Sandown
Seabrook	Somersworth	South Hampton	Stratham	West Nottingham

Where to Get an Application

- At any registration desk at Exeter Hospital
- At Exeter Hospital's Patient Accounts Office located at 7 Holland Way, 2nd Floor, in Exeter, NH
- Ask for one to be mailed to you by calling Patient Accounts Office at 603-580-6627
- Download an application at http://www.exeterhospital.com/patients-and-visitors/financial-assistance/

How to Apply

You can apply for help before receiving services or up to 240 days after you received your first statement. You must submit a complete FAP Application, along with required documents, to the Patient Accounts office located at:

Exeter Hospital - Patient Accounts
7 Holland Way
Exeter, NH 03833

To Get a Translation

You can get copies of this summary, the full policy and the application itself in both English and Spanish. You can get other languages through our Language Line. Please call Patient Accounts at **603-580-6627** for more information or to obtain copies.

ATTACHMENT B

Uninsured Care Discount for Self Pay Patients

Exeter Hospital extends a -63% discount off gross charges to self-pay patients who are uninsured. This discount is not valid for patients who have health insurance coverage, including but not limited to: Medicare, Medicaid, or any other state or federal programs. Self-pay means a patient who does not have any form of insurance, including, but not limited to, health insurance, MedPay coverage, or any other liability coverage. This discount cannot be combined with financial assistance. If an uninsured patient qualifies for financial assistance, this discount will be reversed and financial assistance will be calculated based off gross charges.

Uninsured Financial Assistance Copayment Amounts

- Emergency Department/Surgical $30.00
- Inpatient/Observation $50.00
- Outpatient Testing $10.00
- Recurring (such as Oncology/Radiation, Rehab, Sleep, Wound) $15.00 per 30 day period

Failure to pay copayment amounts will disqualify future applications for financial assistance.

Amounts Generally Billed

Exeter Hospital uses the look-back method to determine the amounts generally billed to individuals. The AGB is computed annually by dividing the sum of the amounts of all claims allowed for emergency medical care and other medically necessary care that have been allowed by Medicare fee for service and private insurers over the past 12 month period, divided by the sum of the associated gross charges for those claims. Amounts Generally Billed = -37% of gross charges.

ATTACHMENT C

The following is a list of professional or physician services that are not covered under the Exeter Hospital FAP

- Ambulance Services (Town may vary)
- Anesthesiologists (North American Partners in Anesthesiology, LLC)
- Emergency Department Physicians (US Acute Care Solutions)
- Hospitalists/Pediatric Hospitalists (Core Physicians, LLC)
- Pathologists (Spectrum Healthcare Partners)
- Physicians (Billing will vary by Provider)
  - -Access Sports Medicine and Orthopaedics, P.A.
  - -Allergy Associates of New Hampshire, P.A.
  - -Appledore Infectious Disease
  - -Brigham and Women's Hospital
  - -Coastal Cardiothoracic Associates
  - -Coastal New Hampshire Neurosurgeons, P.A.
  - -Core Physicians, LLC
  - -Dartmouth-Hitchcock Medical Center and Clinic – Manchester
  - -Dover Pediatric Dentistry and Orthodontics
  - -Eyesight Ophthalmic Services
  - -Lamprey Health Care, Inc.
  - -MGH Tele Neurology Program
  - -New England Heart Institute
  - -NH NeuroSpine Institute
  - -NH Oral & Maxillofacial Surgery (NHOMS)
  - -Northeast Dermatology Associates, P.A.
  - -NuVasive Clinical Service
  - -
  - -Portsmouth Radiological, P.A.
  - -Rochester Infectious Disease
  - -Seacoast Children's Dentistry
  - -Seacoast Kidney and Hypertension Specialists, PLLC
  - -Seacoast Mental Health Center, Inc.
  - -Sentient Medical
  - -Sleep Institute of New England
  - -SpecialtyCare
  - -Summit Infectious Disease @ Wentworth Douglas Hospital
  - -Virtual Radiologic Professionals, LLC
- Physicians and Mid-Level Providers within the Center for Cancer Care (Massachusetts General Hospital Physicians Organization)
- Radiologists (Advanced Diagnostic Imaging, PLLC)

There are no providers that are covered under the Exeter Hospital FAP.

EXETER HOSPITAL
PATIENT ACCOUNTS

7 Holland Way Second Floor Exeter, NH 03833 603.580.6627 Fax: 603.580.7946 Email: ehfinancialreps@ehr.org

Plain Language Summary of Financial Assistance Policy (FAP)

Overview

If you do not have insurance, or your health insurance did not cover all of your bill, you may qualify for financial assistance if you live in our service area. A paper application along with supporting documentation is required. If you have insurance, financial assistance does not apply to non-covered services or out of pocket expenses. If you do not have insurance, you must first apply for insurance through state or other programs.

Financial assistance is for your hospital bill. It does not cover any physician services. Financial assistance must be for emergency or medically necessary care. If you qualify, you will not pay more than amounts generally billed to individuals who have insurance.

Financial Assistance from Exeter Hospital

You may be able to get financial assistance if:

- You do not have insurance;
- You do not have enough insurance; or
- It will be hard for you to pay the full amount of your bill for our services.

Some care is not covered under the FAP, such as, but not limited to:

- Cosmetic procedures;
- Infertility and surrogacy services;
- Services denied by your insurance company (because, for example, you did not receive the required prior authorization); and,
- Services deemed by your insurance company to be experimental.

To Get Assistance under our FAP

- If you do not have insurance, live in one of the towns listed below and your combined income and assets are less than the amount noted below, you may be able to get free care with a copayment.
- If you have insurance, live in one of the towns listed below and your combined income and assets are less than the amount noted below, you may be able to get free care, after insurance has paid its share.

Exeter Hospital's Financial Assistance Guidelines

FAMILY SIZE	Combined Income and Assets less than
1	$41,216
2	$55,744
3	$70,272
4	$84,800
5	$99,328
6	$113,856
7	$128,384
8	$142,912

Exeter Hospital's Service Area – To get assistance, you must live in one of these towns:

Atkinson	Barrington	Brentwood	Candia	Chester
Danville	Deerfield	Durham	East Hampstead	East Kingston
Epping	Exeter	Fremont	Greenland	Hampstead
Hampton	Hampton Falls	Kensington	Kingston	Lee
Madbury	New Castle	Newfields	Newmarket	Newton
Newton Junction	Northwood	North Hampton	Nottingham	Plaistow
Portsmouth	Raymond	Rye	Rye Beach	Sandown
Seabrook	Somersworth	South Hampton	Stratham	West Nottingham

Where to Get an Application

- At any registration desk at Exeter Hospital
- At Exeter Hospital's Patient Accounts Office located at 7 Holland Way, 2nd Floor, in Exeter, NH
- Ask for one to be mailed to you by calling Patient Accounts Office at 603-580-6627
- Download an application at http://www.exeterhospital.com/patients-and-visitors/financial-assistance/

How to Apply

You can apply for help before receiving services or up to 240 days after you received your first statement. You must submit a complete FAP Application, along with required documents, to the Patient Accounts office located at:

Exeter Hospital - Patient Accounts
7 Holland Way
Exeter, NH 03833

To Get a Translation

You can get copies of this summary, the full policy and the application itself in both English and Spanish. You can get other languages through our Language Line. Please call Patient Accounts at **603-580-6627** for more information or to obtain copies.

EXETER HOSPITAL
CUENTAS DE PACIENTES

7 Holland Way Second Floor Exeter, NH 03833 603.580.6627 Fax: 603.580.7946 Email: ehfinancialreps@ehr.org

Resumen en lenguaje sencillo de la Política de asistencia financiera (FAP)

Descripción general

Si no tiene seguro, o si su seguro de salud no cubrió toda su factura, tal vez califique para recibir asistencia financiera si vive en nuestra área de servicio. Se requiere una solicitud en papel junto con toda la documentación de apoyo. Si tiene seguro, la asistencia financiera no se aplica a los servicios no cubiertos o los gastos de desembolso directo. Si no tiene seguro, primero debe solicitar un seguro a través del estado u otros programas.

La asistencia financiera es para la factura del hospital. No cubre los servicios de ningún médico. La asistencia financiera debe ser para atención de emergencia o atención médicamente necesaria. Si califica, no pagará más que los montos generalmente facturados a individuos que tienen seguro.

Asistencia financiera de Exeter Hospital

Puede obtener Asistencia financiera si:

- No tiene seguro;
- No tiene suficiente seguro; o
- Le resultaría difícil pagar el monto completo de la factura por nuestros servicios.

Algunos servicios no están cubiertos por la FAP, por ejemplo, entre otros:

- Procedimientos cosméticos;
- Servicios por infertilidad y maternidad sustituta;
- Servicios denegados por su compañía de seguros (porque, por ejemplo, no recibió la autorización previa); y,
- Servicios que su compañía de seguros considera experimentales.

Para obtener asistencia de acuerdo con nuestra FAP

- Si no tiene seguro, vive en una de las ciudades de la siguiente lista y sus ingresos y bienes combinados son inferiores al monto indicado a continuación, tal vez pueda recibir atención gratuita con un copago.
- Si tiene seguro, vive en una de las ciudades de la lista que figura a continuación y sus ingresos y bienes combinados son inferiores al monto que aparece a continuación, tal vez pueda recibir atención gratuita, después de que el seguro haya pagado su parte.

Lineamientos sobre la asistencia financiera de Exeter Hospital

TAMAÑO DEL GRUPO FAMILIAR	Ingresos y bienes combinados inferiores a
1	$41,216
2	$55,744
3	$70,272
4	$84,800
5	$99,328
6	$113,856
7	$128,384
8	$142,912

Área de Servicios del Exeter Hospital: Para obtener asistencia, debe vivir en una de estas ciudades:

Atkinson	Barrington	Brentwood	Candia	Chester
Danville	Deerfield	Durham	East Hampstead	East Kingston
Epping	Exeter	Fremont	Greenland	Hampstead
Hampton	Hampton Falls	Kensington	Kingston	Lee
Madbury	New Castle	Newfields	Newmarket	Newton
Newton Junction	Northwood	North Hampton	Nottingham	Plaistow
Portsmouth	Raymond	Rye	Rye Beach	Sandown
Seabrook	Somersworth	South Hampton	Stratham	West Nottingham

Dónde obtener una solicitud

- En cualquier mostrador de admisión de Exeter Hospital
- En la Oficina de cuentas de pacientes de Exeter Hospital ubicada en 7 Holland Way, 2nd Floor, en Exeter, NH
- Solicite que se le envíe una por correo llamando a la Oficina de cuentas de pacientes al 603-580-6627
- Descargue una solicitud en http://www.exeterhospital.com/patients-and-visitors/financial-assistance/

Cómo realizar una solicitud

Puede solicitar asistencia antes de recibir los servicios o hasta 240 días después de haber recibido su primer resumen de cuenta. Debe enviar una Solicitud de FAP completa, junto con los documentos requeridos, a la Oficina de cuentas de pacientes ubicada en:

Exeter Hospital - Patient Accounts
7 Holland Way
Exeter, NH 03833

Para obtener una traducción

Puede obtener copias de este resumen, de la política completa y de la solicitud tanto en inglés como en español. Puede obtenerlos en otros idiomas a través de nuestra Línea de idiomas. Llame a Cuentas de pacientes al **603-580-6627** para recibir más información sobre cómo obtener copias.

WI	EXETER HOSPITAL, INC. WORK INSTRUCTIONS	WI#: ONC(LD).001-WI.001	PAGE: 1 of 2
		EFFECTIVE DATE: 01/2019	

TITLE: Financial Assistance for Oncology Patients

REVIEWED DATE(S): 8/2015, 1/19
REVISION DATE(S): --------, 1/19

SCOPE: Center for Cancer Care
DEVELOPED BY: Center for Cancer Care

APPROVED BY: Eileen McDonald, Sr. Admin Director Leanne Delillo, Bus. Director
REVIEWED BY: QI Committee 01/2019

CROSS REFERENCES:

POLICIES / SCOPE OF SERVICE: ONC(LD).001 - Financial Assistance For Oncology Patients
RADONC(IM).001 - Abbreviations Used in the Radiation Oncology Department

STANDARD OPERATING PROCEDURES:

WORK INSTRUCTIONS:

FORMS:

CHANGE CONTROL:

Effective Date	A=Add D=Delete C=Change	Description of changes	Responsible Person *(e.g. S.Smith)*
		•	
		•	
		•	
		•	
		•	
		•	

STEPS IN PROCEDURE:

1. Support Staff will identify patients who express financial hardship related to EH bill, and/or MGPO, refer to Social Work.
2. Social Work to meet with patient for initial assessment. As part of their initial assessment, Social Work will review with the patient the Exeter Hospital Financial Assistance Program. If the patient is within the guidelines, Social Work will refer patient to Inpatient Financial Representative and Patient Accounts Supervisor .
3. The Inpatient Financial Rep will then screen the patient to see if they may qualify for a Financial Assistance Program (i.e. in our Geo area for EH FA or NHHAN) and will help the patient complete the application if needed.
4. If patient has Medicaid qualifiers, the Inpatient Financial Representative will then help the patient through the Medicaid application process.
5. If the patient does not qualify for any of the assistance programs, the Inpatient Financial Representative will assist the patient by setting up a payment plan.
6. MGPO will be notified and offer the patient a % discount.
7. Financial Representative will notify Oncology via e-mail of any new patient who qualifies for either Medicaid or Free Care.

If Exeter Hospital is not contracted with a patient's insurance company:

1. Support staff will immediately alert the referring MDs office.
2. The Support staff will work with the referring MD's office in the event that the patient may need to go elsewhere for services.

Core Physicians, LLC
Financial Assistance Policy
as of April 1, 2018

I. Purpose

Core Physicians, LLC ("Core") provides financial assistance to individuals who are unable to pay for all or part of the cost of their care at Core. This program is available to all individuals who meet the requirements and who fall within the specified income, geographical and other guidelines outlined in this policy.[1] This policy is subject to the availability of Core's financial resources, as further set forth in this Policy.

II. Eligibility

An individual meeting the following criteria is eligible to apply for financial assistance from Core:

a. **Legal Status**: he or she either is a citizen of the United States, a lawful resident alien of the United States, or can provide other sufficient evidence that he or she is lawfully present in the United States (e.g., he or she holds valid a green card).

b. **Medicaid:** he or she must apply for coverage through Medicaid if he or she qualifies for Medicaid based on the Federal Poverty Level Guidelines.

c. **Medicare Part B:** he or she must apply for coverage through Medicare Part B if he or she qualifies for Medicare Part B based on age.

d. **Health Insurance Exchange**: he or she must apply for coverage through the Health Insurance Exchange during open enrollment and provide proof of acceptance or exemption if he or she applies for medical financial assistance. Dental financial assistance is excluded from this eligibility requirement at this time.

e. **Medical Need**: he or she is in need of medical care or is receiving medically necessary care from a Core employee. This policy generally does not include those individuals who are treated by a Core employee merely due to a coverage arrangement with a non-Core employee. It specifically includes patients covered by Core hospitalists, and patients of nursing homes who are covered in the facility by Core physicians, but excludes patients of other physicians who are merely covered by another Core physician who is sharing call with non-Core physicians.

f. **New Hampshire Residency**: he or she has been a resident of New Hampshire for at least 6 months over the past 12 month period (whether consecutive or nonconsecutive) and resides in the following geographical area:

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[1] As provided in Section IV, in the case of an individual who has not yet reached the age of 18 or is an emancipated minor, Core will look to the income and other financial information of such individual's parent(s) or legal guardian in making a determination as to whether or not financial assistance is available under this program.

Atkinson, Barrington, Brentwood, Candia, Chester, Danville, Deerfield, Durham, East Hampstead, East Kingston, Epping, Exeter, Fremont, Greenland, Hampstead, Hampton, Hampton Falls, Kensington, Kingston, Lee, Madbury, Newfields, Newmarket, Newton, Newton Junction, Northwood, North Hampton, Nottingham, Plaistow, Portsmouth, Raymond, Rye, Rye Beach, Sandown, Seabrook, Somersworth, South Hampton, Stratham, and West Nottingham.

If the individual does not reside in the geographical area for all other treatment, he or she must have a Core Primary Care Physician (PCP) who practices in the geographical area for all other medical treatment. If a patient has a Core or Lamprey PCP, then regardless of where they reside, they are eligible to apply for financial assistance. This is not restrictive to NH residents only.

g. **Lack of Coverage**: he or she is insufficiently insured or uninsured for the medical or dental care needed, and has applied for and been denied coverage under federal, state, or local government medical/ dental insurance or assistance programs.

III. Policy

a. Budget. The System Managers of Core shall establish for its fiscal year an amount, either based on a percentage of Core's operating revenue or an absolute dollar amount, which Core shall provide in financial assistance during that period. In any given fiscal year, the minimum financial assistance amount during such period shall be one percent (1%) of Core's gross patient revenues. The System Mangers shall have the ability to increase such amount from time to time within any given year.

b. Nondiscrimination. Subject to the established budget and eligibility criteria, Core shall render services to members of the community who are in need of medical and dental care regardless of the ability of the patient to pay for such services. The determination of full or partial financial assistance will be based on the Applicant's ability to pay, as provided in this policy, and will not be based on the age, sex, race, creed, disability, sexual orientation or national origin of the patient.

c. Eligible Services. Financial assistance is available for medically necessary services, including dental services that are provided by Core employees. For this purpose, a medically necessary service consists of a service that is reasonably expected to prevent, diagnose, prevent the worsening of, alleviate, correct, or cure conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or to aggravate a handicap, or result in illness or infirmity. It shall include inpatient and outpatient services as mandated under Title XIX of the Federal Social Security Act. Surgery, treatments, or procedures for cosmetic, infertility, or experimental purposes are not considered medically necessary services for the purposes of this policy.

If it appears that the amount of financial assistance awarded under this program during a fiscal year may exceed the budget for financial assistance established by the System Managers of Core or that financial assistance awards may have a disproportionately

adverse effect on a particular specialty or department of Core, the Vice President of Finance may take any one or more of the following actions alone: (1) adjust the percentage scale established in paragraph f., below, (2) determine that financial assistance awards shall not be granted for services rendered by physicians and other clinical staff of certain specialty areas, (3) redefine the geographic area covered by this program; or (4) request that the System Managers increase the budget after consideration of relevant information.

d. Administration. Core shall designate one Financial Assistance Coordinator for dental treatment and one Financial Assistance Coordinator for all other treatment (hereinafter referred to collectively as the "Financial Assistance Coordinator") to approve or deny all financial assistance applications, to coordinate the communication of the policy, and to oversee the administration of the policy.

e. Determination of Eligibility. The determination of eligibility for financial assistance should be made before services are provided by Core pursuant to the Application/ Approval process contained in Section IV. If, however, complete information on the Applicant's insurance or financial situation is unavailable at the time of service, due to the emergent nature of the care or otherwise, or if the Applicant's financial condition changes, the designation of financial assistance eligibility may be made after services are rendered. Applications will be evaluated and determinations of eligibility and the amount of assistance made based on Core's criteria in effect at the time the application is made.

f. Amount of Financial Assistance.

Assistance with payment for medically necessary medical, surgical, and dental services will be reviewed annually and will be based on a percentage of the most current years Federal Poverty Levels.

g,. Co-payments.

Patients approved for *full* financial assistance (100% coverage):
If approved for full financial assistance, a co-pay is required at time of visit (primary care or specialty). The co-pay for primary care is $5.00 and the co-pay for specialty care is $10.00.

Patients approved for partial financial assistance (10% to 80% coverage):
If approved for partial financial assistance, a sliding scale co-payment is due at the time of visit.

Patients with outstanding balances associated with their financial assistance co-pays or cost share are ineligible to reapply for further financial assistance until their balances are paid in full.

Patients with outstanding balances associated with their Exeter Hospital financial assistance co-pays or cost shares are ineligible to reapply for further financial assistance until their balances are paid in full with Exeter Hospital.

Core's Vice President of Finance is authorized to establish, as he or she deems necessary or appropriate, co-pay amounts that recipients of financial assistance under this policy are required to contribute to Core in connection with services provided by Core.

IV. Application / Approval Process

a. Application. The attached application shall be used by Applicants to apply for financial assistance from Core. The Financial Assistance Coordinator (or his/ her designee) shall provide assistance, including translation services, to Applicants completing the application.

The application shall ask for the following information: the residence of the Applicant, information on family and household members, earned income, income from other sources, expenses (including but not limited to Medicare Part B Premiums), medical and/ or dental insurance coverage and policy information, other medical/ dental expenses, proof of acceptance or exemption for coverage through Medicaid, Medicare Part B, or the Health Insurance Exchange (for those applying for medical financial assistance only), and whether the Applicant participates in Exeter Hospital's Charity Program. If the Applicant is under 18, the patient's parent or guardian shall complete the application using the parent or guardian's financial information, unless the Applicant is an emancipated minor. Patients will also be asked to provide consent for the use by Core of information provided to Exeter Hospital in connection with a financial assistance application, and will use such information, if current, to determine eligibility and the amount of a financial assistance award from Core.

b. Assets Criteria.
   i. Individual assets cannot exceed $7,500 and family assets can not exceed **$15,000.** Assets include, but are not limited to (checking, savings, stocks, bonds, mutual funds, CD's, money market accounts, second property). Life insurance, pensions, IRA's, 401K (403B), and primary residence are excluded.
   ii. Each head of household (max of 2) is entitled to a vehicle, which is excluded from consideration. The value of additional vehicles counts towards asset limit.

c. Supporting Documentation. The Applicant must submit to support the application proof of identity, residence and income and assets (or, where applicable, the income and assets of the Applicant's parent(s) or guardian(s), and proof of acceptance or exemption for coverage through Medicaid, Medicare Part B, or the Health Insurance Exchange if he or she applies for medical financial assistance (dental financial assistance is excluded from this requirement at this time). Acceptable proof of the information requested in the application includes pay stubs for the past 3 consecutive current pay periods, most recent

tax return (Form 1040), most recent W-2 forms, and unemployment or disability statements.

d. Timing. All attempts should be made by Core to have the Applicant or, where applicable, the Applicant's parent(s) or legal guardian(s) fill out a financial assistance application before the time services are rendered, and all supporting documentation not submitted with the application must be submitted within 45 days of submitting the application or the application will be considered closed. This procedure in no way authorizes any delay or conditioning of care in emergency situations for which Core otherwise would have responsibility to provide emergency care.

e. Pending Applications. If Core has reason to believe that the Applicant is eligible for financial assistance, an alert will be put on the patient chart stating that FA is pending.

f. Review. All applications will be reviewed by a financial counselor for accuracy and completeness. The Financial Assistance Coordinator shall reserve the right to request a notarized statement from either a spouse, significant other, friend or parent stating that the Applicant or, where applicable, the Applicant's parent(s) or legal guardian receives no income, if such circumstance is claimed.

g. Approval. The Applicant shall be notified in writing within fourteen (14) working days after receipt of the financial assistance application and any supporting materials regarding whether he or she qualifies for the financial assistance program. We will also provide an additional fourteen (14) days after receipt of application, if additional documentation is required. The approval letter shall indicate the level of assistance awarded and the time period covered by the award (see below).

For Dental Patients: Once approved, the approval shall be valid for six (6) months; provided, however, that if an approved Applicant's financial condition changes, Core must be informed so that it can make a determination under the policy as to whether or not such individual is still unable to afford his/ her full dental expenses. An approved Applicant must re-apply for financial assistance after the six (6) month period has expired. Patients with outstanding balances associated with their financial assistance co-pays or cost shares are ineligible to reapply for further financial assistance until their balances are paid in full. Patients with outstanding balances associated with their Exeter Hospital financial assistance co-pays or cost shares are ineligible to reapply for further financial assistance until their balances are paid in full with Exeter Hospital.

For Medicare Patients: Once approved, the approval shall be valid for one (1) year. If Medicare patients are still working, they are approved for 6 months. An approved Medicare Applicant must re-apply for financial assistance after the one (1) year period has expired. Patients with outstanding balances associated with their financial assistance co-pays or cost shares are ineligible to reapply for further financial assistance until their balances are paid in full. Patients with outstanding balances associated with their Exeter Hospital financial assistance co-pays or cost

shares are ineligible to reapply for further financial assistance until their balances are paid in full with Exeter Hospital.

For All Other Medical Patients: Once approved, the approval shall be valid for six (6) months; provided, however, that if an approved Applicant's financial condition changes, Core must be informed so that it can make a determination under the policy as to whether or not such individual is still unable to afford his/ her full medical expenses. If a patient applies for financial assistance after August 1, 2014, he or she must apply for coverage through (1) Medicaid if he or she qualifies for Medicaid based on the Federal Poverty Level Guidelines; or (2) Medicare Part B if he or she qualifies for Medicare Part B based on age; or (3) the Health Insurance Exchange when open enrollment begins. He or she must provide proof of acceptance or exemption for coverage through Medicaid or the Health Insurance Exchange or financial assistance coverage will be terminated on January 1, 2015. An approved Applicant must re-apply for financial assistance after the six (6) month period has expired. Patients with outstanding balances associated with their financial assistance co-pays or cost shares are ineligible to reapply for further financial assistance until their balances are paid in full. Patients with outstanding balances associated with their Exeter Hospital financial assistance co-pays or cost shares are ineligible to reapply for further financial assistance until their balances are paid in full with Exeter Hospital.

h. Denial. If an Applicant is denied financial assistance, he or she shall be informed within 5 working days of the denial, and shall be informed of the reason for the denial at that time. The Applicant must wait 6 months before re-applying for financial assistance.

An Applicant or, where applicable, an Applicant's parent(s) or legal guardian(s) may appeal any decision made regarding his or her financial assistance. Appeals must be in writing and sent to the Financial Assistance Coordinator within 15 days of receipt of the denial. Core will review such requests at its sole discretion based upon the information available to it at the time, and will attempt to respond to such request within 30 days of the receipt of the appeal.

V. Resolution of Existing Accounts

a. Adjustments Upon Approval. Any balance outstanding on an Applicant's account at the time he or she applies for financial assistance may, at the discretion of the Financial Assistance Coordinator, be adjusted retroactively in accordance with the level of financial assistance granted to the patient.

VI. Recordkeeping

a. Internal Designation. All financial assistance applications will be entered into a log. The applications shall be maintained by Core for 5 years. A copy of the application and all

correspondence with the Applicant or, where applicable, the Applicant's parent(s) or legal guardian(s) regarding the application shall be maintained with the Applicant's billing file.

b. Accounting. Financial assistance awarded to an Applicant shall be recorded using a direct write-off method. Records of the amount of financial assistance awarded to each Applicant shall be maintained in a manner that allows Core to be able to quantify and report the amount of financial assistance awarded under this program.

VII. Communication of Policy

Information regarding this program shall be available in the reception areas of all Core offices, on billing statements, on the website maintained by Core, and in the annual community benefit report required to be filed annually by the State of New Hampshire. In addition, Core shall send anyone who requests information on its financial assistance program a letter containing a summary of the program and an application form.

VIII. Policy Review

The policies and procedures of this financial assistance program shall be reviewed and updated at least every 3 years by the System Managers of Core, although it may be reviewed and modified at any time.

This document is an internal document designed to assist Core employees in administering the Financial Assistance Program. It does not create a physician-patient relationship between Core and any third party. The policy is subject to amendment or termination in whole or in part at any time without prior notice. In no event shall any individual accrue any legal right or interest under this policy.

Last updated on March 19, 2018

Core Financial Assistance Process

Purpose: To provide all Core staff with guideline for Core's Financial Assistance process.

Policy:

It is the policy of Core Physicians to collect the following at time of service from patients approved for Core Financial Assistance:

(1) Financial Assistance co-pays for patients approved for 100% Core Financial Assistance;
(2) Outstanding balances; and
(3) Financial Assistance deposits for patients approved for partial Financial Assistance.

Procedure:

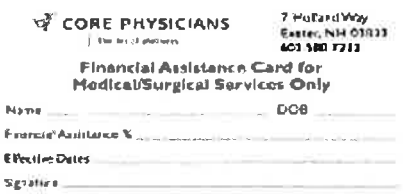
Step 1 - Determine if a patient has Core Financial Assistance:

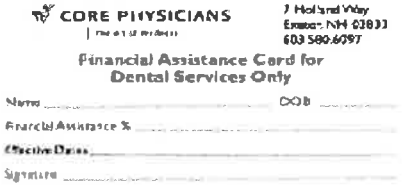
- If a patient has applied for Financial Assistance through Core, a NextGen system alert will appear indicating the patient either has Financial Assistance or the application is in a "Pending" status.
- The "Pending" status alert indicates additional documentation is needed to complete the Financial Assistance process.
- This alert will remain on the patient's account for approximately thirty days after original Financial Assistance application/documentation was received.
- If additional documentation is not received after thirty days, the patient will be denied Financial Assistance.
- The patient has the right to appeal this denial by requesting an appeal in writing.
- All appeals with supporting documentation must be received within fifteen days of the denial.
- If the patent does not appeal the denial, the patient is required to wait six months to re apply for Financial Assistance from the date of the denial.
- The insurance listing in NextGen can also be utilized to determine the patient's Financial Assistance status.

Step 2 - Managing Financial Assistance Cards:

- Below are copies of the Core Financial Assistance cards for medical/surgical services and pediatric dental services.
- The percentage shown on the Core Financial Assistance Card for dental services does not apply to medical or surgical services.
- The FA Department scans the medical/surgical FA card into NextGen once the patient is approved; Core practices do not need to scan any FA cards into NG.
- Please do not scan Core Dental Financial Assistance Card into NextGen.

- Please do not scan Exeter Hospital Financial Assistance cards into Next Gen.
- When attaching FA as an insurance in NextGen, Core Financial Assistance is:
  (1) the primary insurance if the patient has no other insurance; or
  (2) the secondary insurance if the patient has a commercial insurance.


CORE PHYSICIANS
7 Holland Way
Exeter, NH 03833
603 580 7711
Financial Assistance Card for
Medical/Surgical Services Only
Name _____ DOB _____
Financial Assistance % _____
Effective Dates _____
Signature _____


CORE PHYSICIANS
7 Holland Way
Exeter, NH 03833
603 580.6097
Financial Assistance Card for
Dental Services Only
Name _____ DOB _____
Financial Assistance % _____
Effective Dates _____
Signature _____

Step 3 - Collection of co-pays and deposits from Core Financial Assistance Patients:

Please see "Account Alert" or the entry in NextGen for Financial Assistance percentage.

A. Office Visits for Financial Assistance (FA) patients:

- Co-pays for Financial Assistance (FA) patients are expected at time of service. If the patient is scheduled for a virtual visit, the co-pay is not being collected at time of service at this time and the patient will be billed for the co-pay after services are rendered. It is important to note that Phreesia will not capture FA co-pays so manual adjustments to the owed amount in Phreesia for the patient visit may be necessary.
- **100% Financial Assistance:** Patients with 100% Core Financial Assistance should have the following co-pay collected at time of service in the office setting:
  - $5.00 co-pay when seen by their Primary Care Physician.
  - $10.00 co-pay for office visits with any Core Specialist (including Dentists).
  - The $10.00 co-pay for office visits also applies to obstetrics patients at every obstetrics visit, include those visits covered under the global fees.
  - Patients with 100% FA will not be billed in excess of the $5.00/$10.00 co-pay unless they receive a non-covered service. If a FA patient receives a non-covered service, they will be responsible for the charges in full.
- **Partial Financial Assistance as Primary Payer (no other insurance):** Patients who are approved for partial Financial Assistance and have no other insurance are expected to pay a FA deposit at time of service for an office visit. This FA deposit is based on a percentage of Core's time of service deposit amounts of $100.00 in primary care and $250.00 in specialty care:

A. FA Deposits in primary care setting for patients with partial FA:

- 80% FA: $20.00 deposit (20% of $100 time of service deposit).
- 60% FA: $40.00 deposit (40% of $100 time of service deposit).

- 40% FA: $60.00 deposit (60% of $100 time of service deposit).
- 30% FA: $70.00 deposit (70% of $100 time of service deposit).
- 20% FA: $80.00 deposit (80% of $100 time of service deposit).
- 10% FA: $90.00 deposit (90% of $100 time of service deposit).

B. FA Deposits in <u>specialty care setting</u> for patients with partial FA:

- 80% FA: $50.00 deposit (20% of $250 time of service deposit).
- 60% FA: $100.00 deposit (40% of $250 time of service deposit).
- 40% FA: $150.00 deposit (60% of $250 time of service deposit).
- 30% FA: $175.00 deposit (70% of $250 time of service deposit).
- 20% FA: $200.00 deposit (80% of $250 time of service deposit).
- 10% FA: $225.00 deposit (90% of $250 time of service deposit).

C. Obstetrics Patients and FA Deposits for patients with partial FA:

a. 80% FA: 20% of global obstetrics fee (split into two payments).
b. 60% FA: 40% of global obstetrics fee (split into two payments).
c. 40% FA: 60% of global obstetrics fee (split into two payments).
d. 30% FA: 70% of global obstetrics fee (split into two payments).
e. 20% FA: 80% of global obstetrics fee (split into two payments).
f. 10% FA: 90% of global obstetrics fee (split into two payments).

- **<u>Partial Financial Assistance as Secondary Payer (patient has primary Commercial insurance):</u>**
  - Patients who are approved for partial Financial Assistance that have (1) Commercial Insurance as their primary insurance and (2) Financial Assistance acting as secondary insurance should pay the co-pay set by their Commercial Insurance and not the FA deposit.
  - There may still be a deductible or coinsurance balance for the FA patient to pay after insurance processes the claim for the date of service in question. Please inform the patient that they will be billed for the appropriate coinsurance and/or deductible balances after insurance processes their claims, based upon their approved FA percentage as listed below.
    - 80% FA: responsible for 20% of coinsurance and/or deductible
    - 60% FA: responsible for 40% of coinsurance and/or deductible
    - 40% FA: responsible for 60% of coinsurance and/or deductible
    - 30% FA: responsible for 70% of coinsurance and/or deductible
    - 20% FA: responsible for 80% of coinsurance and/or deductible
    - 10% FA: responsible for 90% of coinsurance and/or deductible

B. <u>Inpatient and Outpatient Procedures for Financial Assistance (FA) patients:</u>

- Patients with 100% FA do not have any expected out of pocket cost prior to surgery unless the surgery is cosmetic or not covered by FA.
- Patients with partial FA and no other insurance are expected to pay 60% of the anticipated total cost prior to a procedure.
- Patients with partial FA and a primary commercial insurance are expected to pay 40% of the anticipated patient cost share prior to a procedure.
- **All elective procedures performed by Core Plastics for FA patients require payment in full prior to the procedure. FA does not apply to**

cosmetic procedures or non-covered services.

- If balances are not paid in full (preferably one week) prior to the procedure, the procedure may be cancelled or rescheduled unless the provider deems the procedure emergent.

Patients with Exeter Hospital FA or applying for Exeter Hospital FA:

- If you encounter a patient with Exeter Hospital Financial Assistance, please email the "Financial Assistance" mailbox FinancialAssistance@ehr.org or advise the patient to call Core's Financial Assistance Department at (603) 580-7232 to make Core's Financial Assistance team aware that they have been approved through Exeter Hospital.
- The patient is not required to apply for FA through Core Physicians if they have been approved for Exeter Hospital Financial Assistance. Core's Financial Assistance Department will obtain the patient's Financial Assistance approval information from Exeter Hospital. No additional information will be required from the patient.
- If the patient is currently applying with Exeter Hospital Financial Assistance, a separate application with Core is not required. Please advise the patient to call the Core's Financial Assistance Department at (603) 580-7232 when they have been approved through Exeter Hospital.
- Please do not scan an "Exeter Hospital's Financial Assistance" card into any Core patient's Financial Assistance entry in Nextgen, as the approval percentages differ from Core's approval percentages.

Items to Note:

- We do not accept the New Hampshire Health Access Network program. This program uses different eligibility guidelines. New Hampshire Health Access Network is offered by Exeter Hospital and other area Hospitals/Providers. Core Physicians, LLC is not part of this Network.
- If you think that a change/edit has to be made to a Financial Assistance entry screen or you have any questions/concerns, please email the Financial Assistance Department at FinancialAssistance@ehr.org or 603-580-7232. Please do not make these changes yourself.
- Please read all chart/account alerts.
- Please do not expire Financial Assistance alerts or Financial Assistance entries in Nextgen.
- Please do not attach Financial Assistance to the encounter if the patient has Medicaid.

Important phone numbers:

- Core Physicians (Medical) Financial Assistance Department (603) 580-7232
- Core Physicians (Dental) Financial Assistance Department (603) 773-4900
- Exeter Hospital Financial Assistance Department (603) 580-6627

Cross Reference Documents in the MOC Manual:

- Time of Service Collections

Revised October 1, 2020

Exeter Health Resources
Financial Assistance Income Guidelines
Core Physicians and Exeter Hospital
effective April 1, 2015

Core Physicians - Medical/Surgical/Dental (4/1/2022)

Family Size	100% FPL 100% Discount From:	To:	100.01% FPL 150% FPL 80% Discount From:	To:	150.01% FPL 200% FPL 60% Discount From:	To:	200.01% FPL 280% FPL 40% Discount From:	To:	280.01% FPL 320% FPL 30% Discount From:	To:	320.01% FPL 360% FPL 20% Discount From:	To:	360.01% FPL 400% FPL 10% Discount From:	To:
1	$ -	$ 13,590	$ 13,591	$ 20,385	$ 20,386	$ 27,180	$ 27,181	$ 38,052	$ 38,053	$ 43,488	$ 43,489	$ 48,924	$ 48,925	$ 54,360
2	$ -	$ 18,310	$ 18,311	$ 27,465	$ 27,466	$ 36,620	$ 36,621	$ 51,268	$ 51,269	$ 58,592	$ 58,593	$ 65,916	$ 65,917	$ 73,240
3	$ -	$ 23,030	$ 23,031	$ 34,545	$ 34,546	$ 46,060	$ 46,061	$ 64,484	$ 64,485	$ 73,696	$ 73,697	$ 82,908	$ 82,909	$ 92,120
4	$ -	$ 27,750	$ 27,751	$ 41,625	$ 41,626	$ 55,500	$ 55,501	$ 77,700	$ 77,701	$ 88,800	$ 88,801	$ 99,900	$ 99,901	$ 111,000
5	$ -	$ 32,470	$ 32,471	$ 48,705	$ 48,706	$ 64,940	$ 64,941	$ 90,916	$ 90,917	$ 103,904	$ 103,905	$ 116,892	$ 116,893	$ 129,880
6	$ -	$ 37,190	$ 37,191	$ 55,785	$ 55,786	$ 74,380	$ 74,381	$ 104,132	$ 104,133	$ 119,008	$ 119,009	$ 133,884	$ 133,885	$ 148,760
7	$ -	$ 41,910	$ 41,911	$ 62,865	$ 62,866	$ 83,820	$ 83,821	$ 117,348	$ 117,349	$ 134,112	$ 134,113	$ 150,876	$ 150,877	$ 167,640
8	$ -	$ 46,630	$ 46,631	$ 69,945	$ 69,946	$ 93,260	$ 93,261	$ 130,564	$ 130,565	$ 149,216	$ 149,217	$ 167,868	$ 167,869	$ 186,520

each add'l person add $4,720

Core FA Copays for patients with 100% FA

PCP	**$5.00**
Specialist	**$10.00**

Core FA Copays for patients with partial FA

80% FA	**$ 20.00**
60% FA	**$ 40.00**
40% FA	**$ 60.00**
30% FA	**$ 70.00**
20% FA	**$ 80.00**
10% FA	**$ 90.00**

Exeter Hospital (4/1/2022) - 320% of FPL

Family Size	Combined Income & Assets less than
1	$ 43,488
2	$ 58,592
3	$ 73,696
4	$ 88,800
5	$ 103,904
6	$ 119,008
7	$ 134,112
8	$ 149,216

each add'l person add $4,720

Family Size		
1	$	13,590
2	$	18,310
3	$	23,030
4	$	27,750
5	$	32,470
6	$	37,190
7	$	41,910
8	$	46,630

each add'l person add $4,720

https://aspe.hhs.gov/poverty-guidelines

P	CORE PHYSICIANS, LLC POLICY	POLICY #: BFM.215	PAGE: 1 of 6
		EFFECTIVE DATE: 10/2020	

REVIEWED DATE(S): 03/2001; 03/02; 11/03; 10/05; 01/08; 05/13; 12/15;10/17; 06/18; 09/19; 10/2020

REVISION DATE(S): 03/2001; 03/202; 11/03; 10/05; 01/08; 05/13; 12/15; 06/18; 09/19; 10/2020

FUNCTION: Billing and Financial Management

TITLE: Payment at Time of Service

SCOPE: Core-Wide

DEVELOPED BY: Finance

APPROVED BY:

Debra R. Cresta	Sandra S.W. Cassetta	Sean K. O'Neil
President	*V.P. of Finance*	*Chief Operations Officer*

CROSS REFERENCES:

POLICIES:

STANDARD OPERATING PROCEDURES:

WORK INSTRUCTIONS:
MOC Manual Documents:
Time of Service Collections
Surgical Prepay Process
Liberty Health Share
Guidelines to Core Financial Assistance Process
Large Balance Appointment Blocks
Non-contracted Insurance Plans
Out of State Medicaid Plans
Shared Medical Expense Plans

FORMS:
Surgical Prepay Process
Surgical Prepayment Worksheet

CHANGE CONTROL:

Effective Date	A=Add D=Delete C=Change	Description of changes	Responsible Dept.
06/2018	C	• Changed from two weeks prior to one week prior	Finance
07/2019	A	• Added instruction if patient has insurance and financial assistance; added timeframe for when the large balance block is put on a patient's account	Finance
09/2019	C	• Added language on $250 deposit for patients with Liberty Health share and directions for printing invoices	Finance
10/2020	C	• Increased time of service deposit to $250 in all specialty practices; added clarifying language about FA copays and deposits; clarified that $250 deposit applies to all health sharing plans; added language about $250 to lift a large balance block; added language in about copays and deposits for obstetrics patients; expanded co-pay exclusions list	Finance

P	ROCKINGHAM VNA & HOSPICE POLICY	POLICY #: LD 023	PAGE: 1 of 2
		EFFECTIVE DATE: 9/30/2010	

REVIEWED DATE(S): 8/16, 11/17

REVISION DATE(S): 12/14, 8/15, 11/22

FUNCTION: Leadership

TITLE: Financial Assistance

SCOPE: Home Care

DEVELOPED BY: Finance

APPROVED BY: PAC 15

REVIEWED BY: Karen Michel 8/16, Mary Arnault 11/17

CROSS REFERENCES:

POLICIES:

STANDARD OPERATING PROCEDURES: LD 023-SOP.001 Financial Assistance

WORK INSTRUCTIONS:

FORMS:

CHANGE CONTROL:

Effective Date	A=Add D=Delete C=Change	Description of changes	Responsible Person *(e.g. S.Smith)*
		•	
		•	
		•	
		•	
		•	
		•	

PURPOSE: To formalize the procedures taken to provide financial assistance to patients who cannot pay for all or part of their care.

GENERAL INFORMATION:

DEFINITIONS:

POLICY STATEMENTS:
Rockingham Visiting Nurse Association & Hospice has a community based financial assistance program for uninsured patients with specific income, who do not otherwise have any state or federal assistance.

1. Intake department at time of receipt of referral ascertains insurance and/or benefit information.
2. If no insurance and the referral source is from Exeter Hospital or Core Physicians, the billing department will inquire and honor any financial assistance approved by Exeter Hospital or Core Physicians and a payor plan note is entered into the system.
3. Upon admission to Rockingham Visiting Nurse Association (Agency) the clinician completes a service agreement and assignment of benefits form noting self-pay –free care pending. (see Standing Operating Procedure (SOP) for Service Agreement)

REFERENCES:

WHAT DID OUR BOARD LOOK FOR FROM AN AFFILIATION

1

Mission and Culture

- *Ensure Exeter continues as a community focused and mission driven organization*
- *Ensure cultural alignment with Exeter's core values*

2

Strategy & Long-term Vision

- *Enable Exeter to achieve scalable infrastructure and capabilities*
  - *enhancing population health management expertise*
  - *affordable value-based accountable care*
- *Position Exeter to enhance long-term sustainability*
- *Access consumer-focused innovation and transformational strategies*

3

Clinical

- *Sustain, optimize and expand breadth and depth of scope of services available to our patients, our community and the state of NH*
- *Ensure access to high quality healthcare into the future*

WHAT DID OUR BOARD LOOK FOR FROM AN AFFILIATION

4

New Care Models and Quality

- *value-based accountable care infrastructure and expertise*
- *Embrace the evolving quality, convenience and consumerism preferences*

5

Information Technology

- *Provide Exeter with the IT resources and expertise to support the implementation of an integrated, leading, enterprise-wide IT strategy*
- *Enhance Exeter's data and business analytics capabilities*

6

Physicians and Employees

- *Strengthen human capital by enhancing recruitment and retention*
- *Provide an environment where Exeter employees can thrive*
- *Continue the support of an aligned and engaged physician enterprise*

WHAT DID OUR BOARD LOOK FOR FROM AN AFFILIATION

7

Financial Sustainability

- *Ensure future long-term financial sustainability through leveraging economies of scale*
- *Enhance access to affordable capital*
- *Ensure board designated and unrestricted funds held by Exeter may be spent only to advance the charitable purposes of Exeter for the benefits of the communities served by Exeter*

8

Branding

- *Achieve meaningful differentiation characterized by strong brand reputation*
- *Maintain an appropriate level of local branding*

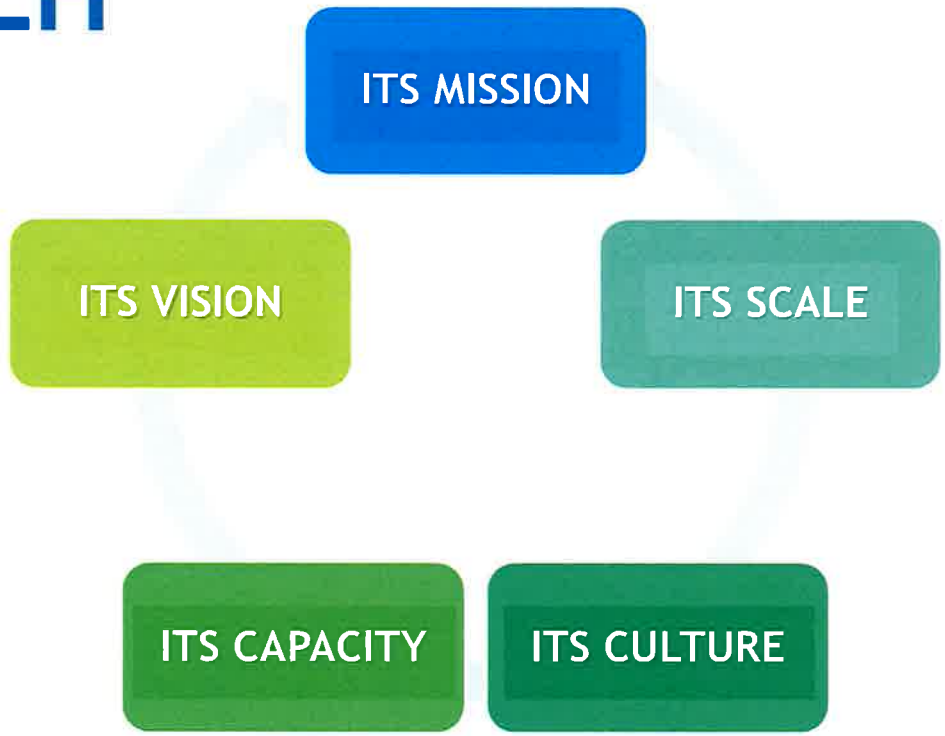
9

Governance

- *Maintain appropriate influence over local decisions and strategic direction to the extent possible considering partner commitments*
- *Seek partner demonstrating governance-management connectivity during transaction process*
- *Ensure appropriate governance-management connectivity with partner post-transaction*

WHY BILH

Beth Israel Lahey Health



For the times that we are in and the times that lie in front of us, there could be no better partnership for us

WHO IS BILH

Beth Israel Lahey Health

BACKGROUND & FOUNDING

On March 1, 2019, Beth Israel Lahey Health become the ultimate corporate member of three legacy systems: CareGroup, Inc., Lahey Health System, Inc., and Seacoast Regional Health Systems, Inc.

BILH AT A GLANCE

- $6.3B Revenue
- 13 Hospitals - 2,400+ Licensed Beds
- 25 Major Ambulatory Facilities

- Over 35,000 employees
- 6,500 Physicians / 2,500 employed physicians including 1,300 Harvard Medical Faculty Physicians
- 850 PCPs (*450 of which are employed*)

- 9,000 Nurses
- 4.8M Outpatient Visits
- 152,000 Discharges

BILH is the region's only large scale academic health system where the majority of care is delivered in community institutions

Beth Israel Lahey Health *Community Hospitals*

1 Beth Israel Lahey Health
Addison Gilbert Hospital

- 79 beds
- Licensed under Northeast

2 Beth Israel Lahey Health
Anna Jaques Hospital

- 123 beds
- Level III Trauma Center
- $145M revenue

3 Beth Israel Lahey Health
BayRidge Hospital

- Psychiatric Hospital w/ 62 beds
- Substance Abuse and mental health treatment
- Licensed under Northeast

4 Beth Israel Lahey Health
Beth Israel Deaconess Hospital
Milton

- 102 beds
- 5,800 discharges
- $140M revenue

5 Beth Israel Lahey Health
Beth Israel Deaconess Hospital
Needham

- 58 beds
- 3,700 discharges
- $120M revenue

6 Beth Israel Lahey Health
Beth Israel Deaconess Hospital
Plymouth

- 164 beds
- 11,700 discharges
- $340M revenue

8 Beth Israel Lahey Health
Beverly Hospital

- 223 beds
- 18,900 discharges*
- $407M revenue*

1 Beth Israel Lahey Health
Lahey Medical Center
Peabody

- 10 beds, 5 ORs
- Licensed under LHMC

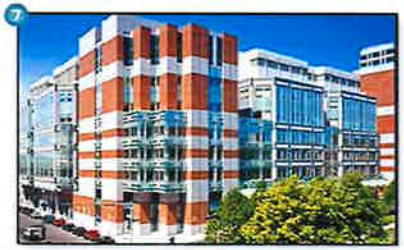
1 Beth Israel Lahey Health
Winchester Hospital

- 178 beds
- 14,800 discharges
- $320M revenue

Beth Israel Lahey Health

Beth Israel Lahey Health
Academic Medical Center / Tertiary Teaching Facilities

Beth Israel Lahey Health
Beth Israel Deaconess Medical Center



Academic Medical Center affiliate of Harvard Medical School

673 licensed beds

$1.6B Net Patient Revenue

- 38,000 inpatient discharges, including 5,100 births
- Level I Trauma Center and founding member of Harvard's NCI cancer center
- Research funding over $230M
- Renowned programs in Cardiovascular, Digestive Health, Neurosciences and Women's Health
- 803,000 outpatient visits; 48,000 ER visits

Beth Israel Lahey Health
Lahey Hospital & Medical Center

Tertiary medical center and affiliate of Tufts School of Medicine

345 Licensed beds

$1.3B Net Patient Revenue

- 21,500 inpatient discharges
- Integrated multispecialty group practice model
- Renowned programs in Digestive, Urology, and Transplant
- 1.2M outpatient visits; 62,000 ER visits
- 19,000 surgeries

Beth Israel Lahey Health
Teaching / Specialty Facilities

Beth Israel Lahey Health

Beth Israel Lahey Health
New England Baptist Hospital

Premier Orthopedic Hospital in New England

118 licensed beds

$221M Net Patient Revenue

- 13,200 orthopedic surgeries
- #1 orthopedic market share in MA
- Consistently ranked as one of America's top orthopedic hospitals by US News
- Press Ganey Guardian of Excellence Award 11 years in a row (>95th pctl. patient satisfaction)

Beth Israel Lahey Health
Mount Auburn Hospital

Harvard Medical School Teaching Hospital

213 licensed beds

$374 M Net Patient Revenue

- 12,700 inpatient discharges, including 2,500 births
- Centers of Excellence in Cardiac Care, Women's Health, and Oncology
- State of the art facility, with all single bed rooms
- 29,000 emergency room visits
- 7,300 surgeries

Beth Israel Lahey Health
Joslin Diabetes Center

Largest diabetes institution worldwide

Harvard Medical School Affiliate (Research & Teaching)

$65-80 M in Revenue (Primarily Research)

- Largest institution worldwide devoted to diabetes research, care and education
- 6 specialty clinics
- 28,000 adult and 8,000 pediatric visits
- 18,000 unique patients

Beth Israel Lahey Health
A Comprehensive System of Care

A comprehensive, high-value system of care across Eastern Massachusetts and Southern New Hampshire

Community / Ambulatory	Acute	Post-Acute
▪ Primary Care	▪ Community Hospitals	▪ Home Care
▪ Specialty Care	▪ Tertiary and Academic Hospitals	▪ Hospice & Palliative Care
▪ Behavioral Health		▪ Preferred SNF Network
▪ Ambulatory Surgery		

Population Health Management

COMMUNICATIONS

- Announcement to Staff / Medical Staff – Exeter Hospital, Core Physicians & Rockingham VNA & Hospice
- Inform Key Stakeholders
- Press Release
- All Staff WebEx: March 16, 2022 at 8:00 a.m.
- Use of The Pulse to Update Information
- Refer all Media Calls to Deb Vasapolli at 603-997-2292
- Refrain from Reaching Out to Your Counterparts.
  There are Strict Rules about How We Communicate During This Process Until We Have Regulatory Approval

TAKEAWAYS FOR BUSINESS REVIEW

This affiliation is good for New Hampshire and Seacoast residents, it brings new investment, it brings more choice, it creates sustainability and it brings the opportunity of true transformation

Positive evolutionary changes will take place, but only after our affiliation is approved

Patient care will in no way be disrupted

Your work and our focus will not change for the immediate future

We won't have answers to everyone's questions until we get through the completion of our due diligence, finalize our definitive agreements and gain regulatory approval – there will be ambiguity in the short term

Talking points and FAQs will be available on the Pulse


QUESTIONS

From: Kuzborski, Cheryl L.
Sent: Tuesday, March 15, 2022 11:04 AM
Subject: Exeter Health Resources & Beth Israel Lahey Health Sign Letter of Intent

Together As One

Core Physicians | Exeter Hospital | Rockingham VNA & Hospice

To: **ALL STAFF**
From: Kevin Callahan, President & CEO
Re: Exeter Health Resources & Beth Israel Lahey Health Sign Letter of Intent
Date: 3/15/22

Exeter Health Resources has signed a Letter of Intent with Beth Israel Lahey Health (BILH) to further explore the opportunity for Exeter to join BILH. The Press Release as well as a comprehensive list of Frequently Asked Questions (FAQs) can be found on the home page of *The Pulse.*

A virtual Town Hall with Kevin Callahan will be held via WebEx on Wednesday, March 16, from 8:00 a.m. to 9:00 a.m. All staff are invited and encouraged to join. For instructions to access the WebEx meeting, view the post on the home page of *The Pulse*. This meeting will be recorded and posted on *The Pulse* for those unable to attend.

Cheryl Kuzborski
Employee Communication Specialist/Human Resources
Exeter Health Resources & Affiliates:
Exeter Hospital, Rockingham VNA & Hospice, Core Physicians
5 Alumni Drive, Exeter, NH 03833

EXETER HEALTH RESOURCES
The Art of Wellness

Beth Israel Lahey Health

Press Release- Embargoed Until 12pm on Tuesday, March 15, 2022

Media Relations Contacts:

Debra Vasapolli (Exeter)
dvasapolli@ehr.org
Mobile: 603-997-2292

Jennifer Kritz (BILH)
jennifer.kritz@bilh.org
Mobile: (617) 512-0210

Exeter Health Resources and Beth Israel Lahey Health Sign Letter of Intent

Exeter, N.H. and Cambridge Mass. (March 15, 2022) – Exeter Health Resources, Inc. (Exeter), including Exeter Hospital, Core Physicians and Rockingham Visiting Nurse Association & Hospice, has signed a Letter of Intent (LOI) with Beth Israel Lahey Health (BILH) to further explore the opportunity for Exeter to join BILH. The decision represents the first step toward reaching a definitive agreement intended to strengthen, enhance and expand local access to high quality care in New Hampshire.

Exeter's selection of BILH is the culmination of a yearlong competitive evaluation of multiple health systems across New Hampshire and the broader New England Region. After extensive analysis and consideration, Exeter chose to move forward exclusively with BILH given their shared commitment to ensuring Exeter patients have enduring access to world-class care, close to home. This commitment includes expanding and locally delivering a full continuum of clinical services, including behavioral healthcare, in a seamless, coordinated, and cost-effective manner.

"Exeter Health Resources and its affiliates have a long history of delivering high quality healthcare to the residents of the New Hampshire' Seacoast. The ability to become part of BILH's integrated healthcare delivery system provides Exeter access to those essential resources that will underpin the delivery of healthcare in the future," said Kevin Callahan, president and CEO of Exeter Health Resources, Inc. "One of the defining factors in our Board's selection of BILH was its demonstrated commitment to not only keeping care local within the community, but to deeply invest in the advancement of that care ensuring that Seacoast residents would always have access to the most advanced clinical care right here in New Hampshire, for generations to come."

"For 125 years, Exeter has been part of the fabric of southern New Hampshire, delivering excellent care in and for the community," said Kevin Tabb, MD, president and CEO of Beth Israel Lahey Health. "The majority of care Beth Israel Lahey Health provides across New England is delivered in community-based settings, and we believe that Exeter's shared commitment to high quality care close to home makes them an exceptional fit with our system."

Once Exeter and BILH reach a definitive agreement, reviews at the federal level, and by the states of New Hampshire and Massachusetts would be required for the organizations to establish a formal relationship.

About Exeter Health Resources

Exeter Health Resources consists of three operating affiliates; Exeter Hospital, Core Physicians and Rockingham Visiting Nurse Association & Hospice that together employ more than 2,400 staff members. Exeter Hospital is a not-for-profit, 100 bed, community-based acute care hospital, originally opened in 1897 with just a few beds, and now provides extensive outpatient programs in surgery, radiation and medical oncology, and cardiac catheterization. Exeter Hospital was awarded the highly coveted Magnet® designation in 2015 for its nursing practices and was re-designated in April 2018. Core Physicians is a community-based, multi-specialty group practice affiliated with Exeter Health Resources. Over 140 physicians and other clinicians in more than 25 locations within the service area offer services in primary care, pediatrics, orthopedics, gastroenterology and many other medical and surgical specialties. Rockingham Visiting Nurse Association & Hospice is a community based non-profit home health and hospice agency that provides services throughout Rockingham County and into Stratford County.

About Beth Israel Lahey Health

Beth Israel Lahey Health is an integrated health system that brings together academic medical centers and teaching hospitals, community and specialty hospitals, more than 4,800 physicians and 36,000 employees in a shared mission to expand access to great care and advance the science and practice of medicine through groundbreaking research and education.

# # #

From: Karakostas, Lisa
Bcc: AllStaff
Subject: Town Hall Meeting With Kevin Callahan on May 13 - Update on Proposed Affiliation
Date: Tuesday, May 10, 2022 4:30:21 PM
Attachments: image006.png
INSTRUCTIONS FOR JOINING VIRTUAL TOWN HALL MEETING_May2022.pdf

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Together As One

Core Physicians | Exeter Hospital | Rockingham VNA & Hospice

To: ALL STAFF
Re: Virtual Town Hall Meeting This Friday – Affiliation Update
Date: 5/10/22

ALL STAFF are invited to attend a virtual (WebEx) town hall meeting with Kevin Callahan on Friday, 5/13, from 8am – 9am. Kevin will be providing an update about the proposed affiliation with Beth Israel Lahey Health (BILH). Instructions for joining the meeting are attached, or you may join using the info below. *If you are planning to attend please be sure to put the meeting on your calendar, as you will not receive a calendar invite.* For those not able to attend, a recording of the meeting will be posted on *The Pulse*. We hope you will join us!

- **WebEx Town Hall Meeting on Friday, 5/13, 8am – 9am (Proposed Affiliation Update)**
- At the meeting time, join via the following link: https://ehr.webex.com/ehr/onstage/g.php?MTID=ec887384d7eef08f7d1125774c1a88adf
- **Or by Dialing** 1-415-655-0001 **Access Code:** 2420 744 3649
- **Event Password:** May2022TownHall

Lisa Karakostas, *Manager*
Employee Communication, Human Resources
Exeter Health Resources & Affiliates
5 Alumni Drive, Exeter NH 03833
603-580-6950 (office) 603-303-7764 (cell)
Lkarakostas@ehr.org

PRESS RELEASE

Media Relations Contacts:
Debra Vasapolli (Exeter)/dvasapolli@ehr.org
Jennifer Kritz (BILH)/jennifer.kritz@bilh.org

EXETER HEALTH RESOURCES AND BETH ISRAEL LAHEY HEALTH SIGN DEFINITIVE AGREEMENT

Proposed transaction seeks to strengthen and expand local access to high-quality healthcare in New Hampshire.

Exeter, N.H. and Cambridge Mass. (June 30, 2022) – Exeter Health Resources, Inc. (Exeter), which includes Exeter Hospital, Core Physicians and Rockingham Visiting Nurse Association & Hospice, and Beth Israel Lahey Health (BILH) have signed a definitive agreement that establishes the terms under which Exeter would join the BILH system. Together, the organizations seek to enhance and expand local access to high-quality care in New Hampshire.

The signing of this definitive agreement, which followed separate unanimous authorizations by the Boards of each organization, builds on the letter of intent signed earlier this year. The proposed transaction is now subject to state and federal regulatory review, which is expected to take a number of months.

"The opportunity for Exeter to join with BILH is an important, responsible step towards ensuring our long-term sustainability while advancing healthcare on the local level here in New Hampshire," said Kevin Callahan, president and CEO of Exeter Health Resources, Inc. "I am confident that our proposed relationship will result in greater access to healthcare services, more patient choice, and a significant advancement in affordable and sustainable healthcare for all of New Hampshire. We are excited about what this relationship can bring to our communities, and we look forward to sharing additional information as our journey towards a stronger future continues."

"In the months ahead, we look forward to continuing to engage with state and federal regulators with the goal of welcoming Exeter Health Resources to our Beth Israel Lahey Health family, so that we can partner to advance our shared commitment to ensuring that individuals and communities in New Hampshire have access to exceptional care close to home," said Kevin Tabb, MD, president and CEO of Beth Israel Lahey Health. "Exeter has been an integral part of the New Hampshire community for more than 125 years, and together we can build on that legacy of service and excellence for many years to come."

This definitive agreement represents the latest milestone in advancing this important transaction for the Seacoast Region and all of New Hampshire. By joining BILH, Exeter will secure local access to not-for-profit healthcare services for generations to come and create more sustainable choices for healthcare consumers and purchasers. The proposed transaction includes expanding and locally delivering in New Hampshire, a full continuum of clinical services, including behavioral healthcare, in a seamless, coordinated and cost-effective manner.

To learn more about the proposed transaction and for ongoing updates throughout the review process, please visit ExeterHospital.com.

About Exeter Health Resources

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# # #

EXETER HEALTH RESOURCES AND BETH ISRAEL LAHEY HEALTH SIGN LETTER OF INTENT AFFILIATION FAQs

PROCESS

What process did you follow to reach this decision? Who participated?
The exhaustive year-long process was led by our volunteer Board of Trustees, Kevin Callahan, President and CEO, in collaboration with the senior leadership team, and members of physician leadership. Several health systems were carefully evaluated and considered, and Beth Israel Lahey Health (BILH) was ultimately selected as the best partner for our health system.

What is the next step?
Over the next several months, each party will be completing due diligence and negotiating a final affiliation agreement. After that, we will go through the regulatory review process at both the federal and state level, which could take six months or longer, part of which will include listening to and receiving input from members of the public.

What happens if this effort fails?
We do not believe that will happen, as both Exeter and BILH view this is an excellent opportunity to integrate our health systems due to our shared, patient-focused model of care delivery and similar organizational cultures. Additionally, BILH views Exeter as a destination center of excellence in NH, and their leadership team is excited about this potential affiliation.

Should we be thinking about this as a second choice compared to MGH?
Absolutely not. Believe it or not, when we initially reached out to MGH, BILH did not exist as a single system. They did not come together as a fully integrated health system until 2019. While MGH represented what we believed to be the best option then, coming out of the end of a competitive process we believe that BILH is an even better, more aligned choice for the future of our organization. They have a stronger community focus, they are looking to invest significantly in Exeter as their NH hub and they will help us expand access to important, community based services. In addition, they will expand choice for NH health care consumers by bringing a fourth sustainable health system to the state. We are thrilled with this opportunity.

Why is this different? Why is it better?
Many reasons:

- The decision to select BILH came out of a competitive process led by our Board, ensuring that we have made the very best choice out of a number of very strong options.
- By selecting BILH we are bringing more high quality, financially responsible health care options to the state of NH. Right now most of the health care systems in NH are either part of the for-profit HCA system, the Dartmouth Hitchcock system, or Mass General Brigham (Wentworth Douglass). By choosing BILH we will expand the number of sustainable high quality health systems serving the state.
- BILH currently has no hospital facility in NH.
- BILH has a proven reputation of working with their home state to manage cost and provide sustainable value focused, community based health care choices.
- BILH is a community first health system, just like Exeter. The majority of the care they provide is in the community, not down in Boston. They know what community centered, patient focused care is all about.

MORE

Why would this potentially go forward when we had trouble with the regulators with Mass General?
While there are never any guarantees, we have put a lot of thought into this question, as have our consultants. We expect a careful, fair review, but are optimistic that we will be successful getting through this process. By affiliating with BILH, we will be bringing a fourth, sustainable high quality health system to NH, expanding choice and competition. BILH was successful in working with their state and the FTC to complete their own merger because they were able to demonstrate that they could expand access, invest in the community, improve efficiency and contribute to slowing the growth in health care costs all at the same time. That is part of what makes BILH a uniquely powerful choice for our organization, our community and our state.

What will be the focus of our executive leadership team during this process?
Exeter's executive team will be busy during the next several months conducting due diligence, negotiating definitive agreements, and focusing on other related activities. The planning process will include addressing the long-term goals of both organizations. This process will evolve as we go forward.

ORGANIZATIONAL IMPACT

What will happen to our name and identity?
Exeter will retain its name and identify. BILH recognizes that Exeter is well known among the communities we serve as being an outstanding health system that delivers highly reliable, safe care that is focused on the needs of our patients. Similarly, BILH is known for excellence in delivering patient-centric, financially responsible, community-based, high quality care. We are looking forward to integrating our health systems to ensure the sustainability of health care in the greater NH Seacoast area.

When this is completed, will Exeter remain a separate health system with its own management team?
Exeter will become a part of the BILH health system and it will retain its identity and local governance and management.

What will happen to the Board of Trustees?
Exeter will retain its own Board of Trustees and local management teams, who will be accountable for many aspects of our operations, but who will also be accountable to the BILH leadership and Board as an integrated part of that larger health system.

Will our physician group join the BILH physician group?
The intention is for Core, RVNA & Hospice, and Exeter Hospital to remain together as a local, NH based provider group underneath the BILH Health System. The details of how we will integrate and over what time period, will be worked out as part of an affiliation agreement; however, our goal is to build on the strengths of both health systems as a means of expanding local access to high quality care.

How will this impact the current clinical affiliations we have with other hospitals?
BILH recognizes the value that our existing clinical affiliations have provided to our community and have no immediate plans to change them. Those affiliations are based on contractual agreements with pre-negotiated terms and conditions. BILH has expressed a strong commitment to build on and expand the advanced clinical services we offer to our community. How we will specifically do that will be developed jointly as we negotiate the details of our affiliation and will depend in part on our current affiliates.

What about plans for our inpatient areas?
They will go forward as well. BILH has expressed commitment to help us by investing in our needed inpatient renovations.

What will be the impact on the expansion of the Center for Cancer Care?
Expansion of the newly named *Falzone Center for Cancer Care at Exeter Hospital* will continue as planned.

Once the proposed affiliation gets approved, will we be adding additional clinical services?
Our hope is to expand **local** access to high quality clinical services and to be able to add services in areas of greatest need, such as behavioral health. We will start working on those plans after we finish negotiating our affiliation agreements.

STAFF IMPACT

Will this change affect my employment?
At this point, we do not anticipate there will be any significant impact on staff because of the proposed affiliation. Other Massachusetts health systems that have joined BILH did not experience any staffing changes, and in fact, BILH indicated their committed to preserving staffing levels. Our intent in affiliating with BILH is to strengthen, enhance, and grow services to ensure local access to high quality care for our patients, now and for generations to come.

Will this change have a positive impact on our recruitment efforts and current open positions?
There is currently a nation-wide labor shortage, not only in health care, but in all industries. The fact we will be partnering with a larger organization with an outstanding reputation for care and as a highly regarded employer and be able to share resources will be a huge help as we face this very difficult, very challenging national labor shortage.

Will our culture change?
Our Board selected BILH as our "preferred" partner in part because their patient-centric culture, commitment to staff, and dedication to common values closely match our own –

- *Respect for the individual and a recognition of the collective power of individuals working together.*
- *Creativity and optimism as essential ingredients of a better future.*
- *Integrity and compassion as a basis of positive human relationships.*
- *Initiative and flexibility as abilities necessary to thrive in changing times.*
- *Commitment to superior customer satisfaction.*
- *Providing services that are efficient and high quality.*

For that reason, we do not anticipate any significant changes in our organization's culture or values.

Will my benefits change?
It is too early to speculate about any benefits changes, as the review of any benefits structure cannot occur until later in the affiliation process due to regulatory considerations, but we do not anticipate any negative changes.

Should I be worried about my retirement fund?
Exeter Hospital and Exeter Health Resources staff who are vested in our Account Balance Pension Plan will keep all funds allocated to them, as we are obligated to fund that plan in amounts sufficient to pay our benefit obligations over the long term. Staff with 403b accounts through Lincoln Financial are 100% vested, meaning you would keep all money in those accounts. Over time, we may explore opportunities to enhance our retirement plans in an effort to improve value to our plan participants.

If we receive approval for the affiliation, will rates of pay change based on Massachusetts wages?
That is not likely. The revenue we receive from government payers (Medicare, Medicaid) and most commercial insurance companies is based on our location, New Hampshire. We draw our employees primarily from NH.

PATIENT/PATIENT CARE IMPACT

How will this decision impact patients and what changes will they see?
Our priority is to ensure our patients continue to receive exceptional, high-quality care. We do not anticipate any changes for our patients in the short term. Once the affiliation is approved, we believe our patients will benefit from enhanced and expanded health care services that are available in their own community. Ensuring continuity of care for our patients at the Hospital, at Core, and at RVNA & Hospice is paramount.

How will patients be notified of this change?
Once the affiliation is approved, we will employ a robust communication plan to inform our patients.

What if a patient asks me my opinion about this new relationship?
You can assure the patient this new relationship will be beneficial in terms of additional resources for growth, technology, and local access to enhanced services and high quality clinical care. Our Board chose BILH because it will help ensure our long-term sustainability, enhance access to care for our community and our patients, and bring more high quality health care options to NH.

Updated 3/29/2022

Will the patient care services that are currently based in Exeter remain in Exeter?
BILH is committed to maintaining our existing services. In fact, BILH selected Exeter because they want to partner with a well-established and respected New Hampshire health system and improve the care available to NH residents.

Will patients retain the right to choose where to receive their care?
Yes, patients will continue to have choices. That will not change.

Will the new relationship affect patient Medicare, Medicaid, or health insurance coverage?
Current contracts remain in place; therefore, we do not anticipate any impact to patient coverage.

Will I need to change my physician?
Absolutely not. Becoming part of BILH will not disrupt our patients care and only provide more local access to high quality, financially responsible health care in the future.

COMMUNITY & DONOR IMPACT

Will we continue our relationships with our community partners and continue to support them through donations and sponsorships?
Exeter has a long history of providing financial support to local organizations in the NH Seacoast region. We will remain a valued community partner for many community initiatives and organizations, and will continue to support efforts that are aligned with our mission, vision, and values statements. BILH intends to help us significantly expand and build on our community support.

If a community member or staff member makes a donation to Exeter, will that donation go to Boston?
No. Monies donated to Exeter will stay in Exeter.

What about Exeter Hospital's endowment, will it stay here?
As required by the state any Board designated funds controlled by Exeter and its endowment will all stay local to help support our mission. In fact, BILH is planning to invest even more money into our health system to help us modernize and integrate our electronic medical record systems, renovate our undersized, older inpatient rooms, and bring more services and programs to the region.

Will community members & donors have an opportunity to provide input?
Yes. We are looking forward to receiving input from the community and plan to provide several opportunities for our patients, staff, and community members to share their thoughts before we finalize any agreement to affiliate. In fact, we encourage you to share your thoughts and your support for this project by visiting our webpage and providing comment. This is an incredibly important moment in our health system's history. We need you to add your voice of support so we can make it a reality and earn the approvals we need to get going on improving the health for our community and giving NH even more high quality, financially responsible choices for their health care.

If I have any other specific questions about this affiliation that have not been covered here, who can I ask?
Please send an email with your question to BILHQuestions@ehr.org.

END

From: Karakostas, Lisa
Bcc: AllStaff
Subject: Town Hall Meeting With Kevin Callahan on October 27 - Update on Proposed Affiliation
Date: Tuesday, October 18, 2022 2:00 PM
Attachments: INSTRUCTIONS FOR JOINING VIRTUAL TOWN HALL MEETING.pdf

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Together As One

Core Physicians | Exeter Hospital | Rockingham VNA & Hospice

To: ALL STAFF
Re: Virtual Town Hall Meeting Next Week, Including Affiliation Update
Date: 10/18/22

ALL STAFF are invited to attend a virtual (WebEx) town hall meeting with Kevin Callahan on Thursday, 10/27, from 8:30am – 9:30am OR from 3pm - 4pm.
Agenda: Proposed affiliation with Beth Israel Lahey Health (BILH), Financial Update, Alignment and Culture of Safety Survey Results, COVID Update.
Instructions for joining the meeting are attached. For those not able to attend, a recording of the meeting will be posted on *The Pulse*. We hope you will join us!

Lisa Karakostas, *Manager*
Employee Communication, Human Resources
Exeter Health Resources & Affiliates
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ATTACHMENT 37

AMENDED AND RESTATED BYLAWS

OF

EXETER HEALTH RESOURCES, INC.

Effective date: [DATE]

EXETER HEALTH RESOURCES, INC.

AMENDED AND RESTATED BYLAWS

TABLE OF CONTENTS

SECTION 1.

NAME, PURPOSES, EFFECTIVE DATE, LOCATION, FISCAL YEAR, RULES OF CONSTRUCTION

1.1 Name, Purposes and Effective Date

The name and purposes of Exeter Health Resources, Inc. (the "Corporation") shall be as set forth in its Articles of Agreement. These Amended and Restated Bylaws ("Bylaws"), the powers of the Corporation, the Corporation's member ("Member"), the Corporation's trustees ("Trustees"), and the Corporation's Officers (as hereinafter defined), and all matters concerning the conduct and regulation of the affairs of the Corporation shall be subject to such provisions in regard thereto, if any, as are set forth in the Articles of Agreement as from time to time in effect. These Bylaws shall be effective upon the date (the "Effective Date") Beth Israel Lahey Health, Inc. became the Member.

1.2 Location

The principal office of the Corporation in the State of New Hampshire shall initially be located at the place set forth in the Articles of Agreement. The Member, after consultation with the Chair (as hereinafter defined), may change the location of the principal office in the State of New Hampshire effective upon filing an amendment to such Articles with the Secretary of the State of New Hampshire.

1.3 Fiscal Year

The fiscal year of the Corporation shall, unless otherwise decided by the Member, end on September 30 in each year.

1.4 Rules of Construction

For purposes of these Bylaws: (a) section headings are inserted only as a matter of convenience and for reference and in no way define, limit or extend the scope of any of their provisions; (b) "including" and other words or phrases of inclusion will not be construed as terms of limitation; (c) whenever the context so requires, the singular includes the plural and the plural includes the singular; and (d) the personal pronouns "he" or "she" and the possessive pronouns "his" or "hers," as used in these Bylaws, shall be construed to be gender neutral, referring to males or females as appropriate to the context.

SECTION 2.

MEMBER

2.1 Member

The sole member of the Corporation shall be Beth Israel Lahey Health, Inc.

2.2 Powers

Subject to the provisions of the Articles of Agreement and these Bylaws, the Member shall have the right to exercise all powers, both positive and negative, conferred by New Hampshire Revised

Statutes Annotated ("NH RSA"), as amended to date, on members or shareholders of corporations organized under NH RSA Chapter 292. In addition, except as are expressly granted to the Board of Trustees of the Corporation ("Board") in these Bylaws, the Member shall have the right to exercise all powers, positive and negative, conferred by NH RSA on boards of corporations organized under NH RSA Chapter 292. The powers reserved to the Member under this Section 2.2 are powers to approve and/or initiate actions subject to Board authority under NH RSA, provided, that to the extent that an affirmative vote of the Board is required under NH RSA Chapter 292, the Member shall only act in accordance with Section 3.2.2 below.

Notwithstanding the foregoing, the Member may not take any of the following actions without the approval of the Board: (a) approve or require any change in, or consolidation of philanthropic gifts, assets, and programs of the Corporation, which shall remain under the Corporation's control and be used for the benefit of the Corporation and not for other components of the Member's system, except to the extent that such changes involve back-office consolidation with other direct or indirect subsidiaries of the Member; (b) approve or require any change in the name, brand, or trademark of the Corporation or any of its subsidiaries, except such complementary changes as the Member may determine are reasonably appropriate in establishing a system-wide identity for the affiliated entities; (c) amend or restate these Bylaws to change or eliminate either of the foregoing limitations on its powers; or (d) for the ten (10)-year period following the Effective Date, make any Material Reduction in Services (as defined in that certain Affiliation Agreement dated June 24, 2022 by and between the Corporation and the Member (the "Affiliation Agreement")). After such ten-year period expires, the Member may not cause the Corporation, directly or indirectly, to cease operating a separately licensed hospital facility, or close any essential service of such hospital facility, without consulting with the Board prior to taking such action.

2.3 Meetings of the Member

The annual meeting of the Member of the Corporation shall be held on the same day and at the same place as the annual meeting of the Member's Board, at a time to be determined by the Member and in accordance with the Member's Bylaws, and any regular or special meetings of the Member shall be held at a time to be determined by the Member.

2.4 Action by the Member

Any action to be taken by the Member shall be deemed duly authorized when taken by the Member's Board or its duly authorized representative. Any such actions may be taken without a meeting if confirmed through a duly authorized written communication by the Member's Board or its representative filed with the Clerk of the Corporation.

SECTION 3.

BOARD OF TRUSTEES

3.1 Number; Qualification; Term; Appointment, Reappointment, Removal and Resignation

3.1.1 Number

The number of Trustees, including those serving *ex officio*, serving on the Board shall be not less than ten (10) or more than fifteen (15) for such period as is necessary to allow the Initial Exeter Trustees (as defined in the Affiliation Agreement) to continue to serve

through the expiration of their respective Initial Exeter Trustee Commitment Period (as defined in the Affiliation Agreement). Following the Initial Exeter Trustee Commitment Period, the Member may set some other number of trustees, consistent with other BILH First-Tier Entities (as defined in the Affiliation Agreement), through amendment of these Bylaws. The President and Chief Executive Officer of the Member (the "CEO") or his or her designee, the President of the Corporation, and the President of the medical staff of Exeter Hospital shall be Trustee(s) serving *ex officio*.

3.1.2 Qualification

At least a majority of the Trustees shall be individuals who are Independent Trustees. For purposes of these Bylaws, "Independent Trustee" means an individual who is not, and who does not have immediate family members who are, employed by the Corporation or any subsidiary or affiliate of the Corporation, and who is not, and whose immediate family members are not, directly or indirectly providing goods or services to (other than as a volunteer), or on the medical staff of, the Corporation or any of its subsidiaries or affiliates. Additionally, the Corporation Board shall, at all times, have at least five voting members who are not of the same immediate family or related by blood or marriage in accordance with NH RSA 292:6-a. An individual shall not fail to qualify as an Independent Trustee solely on the basis of having been a patient of any Corporation subsidiary or affiliate. All Trustees, other than the CEO or his or her designee, shall be members of the communities served by the Corporation and shall be able to serve as representatives of the Corporation to such communities.

3.1.3 Term

The Trustees, other than those serving *ex officio*, shall be appointed for staggered three (3) year terms; provided, however, that individuals appointed to fill vacancies shall serve for the duration of the term vacated. Terms shall be staggered such that approximately one-third (1/3) of all Trustees' terms shall expire each year. No Trustee shall be eligible to serve for more than three (3) consecutive three (3) year terms without at least a one-year gap in service, and, for such purposes, any term less than or more than three (3) years shall be considered a full, three-year term if it was (a) to achieve staggering, (b) due to a term commencing at any time other than October 1 of a given year, or (c) due to an appointment to fill a vacancy. Each Trustee shall hold office for the term for which she or he is appointed and qualified or until she or he sooner dies, resigns, is removed or becomes disqualified.

3.1.4 Appointment, Reappointment, Removal and Resignation

The Member shall have the exclusive authority, after consultation with the Chair of the Board and the President of the Corporation and review of recommendations, if any, made by the Board, to (a) appoint and reappoint Trustees, (b) fill any vacancies in the offices of Trustees, and (c) acting by vote of not less than three quarters (3/4) of the Member's trustees then in office, remove, with or without cause, a Trustee. Notwithstanding the foregoing, any removal shall be following notice to the Chair (or the Vice-Chair if the Chair is the subject of removal) and an opportunity for the Chair to be heard by the Member's Board or a standing or *ad hoc* committee thereof, except in circumstances where the Member determines that immediate removal is in the best interest of the Corporation.

3.2 Powers and Responsibilities; Limitations

3.2.1 Powers and Responsibilities

The powers and responsibilities of the Board include the following: (a) providing recommendations to the Member regarding (i) appointment, reappointment and removal of Trustees, (ii) the establishment of the Corporation's policies, and (iii) the provision of clinical services and community service planning in a manner responsive to local community needs; (b) providing oversight for institutional planning, making recommendations for new clinical services, and participating in an annual review of the Corporation's strategic and financial plan and goals; (c) reviewing and recommending approval of operating and capital budgets as well as making recommendations with respect to capital expenditures; (d) ensuring that Board-designated and unrestricted funds held by the Corporation or its subsidiaries are used only to advance the charitable purposes of the Corporation or its subsidiaries, as applicable, for the benefit of the communities served by the Corporation; (e) providing governance and oversight for philanthropic funds raised in the State of New Hampshire (whether restricted or unrestricted); and (f) approving expenditures from the Local Community Benefit Allocation (as defined in the Affiliation Agreement) in consultation with the Member's Board.

3.2.2 Limitations

Except as otherwise provided in these Bylaws, the Board shall act in an advisory capacity and consistent therewith shall have only the following powers: (a) powers expressly granted by the Member from time to time; (b) power to exercise its authority as a member of other legal entities; (c) power to enforce any rights vested in the Corporation under the bylaws of the Member (as defined under the bylaws of the Member) or under these Bylaws with respect to the Member; and (d) powers to enforce any rights vested in the Corporation under the Affiliation Agreement. The powers of the Board in clauses (a) and (b) of the preceding sentence shall be subject to the reserved powers of the Member set forth in Section 2.2. The powers of the Board in clause (c) and (d) of the first sentence of this paragraph shall be independent of the Member and not subject to the reserved powers of the Member set forth in Section 2.2.

To the extent that New Hampshire law requires the Board to make a recommendation or adopt a resolution on a matter reserved to the Member under Section 2.2 (a "New Hampshire Board Action"), then the recommendation or resolution shall be taken by the Board in accordance with this paragraph. In the normal course, either the New Hampshire Board Action will be recommended by the Corporation's Board of its own accord, or the Member will request that the Corporation's Board consider and make a recommendation to the Member regarding such New Hampshire Board Action. If the Board recommends a New Hampshire Board Action, then the Member may approve, disapprove, defer or suggest reconsideration or amendment of the New Hampshire Board Action as recommended by the Board. If the Member requests that the Corporation's Board reconsider or amend a New Hampshire Board Action, then the Corporation's Board shall take the requested action within such reasonable time as may be specified by the Member for such action.

Notwithstanding clause (b) above, the power of the Corporation to exercise its authority as a member of another legal entity shall be subject to the following limitations: (x) all

statutory powers that reside in the Corporation as a member of another legal entity under New Hampshire law may be exercised by the Corporation only at the express and explicit direction of, and with the approval of, the Member; (y) all statutory powers that reside in the Corporation as a member of another legal entity under New Hampshire law may be exercised directly by the Member after consultation with the Chair but otherwise without the approval or participation of the Corporation; and (z) other than statutory powers, the Corporation shall have only those powers and authorities over and with respect to the legal entities of which it is a member as are expressly and explicitly delegated or directed to the Corporation by action of the Member's Board.

3.3 Compensation

Trustees shall not be entitled to compensation for their services as Trustees but may receive compensation for other services performed for the Corporation subject to such Trustee's compliance with the conflict of interest procedures established by Section 6.2 and with the New Hampshire pecuniary benefit statute, RSA 7:19-a.

3.4 Meetings

3.4.1 Annual Meeting

The annual meeting of the Trustees shall be held in September of each year prior to the annual meeting of the Member's Board.

3.4.2 Regular Meetings

Regular meetings of the Trustees shall be held not less than four (4) or more than six (6) times per year at such places and at such times as determined by the Board.

3.4.3 Special Meetings

Special meetings of the Trustees shall be held at any time and at any place when called by the Chair (or if there be no such Chair, the Vice-Chair should there be one), the President, five (5) or more Trustees, or the Member.

3.4.4 Notice of Meetings

Notice of each meeting of the Trustees, stating the place, date and time and the purposes of the meeting, shall be given to each Trustee. Notice shall be given at least seven (7) days before regular meetings and at least forty-eight (48) hours before special meetings. Notice shall be given in writing, in person or by telephone, voice mail, facsimile, email or other electronic means. Written notice by mail is effective upon deposit with the United States postal service, postage prepaid, and addressed to the Trustees, or in the case of the chair of the Member's Board, the chair's address, as applicable, as shown in the Corporation's records. Electronic notice is effective upon transmission. Whenever notice of a meeting is required, such notice need not be given to any Trustee if a written waiver of notice, executed by said Trustee (or said Trustee's attorney thereunto authorized) before or after the meeting, is filed with the records of the meeting, or to any Trustee who attends the meeting without protesting prior thereto or at its commencement the lack of notice to her or him.

3.4.5 Quorum

At any meeting of the Trustees a majority of the Trustees then in office shall constitute a quorum. Any meeting may be adjourned by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

3.4.6 Action by Vote

When a quorum is present at any meeting, a majority of the Trustees present and voting shall decide any question, including election of Officers, unless otherwise provided by law, the Articles of Agreement or these Bylaws.

3.4.7 Action by Writing

Any action required or permitted to be taken at any meeting of the Trustees may be taken without a meeting if all the Trustees consent to the action in writing and the written consents are filed with the records of the meetings of the Trustees. Such consents shall be treated for all purposes as a vote at a meeting.

3.4.8 Presence through Communication Equipment

Unless otherwise provided by law or the Articles of Organization, Trustees may participate in a meeting of the Board by means of a conference telephone, videoconference or similar communications equipment; provided, however, that all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.[1]

SECTION 4.

OFFICERS

4.1 General Provisions

4.1.1 Officers

The Officers of the Corporation shall be a Chief Executive Officer (the "CEO"), a President, a Chair, a Treasurer, a Clerk, an Assistant Treasurer, and an Assistant Clerk. The Corporation may also have one (1) or more Vice-Chair(s) (collectively, with the CEO, President, Chair, Treasurer, Clerk, Assistant Treasurer, and Assistant Clerk, "Officers"). Unless otherwise set forth in these Bylaws, an Officer (a) may, but need not be, a Trustee and (b) shall retain her or his authority at the pleasure of the Trustees. If required by the Board, any Officer shall give the Corporation, at the expense of the Corporation, a bond for the faithful performance of her or his duties in such amount and with such surety or sureties as shall be satisfactory to the Board.

[1] **Note to Exeter:** We have removed the transition section because this is covered by the maximum terms document provided on 6/13 (whether included as an attachment to the Affiliation Agreement or agreed upon prior to closing).

4.1.2 Appointment, Reappointment and Terms

4.1.2.1 Chair

The Chair shall be appointed by the Board, after consultation with the CEO and the chair of the Member, for an initial term of one (1), two (2) or three (3) years, may thereafter be reappointed, after consultation with the CEO and the chair of the Member, for additional one year terms up to maximum length of service of six (6) consecutive years and may not then again serve until after a one year gap in service.

4.1.2.2 Vice-Chair(s)

One or more Vice-Chair(s) may be appointed by the Board for an initial term of one (1), two (2) or three (3) years, may be re-appointed for additional one year terms up to a maximum length of service of six (6) consecutive years and may not then again serve until after a one year gap in service.

4.1.2.3 CEO, President, Treasurer, Clerk, Assistant Treasurer, and Assistant Clerk

The CEO, who shall be the President and Chief Executive Officer of the Member; President; Treasurer, who shall be the Treasurer of the Member; Clerk, who shall be the Clerk of the Member; Assistant Treasurer, who shall be the Senior Vice President, Finance/Chief Financial Officer (or comparable position) of the Corporation; and Assistant Clerk, who shall be the attorney in the Beth Israel Lahey Health Office of General Counsel supporting the Corporation, each serve *ex officio*, do not have terms and retain their respective positions as Officers so long as they retain the positions with the Corporation or the Member upon which *ex officio* status is conferred.

4.1.3 Removal, Resignation, Vacancies

Officers, other than the CEO, the President, the Treasurer, the Clerk, the Assistant Treasurer, and the Assistant Clerk, may be removed, with or without cause, by the vote of a majority of the Trustees in attendance at the meeting at which the vote is taken. Any Trustee or Officer may resign at any time by delivering her or his resignation in writing to the Chair, the CEO or the President, the Clerk or to the Corporation at its principal office. Such resignation shall be effective upon receipt unless specified to be effective at some other time. Except as otherwise provided in these Bylaws, the Trustees shall appoint a successor if an office becomes vacant.

4.2 Responsibilities

4.2.1 President

The President of the Corporation shall be appointed, and may be removed, by the CEO after consultation with the Chair. He or she shall report to the CEO or his/her designee and shall be the agent of the Board charged with supervising and directing the management of the Corporation and shall exercise the powers and duties inherent in such charge, including the power, unless otherwise determined by the Member or the CEO, to hire and remove senior executive and clinical leadership of the Corporation. Specifically,

but not by way of limitation, the President shall, consistent with system wide policies, procedures and objectives, provide overall direction and strategic leadership to the Corporation, have principal responsibility and authority to administer the Corporation's affairs, and to act as the duly authorized representative of the Board in all matters in which the Board has not formally designated some other body or person to so act. The President also shall assure that the operations and activities of the Corporation are recognized by, contribute to and serve the entire system of care delivered under the direction of the Member and to the patients the system serves. When there is no Vice-Chair, the President shall exercise the duties and responsibilities as set forth in Section 4.2.2 in the absence of the Chair.

4.2.2 Chair of the Board

The Chair shall be an Independent Trustee and shall have general supervision and direction of the affairs of the Board and shall preside at all meetings of the Board. In addition, without limitation, the Chair shall serve as the official channel of communication between the Board and any of its Committees.

4.2.3 Vice-Chair(s)

When there is one (1) or more Vice-Chairs, the Vice-Chair(s) shall be an Independent Trustee and shall perform the duties of the Chair in the absence of the Chair, in the event of the Chair's death, inability or refusal to act, or in the event for any reason it shall be impracticable for the Chair to act personally. When so performing the duties of the Chair, the Vice-Chair(s) shall have all the powers of and be subject to all of the restrictions upon the Chair.

4.2.4 Treasurer and Assistant Treasurer

The Treasurer shall be charged with oversight of the financial affairs of the Corporation, subject to the control and direction of the Board in the performance of his or her duties as Treasurer. The Treasurer shall keep or cause to be kept correct and complete books and records of the accounts of the Corporation and shall have such other duties and powers as designated by the Board. In the absence or disability of the Treasurer, the Treasurer's powers and duties may be performed by the Assistant Treasurer.

4.2.5 Clerk and Assistant Clerk

The Clerk shall (a) supervise the preparation and safekeeping of accurate minutes of all meetings of the Board, (b) keep the corporate records, minute books and seal of the Corporation, (c) authenticate records of the Corporation and (d) perform such other duties as are from time to time assigned by the Board. In the absence or disability of the Clerk, her or his powers and duties may be performed by the Assistant Clerk.

4.3 Compensation

Compensation for the President shall be set by the Member after consultation with the Chair. Compensation for senior executives of the Corporation shall be set in accordance with policies and procedures established by the Member. The term "Compensation" shall include the following: salary; bonuses; severance benefits; deferred compensation (whether provided through salary deferral, insurance vehicle, SERP or other retirement funding vehicle); any payment,

contingent or otherwise, which is intended to provide funding or other benefits whether vesting immediately or at some future date; and any benefits not generally available to all full-time employees of the Corporation.

SECTION 5.

COMMITTEES

5.1 General Provisions

5.1.1 Establishment

Unless otherwise authorized by the Member, there shall be the standing committees set forth in Section 5.2 hereafter ("Mandatory Standing Committees"). The Board may establish at any time, by vote of a majority of the Trustees then in office, any of the following optional standing committees ("Optional Standing Committees," and together with Mandatory Standing Committees, "Standing Committees"), each as more fully described in Section 5.3, below: Executive. The Board, by vote of majority of the Trustees then in office, the Board Chair, or a Committee Chair in consultation with the Board Chair, may also establish at any time *ad hoc* committees or subcommittees of the Board to perform a specific task on a short-term basis ("*Ad Hoc* Committees," and together with Standing Committees, "Committees"). The Board may abolish any Optional Standing Committee at any time and the governing body that established a given *Ad Hoc* Committee (*i.e.*, the Board, Board Chair, or Committee Chair after consultation with the Board Chair, as applicable) may abolish such *Ad Hoc* Committee at any time. Committees shall operate solely in an advisory capacity to the Board; provided, however, that the Trustees may delegate to a Committee comprised solely of Trustees the authority to act on any specific issue expressly delegated to it. Any Committee other than the Executive Committee may have members who are not Trustees, who may serve as voting members of any such Committee and count for purposes of a quorum of any such Committee on any matters before such Committee that do not involve the exercise of a Board delegated power. Unless the Trustees otherwise designate, to the extent practicable, Committees shall conduct their affairs in the same manner as provided for in these Bylaws for the Board.

5.1.2 Election, Terms and Qualifications

Committee members and chairs shall be elected by the Board after receiving recommendations from the Governance/Nominating Committee; provided, however, that such nominating process is not necessary for *Ad Hoc* Committee members. Each Mandatory Standing Committee Chair shall be a Trustee. Each Standing Committee Chair shall be appointed for an initial term of three (3) years and may be appointed for up to three (3) additional one-year terms, but may not serve for more than six (6) consecutive years without a one-year gap in service. Each Standing Committee member shall be appointed for a term of three (3) years; provided, however, that the initial term of the Standing Committee members appointed concurrently with Beth Israel Lahey Health, Inc. becoming the Member shall be for terms of two (2), three (3) or four (4) years to achieve a general staggering of terms such that approximately one third (1/3) of the Standing Committee member's terms shall expire each year. Standing Committee members may not serve for more than three (3) consecutive three (3) year terms and, for such purposes, any term less than or more than three (3) years shall be considered a full,

three (3) year term if it was (a) to achieve staggering, (b) due to a term commencing at any time other than October 1 of a given year, or (c) due to an appointment to fill a vacancy. Standing Committee meetings shall be called by the Standing Committee Chair as needed and in any event at least quarterly. *Ad Hoc* Committees shall automatically disband upon the earlier of (1) the completion of the task delegated to the *Ad Hoc* Committee by the Board and delivery of the Committee's final report to the Board or (2) the next annual meeting following the Committee's establishment, unless otherwise specified by the Board.

The Board may require any person who is not a Trustee who serves on or provides consultation to a Committee to sign a confidentiality agreement and a conflict of interest disclosure form.

Each Committee shall keep a record of its proceedings and submit any reports and recommendations to the Board. The Board shall have the power to remove any Committee member with or without cause and rescind any action of any Committee, but no such rescission shall have retroactive effect.

5.2 Mandatory Standing Committees

The Corporation shall have the following Mandatory Standing Committees.

5.2.1 Finance

The Finance Committee shall have members including the CEO or CEO's designee, the Member Chief Financial Officer or his/her designee, the Chair or his/her designee, and the President or his/her designee, each serving *ex officio*. Subject to the authority of the Member and the Member's finance committee, the Finance Committee shall have general oversight over the finances and assets of the Corporation, its subsidiaries and affiliates. The Finance Committee shall periodically, and in any event annually, review the overall operating and capital budgets of the Corporation and of those of its affiliates and shall submit recommendations in regard thereto. The Committee Chair shall act, together with management, as a principal liaison with the chair of the finance committee of the Member.

5.2.2 Governance/Nominating

The Governance/Nominating Committee shall have members including the CEO or CEO's designee, the Chair or his/her designee, and the President or his/her designee, each serving *ex officio*. Subject to the authority of the Member, the Governance/Nominating Committee shall review and make recommendations to the Board with respect to the election, appointment or reappointment of: (a) Trustees and Officers, Standing Committee chairs and Standing Committee members of the Corporation and, when required by an affiliated entity's bylaws or operating agreement, (b) trustees and officers of affiliated entities. The Governance/Nominating Committee shall also assist the Board in (x) periodically evaluating Trustee, Board, and Committee performance and (y) reviewing or recommending changes to these Bylaws and, when required, affiliated entities' bylaws or operating agreements. The Committee Chair shall act, together with management, as a principal liaison with the chair of the governance/nominating committee of the Member. Trustees and Officers serving on the Governance/Nominating Committee during a year in which their appointment or reappointment as a Trustee or

Officer is under consideration must recuse themselves from discussions and votes on their appointment or reappointment. This Committee may operate through one or more subcommittees and/or governance/nominating committees. In the event that this Committee operates in this manner, the Chair of the Governance/Nominating Committee or his/her designee will serve as an *ex officio* member of each such subcommittee and/or governance/nominating committee.

5.2.3 Philanthropy

The Philanthropy Committee shall be responsible for facilitating philanthropic giving to the Corporation, authenticating the strategy and policy recommendations of the Corporation management overseeing philanthropy for annual, campaign and other development initiatives to ensure effective and responsible donor engagement and stewardship of philanthropic gifts in accord with the intent of donors of the Corporation, and ensuring consistency with policies regarding philanthropic giving adopted by the Member for and with respect to philanthropy. The President and the Chair or their respective designees shall serve as *ex officio* members.

5.3 Optional Standing Committees[2]

The Corporation, upon approval of the Board by vote of a majority of the Trustees then in office, may have any of the following Optional Standing Committees, as described below.

5.3.1 Executive

The Executive Committee shall be comprised of (1) only Trustees, and (2) not less than four (4) Trustees, including the Chair (who shall also be the chair of the Executive Committee) and the President or their respective designees, each of whom shall serve *ex officio*. The Executive Committee shall promote dialogue and communication between the President and the Board, act as a sounding board for the President during periods between Board meetings, and may exercise powers of the Board only with respect to matters expressly delegated to it by the Board. Any actions taken by the Executive Committee consistent with a power delegated to it by the Board shall be reported to the Board at the Board's next regularly scheduled meeting.

SECTION 6.

GENERAL PROVISIONS

6.1 Indemnification and Personal Liability

6.1.1 Indemnification

The Corporation shall indemnify Trustees, Officers, and may indemnify other individuals associated with the Corporation in accordance with the Articles of Agreement as the same may be amended from time to time.

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[2] **Note to Exeter**: Confirm whether other Mandatory Standing Committees should be added pursuant to New Hampshire law, per Section 7.H of the Term Sheet.

6.1.2 Personal Liability

The Corporation shall limit the personal liability of Trustees, Officers and/or other individuals associated with the Corporation in accordance with the Articles of Organization as the same may be amended from time to time.

6.2 Conflict of Interest and Confidentiality

Officers, Trustees and non-Trustee committee members shall comply in all respects with the Conflict of Interest policies and procedures and the Statement of Confidentiality Obligations adopted by the Member for applicability to all subsidiaries and affiliates of the Member, which Conflict of Interest policies and procedures shall conform with the requirements of NH RSA 7:19-a.

6.3 Inspection of Books and Papers

All books, papers and documents of every kind belonging to the Corporation, wherever located, shall be open to the inspection of Trustees and the Member's Board at all times during regular operating hours, subject to such reasonable limitations as the Board may provide.

6.4 Amendments

In accordance with the Articles of Agreement, these Bylaws may be amended only by the Member; provided however, that any amendment to Section 2.2, Section 3.2.1, or Section 3.2.2 hereof must also be approved by a vote of the Board. In accordance with Section 2.2 hereof, the Articles of Agreement may be amended only by the Member, subject to the process set forth in the second paragraph of Section 3.2.2.

SECTION 7.
[RESERVED]

SECTION 8.
[RESERVED]

ATTACHMENT 43

EXETER HEALTH RESOURCES, INC.
EXETER HOSPITAL, INC.
RESTATED BOARD DESIGNATED FUNDS AND ENDOWMENT FUNDS INVESTMENT POLICY

Purpose and Responsibilities

This document establishes the Investment Policy for the Exeter Health Resources, Inc. ("EHR") and Exeter Hospital, Inc. ("EH") (together, the "Corporations") Board Designated Funds and Endowment Funds.

For the purposes of this policy:

> "Board Designated Funds" are defined as unrestricted funds set aside by the Corporations' Boards of Trustees (the "Board") for investment; and
>
> "Endowment Funds" are defined as funds that were donated to EHR or EH, which are not restricted as to investment but are restricted by the original donor as to expenditure of principal and/or income.

The Corporations' Boards have ultimate fiduciary responsibility for investment of their Board Designated Funds and Endowment Funds in a prudent manner in accordance with all applicable law. The Asset Allocations, Asset Classes, Performance Expectations, and other provisions of this Policy are the Boards' determinations of the appropriate balance of return seeking and the Corporations' risk tolerance as of the date of this Policy, taking into account anticipated spending from the Board Designated Funds and Endowment Funds, inflation, fees, the missions of EHR and EH, and other relevant factors.

The Executive Committees of the Boards (the "Executive Committees"), as authorized by the EHR By-Laws and the EH By-Laws, respectively, are responsible to act on behalf of the Boards for implementation of this Policy and managing the investment process.

By the adoption of this Restated Policy, the EH Executive Committee hereby delegates to EHR the retention and management of investment companies for the investment of EH Board Designated Funds and EH Endowment Funds, it being understood and agreed that such funds will be similarly invested as those of EHR, and, further, that Board Designated Funds and Endowment Funds of EHR, and those of EH, may be combined, all for the purposes of more efficiently managing the investment of such EHR and EH funds, in accordance with this Investment Policy. The EHR Executive Committee will communicate this Policy and performance expectations to the investment managers it retains. The EHR and EH Executive Committees, meeting jointly, will also review investments regularly for compliance with this Policy. The EHR and EH Executive Committees will inform the respective Boards at regular intervals, or as otherwise requested by the Boards, on the performance of the investments.

This Investment Policy does not address decision-making with respect to the spending or use of any funds, which remains the responsibility of the EHR and EH Boards, respectively for each Corporation's Board Designated and Endowment Funds. In addition, any EHR and EH funds which are combined or commingled for investment purposes under this Policy nevertheless will be accounted for and reported separately on the financial statements of the Corporations.

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Investment Objectives

Board Designated Funds, and income thereon, will be used to support EHR's and EH's future capital expenditures and other major program needs, and to generally increase the financial strength of EHR and EH. Endowment Funds, and income thereon, will be used in accordance with the original donors' directions or requirements. The objective of investing the Board Designated Funds and Endowment Funds is both to preserve principal, in real terms, and earn a reasonable rate of return without unnecessary risk. It is also anticipated that there may be a withdrawal from the Board Designated Funds to fund various needs at EHR and EH. This annual distribution is expected to be up to 4% of the average trailing twelve quarter total asset values.

Asset Allocation Targets and Ranges

Board Designated Funds and Endowment Funds will be invested in two major asset classes, Equities and Fixed Income, as follows:

Asset Class as a Percent of Total Assets

		Range		
Asset Class	**Policy Target**	**Min**	**Max**	**Requirements**
Equities/Growth Oriented Assets				
Global Equity	50%	35%	65%	Equity investments in readily marketable securities trading in US, International Developed, and International Emerging Markets.
US Equity	5%	0%	10%	Equity investments in readily marketable securities trading in the US markets.
International Developed	5%	0%	10%	Equity investments in readily marketable securities trading in Developed Markets outside of the US.
Emerging	5%	0%	10%	Equity investments in readily marketable securities trading in Emerging Markets.
Private Investments	10%	5%	15%	Private Investments are comprised of investments in private companies that do not trade on public exchanges.
Total Growth Oriented Assets	**75%**	**60%**	**90%**	
Fixed Income/ Diversifying Assets				
Hedge Funds	10%	5%	15%	Hedge Funds are comprised of low equity beta multi-strategy, event driven, and absolute return strategies.

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Fixed Income	15%	5%	25%	Fixed Income investments shall be marketable securities, which may include but not necessarily be limited to US Treasury, federal agencies, US Government guaranteed obligations, and corporate issues including convertibles, Mortgage pass-through and collateralized debt obligations may be held. In particular, Collateralized Mortgage Obligation holdings shall consist only of mortgages guaranteed by the full faith and credit of the US Government or an agency thereof and exhibit price volatility and liquidity similar to components of the Barclays Capital Aggregate Bond Index.
Total Fixed Income/Diversifying Assets	**25%**	**15%**	**35%**	

The actual asset allocation may vary from these ranges during periods when the Boards, acting jointly through their respective Executive Committees, deem that a different asset allocation is warranted. Reasons for variance may include, but are not limited to, concerns about an increase in dependence on the Board Designated Funds and Endowment Funds for operating expenses, extreme valuations in certain segments of the capital markets and concerns about inflation or deflation.

The Global Equity, U.S. Equity, International Developed, Emerging Markets, and Fixed Income allocations may be invested up to 70% in passive index funds at the discretion of the Executive Committee. Passive investments aim to replicate the performance of widely used Equity and Fixed Income indexes to gain broad exposure across geographic regions at a low cost. Active management may also be used in these asset classes at the discretion of the Executive Committee. Active managers will attempt to outperform market indexes by actively selecting securities. Such active investments may be subject to higher fees, but will be judged based on performance net of fees.

The EHR and EH Executive Committees, acting jointly, may direct selected investment managers with separately managed accounts to follow specific guidelines for security holdings. Any supplemental guidelines will adhere to this Policy and clarify the specific investment mandate, acceptable ranges of portfolio characteristics, portfolio turnover rates, supplemental security restrictions or other investment requirements specific to the manager. It is expected that these guidelines will be strategic in nature and not change frequently.

The Executive Committees shall be guided by the philosophy that asset allocation is the most significant determinant of long-term investment return. The EHR and EH Board Designated Funds and Endowment Funds asset allocation will be maintained as close to the target allocations as reasonably possible. Fund additions and withdrawals shall be allocated across portfolios to bring the asset mix as close to the target allocation as possible. Rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside of the policy range. These divergences should be of a short-term nature. The Executive Committees will be jointly responsible for sufficient oversight to ensure that the managers keep divergences from policy as brief as possible.

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Cash equivalent reserves shall consist of cash instruments having a quality rating by at least one rating agency of A-I, P-I or higher, maturing in 360 days or less. The Executive Committees shall jointly direct that cash holdings be minimized to that needed for short term operating requirements including expected operational investment needs. For both the Equity and Fixed Income portfolios, cash equivalent reserves shall not exceed 5% of each portfolio, except for brief periods or when building liquidity in anticipation of a large withdrawal.

In addition to direct investment in individual securities, commingled trusts and mutual funds, other pooled asset portfolios are acceptable investment vehicles. It is recognized that adherence to the "Social Responsibility Guidelines" stated below may not be appropriate when investing in commingled trusts, mutual funds and other pooled asset portfolios.

The following securities and transactions are only authorized within the Hedge Funds allocation. Hedge Fund managers are expected to use many of these instruments as part of their strategies:

- Letter stock and other unregistered equity securities;
- Commodities or commodity contracts (except for stock index, bond futures and currency futures);
- Ownership of real estate in any form other than publicly traded securities (Real Estate Investment Trusts) unless received as a donation in kind;
- Short sales, warrants, or margin transactions;
- Any leveraged investments;
- Natural resource properties such as oil, gas, or timber;
- Financial obligations and futures may be employed solely for defensive and hedge strategies undertaken to preserve principal.

Diversification

In addition to the broad asset class diversification noted above, investments shall be diversified with the intent to minimize the risk of large losses. Consequently, the total portfolio will be constructed and maintained to provide prudent diversification with regard to the concentration of holdings in individual issues, corporations or industries. The portfolio will minimize single holding concentration risk by investing broadly in securities which provide exposure across geographic regions, industries, and individual securities. Additionally, it is not expected that any one hedge fund manager will comprise more than 3% of the entire equity portfolio.

Other Concerns

Liquidity: When major withdrawals are anticipated, the Executive Committees will direct that the investment managers be notified as far in advance as possible of any withdrawal orders to allow them sufficient time to build up necessary liquid reserves. The managers will be expected to review the cash flow requirement with the Executive Committees, meeting jointly, at least annually.

Social Responsibility Guidelines (stated below): A policy of prudent investing does not preclude the Executive Committees from jointly considering the undesirability of investments in certain companies, industries, or countries because of their social or moral posture. It is EHR's and EH's policy to prohibit investments in tobacco or related industry securities in separately managed accounts.

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Voting of Proxies: Voting of Proxy ballots shall be for the exclusive benefit of EHR and EH. Unless the EHR and EH Executive Committees, acting jointly, provide direction through EHR's authorized persons on how to vote a proxy, the investment managers shall vote the proxies in accordance with this Policy on all shareholder issues.

Execution of Security Trades: The EHR Executive Committee shall require its authorized individuals to require that the purchase and sale of securities be made in a manner designed to receive the combination of best price and execution.

Control Procedures

The EHR and EH Boards and the Executive Committees shall review this Policy at least annually.

The EHR and EH Executive Committees, acting jointly, will review individual manager performance on at least an annual basis with quarterly reviews provided by the Chief Financial Officer of EHR and EH. Performance reviews will focus on:

- Comparison of fund and managers' results to established market benchmarks and to funds with similar investment approaches;
- Total Fund and investment manager adherence to the Policy guidelines;
- Material changes in the manager organizations, such as in investment philosophy, personnel, acquisitions or losses of major accounts, etc.

Investment consultants and individual investment managers will be responsible for keeping the Chief Financial Officer of EHR and EH, and the EHR and EH Executive Committees, advised of any material changes in personnel, investment strategy, or other pertinent information potentially affecting performance of managers.

Performance Expectations

The EHR and EH Boards and Executive Committees recognize that particular return objectives may not be achievable during some time periods. In order to ensure that investment opportunities available over a specific time period are fairly evaluated, the Executive Committees will use comparative performance statistics to evaluate investment results. Each investment manager and the total commingled Board Designated Funds and commingled Endowment Funds will be measured against the following indexes:

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Overall	Market Benchmark	Peer Group Comparison
Overall Fund:	75% MSCI ACWI (Net)/25% Barclay's Capital Aggregate Bond Index	CA[1] Endowments Median
Investment Managers		
Global Equity	MSCI ACWI (Net)	CA[1] Global Manager Median
US Equity	S&P 500	CA[1] US Manager Median
Developed International Equity	MSCI EAFE (Net)	CA[1] US International Manager Median
Emerging Markets International Equity	MSCI EM (Net)	CA[1] Emerging Market Manager Median
Private Investments	S&P 500	CA[1] PE/VC Manager Median
Hedge Funds	HFRI FoF Diversified Index	CA[1] Absolute Return Hedge Fund Median
Fixed Income	Barclays Capital Aggregate Bond Index	CA[1] US Bond Manager Median

CA[1] = Cambridge Associates

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

EXETER HEALTH RESOURCES, INC.
EXETER HOSPITAL, INC.
ENDOWMENT FUNDS SPENDING POLICY

Purpose and Responsibilities

This document establishes the spending policy for the Exeter Health Resources, Inc. ("EHR") and Exeter Hospital, Inc. ("EH") (together, the "Corporations") Endowment Funds.

For the purposes of this policy, an "Endowment Fund" is defined as a fund that was donated to one of the Corporations that, under the terms of the gift instrument, is not wholly expendable by the Corporation on a current basis. An Endowment Fund also may be restricted to spending to fulfill a particular purpose (e.g. an endowment to support a particular health program or to support free care). The term does not include assets that either Board designates as board-designated funds for its own discretionary use.

The Corporations' Boards have ultimate fiduciary responsibility for spending of their respective Endowment Funds in a prudent manner in accordance with applicable law. The Executive Committees of the Boards (the "Executive Committees"), as authorized by each Corporation's By-Laws, are responsible to act on behalf of the Boards for implementation of this Policy and managing the spending process. Any EHR and EH funds which are combined or commingled for investment purposes shall be accounted for and reported separately on the financial statements of the Corporation.

This endowment spending policy determines the annual expenditures from Endowment Funds to board-designated funds or to the operating budget to fund operations or capital expenditures, but always in accordance with the donors' intentions. The spending policy has three principal goals: fulfilling the donor's intention for each Endowment Fund, providing a significant and stable flow of funds to further the Corporations' missions, and maintaining each Endowment Fund over the long term.

Policy:

The Corporations' Boards of Trustees reviews material changes to the spending policy and approves the amount of the spending release from each Endowment Fund on an annual basis, coinciding with the budget approval process for each fiscal year.

As part of the annual budget process, the Boards shall undertake a review of each entity's finances and operations in order to preserve and continue its future and mission. In order to support its operating cash flow, the Boards will undertake a review of the cash available from Endowment Funds and determine a prudent annual spending percentage in light of circumstances and the needs of the Corporation, while seeking to both preserve the endowment and applying funds to their appropriate charitable purposes consistent with donors' intentions.

In accordance with New Hampshire's Uniform Prudent Management of Institutional Funds Act, the Boards shall take into account at least the following considerations with respect to the spending of each Endowment Fund:

(a) The duration and preservation of the endowment fund;

(b) The purposes of the corporation and the endowment fund;

(c) General economic conditions;

(d) The possible effect of inflation or deflation;

(e) The expected total return from income and the appreciation of investments;

(f) Other resources of the corporation; and

(g) The spending policy of the corporation.

The Chief Financial Officer will present to each Corporation's Board of Trustees an analysis of the impact of appropriation from Endowed Funds as part of the annual budget process. The Executive Committees of the Boards will review the expenditure levels annually as part of the annual budget process and recommend appropriate levels of expenditure to the Boards of Trustees for each Endowment Fund. The amount and percentage of appropriation recommended for spending from each Endowment Fund shall be separately stated.

Under state law, the appropriation for expenditure in any year of any amount greater than seven percent (7%) of the fair market value of an endowment fund, calculated on the basis of fair market value determined at least quarterly and averaged over a period of not less than 3 years immediately preceding the year in which the appropriation for expenditure was made, creates a rebuttable presumption of imprudence. Any annual appropriation of more than seven percent (7%) shall be time limited, and shall require specific review and approval by the Board of Trustees along with a statement of the rationale for such spending.

Approved by EHR and EH Boards of Trustees 12/13/19, 2019

ATTACHMENT 43

EXETER HEALTH RESOURCES, INC.
EXETER HOSPITAL, INC.
RESTATED BOARD DESIGNATED FUNDS AND ENDOWMENT FUNDS INVESTMENT POLICY

Purpose and Responsibilities

This document establishes the Investment Policy for the Exeter Health Resources, Inc. ("EHR") and Exeter Hospital, Inc. ("EH") (together, the "Corporations") Board Designated Funds and Endowment Funds.

For the purposes of this policy:

> "Board Designated Funds" are defined as unrestricted funds set aside by the Corporations' Boards of Trustees (the "Board") for investment; and
>
> "Endowment Funds" are defined as funds that were donated to EHR or EH, which are not restricted as to investment but are restricted by the original donor as to expenditure of principal and/or income.

The Corporations' Boards have ultimate fiduciary responsibility for investment of their Board Designated Funds and Endowment Funds in a prudent manner in accordance with all applicable law. The Asset Allocations, Asset Classes, Performance Expectations, and other provisions of this Policy are the Boards' determinations of the appropriate balance of return seeking and the Corporations' risk tolerance as of the date of this Policy, taking into account anticipated spending from the Board Designated Funds and Endowment Funds, inflation, fees, the missions of EHR and EH, and other relevant factors.

The Executive Committees of the Boards (the "Executive Committees"), as authorized by the EHR By-Laws and the EH By-Laws, respectively, are responsible to act on behalf of the Boards for implementation of this Policy and managing the investment process.

By the adoption of this Restated Policy, the EH Executive Committee hereby delegates to EHR the retention and management of investment companies for the investment of EH Board Designated Funds and EH Endowment Funds, it being understood and agreed that such funds will be similarly invested as those of EHR, and, further, that Board Designated Funds and Endowment Funds of EHR, and those of EH, may be combined, all for the purposes of more efficiently managing the investment of such EHR and EH funds, in accordance with this Investment Policy. The EHR Executive Committee will communicate this Policy and performance expectations to the investment managers it retains. The EHR and EH Executive Committees, meeting jointly, will also review investments regularly for compliance with this Policy. The EHR and EH Executive Committees will inform the respective Boards at regular intervals, or as otherwise requested by the Boards, on the performance of the investments.

This Investment Policy does not address decision-making with respect to the spending or use of any funds, which remains the responsibility of the EHR and EH Boards, respectively for each Corporation's Board Designated and Endowment Funds. In addition, any EHR and EH funds which are combined or commingled for investment purposes under this Policy nevertheless will be accounted for and reported separately on the financial statements of the Corporations.

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Investment Objectives

Board Designated Funds, and income thereon, will be used to support EHR's and EH's future capital expenditures and other major program needs, and to generally increase the financial strength of EHR and EH. Endowment Funds, and income thereon, will be used in accordance with the original donors' directions or requirements. The objective of investing the Board Designated Funds and Endowment Funds is both to preserve principal, in real terms, and earn a reasonable rate of return without unnecessary risk. It is also anticipated that there may be a withdrawal from the Board Designated Funds to fund various needs at EHR and EH. This annual distribution is expected to be up to 4% of the average trailing twelve quarter total asset values.

Asset Allocation Targets and Ranges

Board Designated Funds and Endowment Funds will be invested in two major asset classes, Equities and Fixed Income, as follows:

Asset Class as a Percent of Total Assets

		Range		
Asset Class	**Policy Target**	**Min**	**Max**	**Requirements**
Equities/Growth Oriented Assets				
Global Equity	50%	35%	65%	Equity investments in readily marketable securities trading in US, International Developed, and International Emerging Markets.
US Equity	5%	0%	10%	Equity investments in readily marketable securities trading in the US markets.
International Developed	5%	0%	10%	Equity investments in readily marketable securities trading in Developed Markets outside of the US.
Emerging	5%	0%	10%	Equity investments in readily marketable securities trading in Emerging Markets.
Private Investments	10%	5%	15%	Private Investments are comprised of investments in private companies that do not trade on public exchanges.
Total Growth Oriented Assets	**75%**	**60%**	**90%**	
Fixed Income/ Diversifying Assets				
Hedge Funds	10%	5%	15%	Hedge Funds are comprised of low equity beta multi-strategy, event driven, and absolute return strategies.

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Fixed Income	15%	5%	25%	Fixed Income investments shall be marketable securities, which may include but not necessarily be limited to US Treasury, federal agencies, US Government guaranteed obligations, and corporate issues including convertibles, Mortgage pass-through and collateralized debt obligations may be held. In particular, Collateralized Mortgage Obligation holdings shall consist only of mortgages guaranteed by the full faith and credit of the US Government or an agency thereof and exhibit price volatility and liquidity similar to components of the Barclays Capital Aggregate Bond Index.
Total Fixed Income/Diversifying Assets	**25%**	**15%**	**35%**	

The actual asset allocation may vary from these ranges during periods when the Boards, acting jointly through their respective Executive Committees, deem that a different asset allocation is warranted. Reasons for variance may include, but are not limited to, concerns about an increase in dependence on the Board Designated Funds and Endowment Funds for operating expenses, extreme valuations in certain segments of the capital markets and concerns about inflation or deflation.

The Global Equity, U.S. Equity, International Developed, Emerging Markets, and Fixed Income allocations may be invested up to 70% in passive index funds at the discretion of the Executive Committee. Passive investments aim to replicate the performance of widely used Equity and Fixed Income indexes to gain broad exposure across geographic regions at a low cost. Active management may also be used in these asset classes at the discretion of the Executive Committee. Active managers will attempt to outperform market indexes by actively selecting securities. Such active investments may be subject to higher fees, but will be judged based on performance net of fees.

The EHR and EH Executive Committees, acting jointly, may direct selected investment managers with separately managed accounts to follow specific guidelines for security holdings. Any supplemental guidelines will adhere to this Policy and clarify the specific investment mandate, acceptable ranges of portfolio characteristics, portfolio turnover rates, supplemental security restrictions or other investment requirements specific to the manager. It is expected that these guidelines will be strategic in nature and not change frequently.

The Executive Committees shall be guided by the philosophy that asset allocation is the most significant determinant of long-term investment return. The EHR and EH Board Designated Funds and Endowment Funds asset allocation will be maintained as close to the target allocations as reasonably possible. Fund additions and withdrawals shall be allocated across portfolios to bring the asset mix as close to the target allocation as possible. Rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside of the policy range. These divergences should be of a short-term nature. The Executive Committees will be jointly responsible for sufficient oversight to ensure that the managers keep divergences from policy as brief as possible.

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Cash equivalent reserves shall consist of cash instruments having a quality rating by at least one rating agency of A-I, P-I or higher, maturing in 360 days or less. The Executive Committees shall jointly direct that cash holdings be minimized to that needed for short term operating requirements including expected operational investment needs. For both the Equity and Fixed Income portfolios, cash equivalent reserves shall not exceed 5% of each portfolio, except for brief periods or when building liquidity in anticipation of a large withdrawal.

In addition to direct investment in individual securities, commingled trusts and mutual funds, other pooled asset portfolios are acceptable investment vehicles. It is recognized that adherence to the "Social Responsibility Guidelines" stated below may not be appropriate when investing in commingled trusts, mutual funds and other pooled asset portfolios.

The following securities and transactions are only authorized within the Hedge Funds allocation. Hedge Fund managers are expected to use many of these instruments as part of their strategies:

- Letter stock and other unregistered equity securities;
- Commodities or commodity contracts (except for stock index, bond futures and currency futures);
- Ownership of real estate in any form other than publicly traded securities (Real Estate Investment Trusts) unless received as a donation in kind;
- Short sales, warrants, or margin transactions;
- Any leveraged investments;
- Natural resource properties such as oil, gas, or timber;
- Financial obligations and futures may be employed solely for defensive and hedge strategies undertaken to preserve principal.

Diversification

In addition to the broad asset class diversification noted above, investments shall be diversified with the intent to minimize the risk of large losses. Consequently, the total portfolio will be constructed and maintained to provide prudent diversification with regard to the concentration of holdings in individual issues, corporations or industries. The portfolio will minimize single holding concentration risk by investing broadly in securities which provide exposure across geographic regions, industries, and individual securities. Additionally, it is not expected that any one hedge fund manager will comprise more than 3% of the entire equity portfolio.

Other Concerns

Liquidity: When major withdrawals are anticipated, the Executive Committees will direct that the investment managers be notified as far in advance as possible of any withdrawal orders to allow them sufficient time to build up necessary liquid reserves. The managers will be expected to review the cash flow requirement with the Executive Committees, meeting jointly, at least annually.

Social Responsibility Guidelines (stated below): A policy of prudent investing does not preclude the Executive Committees from jointly considering the undesirability of investments in certain companies, industries, or countries because of their social or moral posture. It is EHR's and EH's policy to prohibit investments in tobacco or related industry securities in separately managed accounts.

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Voting of Proxies: Voting of Proxy ballots shall be for the exclusive benefit of EHR and EH. Unless the EHR and EH Executive Committees, acting jointly, provide direction through EHR's authorized persons on how to vote a proxy, the investment managers shall vote the proxies in accordance with this Policy on all shareholder issues.

Execution of Security Trades: The EHR Executive Committee shall require its authorized individuals to require that the purchase and sale of securities be made in a manner designed to receive the combination of best price and execution.

Control Procedures

The EHR and EH Boards and the Executive Committees shall review this Policy at least annually.

The EHR and EH Executive Committees, acting jointly, will review individual manager performance on at least an annual basis with quarterly reviews provided by the Chief Financial Officer of EHR and EH. Performance reviews will focus on:

- Comparison of fund and managers' results to established market benchmarks and to funds with similar investment approaches;
- Total Fund and investment manager adherence to the Policy guidelines;
- Material changes in the manager organizations, such as in investment philosophy, personnel, acquisitions or losses of major accounts, etc.

Investment consultants and individual investment managers will be responsible for keeping the Chief Financial Officer of EHR and EH, and the EHR and EH Executive Committees, advised of any material changes in personnel, investment strategy, or other pertinent information potentially affecting performance of managers.

Performance Expectations

The EHR and EH Boards and Executive Committees recognize that particular return objectives may not be achievable during some time periods. In order to ensure that investment opportunities available over a specific time period are fairly evaluated, the Executive Committees will use comparative performance statistics to evaluate investment results. Each investment manager and the total commingled Board Designated Funds and commingled Endowment Funds will be measured against the following indexes:

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

Overall	Market Benchmark	Peer Group Comparison
Overall Fund:	75% MSCI ACWI (Net)/25% Barclay's Capital Aggregate Bond Index	CA[1] Endowments Median
Investment Managers		
Global Equity	MSCI ACWI (Net)	CA[1] Global Manager Median
US Equity	S&P 500	CA[1] US Manager Median
Developed International Equity	MSCI EAFE (Net)	CA[1] US International Manager Median
Emerging Markets International Equity	MSCI EM (Net)	CA[1] Emerging Market Manager Median
Private Investments	S&P 500	CA[1] PE/VC Manager Median
Hedge Funds	HFRI FoF Diversified Index	CA[1] Absolute Return Hedge Fund Median
Fixed Income	Barclays Capital Aggregate Bond Index	CA[1] US Bond Manager Median

CA[1] = Cambridge Associates

Approved by EHR and EH Board of Trustees May 18, 2018
Approved by EHR and EH Board of Trustees January 27, 2017
Approved by EHR and EH Board of Trustees May 20, 2016

EXETER HEALTH RESOURCES, INC.
EXETER HOSPITAL, INC.
ENDOWMENT FUNDS SPENDING POLICY

Purpose and Responsibilities

This document establishes the spending policy for the Exeter Health Resources, Inc. ("EHR") and Exeter Hospital, Inc. ("EH") (together, the "Corporations") Endowment Funds.

For the purposes of this policy, an "Endowment Fund" is defined as a fund that was donated to one of the Corporations that, under the terms of the gift instrument, is not wholly expendable by the Corporation on a current basis. An Endowment Fund also may be restricted to spending to fulfill a particular purpose (e.g. an endowment to support a particular health program or to support free care). The term does not include assets that either Board designates as board-designated funds for its own discretionary use.

The Corporations' Boards have ultimate fiduciary responsibility for spending of their respective Endowment Funds in a prudent manner in accordance with applicable law. The Executive Committees of the Boards (the "Executive Committees"), as authorized by each Corporation's By-Laws, are responsible to act on behalf of the Boards for implementation of this Policy and managing the spending process. Any EHR and EH funds which are combined or commingled for investment purposes shall be accounted for and reported separately on the financial statements of the Corporation.

This endowment spending policy determines the annual expenditures from Endowment Funds to board-designated funds or to the operating budget to fund operations or capital expenditures, but always in accordance with the donors' intentions. The spending policy has three principal goals: fulfilling the donor's intention for each Endowment Fund, providing a significant and stable flow of funds to further the Corporations' missions, and maintaining each Endowment Fund over the long term.

Policy:

The Corporations' Boards of Trustees reviews material changes to the spending policy and approves the amount of the spending release from each Endowment Fund on an annual basis, coinciding with the budget approval process for each fiscal year.

As part of the annual budget process, the Boards shall undertake a review of each entity's finances and operations in order to preserve and continue its future and mission. In order to support its operating cash flow, the Boards will undertake a review of the cash available from Endowment Funds and determine a prudent annual spending percentage in light of circumstances and the needs of the Corporation, while seeking to both preserve the endowment and applying funds to their appropriate charitable purposes consistent with donors' intentions.

In accordance with New Hampshire's Uniform Prudent Management of Institutional Funds Act, the Boards shall take into account at least the following considerations with respect to the spending of each Endowment Fund:

(a) The duration and preservation of the endowment fund;

(b) The purposes of the corporation and the endowment fund;

(c) General economic conditions;

(d) The possible effect of inflation or deflation;

(e) The expected total return from income and the appreciation of investments;

(f) Other resources of the corporation; and

(g) The spending policy of the corporation.

The Chief Financial Officer will present to each Corporation's Board of Trustees an analysis of the impact of appropriation from Endowed Funds as part of the annual budget process. The Executive Committees of the Boards will review the expenditure levels annually as part of the annual budget process and recommend appropriate levels of expenditure to the Boards of Trustees for each Endowment Fund. The amount and percentage of appropriation recommended for spending from each Endowment Fund shall be separately stated.

Under state law, the appropriation for expenditure in any year of any amount greater than seven percent (7%) of the fair market value of an endowment fund, calculated on the basis of fair market value determined at least quarterly and averaged over a period of not less than 3 years immediately preceding the year in which the appropriation for expenditure was made, creates a rebuttable presumption of imprudence. Any annual appropriation of more than seven percent (7%) shall be time limited, and shall require specific review and approval by the Board of Trustees along with a statement of the rationale for such spending.

Approved by EHR and EH Boards of Trustees 12/13/19, 2019