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Attorneys for the Chapter 11 Debtors and Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA -  
LOS ANGELES DIVISION**

In re  
VERITY HEALTH SYSTEM OF CALIFORNIA,  
INC., *et al.*,  
  
Debtors and Debtors In Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital Foundation  
☐ Affects St. Francis Medical Center of Lynwood  
Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose ASC, LLC

Debtors and Debtors In Possession.

Lead Bankruptcy Case No. 2:18-bk-20151-ER  
Jointly Administered With:

CASE NO.: 2:18-bk-20162-ER  
CASE NO.: 2:18-bk-20163-ER  
CASE NO.: 2:18-bk-20164-ER  
CASE NO.: 2:18-bk-20165-ER  
CASE NO.: 2:18-bk-20167-ER  
CASE NO.: 2:18-bk-20168-ER  
CASE NO.: 2:18-bk-20169-ER  
CASE NO.: 2:18-bk-20171-ER  
CASE NO.: 2:18-bk-20172-ER  
CASE NO.: 2:18-bk-20173-ER  
CASE NO.: 2:18-bk-20175-ER  
CASE NO.: 2:18-bk-20176-ER  
CASE NO.: 2:18-bk-20178-ER  
CASE NO.: 2:18-bk-20179-ER  
CASE NO.: 2:18-bk-20180-ER  
CASE NO.: 2:18-bk-20181-ER

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

Adversary No. 2:20-ap-01001-ER

**PLAINTIFFS' REQUEST FOR JUDICIAL  
NOTICE IN SUPPORT OF OPPOSITION TO  
DEFENDANTS' MOTION TO DISMISS AND  
OPPOSITION TO DEFENDANTS' SPECIAL  
MOTION TO STRIKE PURSUANT TO  
CALIFORNIA CODE OF CIVIL  
PROCEDURE SECTION 425.16**

Hearing Date and Time:

Date: March 18, 2020

Time: 9:30 a.m.

Place: Courtroom 1568  
255 E. Temple St  
Los Angeles, CA 90012

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



1820151200305000000000005



1 VERITY HEALTH SYSTEM OF CALIFORNIA,  
2 INC., a California nonprofit public benefit  
3 corporation, ST. VINCENT MEDICAL CENTER, a  
4 California nonprofit public benefit corporation, ST.  
5 VINCENT DIALYSIS CENTER, INC., a California  
6 nonprofit public benefit corporation, and ST.  
7 FRANCIS MEDICAL CENTER, a California  
8 nonprofit public benefit corporation, SETON  
9 MEDICAL CENTER, a California nonprofit public  
10 benefit corporation, and VERITY HOLDINGS,  
11 LLC, a California limited liability company; and

12  
13 Plaintiffs,

14 v.

15 KALI P. CHAUDHURI, M.D., an individual,  
16 STRATEGIC GLOBAL MANAGEMENT, INC., a  
17 California corporation, KPC HEALTHCARE  
18 HOLDINGS, INC. a California Corporation KPC  
19 HEALTH PLAN HOLDINGS, INC. a California  
20 Corporation, KPC HEALTHCARE, INC. a Nevada  
21 Corporation, KPC GLOBAL MANAGEMENT,  
22 LLC, a California Limited Liability Company, and  
23 DOES 1 through 500,

24 Defendants.  
25  
26  
27  
28



1 Plaintiffs Verity Health System of California, Inc. (“VHS”), St. Vincent Medical Center  
2 and its wholly-owned subsidiary (“collectively, St. Vincent”), St. Vincent Dialysis Center, Inc.,  
3 St. Francis Medical Center (“St. Francis”), Seton Medical Center (“Seton,” and together with St  
4 Francis and St. Vincent, the “Plaintiff Hospitals” or the “Hospitals”), and Verity Holdings, LLC  
5 (“Verity Holdings”), and the above-captioned debtors (collectively, the “Debtors” or “Plaintiffs”),  
6 hereby request that the Court take judicial notice of the following documents filed and entered in  
7 the Bankruptcy Cases, the above-captioned adversary proceeding (the “Adversary Proceeding”),  
8 and the related Appeals,<sup>1</sup> pursuant to Rule 201 of the Federal Rules of Evidence,<sup>2</sup> in support of  
9 *Plaintiffs’ Opposition to Defendants’ Motion to Dismiss and Opposition to Defendants’ Special*  
10 *Motion to Strike Pursuant to California Code Of Civil Procedure Section 425.16* filed  
11 concurrently herewith:

12 1. *Debtors’ Notice of Motion and Motion for the Entry of (I) An Order (1)*  
13 *Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective*  
14 *Overbidders; (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid*  
15 *Protections; (3) Approving Form of Notice to be Provided to Interested Parties; (4) Scheduling a*  
16 *Court Hearing to Consider Approval of the Sale to the Highest Bidder; and (5) Approving*  
17 *Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases;*  
18 *and (II) An Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens and*  
19 *Encumbrances* [Docket No. 1279] filed in the Bankruptcy Cases on January 17, 2019. A true and  
20 correct copy of the motion is attached hereto as Exhibit “A.”

21 2. *Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse*  
22 *Bidder and for Prospective Overbidders; (2) Approving Auction Sale Format, Bidding*  
23

24 <sup>1</sup> Capitalized terms not otherwise defined herein shall have the definitions set forth in the  
25 Oppositions. As used herein, “Docket No.” refers to the docket of the above-captioned, jointly  
administered bankruptcy cases, Lead Case No. 2:18-bk-20151-ER (the “Cases”).

26 <sup>2</sup> Rule 201 of the Federal Rules of Evidence provides that the Court “may take judicial notice at  
27 any stage of the proceeding.” See FED. R. EVID. 201(d). “Any stage of the proceedings” includes  
28 appeal. See *In re Indian Palms Assocs., Ltd.*, 61 F.3d 197, 205 (3d Cir. 1995) (“Judicial notice  
may be taken at any stage of the proceeding,’ including on appeal, as long as it is not unfair to a  
party to do so and does not undermine the trial court’s factfinding authority.”) (citations omitted).



1 *Procedures and Stalking Horse Bid Protections; (3) Approving Form of Notice to be Provided to*  
2 *Interested Parties; (4) Scheduling a Court Hearing to Consider Approval of the Sale to the*  
3 *Highest Bidder; and (5) Approving Procedures Related to the Assumption of Certain Executory*  
4 *Contracts and Unexpired Leases; and (II) An Order (A) Authorizing the Sale of Property Free*  
5 *and Clear of All Claims, Liens and Encumbrances; Memorandum of Points and Authorities in*  
6 *Support Therof* [Docket No. 1572] entered in the Bankruptcy Cases on February 19, 2019. A true  
7 and correct copy of the Order is attached hereto as Exhibit “B.”

8 3. *Debtors’ Notice of Filing Final Asset Purchase Agreement and Schedules* [Docket  
9 No. 2305] filed in the Bankruptcy Cases on May 2, 2019. A true and correct copy of the APA is  
10 attached hereto as Exhibit “C.”

11 4. *Debtors’ Notice That No Auction Shall Be Held Re Debtors’ Motion and Motion*  
12 *for the Entry of (I) An Order (1) Approving Form of Asset Purchase Agreement for Stalking*  
13 *Horse Bidder and for Prospective Overbidders; (2) Approving Auction Sale Format, Bidding*  
14 *Procedures and Stalking Horse Bid Protections; (3) Approving Form of Notice to Be Provided to*  
15 *Interested Parties; (4) Scheduling a Court Hearing to Consider Approval of the Sale to the*  
16 *Highest Bidder; and (5) Approving Procedures Related to the Assumption of Certain Executory*  
17 *Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free*  
18 *and Clear of All Claims, Liens and Encumbrances; Memorandum of Points and Authorities in*  
19 *Support Thereof* [Docket No. 2053] filed in the Bankruptcy Cases on April 4, 2019. A true and  
20 correct copy is attached hereto as Exhibit “D.”

21 5. *Order (A) Authorizing The Sale Of Certain Of The Debtors’ Assets To Strategic*  
22 *Global Management, Inc. free And Clear Of Liens, Claims, Encumbrances, And Other Interests;*  
23 *(B) Approving The Assumption And Assignment Of An Unexpired Lease Related Thereto; And (C)*  
24 *Granting Related Relief* [Docket No. 2306] filed in the Bankruptcy Cases on May 2, 2019. A true  
25 and correct copy is attached hereto as Exhibit “E.”

26 6. *Debtors’ Emergency Motion for the Entry of an Order: (I) Enforcing the Order*  
27 *Authorizing the Sale to Strategic Global Management, Inc; (II) Finding That the Sale is Free and*  
28 *Clear of Conditions Materially Different Than Those Approved by the Court; (III) Finding That*



1 *the Attorney General Abused His Discretion in Imposing Conditions on That Sale; and (IV)*  
2 *Granting Related Relief; Memorandum of Points and Authorities and Declarations In Support*  
3 *Thereof* [Docket No. 3188] filed in the Bankruptcy Cases on September 30, 2019. A true and  
4 correct copy is attached hereto as Exhibit “F.”

5 7. *Statement of Strategic Global Management, Inc. in Support of Debtors Emergency*  
6 *Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic*  
7 *Global Management, Inc; (II) Finding that the Sale is Free and Clear of Conditions Materially*  
8 *Different than those Approved by the Court* [Docket No. 3356] filed in the Bankruptcy Cases on  
9 October 10, 2019. A true and correct copy is attached hereto as Exhibit “G.”

10 8. *Memorandum of Decision Granting Debtors’ Emergency Motion to Enforce the*  
11 *Sale Order [Doc. No. 3188]* [Docket No. 3446]. A true and correct copy is attached hereto as  
12 Exhibit “H.”

13 9. *Debtors’ Notice Regarding Proposed Order Resolving Debtors’ Emergency*  
14 *Motion For The Entry Of An Order Enforcing The Sale Order And Requesting Related Relief*  
15 [Docket No. 3573] filed in the Bankruptcy Cases on November 8, 2019. A true and correct copy  
16 is attached hereto as Exhibit “I.”

17 10. *Stipulation By Verity Health System of California, Inc. and the California Attorney*  
18 *General Resolving “Debtors’ Emergency Motion For The Entry Of An Order: (I) Enforcing The*  
19 *Order Authorizing The Sale To Strategic Global Management, Inc.; (II) Finding That The Sale Is*  
20 *Free And Clear Of Conditions Materially Different Than Those Approved By The Court; (III)*  
21 *Finding That The Attorney General Abused His Discretion In Imposing Conditions On That Sale;*  
22 *And (IV) Granting Related Relief* [Docket No. 3572] filed in the Bankruptcy Cases on November  
23 8, 2019. A true and correct copy is attached hereto as Exhibit “J.”

24 11. *Notice of Lodgment of Order in Bankruptcy Case re: Order Granting “Debtors’*  
25 *Emergency Motion For The Entry Of An Order: (I) Enforcing The Order Authorizing The Sale To*  
26 *Strategic Global Management, Inc.; (II) Finding That The Sale Is Free And Clear Of Conditions*  
27 *Materially Different Than Those Approved By The Court; (III) Finding That The Attorney*  
28 *General Abused His Discretion In Imposing Conditions On That Sale; And (IV) Granting Related*



1 *Relief*” [Doc. 3188] [Docket No. 3574] filed in the Bankruptcy Cases on November 8, 2019. A  
2 true and correct copy is attached hereto as Exhibit “K.”

3 12. *Objection To Order Granting “Debtors’ Emergency Motion for the Entry of an*  
4 *Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc; (II)*  
5 *Finding That the Sale is Free and Clear of Conditions Materially Different Than Those Approved*  
6 *by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing*  
7 *Conditions on That Sale; and (IV) Granting Related Relief”*; [Docket No. 3582] filed in the  
8 Bankruptcy Cases on November 11, 2019. A true and correct copy is attached hereto as Exhibit  
9 “L.”

10 13. *Notice Of Lodgment Of Order Re: Debtors’ Emergency Motion For The Entry Of*  
11 *An Order: (I) Enforcing The Order Authorizing The Sale To Strategic Global Management, Inc.;*  
12 *(II) Finding That The Sale Is Free And Clear Of Conditions Materially Different Than Those*  
13 *Approved By The Court; (III) Finding That The Attorney General Abused His Discretion In*  
14 *Imposing Conditions On That Sale; And (IV) Granting Related Relief* [Docket No. 3583] filed in  
15 the Bankruptcy Cases on November 11, 2019. A true and correct copy is attached hereto as  
16 Exhibit “M.”

17 14. *Order Granting ‘Debtors’ Emergency Motion For The Entry Of An Order: (I)*  
18 *Enforcing The Order Authorizing The Sale To Strategic Global Management, Inc.; (II) Finding*  
19 *That The Sale Is Free And Clear Of Conditions Materially Different Than Those Approved By*  
20 *The Court; (III) Finding That The Attorney General Abused His Discretion In Imposing*  
21 *Conditions On That Sale; and (IV) Granting Related Relief*; [Docket No. 3611] entered in the  
22 Bankruptcy Cases on November 14, 2019. A true and correct copy is attached hereto as Exhibit  
23 “N.”

24 15. *Order Approving Stipulation Re: Assumption And Assignment Of Medicare*  
25 *Provider Agreements To Strategic Global Management, Inc.;* [Docket No. 3680] entered in the  
26 Bankruptcy Cases on November 22, 2019. A true and correct copy is attached hereto as Exhibit  
27 “O.”

28 16. *Notice of Appeal and Statement of Election to Bankruptcy Appellate Panel Filed*



1 *by Interested Party Strategic Global Management, Inc.*; [Docket No. 3726] filed in the  
2 Bankruptcy Cases on November 29, 2019. A true and correct copy is attached hereto as Exhibit  
3 “P.”

4 17. *Order Authorizing Debtors To Sell Medi-Cal Provider Agreements, Free And*  
5 *Clear Of Interests Asserted By The California Department Of Health Care Services, Pursuant To*  
6 *§§ 363(B) And (F)(5)*; [Docket No. 3372] entered in the Bankruptcy Cases on October 11, 2019.  
7 A true and correct copy is attached hereto as Exhibit “Q.”

8 18. *Stipulation Re: Assumption And Assignment Of Medi-Cal Provider Agreements To*  
9 *Strategic Global Management, Inc.*; [Docket No. 3786] filed in the Bankruptcy Cases on  
10 December 9, 2019. A true and correct copy is attached hereto as Exhibit “R.”

11 19. *Order Approving Stipulation Re: Assumption And Assignment Of Medical*  
12 *Provider Agreements To Strategic Global Management, Inc.*; [Docket No. 3787] entered in the  
13 Bankruptcy Cases on December 9, 2019. A true and correct copy is attached hereto as Exhibit  
14 “S.”

15 20. *Debtors’ Motion to (A) Continue Hearing on Motion of the Debtors for an Order*  
16 *Approving: (I) Proposed Disclosure Statement; (II) Solicitation and Voting Procedures; (III)*  
17 *Notice and Objection Procedures for Confirmation of Debtors’ Plan, and (IV) Granting Related*  
18 *Relief; (B) Continue the Reply Deadline with Respect to Disclosure Statement Objections, and*  
19 *(C) Use the November 20, 2019, 10:00 a.m. Hearing Date for a Status Conference on This*  
20 *Matter; Declaration of Richard G. Adcock in Support Thereof*; [Docket No. 3621] filed in the  
21 Bankruptcy Cases on November 15, 2019. A true and correct copy is attached hereto as Exhibit  
22 “T.”

23 21. *Notice Of Hearing And Motion Of The Debtors For An Order Approving: (I)*  
24 *Proposed Disclosure Statement; (II) Solicitation And Voting Procedures; (III) Notice And*  
25 *Objection Procedures For Confirmation Of Debtors’ Plan; And (IV) Granting Related Relief;*  
26 *Memorandum Of Points And Authorities In Support Thereof*; [Docket No. 2995] filed in the  
27 Bankruptcy Cases on September 4, 2019. A true and correct copy is attached hereto as Exhibit  
28 “U.”



22. *Order Granting (1) finding that SGM is obligated to promptly close the SGM sale under section 8.6 of the APA, provided that all other conditions to closing have been satisfied and (2) granting debtors' motion for a continuance of the hearing to approve the disclosure statement from November 20, 2019 at 10:00 a.m. to November 26, 2019 at 10:00 a.m.; [Docket No. 3633] entered in the Bankruptcy Cases on November 18, 2019. A true and correct copy is attached hereto as Exhibit "V."*

23. *Notice of Appeal and Statement of Election to Bankruptcy Appellate Panel Filed by Interested Party Strategic Global Management, Inc.; [Docket No. 3727] filed in the Bankruptcy Cases on November 29, 2019. A true and correct copy is attached hereto as Exhibit "W."*

24. *Memorandum Of Decision (1) Finding That Sgm Is Obligated To Promptly Close The SGM Sale Under § 8.6 Of The Apa, Provided That All Other Conditions To Closing Have Been Satisfied And (2) Granting Debtors' Motion For A Continuance Of The Hearing To Approve The Disclosure Statement; [Docket No. 3632] entered on November 18, 2019. A true and correct copy is attached hereto as Exhibit "X."*

25. The November 26, 2019 Hearing Transcript, a true and correct copy of which is attached hereto as Exhibit "Y."

26. *Order (1) Finding that SGM is Obligated to Close the SGM Sale by No Later than December 5, 2019 and (2) Setting Continued Hearing on Debtors' Motion for Approval of Disclosure Statement; [Docket No. 3724] entered in the Bankruptcy Cases on November 27, 2019. A true and correct copy is attached hereto as Exhibit "Z."*

27. *Memorandum of Decision Finding that SGM is Obligated to Close the SGM Sale by No Later than December 5, 2019; [Docket No. 3723] entered in the Bankruptcy Cases on November 27, 2019. A true and correct copy is attached hereto as Exhibit "AA."*

28. *Notice of Appeal and Statement of Election to Bankruptcy Appellate Panel Filed by Interested Party Strategic Global Management, Inc.; [Docket No. 3746] filed in the Bankruptcy Cases on November 27, 2019. A true and correct copy is attached hereto as Exhibit "BB."*



29. *Debtors' Emergency motion for (I) Issuance of an Order to Show Cause Why Strategic Global Management, Inc. Failed to Close the Sale Transaction by December 5, 2019; and (II) Entry of an Order Enforcing Prior Court Orders Requiring Strategic Global Management, Inc. to Close the Sale Transaction by December 5, 2019;* [Docket No. 3773] filed in the Bankruptcy Cases on December 6, 2019. A true and correct copy is attached hereto as Exhibit "CC."

30. *Order Denying Debtors' Emergency Motion For Issuance Of An Order To Show Cause Re: Closing Of The SGM Sale;* [Docket No. 3784] entered in the Bankruptcy Cases on December 9, 2019. A true and correct copy is attached hereto as Exhibit "DD."

31. *Memorandum Of Decision Denying Debtors' Emergency Motion For Issuance Of An Order To Show Cause Re: Closing Of The SGM Sale;* [Docket No. 3783] entered in the Bankruptcy Cases on December 9, 2019. A true and correct copy is attached hereto as Exhibit "EE."

32. *Debtors' Notice re Termination of Asset Purchase Agreement with Strategic Global Management, Inc.;* [Docket No. 3899] filed in the Bankruptcy Cases on January 3, 2020. A true and correct copy is attached hereto as Exhibit "FF."

33. *Complaint for Breach of Contract, Promissory Fraud, and Tortious Breach of Contract (Breach of Implied Covenant of Good Faith);* [Adv. Docket No. 1] filed in the Adversary Proceeding on January 3, 2020. A true and correct copy of the complaint is attached hereto as Exhibit "GG."

34. *Scheduling Order;* [Adv. Docket No. 4] entered in the Adversary Proceeding on January 6, 2020. A true and correct copy is attached hereto as Exhibit "HH."

35. *Strategic Global Management, Inc.'s Emergency Motion To Stay Adversary Proceedings; Declaration Of Gary E. Klausner In Support Thereof;* [Adv. Docket No. 19] filed in the Adversary Proceeding on January 22, 2020. A true and correct copy is attached hereto as Exhibit "II."

36. *Order Denying Strategic Global Management, Inc.'s Emergency Motion To Stay Adversary Proceeding;* [Adv. Docket No. 35] entered on February 14, 2020. A true and correct



1 copy is attached hereto as Exhibit “JJ.”

2 37. *Amended Tentative Ruling, Adopted as Final*; [Adv. Docket No. 29] filed on  
3 November 11, 2020. A true and correct copy is attached hereto as Exhibit “KK.”

4 38. *Memorandum Of Decision Authorizing Debtors To Sell Medi-Cal Provider*  
5 *Agreements, Free And Clear Of Interests Asserted By The California Department Of Health Care*  
6 *Services, Pursuant To § 363(F)(5)*; [Docket No. 3146] filed on September 26, 2019. A true and  
7 correct copy is attached hereto as Exhibit “LL.”

8  
9 Dated: March 4, 2020

DENTONS US LLP  
SAMUEL R. MAIZEL  
SONIA R. MARTIN  
TANIA M. MOYRON  
NICHOLAS A. KOFFROTH

13 By /s/ Tania M. Moyron  
14 Tania M. Moyron

15 Attorneys for Verity Health Systems of  
16 California, Inc., *et al.*

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LOS ANGELES, CALIFORNIA 90017-5704  
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# EXHIBIT A

EXHIBIT A Page 1 of 118  
Case 5:50-cv-01001-EB Doc 23-1 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT A



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Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In  
Possession.

☒ Affects All Debtors

- ☐ Affects Verity Health System of  
California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
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☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose  
Dialysis, LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
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Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Hon. Judge Ernest M. Robles

**DEBTORS' NOTICE OF MOTION AND MOTION FOR THE  
ENTRY OF (I) AN ORDER (1) APPROVING FORM OF ASSET  
PURCHASE AGREEMENT FOR STALKING HORSE BIDDER  
AND FOR PROSPECTIVE OVERBIDDERS; (2) APPROVING  
AUCTION SALE FORMAT, BIDDING PROCEDURES AND  
STALKING HORSE BID PROTECTIONS; (3) APPROVING FORM  
OF NOTICE TO BE PROVIDED TO INTERESTED PARTIES; (4)  
SCHEDULING A COURT HEARING TO CONSIDER APPROVAL  
OF THE SALE TO THE HIGHEST BIDDER; AND (5)  
APPROVING PROCEDURES RELATED TO THE ASSUMPTION  
OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES; AND (II) AN ORDER (A) AUTHORIZING THE SALE OF  
PROPERTY FREE AND CLEAR OF ALL CLAIMS, LIENS AND  
ENCUMBRANCES; MEMORANDUM OF POINTS AND  
AUTHORITIES IN SUPPORT THEREOF**

Hearing:

Date: [TBD]

Time: [TBD]

Location: Courtroom 1568

255 E. Temple St., Los Angeles, CA

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



1820151190118000000000001



1           **PLEASE TAKE NOTICE** that at the above referenced date, time and location, Verity  
2 Health System of California, Inc., a California nonprofit public benefit corporation and the  
3 Debtor herein (“Verity”), and the above-referenced affiliated debtors, the debtors and debtors in  
4 possession in the above-captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), will  
5 move (the “Motion”), pursuant to §§ 105(a), 363, and 365 of title 11 of the United States Code,  
6 11 U.S.C. §§ 101, *et seq.*, Rules 2002, 6004, 6006, 9007, and 9014 of the Federal Rules of  
7 Bankruptcy Procedure and Rules 6004-1(b) and 9013-1 of the Local Bankruptcy Rules of the  
8 United States Bankruptcy Court for the Central District of California (“LBR”), for the entry of:

9           I.       An order (the “Bidding Procedures Order”):

- 10           (1)     approving the form of the Asset Purchase Agreement, dated January 8, 2018 (the  
11           “Stalking Horse APA”) between (i) Verity, Verity Holdings, LLC, a California  
12           limited liability company (“Verity Holdings”), St. Francis Medical Center, a  
13           California nonprofit public benefit corporation (“St. Francis Medical Center”), St.  
14           Vincent Medical Center, a California nonprofit public benefit corporation (“St.  
15           Vincent Medical Center”), St. Vincent Dialysis Center, Inc., a California nonprofit  
16           public benefit corporation (“St. Vincent Dialysis Center”) and Seton Medical  
17           Center, a California nonprofit public benefit corporation (“Seton Medical Center”),  
18           on the one hand; and (ii) Strategic Global Management, Inc., a California  
19           corporation (“the “Stalking Horse Purchaser”), on the other hand, a true and  
20           correct copy of which is attached as **Exhibit A** hereto; pertaining to a sale of  
21           substantially all assets of St. Francis Medical Center, St. Vincent Medical Center,  
22           St. Vincent Dialysis Center and Seton Medical Center (the “Purchased Assets”) to  
23           be used by (a) the Stalking Horse Purchaser as the stalking horse bidder for the  
24           Purchased Assets, and (b) any prospective overbidders (each an “Overbidder” and  
25           collectively, the “Overbidders”) who seek to participate in a hoped for auction sale  
26           (“Auction”) of the Purchased Assets;



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- (2) approving the format, bidding procedures, and stalking horse bid protections (the “Bidding Procedures”), relating to the proposed Auction described below and in the attached Memorandum of Points and Authorities (the “Memorandum”);
  - (3) approving the form of notice to be provided by the Debtors to their creditors and to be provided by the Debtors’ investment banker to prospective Overbidders;
  - (4) scheduling the Auction for April 8, 2019 and April 9, 2019, and a hearing (the “Sale Hearing”) on April 17, 2019, at 10:00 a.m. (subject to the availability of the Court), before the Court to consider approval of the sale of the Purchased Assets to the highest bidder;
  - (5) establishing procedures for the assumption and assignment to the Successful Bidder (as defined below) of executory contracts and unexpired leases in connection with the Sale and approving the form and manner of notice related thereto; and
- II. An order (the “Sale Order”) authorizing the Sale to the Successful Bidder, free and clear of all claims, liens and encumbrances; and
- III. Granting related relief.

**PLEASE TAKE FURTHER NOTICE** that this Motion is based on this Notice of Motion and Motion, the Memorandum, the Declaration of Richard G. Adcock and the Declaration of James Moloney (to be filed prior to the hearing on the Motion), the *Declaration of Richard G. Adcock In Support of Emergency First-Day Motions* [Docket No. 8], supporting statements, arguments and representations of a counsel who will appear at the hearing on the Motion, the record in this case, and any other evidence properly brought before the Court in all other matters of which this Court may properly take judicial notice.

**PLEASE TAKE FURTHER NOTICE** that any party opposing or responding to the Motion must file and serve the response (“Response”), pursuant to LBR 9013-1(f), on the moving party and the United States Trustee not later than fourteen (14) days before the date designated for the hearing. A Response must be a complete written statement of all reasons in opposition



thereto or in support, declarations and copies of all evidence on which the responding party intends to rely, and any responding memorandum of points and authorities.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to LBR 9013-1(h), the failure to file and serve a timely objection to the Motion may be deemed by the Court to be consent to the relief requested herein.

Dated: January 17, 2019

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By /s/ Tania M. Moyron  
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## TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION .....	1
II. JURISDICTION AND VENUE .....	1
III. STATEMENT OF FACTS .....	2
A. GENERAL BACKGROUND .....	2
B. FACTS RELEVANT TO MOTION .....	6
C. BIDDING PROCEDURES .....	7
a. Provisions Governing Qualifications of Bidders .....	7
b. Due Diligence .....	8
c. Provisions Governing Qualified Bids .....	8
d. Bid Deadline .....	11
e. Credit Bidding .....	12
f. Evaluation of Competing Bids .....	12
g. No Qualified Bids .....	13
h. Auction Process .....	13
i. Selection of Successful Bid .....	16
j. Return of Deposits .....	17
k. Back-Up Bidder .....	17
l. Break-Up Fee .....	18
m. Sale Hearing .....	19
D. NOTICE PROCEDURES .....	21
E. PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF ASSIGNED CONTRACTS AND LEASES .....	22
F. THE PRIMARY TERMS OF THE STALKING HORSE APA .....	24
IV. ARGUMENT .....	29
A. APPROVAL OF THE BIDDING PROCEDURES IS APPROPRIATE AND IN THE BEST INTERESTS OF THE DEBTORS' ESTATES AND STAKEHOLDERS. ....	29
B. THE BREAK-UP FEE HAS A SOUND BUSINESS PURPOSE AND IS NECESSARY TO PRESERVE THE VALUE OF THE DEBTORS' ESTATES .....	31
C. THE PROCEDURE FOR ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES IS APPROPRIATE .....	34



1	D.	APPROVAL OF THE SALE IS WARRANTED UNDER § 363 .....	35
2	E.	RELIEF FROM THE 14-DAY WAITING PERIOD UNDER RULES 6004(H) AND 6006(D) IS APPROPRIATE .....	42
3	F.	THE APPLICABLE REQUIREMENTS OF LBR 6004-1 HAVE BEEN SATISFIED.....	43
4			
5	V.	CONCLUSION .....	43

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13  
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15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28



# TABLE OF AUTHORITIES

Page(s)

## Cases

<i>In re 995 Fifth Ave. Assocs.,</i> 96 B.R. 24 (Bankr. S.D.N.Y. 1989) .....	31
<i>In re Abbotts Dairies of Pa., Inc.,</i> 788 F.2d 143 (2d Cir. 1986) .....	36
<i>In re America West Airlines, Inc.,</i> 166 B.R. 908 (Bankr. D. Ariz. 1994) .....	31
<i>In re ARSN Liquidating Corp. Inc.,</i> 2017 WL 279472 (Bankr. D.N.H. Jan. 20, 2017) .....	39
<i>In re Atlanta Packaging Prods., Inc.,</i> 99 B.R. 124 (Bankr. N.D. Ga. 1988) .....	29, 30
<i>In re Bon Ton Rest. &amp; Pastry Shop, Inc.,</i> 53 B.R. 789 (Bankr. N.D. Ill. 1985) .....	34
<i>Burtch v. Ganz (In re Mushroom Transp. Co.),</i> 382 F.3d 325 (3d Cir. 2004) .....	30
<i>In re Bygaph, Inc.,</i> 56 B.R. 596 (Bankr. S.D.N.Y. 1986) .....	34, 38
<i>Calpine Corp. v. O'Brien Env'tl. Energy, Inc. (In re O'Brien Env'tl. Energy, Inc.),</i> 181 F.3d 527 (3d Cir. 1999) .....	30, 31
<i>Carlisle Homes, Inc. v. Arrari (In re Carlisle Homes, Inc.),</i> 103 B.R. 524 (Bankr. D.N.J. 1989) .....	34
<i>In re Case Engineered Lumber, Inc.,</i> No. 09-22499 (Bankr. N.D. Ga. Sept. 1, 2009) .....	32
<i>In re Christ Hospital,</i> 502 B.R. 158 (Bankr. D.N.J. 2013) .....	39
<i>Committee of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.),</i> 722 F.2d 1063 (2d Cir. 1983) .....	36
<i>Creditors v. Johns-Manville Corp. (In re Johns-Manville Corp.),</i> 60 B.R. 612 (Bankr. S.D.N.Y. 1986) .....	36
<i>In re CXM, Inc.,</i> 307 B.R. 94 (Bankr. N.D. Ill. 2004) .....	32



1	<i>In re Dan River, Inc.,</i>	
2	No. 04-10990 (Bankr. N.D. Ga. Dec. 17, 2004) .....	32
3	<i>In re Delaware &amp; Hudson Ry. Co.,</i>	
4	124 BR. 169 (D. Del. 1991) .....	36
5	<i>In re Dundee Equity Corp.,</i>	
6	1992 Bankr. LEXIS 436 (Bankr. S.D.N.Y. Mar. 6, 1992).....	37
7	<i>In re Energytec, Inc.,</i>	
8	739 F.3d 215 (5th Cir. 2013).....	41
9	<i>In re Ewell,</i>	
10	958 F.2d 276 (9th Cir. 1992).....	41
11	<i>Folger Adam Security v. DeMatteis/MacGregor JV,</i>	
12	209 F.3d 252 (3d Cir. 2000).....	38, 40
13	<i>Four B. Corp. v. Food Barn Stores, Inc. (In re Food Barn Stores, Inc.),</i>	
14	107 F.3d 558 (8th Cir. 1997).....	30, 36
15	<i>In re Gardens Regional Hospital and Medical Center, Inc.,</i>	
16	567 B.R. 820 (Bankr. C.D. Cal. 2017).....	38
17	<i>GBL Holding Co., Inc. v. Blackburn/Travis/Cole, Ltd.,</i>	
18	331 B.R. 251 (N.D. Tex. 2005).....	36
19	<i>In re Grumman Olson Indus. Inc.,</i>	
20	467 B.R. 694 (S.D.N.Y. 2012).....	39
21	<i>In re Hupp Indus.,</i>	
22	140 B.R. 191 (Bankr. N.D. Ohio 1997) .....	31
23	<i>In re La Paloma Generating, Co.,</i>	
24	2017 WL 5197116 (Bankr. D. Del. Nov. 9, 2017).....	38
25	<i>In re Lajijani,</i>	
26	325 B.R. 282 (B.A.P. 9th Cir. 2005).....	36
27	<i>In re Lake Burton Dev., LLC,</i>	
28	2010 WL 5563622 (Bankr. N.D. Ga. Mar. 18, 2010).....	32
	<i>MacArthur Co. v. Johns-Manville Corp. (In re Johns-Manville Corp.),</i>	
	837 F.2d 89 (2d Cir. 1988).....	40
	<i>In re Marrose Corp.,</i>	
	1992 WL 33848 (Bankr. S.D.N.Y. 1992) .....	31
	<i>Meyers v. Martin (In re Martin),</i>	
	91 F.3d 389 (3d Cir. 1996).....	35



1	<i>Michigan Employment Sec. Comm'n v. Wolverine Radio Co. (In re Wolverine</i>	
2	<i>Radio Co.),</i>	
3	930 F.2d 1132 (6th Cir. 1991).....	38
4	<i>In re Natco Indus., Inc.,</i>	
5	54 B.R. 436 (Bankr. S.D.N.Y. 1985) .....	34
6	<i>The Ninth Ave. Remedial Group v. Allis-Chalmers Corp.,</i>	
7	195 B.R. 716 (Bankr. N.D. Ind. 1996).....	40
8	<i>Nostas Assocs. v. Costich (In re Klein Sleep Prods., Inc.),</i>	
9	78 F.3d 18 (2d Cir. 1996).....	33
10	<i>Official Comm. of Subordinated Bondholders v. Integrated Res. Inc. (In re</i>	
11	<i>Integrated Res. Inc.),</i>	
12	147 B.R. 650 (S.D.N.Y. 1992).....	30, 31, 32, 36
13	<i>Official Comm. of Unsecured Creditors v. The LTV Corp. (In re Chateaugay</i>	
14	<i>Corp.),</i>	
15	973 F.2d 141 (2d Cir. 1992).....	36
16	<i>Onouli-Kona Land Co. v. Estate of Richards (In re Onouli-Kona Land Co.),</i>	
17	846 F.2d 1170 (9th Cir. 1988).....	41
18	<i>Orion Pictures Corp. v. Showtime Networks, Inc. (In re Orion Pictures Corp.),</i>	
19	4 F.3d 1095 (2d Cir. 1993).....	33
20	<i>Paulman v. Gateway Venture Partners III, L.P. (In re Filtercorp, Inc.),</i>	
21	163 F.3d 570 (9th Cir. 1998).....	41
22	<i>PBBPC, Inc. v. OPK Biotech, LLC (In re PBBPC, Inc.),</i>	
23	484 B.R. 860 (1st Cir. B.A.P. 2013) .....	39
24	<i>In re S.N.A. Nut Co.,</i>	
25	186 B.R. 98 (Bankr. N.D. Ill. 1995).....	31
26	<i>In re T Asset Acquisition Company, LLC,</i>	
27	No. 09-31853 (Bankr. C.D. Cal. Jan. 28, 2010) (J. Robles) .....	32
28	<i>In re Tama Beef Packing Inc.,</i>	
	321 B.R. 469 (8th Cir. BAP 2005).....	32
	<i>In re Titusville Country Club,</i>	
	128 B.R. 396 (W.D. Pa. 1991) .....	36
	<i>In re Tougher Indus.,</i>	
	2013 WL 1276501 (Bankr. N.D.N.Y. Mar. 27, 2013).....	39
	<i>In re Trans World Airlines, Inc.,</i>	
	322 F.3d 283 (3d Cir. 2001).....	39, 40



1	<i>United Mine Workers of Am. Combined Benefit Fund v. Walter Energy, Inc.,</i>	
2	551 B.R. 631 (N.D. Ala. 2016) .....	39
3	<i>In re Vista Marketing Group Ltd.,</i>	
4	557 B.R. 630 (Bankr. N.D. Ill. 2016).....	39
5	<i>WBO P'ship v. Va. Dep't of Med. Assistance Servs. (In re WBO P'ship),</i>	
6	189 B.R. 97 (Bankr. E.D. Va. 1995) .....	39
7	<i>In re Women First Healthcare, Inc.,</i>	
8	332 B.R. 115 (Bankr. D. Del. 2005) .....	32
9	<i>In re WPRV-TV, Inc.,</i>	
10	143 B.R. 315 (D.P.R. 1991) .....	36

## **Statutes**

### **11 United States Code**

§ 101 .....	2
§ 105(a) .....	28, 37
§ 363 .....	<i>passim</i>
§ 363(b) .....	41
§ 363(b)(1) .....	28, 35
§ 363(f) .....	37, 38, 39, 40
§ 363(m) .....	28, 41
§ 365(a) .....	33
§ 365(f)(2) .....	33, 34
§ 1107 .....	2
§ 1108 .....	2

### **28 United States Code**

§ 157 .....	1
§ 157(b)(2) .....	1
§ 1334 .....	1
§ 1408 .....	1
§ 1409 .....	1

### **Bankruptcy Code**

Chapter 5 .....	28
Chapter 11 .....	1, 39
§ 365 .....	19, 22, 28, 34
§ 365(f)(1) .....	35
§ 503(b) .....	28, 31

Coal Act .....	39, 40
----------------	--------



**Rules and Regulations**

**Bankruptcy Rules**

Rule 2002 .....	21, 28
Rule 6004 .....	28, 29, 35
Rule 6004(f) .....	29
Rule 6004(h) .....	41, 42
Rule 6006(d) .....	41, 42

**Other Authorities**

<i>Collier on Bankruptcy P.</i> 6004.11.....	42
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**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. INTRODUCTION**

Verity Health System of California, Inc., a California nonprofit public benefit corporation and the Debtor herein (“Verity”), and the above-referenced affiliated debtors, the debtors and debtors in possession in the above-captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), seek entry of an order: (a) designating Strategic Global Management, Inc. (“SGM” or the “Stalking Horse Purchaser”) as the stalking-horse bidder for St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Seton Medical Center (collectively, the “Hospitals”), and related assets (collectively, the “Purchased Assets”), at a price of approximately \$610 million (\$420 million allocated to St. Francis Medical Center, \$120 million allocated to St. Vincent Medical Center and \$70 million allocated to Seton Medical Center and Seton Coastsides combined), plus payment of Cure Costs (defined below) associated with any Assumed Leases and/or Assumed Contracts (the “Cash Consideration,” and collectively, the “Stalking Horse Bid”); (b) setting bid procedures to establish guidelines for parties interesting in making an overbid; (c) scheduling an auction to be held on April 8, 2019 and April 9, 2019; and (d) scheduling a sale hearing for the Court to approve the winning bidder.

The Debtors have vigorously marketed the Purchased Assets and believe that the Stalking Horse Bid represents a fair market value for the Purchased Assets. Moreover, SGM is a buyer who will maintain the healthcare characteristics of St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center and Seton Medical Center, continuing patient care for the communities served by the Hospitals and healthcare providers. Nonetheless, the Debtors are hopeful that there will be an auction which may result in overbids. Based on the foregoing, and for the reasons set forth below in greater detail, the Debtors respectfully request that the Court grant the Motion.

**II. JURISDICTION AND VENUE**

The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The venue of these Cases is proper pursuant to 28 U.S.C. §§ 1408 and 1409.



### III. STATEMENT OF FACTS

#### A. GENERAL BACKGROUND

1. On August 31, 2018 (“Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).<sup>1</sup> Since the commencement of their cases, the Debtors have been operating their businesses as debtors in possession pursuant to §§ 1107 and 1108.

2. Debtor VHS, a California nonprofit public benefit corporation, is the sole corporate member of five Debtor California nonprofit public benefit corporations that operate six acute care hospitals, including the Hospitals and other facilities in the state of California. *See Declaration of Richard G. Adcock In Support of Emergency First-Day Motions* [Docket No. 8] (the “Adcock First-Day Declaration”).

3. St. Francis Medical Center (“St. Francis”) owns real property commonly known as: (i) 3630 E. Imperial Highway Lynwood, CA 90262, including the patient tower and all of the facilities thereon; (ii) 2700 E. Slauson Ave, Huntington Park, CA 90255, and the Huntington Park Medical Office Building thereon; and (iii) 5953 S. Atlantic Blvd. 5, Maywood, CA 90270, and Maywood Medical Office Building thereon. *See Adcock First-Day Declaration.*

4. St. Francis (i) operates a 384 licensed bed, general acute care hospital located at 3630 East Imperial Highway in Lynwood, California; (ii) has an emergency department with 46 licensed emergency treatment stations and is designated a Level II Trauma Center; (iii) has nine surgical operating rooms and three cardiac catheterization labs for inpatient and outpatient cardiac catheterization services; (iv) offers a comprehensive range of services, including emergency and trauma care, neonatal intensive, cardiovascular, oncology, pediatrics, behavioral health, and maternity and child services; and (v) offers various outpatient services, including ambulatory surgical services, laboratory services, imaging services, infusion therapy, nuclear medicine services, respiratory therapy, and physical therapy. Other outpatient services are provided at the following clinics: Orthopedics Clinic, Wound Care Clinic, Industrial Clinic, Lynwood Clinic,

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<sup>1</sup> All references to section or chapter herein are to the Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.*, as amended. All references to Rules are to the Federal Rules of Bankruptcy Procedure.



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1 Downey Clinic , and Huntington Park Clinic. St. Francis is accredited by The Joint Commission.  
2 *See* Adcock First-Day Declaration.

3 5. As of the Petition Date, St. Francis employed approximately 2,017 employees, of  
4 which 1,583 are full-time, 136 are part time, and 298 are per diem. St. Francis was incorporated  
5 in 1983 and is governed by a Board of Trustees. *See* Adcock First-Day Declaration.

6 6. St. Vincent Medical Center (“St. Vincent”) owns real property commonly known  
7 as: (i) 2131 W 3rd Street, Los Angeles, CA 90057, including the hospital and all of the facilities  
8 located thereon; and (ii) vacant land in Salton Sea, California. St. Vincent was founded as the  
9 first hospital in Los Angeles in 1856. In 1971, a new facility was constructed at St. Vincent’s  
10 current location at 2131 West Third Street, Los Angeles, CA 90057. It has expanded to a 366  
11 licensed bed, regional acute care, tertiary referral facility, specializing in cardiac care, cancer  
12 care, total joint and spine care, and multi-organ transplant services. St. Vincent serves both local  
13 residents and residents from Los Angeles, San Bernardino, Riverside, and Orange Counties. As a  
14 provider of healthcare services for a high percentage of elderly patients, many of the St. Vincent  
15 Medical Center’s services and programs are focused on the treatment of various chronic diseases.  
16 *See* Adcock First-Day Declaration.

17 7. As of the Petition Date, St. Vincent employed approximately 1,099 employees, of  
18 which 897 are full-time, 42 are part time and 160 are per diem. *See* Adcock First-Day  
19 Declaration.

20 8. St. Vincent is the sole corporate member of the St. Vincent Dialysis Center,  
21 located on the hospital’s campus. The St. Vincent Dialysis Center provides dialysis services for  
22 kidney disease patients, including hemodialysis and isolated ultrafiltration treatments as part of  
23 St. Vincent’s end-stage renal disease program. *See* Adcock First-Day Declaration.

24 9. Seton Medical Center (“Seton”) owns (i) real property commonly known as 1900  
25 Sullivan Avenue, Daly City, CA 94015, and the hospital and the facilities thereon (the “Daly  
26 Property”), and (ii) an employee parking lot on the Daly Property. Seton Medical Center was  
27 originally founded as Mary’s Help Hospital by the Daughters of Charity of St. Vincent De Paul in  
28 1893. The original facility was destroyed in the San Francisco Earthquake of 1906, and by 1912,



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1 Mary's Help Hospital reopened a new facility in San Francisco. In 1965, the hospital was moved  
2 to its current location at 1900 Sullivan Avenue in Daly City. The hospital was renamed Seton  
3 Medical Center in 1983, is currently licensed for 357 beds and serves residents from San  
4 Francisco and San Mateo areas. Seton has an emergency department with 18 licensed treatment  
5 stations. It also has 13 surgical operating rooms and three cardiac catheterization labs. Of the  
6 hospital's 83 licensed skilled nursing beds, 39 are in suspense, and the remaining 44 beds are  
7 utilized as subacute care beds. Additionally, the hospital has 24 licensed acute psychiatric beds  
8 which have been placed in suspense. The hospital has a broad spectrum of medical services,  
9 including cancer, cardiac, emergency, surgical, rehabilitation, respiratory, orthopedic, and sub-  
10 acute care. The hospital is accredited by The Joint Commission. Seton Medical Center and Seton  
11 Coastside share a consolidated license. *See* Adcock First-Day Declaration.

12 10. Seton also operates Seton Medical Center Coastside ("Seton Coastside") located at  
13 600 Marine Blvd, Moss Beach, CA 94038. Seton Coastside was founded as Moss Beach  
14 Rehabilitation Hospital in 1970. In 1980, the City of Half Moon Bay acquired ownership of the  
15 hospital and signed an agreement for Daughters of Charity to manage operations of the hospital  
16 and rename it St. Catherine's Hospital. In 1993, St. Catherine's Hospital became Seton Coastside  
17 when it became integrated with Seton Medical Center. Today, Seton Coastside is licensed for 116  
18 skilled nursing beds and five general, acute-care beds. Seton Coastside also operates the only 24-  
19 hour "standby" Emergency Department along the 55-mile stretch between Santa Cruz and Daly  
20 City. Under a consolidated license, Seton Medical Center and Seton Coastside share the same  
21 Board of Directors, executive leadership team, charity care policies, and union collective  
22 bargaining agreements. *See* Adcock First-Day Declaration.

23 11. As of the Petition Date, Seton Medical Center and Seton Coastside employed  
24 approximately 1,340 employees, of which 516 are full-time, 551 are part time and 273 are per  
25 diem. *See* Adcock First-Day Declaration.

26 12. Verity Holdings, LLC ("Holdings") is a direct subsidiary of its sole member VHS  
27 and was created in 2016 to hold and finance VHS' interests in four medical office buildings  
28 whose tenants are primarily physicians, medical groups, healthcare providers, and certain of the



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1 VHS Hospitals. Holdings' real estate portfolio includes more than 15 properties. Holdings is the  
2 borrower on approximately \$66.2 Million of non-recourse financing secured by separate deeds of  
3 trust and revenue and accounts pledges, including the rents on each medical office building. *See*  
4 Adcock First-Day Declaration.

5 13. Previously, the Hospitals were owned by the Daughters of Charity Healthcare  
6 System ("DCHS"). Despite continuous efforts to improve operations, operating losses continued  
7 to plague the health system due to, among other things, mounting labor costs, low reimbursement  
8 rates and the ever-changing healthcare landscape. In 2013, DCHS actively solicited offers for its  
9 hospitals. *See* Adcock First-Day Declaration.

10 14. In early 2014, DCHS announced that they were beginning a process to evaluate  
11 strategic alternatives for the health system. Throughout 2014, DCHS explored offers to sell their  
12 hospital system, including the Hospitals, and, in October of 2014, they entered into an agreement  
13 with Prime Healthcare Services and Prime Healthcare Foundation (collectively, "Prime") to sell  
14 the health system. However, to keep the hospitals open, DCHS needed to borrow \$125 Million to  
15 mitigate immediate cash needs during the sales process; in other words, to allow DCHS to  
16 continue to operate until the sale could be consummated. In early 2015, the California Attorney  
17 General consented to the sale to Prime, subject to conditions on that sale that were so onerous that  
18 Prime terminated the transaction. *See* Adcock First-Day Declaration.

19 15. In 2015, DCHS again marketed their health system for sale, and, again, focused on  
20 offers that maintained the health system as a whole, and assumed all the obligations. In July  
21 2015, the DCHS Board of Directors selected BlueMountain Capital Management LLC  
22 ("BlueMountain"), a private investment firm, to recapitalize its operations and transition  
23 leadership of the health system in the restructured Verity Health System (the "BlueMountain  
24 Transaction").

25 16. In connection with the BlueMountain Transaction, BlueMountain agreed to make a  
26 capital infusion of \$100 Million to the health system, arrange loans for another \$160 Million to  
27 the health system, and manage operations of the health system, with an option to buy the health  
28 system at a future time. In addition, the parties entered into a System Restructuring and Support



1 Agreement (the “Restructuring Agreement”), DCHS’s name was changed to Verity Health  
2 System.

3 17. On December 3, 2015, the California Attorney General approved the  
4 BlueMountain Transaction, subject to conditions. Despite BlueMountain’s infusion of cash and  
5 retention of various consultants and experts to assist in improving cash flow and operations, the  
6 health system did not prosper.

7 18. In July 2017, NantWorks, LLC (“NantWorks”) acquired a controlling stake in  
8 Integrity Healthcare, LLC. NantWorks brought in a new CEO, CFO, and COO. NantWorks  
9 loaned another \$148 Million to the Debtors.

10 19. Despite the infusion of capital and new management, it became apparent that the  
11 problems facing the Verity Health System were too large to solve without a formal court  
12 supervised restructuring. Thus, despite VHS’ great efforts to revitalize its Hospitals and  
13 improvements in performance and cash flow, the legacy burden of more than a billion dollars of  
14 bond debt and unfunded pension liabilities, an inability to renegotiate collective bargaining  
15 agreements or payor contracts, the continuing need for significant capital expenditures for seismic  
16 obligations and aging infrastructure, and the general headwinds facing the hospital industry, made  
17 success impossible. Losses continue to amount to approximately \$175 Million annually on a cash  
18 flow basis.

19 20. Prior to the Petition Date, the Debtors engaged in substantial efforts to market and  
20 sell their assets. In June 2018, the Debtor engaged Cain Brothers, a division of KeyBanc Capital  
21 Markets (“Cain”), to identify potential buyers of some or all of the Verity hospitals and related  
22 assets and commenced discussions with those potential buyer.

23 **B. FACTS RELEVANT TO MOTION**

24 21. Cain prepared a Confidential Investment Memorandum (the “CIM”) and organized  
25 an online data site to share information with potentially buyers and contacted over 110 strategic  
26 and financial buyers beginning in July 2018 to solicit their interest in exploring a transaction  
27 regarding the Debtors.

28 22. By August 2018, as a result of its ongoing and broad marketing process, Cain had



1 received 11 Indications of Interest (“IOI”), and postpetition Cain continued to develop potential  
2 sales. The Debtors, in consultation with Cain and its other advisors, selected SGM’s offer from  
3 one or more stalking horse bidder(s) to acquire the Purchased Assets through a sale under § 363.

4 23. Additional background facts on the Debtors, including an overview of the Debtors’  
5 business, information on the Debtors’ capital structure and additional events leading up to these  
6 chapter 11 cases, are contained in the First-Day Declaration.

7 24. On September 14, 2018, the Office of the United States Trustee appointed an  
8 Official Committee of Unsecured Creditors (the “Official Committee”) in these chapter 11 Cases.  
9 [Docket No. 197].

10 **C. BIDDING PROCEDURES**

11 25. As indicated above, a true and correct copy of the Stalking Horse APA, entered  
12 into between certain Debtors (Verity, Verity Holdings, St. Francis Medical Center, St. Vincent  
13 Medical Center, St. Vincent Dialysis Center and Seton Medical Center) and the Stalking Horse  
14 Purchaser, is attached hereto as **Exhibit A**. The bidding procedures (the “Bidding Procedures”) are  
15 referenced, in part, in Article 6 of the Stalking Horse APA and set forth in a separate  
16 scheduled attached thereto.

17 26. Set forth below are the Bidding Procedures to be employed in connection with the  
18 sale of (i) the Purchased Assets, and (ii) the assets not otherwise enumerated in the Stalking Horse  
19 APA but associated with the ownership or operation of the Hospitals (the “Other Assets”).

20 **a. Provisions Governing Qualifications of Bidders**

21 27. Unless otherwise ordered by the Court or as set forth in these procedures, in order  
22 to participate in the bidding process, each person, other than the Stalking Horse Purchaser, who  
23 wishes to participate in the bidding process must deliver, prior to the Bid Deadline (defined  
24 herein), the following to the Debtors:

- 25 a) a written disclosure of the identity of each entity that will be bidding for  
26 the Purchased Assets or and/or the Other Assets or otherwise participating  
27 in connection with such bid; and  
28 b) an executed confidentiality agreement (to be delivered prior to the  
distribution of any confidential information by the Debtors) in form and  
substance satisfactory to the Debtors and which shall inure to the benefit



of any purchaser of the Purchased Assets and/or the Other Assets; without limiting the foregoing, each such confidentiality agreement shall contain standard non-solicitation provisions.

28. A bidder that delivers the documents and information described above and that the Debtors determine, after consultation with the Official Committee of Unsecured Creditors, the Prepetition Secured Creditors,<sup>2</sup> and any other party deemed appropriate within the business judgment of the Debtors (collectively, the “Consultation Parties”) in their reasonable business judgment, is likely (based on availability of financing, experience, and other considerations) to be able to consummate the sale, will be deemed a potential bidder (“Potential Bidder”).

**b. Due Diligence**

29. The Debtors will afford any Potential Bidder such due diligence access or additional information as the Debtors, in consultation with their advisors, deem appropriate, in their reasonable discretion. The due diligence period shall extend through and including the relevant Bid Deadline; provided, however, that any bid submitted under these procedures shall be irrevocable until at least the selection of the Successful Bidder(s) (defined herein) and any Back-Up Bidder(s) (defined herein).

**c. Provisions Governing Qualified Bids**

30. A bid submitted by a Potential Bidder will be considered a Qualified Bid (each, a “Qualified Bid,” and each such Potential Bidder thereafter a “Qualified Bidder”) only if the bid complies with the following requirements:

- a) it states that the applicable Qualified Bidder offers to purchase, in cash, some or all of the Purchased Assets and/or the Other Assets;
- b) it identifies with particularity the portion of the Purchased Assets and/or the Other Assets the Qualified Bidder is offering to purchase;
- c) it allocates with specificity the portion of the purchase price offered that the Qualified Bidder attributes to St. Francis Medical Center, St. Vincent Medical

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<sup>2</sup> As such term is defined in the *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* (the “Final DIP Order”) [Docket No. 409].



Center, and Seton Medical Center, and Seton Coastside, and each of the Other Assets, respectively;<sup>3</sup>

- d) it includes a signed writing that the Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder and the Back-Up Bidder, provided that if such bidder is selected as the Successful Bidder or the Back-Up Bidder then the offer shall remain irrevocable until the earliest of (i) the closing of the transaction with the Successful Bidder, (ii) in the case of the Successful Bidder, a termination of the Qualified Bid pursuant to the terms of the Successful Bidder Purchase Agreement and (iii) with respect to the Back-up Bidder, the time specified in paragraph 44 below;
- e) it includes confirmation that there are no conditions precedent to the Qualified Bidder's ability to enter into a definitive agreement and that all necessary internal governance and shareholder approvals have been obtained prior to the bid;
- f) it sets forth each third-party, regulatory and governmental approval required for the Qualified Bidder to consummate the transaction and the time period within which the Qualified Bidder expects to receive such approvals and establishes a substantial likelihood that the Qualified Bidder will obtain such approvals by the stated time period;
- g) it includes a duly authorized and executed copy of a purchase or acquisition agreement in the form of the Stalking Horse APA (a "Purchase Agreement"), including the purchase price for some or all of the Purchased Assets and/or the Other Assets, or both, expressed in U.S. Dollars, together with all exhibits and schedules thereto, together with copies marked to show any amendments and modifications to the Stalking Horse APA ("Marked Agreement");
- h) it is not subject to any financing contingency and includes written evidence of a firm ability to have the funding necessary to consummate the proposed transaction, that will allow the Debtors to make a reasonable determination, in consultation with the Consultation Parties, as to the Qualified Bidder's financial and other capabilities to consummate the transaction contemplated by the Purchase Agreement;
- i) if the bid is for all of the Purchased Assets, it must have a value to the Debtors, in the Debtors' exercise of its reasonable business judgment, after consultation with its advisors and the Consultation Parties, that is greater than or equal to the sum of the value offered under the Stalking Horse APA, plus (i) the amount of the Break-Up Fee (\$21,350,000.00); (ii) the amount of the expense reimbursement (\$2,000,000.00); and (iii) \$7,000,000.00 (the "Initial Bidding Increment," and, together with the Break-Up Fee and the Expense Reimbursement, the "Minimum Qualified Bid");

<sup>3</sup> For the avoidance of doubt, such allocation shall not be binding on the Debtors, their estates or any Consultation Party.



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- j) if the bid is a partial bid (the “Partial Bid”),<sup>4</sup> the terms of paragraph (i) immediately above shall not apply but the terms of paragraph (o) below concerning the Good Faith Deposit shall expressly apply in order to be a bid qualified to participate in the Partial Bid Auction (as defined below) (each, a “Partial Bid Auction Qualified Bid”). In the event that the Debtors aggregate Partial Bids, the Partial Bid purchasers’ responsibility for the Break-Up Fee, the Expense Reimbursement, and the Initial Bidding Increment shall be reasonably allocated to each Partial Bid purchaser, and in no event shall the Stalking Horse Purchaser be entitled to more than one Break-Up Fee and/or Expense Reimbursement;
- k) it identifies with particularity which (i) executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it, and (ii) Purchased Assets and/or Other Assets, subject to purchase money liens or the like, the Qualified Bidder wishes to acquire and therefore pay the associated purchase money financing;
- l) it contains sufficient information concerning the Qualified Bidder’s ability to provide adequate assurance of future performance with respect to executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it;
- m) it includes an acknowledgement and representation that the Qualified Bidder: (A) has had an opportunity to conduct any and all required due diligence regarding the Purchased Assets and/or Other Assets prior to making its offer and that the offer is not subject to any further due diligence or the need to raise capital/financing to consummate the proposed transaction; (B) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets and/or Other Assets in making its bid; (C) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Purchased Assets and/or Other Assets or the completeness of any information provided in connection therewith or with the relevant Auction (defined below), except as expressly stated in the Purchase Agreement; and (D) is not entitled to any expense reimbursement, break-up fee, or similar type of payment in connection with its bid;
- o) unless it is a Credit Bid (as defined below), it is accompanied by a (i) good faith deposit in the form of a wire transfer (to a bank account specified by the Debtors), certified check or such other form of cash or cash equivalent acceptable to the Debtors, payable to the order of the Debtors (or such other party as the Debtors may determine) in an amount equal to (a) 20% of purchase price for bids under \$5 million; (b) for bids greater than \$5 million and less than \$100 million, the greater of: (i) \$1 million or (ii) 10% of purchase price; (c) for bids greater than \$100 million, the greater of (i) \$10 million or (ii) 5% of purchase price (collectively, the “Good Faith Deposit”), which Good Faith Deposit shall, be forfeited if such bidder is the Successful Bidder and breaches its obligation to close; and (ii) if the

<sup>4</sup> A Partial Bid shall mean a bid for less than all of the Purchased Assets.



1 Qualified Bid is a bid made by a secured creditor of the Debtors (a “Credit Bid  
2 Bidder”) who intends to make a credit bid (each, a “Credit Bid Bidder”), evidence of  
3 (a) the basis for and property covered by such Credit Bid Bidder’s secured claim,  
4 (b) the amount of such Credit Bid Bidder’s claim that is secured by the property in  
5 question, (c) whether it is the senior secured claim on the property (x) prepetition  
and (y) as of the date of the request to be a Qualified Bidder, as well as (d)  
evidence of the resolution of any Challenge to such Credit Bid Bidder’s secured  
claim within the meaning of the Final DIP Order.

- 6 p) it contains a detailed description of how the Qualified Bidder intends to treat  
7 current employees of the Debtors;
- 8 r) it identifies the person(s) and their title(s) who will attend the relevant Auction,  
9 and confirms that such person(s) have authority to make binding Overbids (defined  
below) at such Auction
- 10 s) it contains such other information reasonably requested by the Debtors; and  
11 t) it is received prior to the Bid Deadline.

12 31. The Debtors, in consultation with the Consultation Parties (who shall receive  
13 copies of the Purchase Agreements relating to any bids cast pursuant to these Bidding Procedures  
14 as soon as reasonably practicable), may qualify any bid that meets the foregoing requirements as  
15 a Qualified Bid. Notwithstanding the foregoing, the Stalking Horse Purchaser is deemed a  
16 Qualified Bidder and the Stalking Horse APA is deemed a Qualified Bid, for all purposes in  
17 connection with the Bidding Process, the Auctions, and the Sale.

18 32. The Debtors shall notify the Consultation Parties, the Stalking Horse Purchaser, all  
19 Qualified Bidders and the Notice Parties in writing as to whether or not any bids constitute  
20 Qualified Bids (and with respect to each Qualified Bidder that submitted a bid as to whether such  
21 Qualified Bidder’s bid constitutes a Qualified Bid) and provide copies of the Purchase  
22 Agreements relating any such Qualified Bid to the Consultation Parties, the Stalking Horse  
23 Purchaser and such Qualified Bidders, and the Notice Parties on the earlier of (1) the date that any  
24 bid other than the Stalking Horse Bid has been deemed a Qualified Bid, or (2) two business days  
25 prior to the Partial Bid Auction.

26 **d. Bid Deadline**

27 33. In order to be eligible to participate in the Auction, a Qualified Bidder that desires  
28



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1 to make a bid will deliver written copies of its bid to the following parties (collectively, the  
2 “Notice Parties”): (i) counsel to the Debtors: Dentons US LLP, 601 S. Figueroa Street, Suite  
3 2500, Los Angeles, CA 90017 (Attn: Tania M. Moyron (tania.moyron@dentons.com)); (ii) the  
4 Debtors’ Investment Banker: Cain Brothers, a division of KeyBanc Capital Markets, 1 California  
5 Street, Suite 2400, San Francisco, CA 94111 (Attn: James Moloney  
6 (jmoloney@cainbrothers.com)); (iii) counsel to the Official Committee: Milbank, Tweed, Hadley  
7 & McCloy LLP, 2029 Century Park East, 33rd Floor, Los Angeles, CA 90067 (Attn: Gregory A.  
8 Bray (gbray@milbank.com)); (iv) counsel to the Master Trustee and Series 2005 Bond Trustee:  
9 Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111  
10 (Attn: Daniel S. Bleck and Paul Ricotta (dsbleck@mintz.com, pricotta@mintz.com)); (v) counsel  
11 to the Series 2015 and Series 2017 Notes Trustee: Maslon, LLP, 3300 Wells Fargo Center, 90  
12 South Seventh Street, Minneapolis, MN 55402 (Attn: Clark Whitmore  
13 (clark.whitmore@maslon.com)), so as to be received by the Notice Parties not later than March  
14 29, 2019, at 4:00 p.m. (prevailing Pacific Time) for partial bids (the “Partial Bid Deadline”) or  
15 April 3, 2019, at 4:00 p.m. (prevailing Pacific Time) for full bids (the “Bid Deadline”).

16 **e. Credit Bidding**

17 34. Any party with a valid, properly perfected security interest in any of the Purchased  
18 Assets and/or Other Assets (which is not subject to a pending Challenge within the meaning of  
19 the Final DIP Order) may credit bid for such Purchased Assets and/or Other Assets in connection  
20 with the Sale in accordance with and pursuant to § 363(k), except as otherwise limited by the  
21 Debtors for cause; provided, however, that any party seeking to credit bid may not credit bid  
22 unless such bid provides that all secured creditors with security interests on such Purchased  
23 Assets and/or Other Assets that are senior to such junior security interest are to be paid in cash in  
24 connection with such junior creditor’s bid. Any credit bids made by secured creditors shall not  
25 impair or otherwise affect the Stalking Horse Purchaser’s entitlement to the benefits of the  
26 Bidding Procedures and related protections granted under the Bidding Procedures Order.

27 **f. Evaluation of Competing Bids**

28 35. A Qualified Bid will be valued based upon several factors including, without



1 limitation: (i) the amount of such bid; (ii) the risks and timing associated with consummating such  
2 bid; (iii) any proposed revisions to the form of Stalking Horse APA; and (iv) any other factors  
3 deemed relevant by the Debtors in their reasonable discretion, in consultation with the  
4 Consultation Parties, including the amount of cash included in the bid.

5 **g. No Qualified Bids**

6 36. If the Debtors do not receive any Qualified Bids other than the Stalking Horse  
7 APA, the Debtors will not hold an auction and the Stalking Horse Purchaser will be named the  
8 Successful Bidder for the Purchased Assets. If the Debtors receive one or more qualified Partial  
9 Bid Auction Qualified Bids and, after the Partial Bid Auction contemplated by paragraphs 37 and  
10 38 below (and Section H in the Bidding Procedures Schedule 6.1(b)(3) annexed to the Stalking  
11 Horse APA), the Debtors will determine, in consultation with the Consultation Parties, if there are  
12 any Partial Bidders that will not be qualified to participate at the Full Bid Auction

13 **h. Auction Process**

14 37. If the Debtors receive one or more Partial Bid Auction Qualified Bids as set forth  
15 above, the Debtors will conduct separate auctions of each asset or combinations thereof (each, a  
16 “Partial Bid Auction”). Any Partial Bidder holding a Partial Bid Auction Qualified Bid shall be  
17 entitled to bid on any assets in any Partial Bid Auction(s). The procedures below for the Full Bid  
18 Auction shall apply to the Partial Bid Auction, except as where otherwise indicated. The Debtors  
19 will conduct the Partial Bid Auction(s), which shall be transcribed, on April 8, 2019 at 10:00 a.m.  
20 (prevailing Pacific Time) at the offices of Dentons US LLP, 601 South Figueroa Street, Suite  
21 2500, Los Angeles, CA 90017, or such other location as shall be timely communicated to all  
22 entities entitled to attend the Auction.

23 38. The Partial Bid Auction Qualified Bids determined by the Debtors, in consultation  
24 with the Consultation Parties, at the Partial Bid Auction(s) (as set forth above) to be eligible to  
25 participate at the Full Bid Auction, including (without limitation) the highest and best bids for  
26 each asset (the “Winning Partial Bids”) shall be permitted to participate in the Full Bid Auction  
27 (as defined below) of the Purchased Assets and/or the Other Assets, except that:  
28



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- (a) If the Partial Bids, at the conclusion of the Partial Bid Auction, include all four APA Facilities and exceed, in the aggregate, the Purchase Price in the Stalking Horse APA, there will be a Full Bid Auction (as defined below) and (1) the Stalking Horse Purchaser may overbid in the aggregate for all four APA Facilities, or (2) the Stalking Horse Purchaser may bid for less than the four APA Facilities and be entitled to a pro-rata Break-Up Fee for the APA Facilities which the Stalking Horse Purchaser does not acquire, as specified in the Stalking Horse APA at Section 6.26 (b)(2);
- (b) If the Partial Bids do not include all four APA Facilities, and if there are no other Qualified Full Bids, then Seller, in its discretion, after consultation with the Consultation Parties, may choose, at the conclusion of the Partial Bid Auction, (1) to have no Full Bid Auction and the Stalking Horse Purchaser will purchase the four APA Facilities pursuant to the Stalking Horse APA, or (2) if the Debtor and Consultation Parties deem the aggregate designated Winning Partial Bid(s) to be sufficient to warrant leaving one or more APA Facilities behind (the "Remaining Facility"), the Stalking Horse Purchaser shall have the option of (i) acquiring the Remaining Facility at the allocated price in the Stalking Horse APA, (ii) overbidding one or more of the Partial Bids, or (iii) terminating the Stalking Horse APA. In either event, the Stalking Horse Purchaser shall be entitled to the Break-Up Fee for all of the APA Facilities not acquired by the Stalking Horse Purchaser.

39. If the Debtors receive, in addition to the Stalking Horse APA, one or more Qualified Full Bids (and/or a combination of Winning Partial Bids from the Partial Bid Auction(s) seeking, on aggregate basis, to purchase all or substantially all of the Purchased Assets and/or the Other Assets), the Debtors will conduct a full bid auction of the Purchased Assets and/or the Other Assets (the "Full Bid Auction"), which shall be transcribed, on April 9, 2019 (the "Full Bid Auction Date"), at 10:00 a.m. (prevailing Pacific Time), at the offices of Dentons US LLP, 601 South Figueroa Street, Suite 2500, Los Angeles, CA 90017, or such other location as shall be timely communicated to all entities entitled to attend the Auction.

The Full Bid Auction shall be conducted in accordance with the following procedures:

- a) only the Debtors, the Stalking Horse Purchaser, Qualified Bidders who have timely submitted a Qualified Bid, the U.S. Trustee, and the Consultation Parties, and their respective advisors, and other parties who request and receive authority to attend the auction in advance from the Debtors may attend the Auction;
- b) only the Stalking Horse Purchaser and the Qualified Bidders who have timely submitted Qualified Bids will be entitled to make any subsequent bids at the Auction;



- c) each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the sale;
- d) all Qualified Bidders who have timely submitted Qualified Bids will be entitled to be present for all Subsequent Bids (defined herein) at the relevant Auction and the actual identity of each Qualified Bidder will be disclosed on the record at the relevant Auction; provided that all Qualified Bidders wishing to attend the relevant Auction must have at least one individual representative with authority to bind such Qualified Bidder attending the relevant Auction in person;
- e) the Debtors, after consultation with the Consultation Parties, and the Stalking Horse Purchaser, may employ and announce at the relevant Auction additional procedural rules that are (i) reasonable under the circumstances for conducting the relevant Auction, (ii) in the best interest of the Debtors' estates; provided, however, that rules (i) are disclosed to the Stalking Horse Purchaser and each Qualified Bidder participating in the Auction, and (ii) are not inconsistent with the Bid Protections, the Stalking Horse APA, the Bankruptcy Code, or any order of the Court entered in connection herewith;
- f) bidding at the relevant Auction will begin with a bid determined by the Debtors after consulting with the Consultation Parties as being the then highest and best bid which will be announced by the Debtors prior to the commencement of the Auction (the "Baseline Bid"). The Auction will continue in bidding increments to be determined in the discretion of the Debtors, in consultation with the Consultation Parties (each a "Overbid"), and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders who submitted Qualified Bids and are in attendance at the Auction (including, without limitation, Winning Partial Bids), as well as to the Notice Parties;
- g) the initial Overbid, if any, shall provide for total consideration to Debtors with a value that exceeds the value of the consideration under the Baseline Bid by an incremental amount. Additional consideration in excess of the amount set forth in the respective Baseline Bid must include: (i) cash and/or (ii) in the case of a Qualified Bidder (including, without limitation, with respect to any Winning Partial Bids) that is a Credit Bid Bidder that has a valid and perfected lien (not subject to a Challenge within the meaning the Final DIP Order) on any of the Purchased Assets and/or the Other Assets, a Credit Bid of up to the full amount of such Credit Bidder's allowed perfected lien, subject to § 363(k) and any other restrictions set forth herein; and
- h) at the Full Bid Auction, the Stalking Horse Purchaser may, subject to the terms and conditions set forth herein, elect to bid for the Purchased Assets as described in the Bid Procedures Order. In the alternative, the Stalking Horse Purchaser, and any bidder with a Qualified Full Bid, (a) may elect to bid against any one or more of the Winning Partial Bidders for the assets subject to the relevant Partial Bid(s), in lieu of seeking to acquire such Purchased Assets and/or Other Assets by means of the Stalking Horse Bid or another Qualified Full Bid; and (b) if successful with its Overbids for such assets, replace the Winning Partial Bidder(s) as the proponent of the relevant Winning Partial Bids or Aggregate Winning Partial Bid as to such



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assets. In the event that the Stalking Horse Purchaser or another bidder so elects, and as long as the Stalking Horse Purchaser or another bidder so bids, the Winning Partial Bidders must continue to present qualified Winning Partial Bids (i.e., bids as to which the aggregate of all still pending Winning Partial Bids is greater than or equal to the then Prevailing Highest Bid) for the Purchased Assets and/or the Other Assets in each round to continue to bid as Winning Partial Bidders in the Full Bid Auction. In addition, the Debtors may elect, in their discretion, after consultation with the Consultation Parties, to allow Partial Bidders to bid for all or substantially all the Purchased Assets and/or the Other Assets subject to augmenting its Good Faith Deposit, as necessary, or to allow proponents of Full Bids to bid for less than all or substantially all of the Purchased Assets and/or the Other Assets in any given round of the Auction, provided that in any given round there is a Full Bid or an Aggregate Partial Bid that is superior to Prevailing Highest Bid that is then subject to acceptance by the Debtors and binding on the Stalking Horse Purchaser or another Qualified Bidder. In all events, (i) any such Overbid shall continue to comply with all of the requirements for Qualified Bids set forth in Section C of these Bidding Procedures; and (ii) the bidder submitting such a modified Qualified Bid or Qualified Partial Bid shall furnish to the Debtors and the Consultation Parties, within twenty-four (24) hours of the conclusion of the Auction, a revised Purchase Agreement and Marked Agreement showing all amendments and modifications to the Stalking Horse APA and the Sale Order.

**i. Selection of Successful Bid**

40. Prior to the conclusion of the relevant Auction, the Debtors, in consultation with the Consultation Parties, will review and evaluate each Qualified Bid in accordance with the procedures set forth herein and determine which offer or offers are the highest or otherwise best from among the Qualified Bids submitted at the relevant Auction (one or more such bids, collectively the “Successful Bid” and the bidder(s) making such bid, collectively, the “Successful Bidder”), and communicate to the Qualified Bidders the identity of the Successful Bidder and the details of the Successful Bid. The determination of the Successful Bid by the Debtors at the conclusion of the relevant Auction shall be subject to approval by the Court. If selected, at the conclusion of the Partial Bid Auction, as the Winning Partial Bidder or the Back-Up Bidder in accordance with by paragraphs 37 and 38 above (and Section H in the Bidding Procedures Schedule 6.1(b)(3) annexed to the Stalking Horse APA), then such party or parties, prior to the Full Bid Auction, shall increase its Good Faith Deposit in the amount set forth in above in paragraph 30, subsection (o), or as determined by the Seller in consultation with the Consultation Parties; provided, however, if a party or parties are bidding on all four APA Facilities, the deposit



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1 will be no less than \$30,000,000. If selected as the Successful Bidder or the Back-Up Bidder at  
2 the conclusion of the Full Bid Auction, each of the Successful Bidder and the Back-Up Bidder  
3 shall, within forty-eight (48) hours, increase its Good Faith Deposit to the sum of five percent  
4 (5%) of the Successful Bid or Back-Up Bid, as applicable. If the Successful Bidder fails to  
5 increase the Good Faith Deposit within forty-eight (48) hours of the Auction conclusion date (the  
6 “Final Deposit”), then (1) the Successful Bidder forfeits its Good Faith Deposit, and (2) the  
7 Successful Bid is nullified (i.e., the Back-Up Bidder becomes the Successful Bidder in the  
8 amount of its last bid).

9 41. Unless otherwise agreed to by the Debtors and the Successful Bidder, within two  
10 (2) business days after the conclusion of the relevant Auction, the Successful Bidder shall  
11 complete and execute all agreements, contracts, instruments, and other documents evidencing and  
12 containing the terms and conditions upon which the Successful Bid was made. Within forty-eight  
13 (48) hours following the conclusion of the relevant Auction, the Debtors shall file a notice  
14 identifying the Successful Bidder(s) and Back-Up Bidders with the Court and shall serve such  
15 notice by fax, email, or if neither is available, by overnight mail to all counterparties whose  
16 contracts are to be assumed and assigned.

17 42. The Debtors will sell the Purchased Assets and (to extent included in an Overbid)  
18 the Other Assets to the Successful Bidder pursuant to the terms of the Successful Bid upon the  
19 approval of such Successful Bid by the Court at the Sale Hearing and satisfaction of any other  
20 closing conditions set forth in the Successful Bidder’s Purchase Agreement.

21 **j. Return of Deposits**

22 43. All deposits shall be returned to each bidder not selected by the Debtors as the  
23 Successful Bidder or the Back-Up Bidder (defined herein) no later than five (5) business days  
24 following the conclusion of the Auction.

25 **k. Back-Up Bidder**

26 44. If an Auction is conducted, the Qualified Bidder or Qualified Bidders with the next  
27 highest or otherwise best Qualified Bid, as determined by the Debtors in the exercise of their  
28 business judgment, in consultation with the Consultation Parties, at the relevant Auction shall be



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1 required to serve as a back-up bidder (the “Back-Up Bidder”) and keep such bid open and  
2 irrevocable for thirty (30) business days after the entry of the Sale Order (the “Thirty-Day  
3 Period”). If during the Thirty-Day Period, the Successful Bidder fails to consummate the  
4 approved sale because of a breach or failure to perform on the part of such Successful Bidder, the  
5 Back-Up Bidder will be deemed to be the new Successful Bidder, and the Debtors will be  
6 authorized, but not required, to consummate the sale with the Back-Up Bidder without further  
7 order of the Court provided that the Back-Up Bidder shall thereafter keep such bid open and  
8 irrevocable in accordance with the terms of the Back-Up Bidder APA; provided further, however,  
9 that if the Back-Up Bidder is the Stalking Horse Purchaser, the Debtors will be authorized and  
10 required to consummate the sale to the Stalking Horse Purchaser. If, after the Thirty-Day Period,  
11 the Successful Bidder has failed to consummate the approved sale, the Back-Up Bidder may  
12 elect, at its discretion, to remain as the Back-Up Bidder until (a) the sale closes, (b) the Successful  
13 Bidder defaults, or (c) the Back-Up Bidder elects to terminate its participation as Back-Up  
14 Bidder. For the avoidance of doubt, after the Thirty-Day Period, if the Successful Bidder fails to  
15 consummate the approved sale because of a breach or failure to perform on the part of such  
16 Successful Bidder, the Back-Up Bidder will not be contractually obligated to be the Back-Up  
17 Bidder, and will have the option to either (i) be entitled to terminate its Back-Up Bidder APA and  
18 the return of its deposit, or (ii) remain as the Back-up Bidder, in which event, there will be no re-  
19 opening of the auction.

20 **I. Break-Up Fee**

21 45. In recognition of this expenditure of time, energy, and resources, the Debtors have  
22 agreed that if the Stalking Horse Purchaser is not the Successful Bidder as to the Purchased  
23 Assets, the Debtors will pay the Stalking Horse Purchaser at closing of the sale of the Purchased  
24 Assets an amount in cash equal to three and a half percent (3.5%) of the Cash Consideration  
25 (\$21,350,000.00), plus reimbursement of reasonably documented reasonable costs and expenses  
26 in an amount not to exceed \$2,000,000.00. The Break-Up Fee shall be payable at closing of the  
27 sale from the sale proceeds.

28 46. If the Stalking Horse APA is terminated because the Stalking Horse Purchaser is



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1 not selected as the Successful Bidder or the Back-Up Bidder at Auction (or the Stalking Horse  
2 Purchaser is selected as the Back-Up Bidder but the sale of the Purchased Assets is consummated  
3 and closed with another entity), the Debtors shall pay to the Stalking Horse Purchaser the Break-  
4 Up Fee by wire transfer of immediately available funds immediately upon, and contemporaneous  
5 with, the closing of the sale of the Purchased Assets from the first cash proceeds thereof. The  
6 Break-Up Fee shall constitute an administrative expense claim with priority under § 507(a) in  
7 favor of the Stalking Horse Purchaser.

8 47. The Debtors acknowledge that the provision of the Break-Up Fee is an integral  
9 part of the Stalking Horse APA and are a material and necessary inducement for the Stalking  
10 Horse Purchaser to enter into the Stalking Horse APA and to consummate the transactions  
11 contemplated therein. In the event that the payment of the Breakup Fee (including any costs of  
12 collection) becomes due and payable to the Stalking Horse Purchaser, and such amounts are  
13 actually paid to the Stalking Horse Purchaser, such amounts will constitute liquidated damages  
14 (and not a penalty). In light of the difficulty of accurately determining actual damages with  
15 respect to the foregoing, the right to any such payment of the Breakup Fee (and any related  
16 collection costs) and the return of the Deposit to the Stalking Horse Purchaser constitute a  
17 reasonable estimate of the damages that will compensate the Stalking Horse Purchaser in the  
18 circumstances in which such fees and reimbursements are payable for the efforts and resources  
19 expended and the opportunities foregone while negotiating the Stalking Horse APA and in  
20 reliance on the Stalking Horse APA and on the expectation of the consummation of the  
21 transactions contemplated therein. The Debtors believe that the entry into this Stalking Horse  
22 APA provides value to the Debtors' estates and bankruptcy cases by, among other things,  
23 inducing other Qualified Bidders to submit higher or better offers for the Purchased Assets.

24 **m. Sale Hearing**

25 48. The Debtors will seek entry of the Sale Order, at the Sale Hearing on April 17,  
26 2019, at 10:00 a.m. (or at another date and time convenient to the Court), to approve and  
27 authorize the sale transaction to the Successful Bidder(s) on terms and conditions determined in  
28 accordance with the Bidding Procedures.



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49. At the Sale Hearing, the Debtors will seek Court approval of the Sale to the Successful Bidder (or, in the event the Successful Bidder fails to close, the Back-Up Bidder), free and clear of all liens, claims, interests, and encumbrances pursuant to § 363, with all liens, claims, interests, and encumbrances to attach to the sale proceeds with the same validity and in the same order of priority as they attached to the Purchased Assets (and to the extent included in the Successful Bid, the Other Assets prior to the Sale), including the assumption by the Debtors and assignment to the Successful Bidder of the Assumed Executory Contracts and Leases pursuant to § 365. The Debtors will submit and present additional evidence, as necessary, at the Sale Hearing demonstrating that the Sale is fair, reasonable, and in the best interest of the Debtors' estates and all interested parties, and satisfies the standards necessary to approve a sale of the Purchased Assets and/or the Other Assets.

**n. Reservation.**

50. The Debtors reserve the right, as they may determine in their discretion and in accordance with their business judgment to be in the best interest of their estates, in consultation with their professionals and the Consultation Parties to: (i) modify the Bidding Procedures to discontinue incremental bidding and then require that any and all bidders or potential purchasers submit their sealed, highest and best offer for the Purchased Assets and/or the Other Assets; (ii) determine which Qualified Bid is the highest or otherwise best bid and which is the next highest or otherwise best bid; (iii) waive terms and conditions set forth herein with respect to all Potential Bidders; (iv) impose additional terms and conditions with respect to all Potential Bidders; (v) extend the deadlines set forth herein; (vi) continue or cancel an Auction and/or Sale Hearing in open court without further notice; and (vii) implement additional procedural rules that the Debtors determine, in their reasonable business judgment and in consultation with the Consultation Parties will better promote the goals of the bidding process; provided that such modifications are disclosed to each Qualified Bidder participating in the Auction; provided, however, and notwithstanding the foregoing, these Bid Procedures shall not be modified so as to alter, extinguish or modify any rights or interests of the Stalking Horse Purchaser expressly set forth herein or in the Stalking Horse APA.



**D. NOTICE PROCEDURES**

51. The Debtors propose that any objections to the Sale (other than an Assumption Objection (defined herein) which shall be governed by the procedures set forth below) (a “Sale Objection”), must: (i) be in writing; (ii) comply with the Rules and the LBR; (iii) set forth the specific basis for the Sale Objection; (iv) be filed with the Court at 255 East Temple St. (Attn: Judge E. Robles), Los Angeles, CA 90012, together with proof of service, on or before the Sale Objection Deadline set forth in the Bidding Procedures Order; and (v) be served, so as to be actually received on or before the Sale Objection Deadline, upon the Notice Parties. If a Sale Objection is not filed and served on or before the Sale Objection Deadline, the Debtors request that the objecting party be barred from objecting to the Sale and not be heard at the Sale Hearing, and this Court may enter the Sale Order without further notice to such party. The Debtors also request that the Court approve the form of the Procedures Notice, substantially in the form of Exhibit 3 to the Bidding Procedures Order. The Debtors will serve a copy of the Procedures Notice on the Notice Parties and all parties which the Debtors are required to serve pursuant to LBR 6004-1(b)(3) and the *Order Granting Emergency Motion of Debtors for Order Limiting Scope of Notice* [Docket No. 132] (the “Procedures Notice Parties”).

52. The Debtors propose to file with the Court and serve the Procedures Notice within one (1) business day following entry of the Bidding Procedures Order, by first-class mail, postage prepaid on the Procedures Notice Parties. The Procedures Notice provides that any party that has not received a copy of the Motion or the Bidding Procedures Order that wishes to obtain a copy of the Motion or the Bidding Procedures Order, including all exhibits thereto, may make such a request in writing to Dentons US LLP, Attn: Tania M. Moyron, 601 S. Figueroa St., Suite 2500, Los Angeles, CA 90017 or by emailing [tania.moyron@dentons.com](mailto:tania.moyron@dentons.com) or calling (213) 623-9300.

53. The Debtors submit that the foregoing notices comply fully with Bankruptcy Rule 2002 and are reasonably calculated to provide timely and adequate notice of the Bidding Procedures, Auction and Sale, and Sale Hearing to the Debtors’ creditors and other parties in interests as well as to those who have expressed an interest or are likely to express an interest in bidding on the Purchased Assets. Based on the foregoing, the Debtors respectfully request that



1 this Court approve these proposed notice procedures.

2 **E. PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF ASSIGNED**  
3 **CONTRACTS AND LEASES**

4 54. As noted above, the Debtors will seek to assume and assign certain contracts and  
5 leases to be identified in the Purchase Agreement(s) (collectively, the “Assumed Executory  
6 Contracts”).

7 55. At least initially, the Assumed Executory Contracts will be those contracts and  
8 leases that the Debtors believe may be assumed and assigned as part of the orderly transfer of the  
9 Purchased Assets. The Successful Bidder(s) may choose to exclude (or to add) certain contracts  
10 or leases to the list of Assumed Executory Contracts, subject to further notice.

11 56. In the interim, the Debtors will file with the Court and serve the cure notice,  
12 substantially in the form of Exhibit 4 (the “Cure Notice”) to the Bidding Procedures Order, (along  
13 with a copy of this Motion) upon each counterparty to the Assumed Executory Contracts. The  
14 Cure Notice will state the date, time and place of the Sale Hearing as well as the date by which  
15 any objection to the assumption and assignment of Assumed Executory Contracts (including the  
16 Cure Amount (defined below)) must be filed and served. The Cure Notice also will identify the  
17 amounts, if any, that the Debtors believe are owed to each counterparty to an Assumed Executory  
18 Contract in order to cure any defaults that exist under such contract (the “Cure Amounts”). To  
19 the extent there is a contract subsequently added to the list of contracts to be assumed by the  
20 Successful Bidder pursuant to the Successful Bidder’s Purchase Agreement selected at the  
21 Auction, this Motion constitutes a separate motion to assume and assign that contract to the  
22 Successful Bidder pursuant to § 365; each such contract will be listed in the Successful Bidder’s  
23 Purchase Agreement, and will be given a separate Cure Notice filed and served by overnight  
24 delivery within five (5) business days of the conclusion of the Auction and announcement of the  
25 Successful Bidder.

26 57. The inclusion of a contract, lease, or other agreement on the Cure Notice shall not  
27 constitute or be deemed a determination or admission by the Debtors and their estates or any  
28 other party in interest that such contract, lease, or other agreement is, in fact, an executory



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1 contract or unexpired lease within the meaning of the Bankruptcy Code, and any and all rights  
2 with respect thereto shall be reserved.

3 58. If a Contract or Lease is assumed and assigned pursuant to Court Order, then  
4 unless the Assumed Executory Contract counterparty properly files and serves an objection to the  
5 Cure Amount contained in the Cure Notice by the Assumption Objection Deadline (defined  
6 below), the Assumed Executory Contract counterparty will receive at the time of the Closing of  
7 the sale (or as soon as reasonably practicable thereafter), the Cure Amount as set forth in the Cure  
8 Notice, if any. If an objection is filed by a counterparty to an Assumed Executory Contract, the  
9 Debtors propose that such objection must set forth a specific default in the executory contract or  
10 unexpired lease, claim a specific monetary amount that differs from the amount, if any, specified  
11 by the Debtors in the Cure Notice, and set forth any reason why the counterparty believes the  
12 executory contract or unexpired lease cannot be assumed and assigned to the Successful Bidder.

13 59. If any counterparty objects for any reason to the assumption and assignment of an  
14 Assumed Executory Contract (including to a Cure Amount) (an “Assumption Objection”), the  
15 Debtors propose that the counterparty must file the objection and serve it so as to be actually  
16 received on or before the Assumption Objection Deadline established in the Bidding Procedures  
17 Order, provided, however, as to any Successful Bidder who is not the Stalking Horse Purchaser,  
18 any counterparty may raise at the Sale Hearing an objection to the assumption and assignment of  
19 the Assumed Executory Contract solely with respect to the Successful Bidder’s ability to provide  
20 adequate assurance of future performance under the Assumed Executory Contract. After receipt  
21 of an Assumption Objection, the Debtors will attempt to reconcile any differences in the Cure  
22 Amount or otherwise resolve the objection with the counterparty. In the event that the Debtors  
23 and the counterparty cannot resolve an Assumption Objection, and the Court does not otherwise  
24 make a determination at the Sale Hearing regarding an Assumption Objection related to a Cure  
25 Amount, the Debtors shall segregate from the sale proceeds any disputed Cure Amounts pending  
26 the resolution of any such Cure Amount disputes by the Court or mutual agreement of the parties.

27 60. The Successful Bidder shall be responsible for satisfying any requirements  
28 regarding adequate assurance of future performance that may be imposed under §365(b) in



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connection with the proposed assignment of any Assumed Executory Contract, and the failure to provide adequate assurance of future performance to any counterparty to any Assumed Executory Contract shall not excuse the Successful Bidder from performance of any and all of its obligations pursuant to the Successful Bidder's Purchase Agreement. The Debtors propose that the Court make its determinations concerning adequate assurance of future performance under the Assumed Executory Contracts pursuant to § 365(b) at the Sale Hearing. Cure Amounts disputed by any counterparty will be resolved by the Court at the Sale Hearing or such later date as may be agreed to or ordered by the Court.

61. Except to the extent otherwise provided in the Successful Bidder's Purchase Agreement, the Debtors and the Debtors' estates shall be relieved of all liability accruing or arising after the assumption and assignment of the Assumed Executory Contracts pursuant to § 365(k).

**F. THE PRIMARY TERMS OF THE STALKING HORSE APA**

62. The Stalking Horse APA contemplates the sale of the Purchased Assets to the Stalking Horse Bidder, subject to higher or better bids, on the following material terms:<sup>5</sup>

Stalking Horse APA Provision	Summary Description
APA Parties	Verity Health System of California, Verity Holdings, LLC, St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center and Seton Medical Center (" <u>Sellers</u> ").  Strategic Global Management, Inc. (" <u>Purchaser</u> ").
Consideration APA § 1.1	Six Hundred Ten Million Dollars (\$610,000,000), which shall be allocated as follows: Four Hundred Twenty Million Dollars (\$420,000,000) to St. Francis Medical Center, One Hundred Twenty Million Dollars (\$120,000,000) to St. Vincent Medical Center and Seventy Million Dollars (\$70,000,000) to Seton Medical Center for Seton Medical Center and Seton Coastsides, plus assumption of the Assumed Liabilities, <u>provided</u> , that if the California Attorney General's approval does not include a requirement that Seton Hospital remain open as an acute care hospital or that Seton Coastsides Hospital remain open as a skilled nursing facility, then an amount to be determined by

<sup>5</sup> The summary of the terms contained in this Motion highlights some of the material terms of the Stalking Horse APA. This summary is qualified in its entirety by reference to the provisions of the Stalking Horse APA. In the event of any inconsistencies between the provisions of the Stalking Horse APA and the summary set forth herein, the terms of the Stalking Horse APA shall govern. Unless otherwise defined in the summary set forth in the accompanying text, capitalized terms shall have the meanings ascribed to them in the Stalking Horse APA.



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Stalking Horse APA Provision	Summary Description
	Purchaser, in its sole discretion, of such Cash Consideration shall be re-allocated from St. Francis to Seton; plus payment of Cure Costs associated with any Assumed Leases and/or Assumed Contracts.
QAF Adjustment APA § 1.1(c), 1.1(d)	At Closing, Sellers shall credit against the cash consideration, the amount by which payments received by Sellers under QAF IV and QAF V between the Signing Date and Closing exceed the sum of (i) fees paid under QAF IV and QAF V during such period plus (ii) the amount of fees which are unpaid and owing as of the Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V (the "Net QAF Reduction Amount"), or Purchaser shall pay Sellers (as an increase to the cash consideration) the amount by which the sum of (i) fees paid under QAF IV and QAF V between the Signing Date and Closing plus (ii) the amount of fees which are unpaid and owing as of Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V exceeds payments received under QAF IV and QAF V during such period (the "Net QAF Increase Amount").
Assets; Avoidance Actions APA § 1.7	In each case, solely to the extent used primarily in the conduct of the Business, "Assets" shall mean (a) all of the tangible personal property owned by such Seller and used by such Seller in the operation of the Hospital of such Seller, or in the case of St. Vincent Dialysis Center, the operation of its dialysis business, including equipment, furniture, fixtures, machinery, vehicles, office furnishings and leasehold improvements; (b) all of such Seller's rights, to the extent assignable or transferable, in and to all Licenses; (c) all of such Seller's right, title and interest in and to the Owned Real Property and all of such Seller's interest, to the extent assignable or transferable, in and to the Assumed Leases; (d) all of such Seller's right, title and interest in and to any and all Assumed Contracts; (e) all claims, rights, interests and proceeds with respect to amounts overpaid by such Seller to any third party health plans with respect to periods prior to the Effective Time, <u>except with respect to any causes of action or proceeds thereof arising under Chapter 5 of the Bankruptcy Code other than with respect to Assumed Contracts and Assumed Leases</u> ; (f) all Inventory; (g) all Prepays; (h) all operating manuals, files and computer software, including all patient records, medical records, employee records, financial records, equipment records, construction plans and specifications and medical and administrative libraries; (i) all systems, servers, computers, hardware, firmware, middleware, telecom equipment, networks, data communications lines, routers, hubs, switches and all other information technology equipment, and all associated documentation; (j) all Measure B trauma funding received after the Signing Date; (k) all Accounts Receivable; (l) all rights, claims and causes of action of such Seller arising out of the Accounts Receivable acquired by Purchase; (m) all regulatory settlements, rebates, adjustments, refunds or group appeals; (n) all casualty insurance proceeds arising in respect of casualty losses occurring after the Signing Date in connection with the ownership or operation of the Assets; (o) all surpluses arising out of any risk pools, shared savings program or accountable care organization arrangement; (p) all transferable unclaimed property of any Person in Sellers' possession as of the Closing Date; (q) all warranties in favor of the Hospitals or Sellers; (r) certain intellectual property rights, as further described in the Transition Services



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Stalking Horse APA Provision	Summary Description
	Agreement; (s) all goodwill; (t) all rights and interest in the telephone and facsimile numbers and uniform resource locaters; (u) all Medicare and Medi-Cal provider agreements and lockbox accounts identified on Schedule 1.7(u) to the Stalking Horse APA; (v) all documents, records, correspondence, work papers and other documents, other than patient records, relating to the Accounts Receivable; (w) the Purchased Verity Holdings Assets; (x) except for the Excluded Assets, any other asset owned by the Seller; (y) all of Seton's interest in and to the PACE Obligations; and (z) all QAF V and subsequent QAF program payments received after the Closing (e.g., QAF VI and QAF VII).
<b>Excluded Assets</b> <b>APA § 1.8</b>	"Excluded Assets" include cash, cash equivalents and investments; all Seller Plans and the assets of all Seller Plans; all contracts and leases that are not Assumed Contracts or Assumed Leases; inventory and assets disposed of by any Seller in the ordinary course of business after the Signing Date but prior to the Effective Time; all claims, counterclaims, and causes of action of each Seller or each Seller's bankruptcy estate; (except as otherwise provided) all insurance policies and contracts and coverages obtained by any Seller or listing a Seller as insured party, a beneficiary or loss payee; all Utility Deposits; all bank accounts of each Seller (except as otherwise provided); all tax refunds of each Seller; all QAF IV and QAF V payments actually received prior to the Signing Date.
<b>Assumed Obligations</b> <b>APA § 1.9</b>	"Assumed Obligations" include all Assumed Contracts and Assumed Leases and all liabilities and obligations arising thereunder on and after the Effective Time, including any related Cure Costs; all liabilities and obligations arising out of or relating to any act, omission, event, or occurrence connected with the use, ownership, or operation by Purchaser of the Hospital or any of the Assets on or after the Effective Time; all unpaid real and personal property taxes that are attributable to the Assets after the Effective Time, subject to prorations; and all liabilities and obligations arising on or following the Effective Time relating to utilities being furnished to the Assets, subject to prorations and all accrued vacation and other paid time off, to the extent assumed under Section 1.1(a)(ii).
<b>Excluded Liabilities</b> <b>APA § 1.10</b>	Purchaser shall not assume or become responsible for any duties, obligations, or liabilities of any Seller other than the Assumed Obligations.
<b>Assumption of Transferred Contracts and Assignment</b> <b>APA § 1.11</b>	Not later than seven (7) days prior to the date of the Auction (i) Purchaser shall notify each Seller in writing of which Evaluated Contracts are to be assumed by such Seller and assigned to Purchaser, and (ii) Purchaser shall notify each Seller in writing signed and dated by Purchaser of which Evaluated Contracts are to be rejected by such Seller (collectively, the " <u>Rejected Contracts</u> ").  Each Seller shall file such motions in the Bankruptcy Court and take such other actions as are reasonably necessary to ensure that final and non-appealable orders (x) assuming and assigning the respective Assumed Contracts or Assumed Leases applicable to such Seller to Purchaser are entered, and (y)



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Stalking Horse APA Provision	Summary Description
	<p>rejecting the Rejected Contracts are entered. With respect to each Assumed Lease, the applicable Seller shall execute and deliver to Purchaser an Assignment and Assumption of Lease. Notwithstanding anything to the contrary set forth in this Agreement, the Rejected Contracts shall constitute part of the Excluded Assets pursuant to, and as defined in, this Agreement.</p> <p>At Closing and pursuant to an order of the Bankruptcy Court, each Seller will assume and immediately assign to Purchaser the leases of such Seller for Leased Real Property and the Tenant Leases.</p>
<p><b>Good Faith Deposit</b> <b>APA § 1.2</b></p>	<p>Purchaser has made a good faith deposit in the amount of Thirty Million Dollars (\$30,000,000.00) (the “<u>Deposit</u>”) by wire transfers to an account designated by Sellers. The Deposit shall be non-refundable in all events, except in the event Purchaser is not the winning bidder at the Auction, in the event Purchaser terminates the Stalking Horse APA if a stay of the sale order has not been vacated on or before 180 days following issuance of such stay, or in the event Purchaser has terminated the Stalking Horse APA pursuant to Section 9.1 (other than Section 9.1(b)). Upon Closing, the Deposit will be credited against the Purchase Price.</p>
<p><b>Closing Date</b> <b>APA § 1.3</b></p>	<p>The Closing Date shall occur within ten (10) business days following the satisfaction or waiver of the conditions precedent to Closing set forth in in Articles 7 and 8 of the Stalking Horse APA.</p>
<p><b>Employment Provisions</b> <b>APA § 5.3</b></p>	<p>Purchaser agrees to make offers of employment, effective as of the Effective Time, to substantially all employees (the “<u>Hospital Employees</u>”) who, immediately prior to the Effective Time are: (i) employees of either Seller; (ii) employees of any affiliate of either Seller which employs individuals at the Hospital and are listed on Schedule 5.3; or (iii) employed by an affiliate of either Seller and are listed on Schedule 5.3.</p> <p>Any of the Hospital Employees who accept an offer of employment with Purchaser as of or after the Effective Time shall be referred to in this Agreement as the “<u>Hired Employees</u>.” All employees who are Hired Employees shall cease to be employees of the applicable Seller or its affiliates as of the Effective Time.</p>
<p><b>Payment of Cure Costs</b> <b>APA § 5.8</b></p>	<p>Purchaser, upon assumption, shall pay the Cure Costs for each Assumed Contract and Assumed Lease so that each such Assumed Contract and Assumed Lease may be assumed by the applicable Seller and assigned to Purchaser in accordance with the provisions of section 365 of the Bankruptcy Code.</p>
<p><b>Break-Up Fee and Minimum Bid</b> <b>APA § 6.1</b></p>	<p>Any full overbids must be in a minimum amount of Six Hundred Ten Million Dollars (\$610,000,000.00), plus Cure Costs and the Break-Up Fee, and accompanied by a deposit in the form of cash or a cashier’s check in the amount of Thirty Million Dollars (\$30,000,000.00).</p> <p>The “<u>Break-Up Fee</u>” shall mean a breakup fee in the amount totaling three and</p>



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Stalking Horse APA Provision	Summary Description
	<p>a half percent (3.5%) of the Cash Consideration (or \$21,350,000.00) plus reimbursement of reasonably documented reasonable costs and expenses incurred by Purchaser related to its due diligence, and pursuing, negotiating, and documenting the transactions contemplated by this Agreement in an amount not to exceed \$2,000,000.00; provided, however, that in the event that the Purchaser is successful in acquiring some but not all of the Assets, the Break-Up Fee shall be reduced pro rata to the percentage of Assets actually purchased by the Purchaser, based on the allocation of the Purchase Price as described in Section 1.1(a)(i) of the Stalking Horse APA.</p> <p>The Break-Up Fee will be subject to Bankruptcy Court approval and shall be deemed to be an allowed expense of the kind specified in § 503(b) of the Bankruptcy Code to be paid solely from the proceeds of an alternate transaction, pursuant to the Sale Order. Purchaser shall be allowed to credit bid the Break-Up Fee in any overbids that Purchaser may elect to make with respect to the Assets.</p>
<p><b>Requested Findings as to Good Faith, APA § 6.1</b></p>	<p>Each Seller agrees to proceed in good faith to obtain Bankruptcy Court approval of the sale contemplated herein with a determination that Purchaser is a good faith purchaser pursuant to § 363(m) and to file such declarations and other evidence as may be required to support a finding of good faith.</p>
<p><b>Buyer's Termination Rights APA § 9.1</b></p>	<p>The Stalking Horse APA may be terminated by Purchaser if it is not satisfied with either (i) the results of its due diligence examination of the Hospitals, or (ii) the contents of any schedule or exhibit that was not completed and attached to the Stalking Horse APA, but which has been provided to Purchaser after the Signing Date, and Purchaser has notified Seller of its election to terminate the Agreement under Section 9.1(c) on or prior to January 8, 2019, by Purchaser if a material breach of the Agreement has been committed by Sellers and such breach has not been (i) waived in writing by Purchaser or (ii) cured by Sellers to the reasonable satisfaction of Purchaser within fifteen (15) business days after service by Purchaser and by Purchaser or Sellers or if the Closing has not occurred on or before December 31, 2019.</p> <p>The Stalking Horse APA may also be terminated by Purchaser if satisfaction of any condition in Article 8 has not occurred by December 31, 2019 or becomes impossible and Purchaser has not waived such condition in writing.</p> <p>The Stalking Horse APA may also be terminated by Purchaser if the Bankruptcy Court enters an order dismissing the Bankruptcy Case or fails to approve the sale of the Assets to Purchaser.</p>



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Stalking Horse APA Provision	Summary Description
<b>Record Retention</b> <b>APA § 10.2</b>	<p>From the Closing Date until seven (7) years after the Closing Date or such longer period as required by law (the “<u>Document Retention Period</u>”), Purchaser shall keep and preserve all medical records, patient records, medical staff records and other books and records which are among the Assets as of the Effective Time, but excluding any records which are among the Excluded Assets.</p> <p>After the expiration of the Document Retention Period, if Purchaser intends to destroy or otherwise dispose of any of the documents, Purchaser shall provide written notice to Sellers of Purchaser’s intention no later than forty-five (45) calendar days prior to the date of such intended destruction or disposal.</p>
<b>Limitation on Liability</b> <b>APA § 11.1</b>	<p>If Purchaser commits any material default under the APA, Sellers shall have the right to sue for damages; provided, however that the amount of such damages shall never exceed \$60,000,000.00. For the avoidance of doubt, Sellers shall have no right to sue for specific performance under the APA.</p>

#### IV. ARGUMENT

##### A. APPROVAL OF THE BIDDING PROCEDURES IS APPROPRIATE AND IN THE BEST INTERESTS OF THE DEBTORS’ ESTATES AND STAKEHOLDERS.

Section 363(b)(1) provides that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate [.]” 11 U.S.C. § 363(b)(1). Section 105(a) provides in pertinent part that “[t]he Court may issue any order, process or judgment that is necessary and appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Rules”) govern the scope of the notice to be provided in the event a debtor elects to sell property of the estate under § 363.

With respect to the procedures to be adopted in conducting a sale outside the ordinary course of a debtor’s business, Rule 6004 provides only that such sale may be by private sale or public auction, and requires only that the debtor provide an itemized list of the property sold together with the prices received upon consummation of the sale. Fed. R. Bankr. P. 6004(f). LBR 6004-1 provides, in pertinent part, as follows:

##### (b) **Motion for Order Establishing Procedures for the Sale of Estate Property.**

(2) Contents of Notice [of a Sale Procedure Motion]. The notice must describe the proposed bidding procedures and include a copy of the



1 proposed purchase agreement. If the purchase agreement is not available,  
2 the moving party must describe the terms of the sale proposed, when a  
3 copy of the actual agreement will be filed with the court, and from whom  
4 it may be obtained. The notice must describe the marketing efforts  
5 undertaken and the anticipated marketing plan, or explain why no  
6 marketing is required. [...]

7 (3) Service of the Notice and Motion. The moving party must serve the  
8 motion and notice of the motion and hearing by personal delivery,  
9 messenger, telephone, fax, or email to the parties to whom notice of the  
10 motion is required to be given by the FRBP or by these rules, any other  
11 party that is likely to be adversely affected by the granting of the motion,  
12 and the United States trustee. The notice of hearing must state that any  
13 response in opposition to the motion must be filed and served at least 1  
14 day prior to the hearing, unless otherwise ordered by the court. [...]

15 (6) Break-Up Fees. If a break-up fee or other form of overbid protection is  
16 requested in the Sale Procedure Motion, the request must be supported by  
17 evidence establishing: (A) That such a fee is likely to enhance the ultimate  
18 sale price; and (B) The reasonableness of the fee. [...]

19 LBR 6004-1(b).

20 Neither the Bankruptcy Code nor the Rules contain specific provisions with respect to the  
21 procedures to be employed by a debtor in conducting a public or private sale. Nonetheless, as one  
22 court has stated, “[i]t is a well-established principle of bankruptcy law that the objective of  
23 bankruptcy rules and the [debtors’] duty with respect to such sales is to obtain the highest price or  
24 greatest overall benefit possible for the estate.” *In re Atlanta Packaging Prods., Inc.*, 99 B.R. 124,  
25 131 (Bankr. N.D. Ga. 1988). Additionally, courts have long recognized the need for competitive  
26 bidding at hearings; “[c]ompetitive bidding yields higher offers and thus benefits the estate.  
27 Therefore, the objective is ‘to maximize bidding, not restrict it.’” *Id.*; see also *Burtch v. Ganz (In*  
28 *re Mushroom Transp. Co.)*, 382 F.3d 325, 339 (3d Cir. 2004) (finding that debtor’s fiduciary  
duties included maximizing and protecting the value of the estate’s assets); *Four B. Corp. v. Food*  
*Barn Stores, Inc. (In re Food Barn Stores, Inc.)*, 107 F.3d 558, 564-65 (8th Cir. 1997) (“[A]  
primary objective of the [Bankruptcy] Code [is] to enhance the value of the estate at hand.”).  
Courts uniformly recognize that procedures established for the purpose of enhancing competitive  
bidding are consistent with the fundamental goal of maximizing the value of a debtor’s estate and,  
therefore, are appropriate. See *Calpine Corp. v. O’Brien Envtl. Energy, Inc. (In re O’Brien Envtl.*



1 *Energy, Inc.*), 181 F.3d 527, 536-37 (3d Cir. 1999) (noting that bidding procedures that promote  
2 competitive bidding provide benefit to debtor's estate); *Official Comm. of Subordinated*  
3 *Bondholders v. Integrated Res. Inc. (In re Integrated Res. Inc.)*, 147 B.R. 650, 659 (S.D.N.Y.  
4 1992) (such sale procedures "encourage bidding and to maximize the value of the Assets").

5 Here, the Bidding Procedures are designed to promote the paramount goal of any  
6 proposed sale of property of the Debtors' estates: maximizing the value of sale proceeds received  
7 by the estates. The Bidding Procedures provide for an orderly and appropriately competitive  
8 process through which interested parties may submit offers to purchase the Purchased Assets  
9 and/or the Other Assets. Specifically, the Debtors, with the assistance of their advisors, have  
10 structured the Bidding Procedures to promote active bidding by interested parties and to confirm  
11 the highest or otherwise best offer reasonably available for the Purchased Assets and/or the Other  
12 Assets. Additionally, the Bidding Procedures will allow the Debtors to conduct the Auction in a  
13 fair and transparent manner that will encourage participation by financially capable bidders with  
14 demonstrated ability to consummate a timely Sale. Accordingly, the Bidding Procedures should  
15 be approved because, under the circumstances, they are reasonable, appropriate and in the best  
16 interests of the Debtors, their estates, creditors, and all parties in interest.

17 **B. THE BREAK-UP FEE HAS A SOUND BUSINESS PURPOSE AND IS**  
18 **NECESSARY TO PRESERVE THE VALUE OF THE DEBTORS' ESTATES.**

19 The Debtors submit that the Break-Up Fee is a normal and oftentimes necessary  
20 component of sales outside the ordinary course of business under § 363 of the Bankruptcy Code.  
21 In particular, such a protection encourages a potential purchaser to invest the requisite time,  
22 money, and effort to conduct due diligence and sale negotiations with a debtor despite the  
23 inherent risks and uncertainties of the chapter 11 process. *See, e.g., Integrated Resources*, 147  
24 B.R. at 660 (noting that fees may be legitimately necessary to convince a "white knight" to offer  
25 an initial bid, for the expenses such bidder incurs and the risks such bidder faces by having its  
26 offer held open, subject to higher and better offers); *In re Hupp Indus.*, 140 B.R. 191, 194 (Bankr.  
27 N.D. Ohio 1997) (without any reimbursement, "bidders would be reluctant to make an initial bid  
28 for fear that their first bid will be shopped around for a higher bid from another bidder who would



1 capitalize on the initial bidder's . . . due diligence"); *In re Marrose Corp.*, 1992 WL 33848, at \*5  
2 (Bankr. S.D.N.Y. 1992) (stating that "agreements to provide reimbursement of fees and expenses  
3 are meant to compensate the potential acquirer who serves as a catalyst or 'stalking horse' which  
4 attracts more favorable offers"); *In re 995 Fifth Ave. Assocs.*, 96 B.R. 24, 28 (Bankr. S.D.N.Y.  
5 1989) (finding that bidding incentives may be "legitimately necessary to convince a white knight  
6 to enter the bidding by providing some form of compensation for the risks it is undertaking")  
7 (citations omitted).

8 A proposed bidding incentive, such as the Break-Up Fee, should be approved when it is in  
9 the best interests of the estate. *See In re S.N.A. Nut Co.*, 186 B.R. 98, 104 (Bankr. N.D. Ill. 1995);  
10 *see also In re America West Airlines, Inc.*, 166 B.R. 908 (Bankr. D. Ariz. 1994); *In re Hupp*  
11 *Indus., Inc.*, 140 B.R. 191 (Bankr. N.D. Ohio 1992). Typically, this requires that the bidding  
12 incentive provide some benefit to the debtor's estate. *Calpine Corp. v. O'Brien Envtl. Energy,*  
13 *Inc. (In re O'Brien Envtl. Energy, Inc.)*, 181 F.3d 527, 533 (3d Cir. 1999) (holding even though  
14 bidding incentives are measured against a business judgment standard in non-bankruptcy  
15 transactions the administrative expense provisions of § 503(b) govern in the bankruptcy context).

16 In evaluating the appropriateness of a break-up fee, the appropriate question for the Court  
17 to consider is "whether the break-up fee served any of three possible useful functions: (1) to  
18 attract or retain a potentially successful bid; (2) to establish a bid standard or minimum for other  
19 bidders to follow; or (3) to attract additional bidders." *In re Integrated Resources, Inc.*, 147 B.R.  
20 at 662 (where the Court heard testimony that the average breakup fee in the industry is 3.3%).  
21 Break-up fees in the same general range as the Break-Up Fee have been routinely approved in the  
22 context of bankruptcy sales. *See In re CXM, Inc.*, 307 B.R. 94, 103–04 (Bankr. N.D. Ill. 2004)  
23 (court approved break-up fee in amount equal to the actual expenses that the stalking horse  
24 incurred in connection with its bid to buy the Sale Assets, subject to a maximum cap of \$200,000,  
25 which equaled 3% of the cash purchase price); *In re Women First Healthcare, Inc.*, 332 B.R. 115,  
26 118 (Bankr. D. Del. 2005) (court approved break-up fee that equaled 4.7% percent of the  
27 purchase price; *In re Dan River, Inc.*, No. 04-10990 (Banker. N.D. Ga. Dec. 17, 2004) (court  
28 approved break-up fee equal to 5.3% of the cash purchase price); *In re Lake Burton Dev., LLC*,



2010 WL 5563622, \*43 (Bankr. N.D. Ga. Mar. 18, 2010) (court approved break-up fee equal to 4.75% of cash purchase price); *In re Case Engineered Lumber, Inc.*, No. 09-22499 (Bankr. N.D.Ga. Sept. 1, 2009)(J. Brizendine) (approving break-up fee equal to 3.5% of the cash purchase price); *In re Tama Beef Packing Inc.*, 321 B.R. 469, 498 (8th Cir. BAP 2005) (noting that the bankruptcy court correctly concluded that break-up fees are “usually limited to one to four percent of the purchase price”). Notably, this Court has also approved break-up fees within the range of the Break-Up Fee. *See In re Verity Health System of California, Inc.*, No. 18-20151 (Bankr. C.D. Cal. Oct. 30, 2018) (J. Robles) (approving break-up fee equal to 4% of the cash purchase price); *In re T Asset Acquisition Company, LLC*, No. 09-31853 (Bankr. C.D. Cal. Jan. 28, 2010) (J. Robles) (approving break-up fee equal to 3% of the cash purchase price).

The Debtors submit that all of the bidding procedures the Debtors are seeking to have the Court approve, including the proposed Break-Up Fee to the Stalking Horse Purchaser, satisfies all three of the useful functions set forth above: (1) to attract or retain a potentially successful bid; (2) to establish a bid standard or minimum for other bidders to follow; and (3) to attract additional bidders. The proposed break-up fee of 3.5% of the purchase price is well within the percentage parameters that have been approved by many other courts. Thus, the Debtors believe that the proposed Break-Up Fee is fair and reasonably compensates the Stalking Horse Purchaser for taking actions that will benefit the Debtors’ estates. The Break-Up Fee compensates the Stalking Horse Purchaser for diligence and professional fees incurred in negotiating the terms of the Stalking Horse APA on an expedited timeline.

Additionally, the Debtors do not believe that the Break-Up Fee will have a chilling effect on the sale process. Rather, the Stalking Horse Purchaser will increase the likelihood that the best possible price for the Purchased Assets will be received, by permitting other qualified bidders to rely on the diligence performed by the Stalking Horse Purchaser, and moreover, by allowing qualified bidders to utilize the Stalking Horse APA as a platform for negotiations and modifications in the context of a competitive bidding process.

Finally, the Break-Up Fee will be paid only if, among other things, the Debtors enter into a transaction for the Purchased Assets with a bidder other than the Stalking Horse Purchaser.



1 Accordingly, no Break-Up Fee will be paid unless a higher and better offer is achieved and  
2 consummated. In sum, the Break-Up Fee is reasonable under the circumstances and will enable  
3 the Debtors to maximize the value for the Purchased Assets while limiting any chilling effect in  
4 the sale process.

5 **C. THE PROCEDURE FOR ASSUMPTION AND ASSIGNMENT OF CERTAIN**  
6 **EXECUTORY CONTRACTS AND UNEXPIRED LEASES IS APPROPRIATE**

7 Section 365(a) provides that, subject to the court’s approval, a trustee “may assume or  
8 reject any executory contracts or unexpired leases of the debtor.” 11 U.S.C. § 365(a). Upon  
9 finding that a trustee has exercised its sound business judgment in determining to assume an  
10 executory contract or unexpired lease, courts should approve the assumption under § 365(a). *See*  
11 *Nostas Assocs. v. Costich (In re Klein Sleep Prods., Inc.)*, 78 F.3d 18, 25 (2d Cir. 1996); *see also*  
12 *Orion Pictures Corp. v. Showtime Networks, Inc. (In re Orion Pictures Corp.)*, 4 F.3d 1095, 1099  
13 (2d Cir. 1993).

14 Pursuant to § 365(f)(2), a trustee may assign an executory contract or unexpired lease of  
15 nonresidential real property if:

- 16 (A) the trustee assumes such contract or lease in accordance with the provisions of this  
17 section; and  
18 (B) adequate assurance of future performance by the assignee of such contract or lease  
19 is provided, whether or not there has been a default in such contract or lease.

20 11 U.S.C. § 365(f)(2).

21 The meaning of “adequate assurance of future performance” depends on the facts and  
22 circumstances of each case, and should be given “practical, pragmatic construction.” *See Carlisle*  
23 *Homes, Inc. v. Arrari (In re Carlisle Homes, Inc.)*, 103 B.R. 524, 538 (Bankr. D.N.J. 1989); *see*  
24 *also In re Natco Indus., Inc.*, 54 B.R. 436, 440 (Bankr. S.D.N.Y. 1985) (adequate assurance of  
25 future performance does not mean absolute assurance that debtor will thrive and pay rent); *In re*  
26 *Bon Ton Rest. & Pastry Shop, Inc.*, 53 B.R. 789, 803 (Bankr. N.D. Ill. 1985) (“Although no single  
27 solution will satisfy every case, the required assurance will fall considerably short of an absolute  
28 guarantee of performance.”).



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1 Among other things, adequate assurance may be given by demonstrating the assignee's  
2 financial health and experience in managing the type of enterprise or property assigned. *In re*  
3 *Bygaph, Inc.*, 56 B.R. 596, 605-6 (Bankr. S.D.N.Y. 1986) (adequate assurance of future  
4 performance is present when prospective assignee of lease has financial resources and expressed  
5 willingness to devote sufficient funding to business to give it strong likelihood of succeeding;  
6 chief determinant of adequate assurance is whether rent will be paid).

7 The Debtors and the Successful Bidder will present evidence at the Sale Hearing to prove  
8 the financial credibility, willingness, and ability of the Successful Bidder to perform under the  
9 contracts or leases. The Court and other interested parties therefore will have the opportunity to  
10 evaluate the ability of any Successful Bidder to provide adequate assurance of future performance  
11 under the contracts or leases, as required by § 365(b)(1)(C).

12 In addition, the Debtors submit that the cure procedures set forth herein are appropriate,  
13 reasonably calculated to provide notice to any affected party, and afford the affected party to  
14 opportunity to exercise any rights affected by the Motion, and consistent with § 365. To the  
15 extent that any defaults exist under any Assumed Executory Contracts, any such defaults will be  
16 cured pursuant to the Successful Bidder's Purchase Agreement. Except as otherwise limited by §  
17 365 of the Bankruptcy Code, any provision in the Assumed Executory Contracts that would  
18 restrict, condition, or prohibit an assignment of such contracts will be deemed unenforceable  
19 pursuant to § 365(f)(1) of the Bankruptcy Code.

20 Accordingly, the Debtors submit that the cure procedures for effectuating the assumption  
21 and assignment of the Assumed Executory Contracts as set forth herein are appropriate and  
22 should be approved.

23 **D. APPROVAL OF THE SALE IS WARRANTED UNDER § 363**

24 As discussed above, § 363(b)(1) of the Bankruptcy Code provides that a debtor "after  
25 notice and a hearing, may use, sell, or lease, other than in the ordinary course of business,  
26 property of the estate." 11 U.S.C. § 363(b)(1).



1           **i.       The Sale of the Assets is Authorized by § 363 as a Sound Exercise of the**  
2           **Debtors’ Business Judgment**

3           In accordance with Rule 6004, sales of property rights outside the ordinary course of  
4           business may be by private sale or public auction. The Debtors have determined that the Sale of  
5           the Purchased Assets and/or the Other Assets by public auction will enable it to obtain the highest  
6           and best offer for these assets (thereby maximizing the value of the estate) and is in the best  
7           interests of the Debtors’ creditors. In particular, the Stalking Horse APA is the result of  
8           comprehensive arms’ length negotiations for the Sale of the Purchased Assets and/or the Other  
9           Assets and the Sale pursuant to the terms of the Stalking Horse APA, subject to higher or  
10          otherwise better offers at the Auction, will provide a greater recovery for the Debtors’ creditors  
11          than would be provided by any other existing alternative. The Debtors similarly have determined  
12          in their business judgment that a sale of the Purchased Assets and/or the Other Assets through a  
13          competitive, public auction is the best way to maximize the value of those assets.

14          Sections 363 provides that a trustee, “after notice and a hearing, may use, sell, or lease,  
15          other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b).  
16          Although § 363 does not specify a standard for determining when it is appropriate for a court to  
17          authorize the use, sale or lease of property of the estate, a sale of a debtor’s assets should be  
18          authorized if a sound business purpose exists for doing so. *See, e.g., Meyers v. Martin (In re*  
19          *Martin)*, 91 F.3d 389, 395 (3d Cir. 1996); *In re Abbotts Dairies of Pa., Inc.*, 788 F.2d 143 (2d Cir.  
20          1986); *In re Titusville Country Club*, 128 B.R. 396 (W.D. Pa. 1991); *In re Delaware & Hudson*  
21          *Ry. Co.*, 124 BR. 169, 176 (D. Del. 1991); *see also Official Comm. of Unsecured Creditors v. The*  
22          *LTV Corp. (In re Chateaugay Corp.)*, 973 F.2d 141, 143 (2d Cir. 1992); *Committee of Equity Sec.*  
23          *Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1070 (2d Cir. 1983); *Committee of*  
24          *Asbestos-Related Litigants and/or Creditors v. Johns-Manville Corp. (In re Johns-Manville*  
25          *Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986).

26          The paramount goal in any proposed sale of property of the estate is to maximize the  
27          proceeds received by the estate. *See, e.g., In re Food Barn Stores, Inc.*, 107 F.3d 558, 564-65  
28          (8th Cir. 1997) (in bankruptcy sales, “a primary objective of the Code [is] to enhance the value of



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1 the estate at hand”); *Integrated Resources*, 147 B.R. at 659 (“It is a well-established principle of  
2 bankruptcy law that the . . . [trustee’s] duty with respect to such sales is to obtain the highest price  
3 or greatest overall benefit possible for the estate.”) (*quoting In re Atlanta Packaging Prods., Inc.*,  
4 99 BR. 124, 130 (Bankr. N.D. Ga. 1988)). As long as the sale appears to enhance a debtor’s  
5 estate, court approval of a debtor’s decision to sell should only be withheld if the debtor’s  
6 judgment is clearly erroneous, too speculative, or contrary to the provisions of the Bankruptcy  
7 Code. *GBL Holding Co., Inc. v. Blackburn/Travis/Cole, Ltd.*, 331 B.R. 251, 255 (N.D. Tex.  
8 2005); *In re Lajijani*, 325 B.R. 282, 289 (B.A.P. 9th Cir. 2005); *In re WPRV-TV, Inc.*, 143 B.R.  
9 315, 319 (D.P.R. 1991) (“The trustee has ample discretion to administer the estate, including  
10 authority to conduct public or private sales of estate property. Courts have much discretion on  
11 whether to approve proposed sales, but the trustee’s business judgment is subject to great judicial  
12 deference.”).

13 Applying § 363, the proposed Sale of the Purchased Assets and/or the Other Assets should  
14 be approved. As set forth above, the Debtors have determined that the best method of maximizing  
15 the recovery of the Debtors’ creditors would be through the Sale of the Purchased Assets. As  
16 assurance of value, bids will be tested through the Auction consistent with the requirements of the  
17 Bankruptcy Code, the Bankruptcy Rules, and pursuant to the Bidding Procedures approved by the  
18 Court. Consequently, the fairness and reasonableness of the consideration to be paid by the  
19 Successful Bidder ultimately will be demonstrated by adequate “market exposure” and an open  
20 and fair auction process—the best means, under the circumstances, for establishing whether a fair  
21 and reasonable price is being paid.

22 In addition to the Debtors’ prior marketing efforts, the Debtors’ investment banker has  
23 been contacting potential interested parties and has assembled a data room which is available  
24 upon the execution of an appropriate confidentiality agreement. There is a limited universe of  
25 potential acquirers of the Purchased Assets, and the Debtors and their advisors have been in  
26 active discussions with many of these potential purchasers.



1           **ii. The Sale of the Debtors' Assets Free and Clear of Liens and Other Interests is**  
2           **Authorized by § 363(f) of the Bankruptcy Code**

3           The Debtors further submit that it is appropriate to sell the Purchased Assets free and clear  
4 of liens pursuant to § 363(f), with any such liens attaching to the sale proceeds of the Purchased  
5 Assets to the extent applicable. Section 363(f) authorizes a trustee to sell assets free and clear of  
6 liens, claims, interests and encumbrances if:

- 7           (1) applicable nonbankruptcy law permits the sale of such property free and clear of  
8 such interests;  
9           (2) such entity consents;  
10          (3) such interest is a lien and the price at which such property is to be sold is greater  
11 than the value of all liens on such property;  
12          (4) such interest is in bona fide dispute; or  
13          (5) such entity could be compelled, in a legal or equitable proceeding, to accept a  
14 money satisfaction of such interest.

15           11 U.S.C. § 363(f).

16           This provision is supplemented by § 105(a), which provides that “[t]he Court may issue  
17 any order, process or judgment that is necessary or appropriate to carry out the provisions of [the  
18 Bankruptcy Code].” 11 U.S.C. § 105(a).

19           Because § 363(f) of the Bankruptcy Code is drafted in the disjunctive, satisfaction of any  
20 one of its five requirements will suffice to permit the sale of the Debtor's Assets “free and clear”  
21 of liens and interests. *In re Dundee Equity Corp.*, 1992 Bankr. LEXIS 436, at \*12 (Bankr.  
22 S.D.N.Y. Mar. 6, 1992) (“Section 363(f) is in the disjunctive, such that the sale free of the interest  
23 concerned may occur if any one of the conditions of § 363(f) have been met.”); *In re Bygaph,*  
24 *Inc.*, 56 B.R. 596, 606 n.8 (Bankr. S.D.N.Y. 1986) (same); *Michigan Employment Sec. Comm'n v.*  
25 *Wolverine Radio Co. (In re Wolverine Radio Co.)*, 930 F.2d 1132, 1147 n.24 (6th Cir. 1991)  
26 (stating that § 363(f) is written in the disjunctive; holding that the court may approve the sale  
27 “free and clear” provided at least one of the subsections of § 363(f) is met).

28           The Debtors believe that at least one of the tests of § 363(f) of the Bankruptcy Code is  
satisfied with respect to the transfer of the Purchased Assets and/or the Other Assets pursuant to



1 the Stalking Horse APA. Additionally, at least § 363(f)(2) will be met in connection with the  
2 transactions proposed under the Purchase Agreement because each of the parties holding liens on  
3 the Purchased Assets and/or the Other Assets will consent or, absent any objection to this motion,  
4 will be deemed to have consented to the Sale. Any lienholder also will be adequately protected  
5 by having its liens, if any, in each instance against the Debtors or their estates, attach to the sale  
6 proceeds ultimately attributable to the Purchased Assets and/or the Other Assets in which such  
7 creditor alleges an interest, in the same order of priority, with the same validity, force and effect  
8 that such creditor had prior to the Sale, subject to any claims and defenses the Debtors may  
9 possess with respect thereto. Accordingly, § 363(f) authorizes the transfer and conveyance of the  
10 Purchased Assets free and clear of any such claims, interests, liabilities, or liens.

11 Although § 363(f) provides for the sale of assets “free and clear of any interests,” the term  
12 “any interest” is not defined anywhere in the Bankruptcy Code. *Folger Adam Security v.*  
13 *DeMatteis/MacGregor JV*, 209 F.3d 252, 257 (3d Cir. 2000). Courts have interpreted “any  
14 interest” expansively to include not only in rem interests in property, but also other obligations  
15 that are “connected to or arise from the property being sold” or that could “potentially travel with  
16 the property being sold.” *In re Gardens Regional Hospital and Medical Center, Inc.*, 567 B.R.  
17 820, 825 (Bankr. C.D. Cal. 2017) (California Attorney General imposed conditions are an  
18 “interest in property” that can be stripped off the assets through a sale under § 363); *In re La*  
19 *Paloma Generating, Co.*, 2017 WL 5197116, \*4 (Bankr. D. Del. Nov. 9, 2017) (holding that  
20 emission surrender obligations created by California regulations and statutes and enforced by the  
21 California Air Resources Board are an interest in property which can be cut off by a § 363 sale)  
22 *See also In re Trans World Airlines, Inc.*, 322 F.3d 283, 285, 288 (3d Cir. 2001) (holding that  
23 plaintiff’s interests in travel vouchers that were issued to settle employment discrimination are an  
24 interest under § 363 because they arise from the property being sold); *PBBPC, Inc. v. OPK*  
25 *Biotech, LLC (In re PBBPC, Inc.)*, 484 B.R. 860, 867-870 (1st Cir. B.A.P. 2013) (holding that  
26 debtor’s assets could be sold free and clear of Commonwealth of Massachusetts’s right to treat a  
27 purchaser of substantially all of the assets of chapter 11 debtor as a “successor employer” to  
28 which debtor’s experience rating could be imputed to determine purchaser’s unemployment



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insurance contribution); *In re ARSN Liquidating Corp. Inc.*, 2017 WL 279472, \*5 (Bankr. D.N.H. Jan. 20, 2017) (Nat'l Council on Compensation Ins. violated sale order by imputing debtor's workers' compensation experience rating to buyer in setting buyer's workers' compensation experience rating); *In re Vista Marketing Group Ltd.*, 557 B.R. 630, 635-39 (Bankr. N.D. Ill. 2016) (free and clear language in sale order prevented a state sanitary district from asserting claim against asset purchaser for connection fee surcharge that was calculated based entirely on debtor's use of the district's sewer facilities); *United Mine Workers of Am. Combined Benefit Fund v. Walter Energy, Inc.*, 551 B.R. 631, 641 (N.D. Ala. 2016) (sale under § 363 cuts off Coal Act obligations despite language in Act imposing successor liability on buyer); *In re Christ Hospital*, 502 B.R. 158, 76-79 (Bankr. D.N.J. 2013) (section 363 sales cut off tort claims against purchaser of nonprofit hospital); *In re Tougher Indus.*, 2013 WL 1276501 at \*\*6-9 (Bankr. N.D.N.Y. Mar. 27, 2013) (holding that debtor's assets could be sold free and clear of New York State Department of Labor's right to use the debtor's experience rating to access the buyer's tax liability as successor to the debtor); *In re Grumman Olson Indus. Inc.*, 467 B.R. 694, 702-03 (S.D.N.Y. 2012) ("Section 363(f) can be used to sell property free and clear of claims that could otherwise be assertable against the buyer of the assets under the common law doctrine of successor liability"); *WBO P'ship v. Va. Dep't of Med. Assistance Servs. (In re WBO P'ship)*, 189 B.R. 97, 104-05 (Bankr. E.D. Va. 1995) (holding that Commonwealth of Virginia's right to recapture depreciation is an "interest" as that term is used in § 363(f))

In the case of *In re Trans World Airlines, Inc.*, 322 F.3d 283, 288-89 (3d Cir. 2003), the Third Circuit specifically addressed the scope of the term "any interest." The Third Circuit observed that while some courts have "narrowly interpreted that phrase to mean only in rem interests in property," the trend in modern cases is towards "a more expansive reading of 'interests in property' which 'encompasses other obligations that may flow from ownership of the property.'" *Id.* at 289 (citing 3 Collier on Bankruptcy, ¶ 363.06[1] (L. King, 15th rev. ed. 1988)). As determined by the Fourth Circuit in *In re Leckie Smokeless Coal Co.*, the scope of § 363(f) is not limited to *in rem* interests. 99 F.3d 573, 581-582 (4th Cir. 1996) (holding that coal mine operators could sell their assets free and clear of their obligations to a benefits plan and fund



1 under the Coal Act). Thus, debtors “could sell their assets under § 363(f) free and clear of  
2 successor liability that otherwise would have arisen under federal statute.” *Folger*, 209 F.3d at  
3 258 (*citing Leckie*, 99 F.3d at 582).

4 Courts have consistently held that a buyer of a debtor’s assets pursuant to a § 363 sale  
5 takes such assets free from successor liability resulting from pre-existing claims. *See The Ninth*  
6 *Avenue Remedial Group v. Allis-Chalmers Corp.*, 195 B.R. 716, 732 (Bankr. N.D. Ind. 1996)  
7 (stating that a bankruptcy court has the power to sell assets free and clear of any interest that  
8 could be brought against the bankruptcy estate during the bankruptcy); *MacArthur Company v.*  
9 *Johns-Manville Corp. (In re Johns-Manville Corp.)*, 837 F.2d 89, 93-94 (2d Cir. 1988)  
10 (channeling of claims to proceeds consistent with intent of sale free and clear under § 363(f)). The  
11 purpose of an order purporting to authorize the transfer of assets free and clear of all “interests”  
12 would be frustrated if claimants could thereafter use the transfer as a basis to assert claims against  
13 the purchaser arising from the Debtors’ pre-sale conduct. Under § 363(f), the purchaser is  
14 entitled to know that the Purchased Assets and/or the Other Assets are not infected with latent  
15 claims that will be asserted against the purchaser after the proposed transaction is completed.  
16 Accordingly, consistent with the above-cited case law, the order approving the Sale should state  
17 that the Successful Bidder is not liable as a successor under any theory of successor liability, for  
18 claims that encumber or relate to the Purchased Assets and/or the Other Assets.

19 **iii. The Successful Bidder Should be Afforded All Protections Under § 363(m) as**  
20 **A Good Faith Purchaser**

21 Section 363(m) protects a good-faith purchaser’s interest in property purchased from the  
22 debtor’s estate notwithstanding that the sale conducted under § 363(b) is later reversed or  
23 modified on appeal. Specifically, § 363(m) states that:

24 The reversal or modification on appeal of an authorization under  
25 [section 363(b)] . . . does not affect the validity of a sale . . . to an entity  
26 that purchased . . . such property in good faith, whether or not such entity  
27 knew of the pendency of the appeal, unless such authorization and such  
28 sale were stayed pending appeal.

11 U.S.C. § 363(m). Section 363(m) “codifies Congress’s strong preference for finality and  
efficiency” in bankruptcy proceedings. *In re Energytec, Inc.* 739 F.3d 215, 218-19 (5<sup>th</sup> Cir.



2013). The Ninth Circuit has repeatedly held that, under § 363(m), “[w]hen a sale of assets is made to a good faith purchaser, it may not be modified or set aside unless the sale was stayed pending appeal.” *Paulman v. Gateway Venture Partners III, L.P. (In re Filtercorp, Inc.)*, 163 F.3d 570, 576 (9<sup>th</sup> Cir. 1998) ; *In re Ewell*, 958 F.2d 276, 282 (9th Cir. 1992) (“Because the Buyer was a good faith purchaser, under 11 U.S.C. § 363(m) the sale may not be modified or set aside on appeal unless the sale was stayed pending appeal.”); *Onouli-Kona Land Co. v. Estate of Richards (In re Onouli-Kona Land Co.)*, 846 F.2d 1170, 1172 (9th Cir. 1988) (“Finality in bankruptcy has become the dominant rationale for our decisions [...]”).

The selection of the Successful Bidder will be the product of arms’ length, good faith negotiations in an anticipated competitive purchasing process. The Debtors intend to request at the Sale Hearing a finding that the Successful Bidder is a good faith purchaser entitled to the protections of § 363(m).

**E. RELIEF FROM THE 14-DAY WAITING PERIOD UNDER RULES 6004(H) AND 6006(D) IS APPROPRIATE**

Rule 6004(h) provides that an “order authorizing the use, sale, or lease of property . . . is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Similarly, Rule 6006(d) provides that an “order authorizing the trustee to assign an executory contract or unexpired lease . . . is stayed until the expiration of 14 days after the entry of the order, unless the court orders otherwise.” The Debtors request that the Order be effective immediately by providing that the 14-day stays under Rules 6004(h) and 6006(d) are waived.

The purpose of Rules 6004(h) and 6006(d) is to provide sufficient time for an objecting party to appeal before an order can be implemented. *See* Advisory Committee Notes to Fed. R. Bankr. P. 6004(h) and 6006(d). Although Rules 6004(h) and 6006(d) and the Advisory Committee Notes are silent as to when a court should “order otherwise” and eliminate or reduce the 14-day stay period, *Collier* suggests that the 14-day stay period should be eliminated to allow a sale or other transaction to close immediately “where there has been no objection to the procedure.” *Collier on Bankruptcy*, ¶ 6004.11 (Alan N. Resnick & Henry J. Sommer eds., 16th ed.). Furthermore, *Collier* provides that if an objection is filed and overruled, and the objecting



1 party informs the court of its intent to appeal, the stay may be reduced to the amount of time  
2 actually necessary to file such appeal. *Id.*

3 The Debtors hereby request that the Court waive the 14-day stay periods under Rules  
4 6004(h) and 6006(d) or, in the alternative, if an objection to the Sale is filed, reduce the stay  
5 period to the minimum amount of time needed by the objecting party to file its appeal.

6 **F. THE APPLICABLE REQUIREMENTS OF LBR 6004-1 HAVE BEEN SATISFIED**

7 Here all of the applicable requirements of LBR 6004-1(b) pertaining to the Motion and the  
8 request therein to approve the Bidding Procedures have been satisfied. First, as required by LBR  
9 6004-1(b)(2), the Notice of Motion describes the proposed Bidding Procedures and includes a  
10 copy of the Stalking Horse APA. Second, as required by LBR 6004-1(b)(2), the Notice of the Bid  
11 Procedures Motion and this Memorandum describe marketing efforts undertaken and the  
12 anticipated marketing of the Purchased Assets through the deadline for prospective Overbidders  
13 to submit bids for the Auction. Third, the Debtors provided notice of the Notice of Motion,  
14 Motion, and this Memorandum pursuant to LBR 6004-1(b)(3) and the *Order Granting*  
15 *Emergency Motion of Debtors for Order Limiting Scope of Notice* [Docket No. 132]. Therefore,  
16 the Debtors submit that service of the Notice of Motion, Motion, and this Memorandum by such  
17 means was adequate and appropriate.

18 **V. CONCLUSION**

19 **WHEREFORE**, the Debtors respectfully request that the Court enter an order: (i)  
20 granting the relief requested herein; and (ii) granting such other and further relief as the Court  
21 may deem proper.

22 Dated: January 17, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON

24 By /s/ Tania M. Moyron  
25 Tania M. Moyron

26 Attorneys for the Chapter 11 Debtors and  
27 Debtors In Possession  
28



## EXHIBIT A



## **ASSET PURCHASE AGREEMENT**

**By and Among**

**Verity Health System of California, Inc., Verity Holdings, LLC,**

**St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc.,  
Seton Medical Center**

**and**

**Strategic Global Management, Inc.**

**Dated January 8, 2019**



## TABLE OF CONTENTS

	Page
ARTICLE 1 SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING .....	2
1.1 Purchase Price .....	2
1.2 Deposit .....	3
1.3 Closing Date .....	4
1.4 Items to be Delivered by Sellers at Closing .....	4
1.5 Items to be Delivered by Purchaser at Closing .....	5
1.6 Prorations and Utilities .....	6
1.7 Transfer of Assets of Sellers .....	7
1.8 Excluded Assets .....	10
1.9 Assumed Obligations .....	13
1.10 Excluded Liabilities .....	14
1.11 Designation of Assumed Contracts and Assumed Leases .....	14
1.12 Disclaimer of Warranties; Release .....	15
ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF SELLERS .....	16
2.1 Authorization .....	16
2.2 Binding Agreement .....	16
2.3 Organization and Good Standing; No Violation .....	16
2.4 Contracts .....	16
2.5 Brokers and Finders .....	17
2.6 Seller Knowledge .....	17
2.7 Non-Contravention .....	17
2.8 Compliance with Legal Requirements .....	17
2.9 Required Consents .....	17
2.10 Environmental Matters .....	17
2.11 Title .....	18
2.12 Certain Other Representations with Respect to the Hospitals .....	18
2.13 Financial Statements .....	18
2.14 Legal Proceedings .....	19
2.15 Employee Benefits .....	19
2.16 Personnel .....	19
2.17 Insurance .....	19
2.18 Accounts Receivable .....	20
2.19 Payer Contracts .....	20
2.20 Excluded Individuals .....	20
ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF PURCHASER .....	20
3.1 Authorization .....	20
3.2 Binding Agreement .....	20
3.3 Organization and Good Standing .....	20
3.4 No Violation .....	21
3.5 Brokers and Finders .....	21
3.6 Representations of Sellers .....	21



**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
3.7 Legal Proceedings.....	21
3.8 No Knowledge of a Seller’s Breach.....	21
3.9 Ability to Perform.....	22
3.10 Purchaser Knowledge .....	22
3.11 Investigation.....	22
<b>ARTICLE 4 COVENANTS OF SELLERS .....</b>	<b>22</b>
4.1 Access and Information; Inspections .....	22
4.2 Cooperation.....	23
4.3 Other Bidders .....	23
4.4 Sellers’ Efforts to Close .....	24
4.5 Termination Cost Reports .....	24
4.6 Conduct of the Business.....	24
4.7 Contract With Unions .....	25
<b>ARTICLE 5 COVENANTS OF PURCHASER.....</b>	<b>25</b>
5.1 Purchaser’s Efforts to Close.....	26
5.2 Required Governmental Approvals .....	26
5.3 Certain Employee Matters .....	27
5.4 Excluded Assets .....	27
5.5 Waiver of Bulk Sales Law Compliance.....	28
5.6 Attorney General.....	28
5.7 Conduct Pending Closing .....	28
5.8 Cure Costs .....	28
5.9 Operating Covenant .....	28
5.10 HSR Filing .....	28
5.11 Contract with Unions .....	29
<b>ARTICLE 6 SELLERS’ BANKRUPTCY AND BANKRUPTCY COURT APPROVAL.....</b>	<b>29</b>
6.1 Bankruptcy Court Approval; Overbid Protection and Break-Up Fee.....	29
6.2 Appeal of Sale Order .....	30
<b>ARTICLE 7 CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS.....</b>	<b>31</b>
7.1 Signing and Delivery of Instruments .....	31
7.2 No Restraints.....	31
7.3 Performance of Covenants.....	31
7.4 Governmental Authorizations.....	31
7.5 Attorney General Provisions.....	31
7.6 Bankruptcy Court Approval.....	31
7.7 HSR Act .....	31
7.8 CSCDA Acknowledgement .....	31
<b>ARTICLE 8 CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER .....</b>	<b>32</b>
8.1 Governmental Authorizations .....	32



**TABLE OF CONTENTS**  
(continued)

		<b>Page</b>
8.2	Bankruptcy Court Approval.....	32
8.3	Signing and Delivery of Instruments .....	32
8.4	Performance of Covenants .....	32
8.5	No Restraints.....	32
8.6	Attorney General Provisions.....	32
8.7	Medicare and Medi-Cal Provider Agreements .....	33
8.8	HSR Act .....	33
ARTICLE 9 TERMINATION .....		33
9.1	Termination.....	33
9.2	Termination Consequences.....	35
ARTICLE 10 POST-CLOSING MATTERS.....		35
10.1	Excluded Assets .....	35
10.2	Preservation and Access to Records After the Closing .....	35
10.3	Closing of Financials .....	37
10.4	Medical Staff.....	38
10.5	Shared Intangible Assets.....	38
ARTICLE 11 DEFAULT, TAXES AND COST REPORTS .....		38
11.1	Purchaser Default.....	38
11.2	Seller Default .....	38
11.3	Tax Matters; Allocation of Purchase Price .....	38
11.4	Cost Report Matters .....	39
ARTICLE 12 MISCELLANEOUS PROVISIONS.....		39
12.1	Further Assurances and Cooperation .....	39
12.2	Successors and Assigns.....	40
12.3	Governing Law; Venue.....	40
12.4	Amendments .....	40
12.5	Exhibits, Schedules and Disclosure Schedule .....	40
12.6	Notices .....	40
12.7	Headings .....	41
12.8	Publicity .....	41
12.9	Fair Meaning.....	42
12.10	Gender and Number; Construction; Affiliates .....	42
12.11	Third Party Beneficiary.....	42
12.12	Expenses and Attorneys' Fees .....	42
12.13	Counterparts .....	42
12.14	Entire Agreement .....	42
12.15	No Waiver.....	43
12.16	Severability .....	43
12.17	Time is of the Essence .....	43



## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “**Agreement**”) is made and entered into as of the 8<sup>th</sup> day of January, 2019 (the “**Signing Date**”) by and among Verity Health System of California, Inc., a California nonprofit public benefit corporation (“**Verity**”), Verity Holdings, LLC, a California limited liability company (“**Verity Holdings**”), St. Francis Medical Center, a California nonprofit public benefit corporation (“**St. Francis**”), St. Vincent Medical Center, a California nonprofit public benefit corporation (“**St. Vincent**”), St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation (“**St. Vincent Dialysis**”), and Seton Medical Center, a California nonprofit public benefit corporation (“**Seton**” and together with St. Francis Medical Center, St. Vincent Medical Center and St. Vincent Dialysis, collectively, the “**Hospital Sellers**”) (Verity, Verity Holdings, St. Francis, St. Vincent, St. Vincent Dialysis and Seton are each referred to herein individually as a “**Seller**” and collectively as the “**Sellers**”), and Strategic Global Management, Inc., a California corporation (“**Purchaser**”).

### RECITALS:

A. St. Francis engages in the business of the operation of the hospital known as St. Francis Medical Center, located at 3630 E. Imperial Highway, Lynwood, CA 90262, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by St. Francis (collectively, the “**St. Francis Hospital**”).

B. St. Vincent engages in the business of the operation of the hospital known as St. Vincent Medical Center, located at 2131 W 3rd Street, Los Angeles, CA 90057, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by St. Vincent (collectively, the “**St. Vincent Hospital**”).

C. Seton engages in the business of the operation of two general acute care hospitals under a single license, consisting of: (i) the hospital known as Seton Medical Center, located at 1900 Sullivan Avenue, Daly City, CA 94015, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by Seton (collectively, the “**Seton Hospital**”) and (ii) the hospital known as Seton Medical Center Coastside, located at 600 Marine Blvd, Moss Beach, CA 94038, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by Seton (collectively, the “**Seton Coastside Hospital**”) and together with the St. Francis Medical Center Hospital, the St. Vincent Medical Center Hospital and the Seton Hospital, the “**Hospitals**”; the business of the operation of the Hospitals is referred to herein as the “**Businesses**”).

D. Purchaser desires to purchase from Sellers, and Sellers desire to sell to Purchaser, the assets described in Section 1.7 below (the “**Assets**”) owned by Sellers and used with respect to the Businesses, for the consideration and upon the terms and conditions contained in this Agreement.



E. Sellers filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Central District of California, Los Angeles Division (the “**Bankruptcy Court**”), lead Case No. 2:18-bk-201510ER, jointly administered or to be jointly administered with their affiliates (the “**Bankruptcy Cases**”).

F. The parties intend to effectuate the transactions contemplated by this Agreement through a sale of the Assets approved by the Bankruptcy Court pursuant to Section 363 of Title 11 of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants contained in this Agreement, and for their mutual reliance and incorporating into this Agreement the above recitals, the parties hereto agree as follows:

## ARTICLE 1

### SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING

#### 1.1 Purchase Price.

(a) Subject to the terms and conditions of this Agreement, the purchase price (“**Purchase Price**”) shall consist of the following:

(i) Cash payment to Sellers (the “**Cash Consideration**”) of Six Hundred Ten Million Dollars (\$610,000,000.00), which shall be allocated Four Hundred Twenty Million Dollars (\$420,000,000) to St. Francis Medical Center, One Hundred Twenty Million Dollars (\$120,000,000) to St. Vincent Medical Center, and Seventy Million Dollars (\$70,000,000) to Seton for Seton Hospital and Seton Coastside Hospital, provided, that if the CA AG’s approval does not include a requirement that Seton Hospital remain open as an acute care hospital or that Seton Coastside Hospital remain open as a skilled nursing facility, then an amount to be determined by Purchaser, in its sole discretion, of such Cash Consideration shall be re-allocated from St. Francis to Seton;

(ii) Assumption of Sellers’ accrued vacation and other paid time off as of the Closing, to be provided only with respect to Hired Employees (as defined in Section 5.3(a)) in the form of credited vacation and PTO, subject to compliance with applicable law and regulation, including consent of such employees if required;

(iii) Assumption of all liabilities of Seton as Obligated Party and Property Owner under the (i) Agreement to Pay Assessment and Finance Improvements dated May 17, 2017 with California Statewide Communities Development Authority (“**CSCDA**”) and (ii) Agreement to Pay Assessment and Finance Improvements dated May 18, 2017 with CSCDA (collectively



the “**Special Assessments**”) each associated with of the Property Assessed Clean Energy (“**PACE**”) (seismic and clean energy) loans (collectively the “**PACE Obligations**”); and

(iv) Payment of Cure Costs (defined below) associated with any Assumed Leases and/ or Assumed Contracts and assumption of the other Assumed Obligations (as defined below).

(b) Purchaser (i) is acquiring the Assets and (ii) is only assuming (x) the PACE Obligations and (y) the Assumed Obligations (as defined below).

(c) At the Closing, Purchaser shall pay to Sellers, by wire transfer of immediately available funds to the accounts specified by Sellers to Purchaser in writing, an aggregate amount equal to the Cash Consideration, minus the Net QAF Reduction Amount (defined below), if any, plus the Net QAF Increase Amount (defined below), if any, plus any amounts (x) held by the PACE Trustee as an interest or fee reserve on account the PACE Obligations on the Closing Date and (y) remitted to CSCDA by Seton pursuant to the Special Assessments from and after the date of execution of this Agreement by Buyer up to and including the Closing Date, minus the Deposit (defined below).

(d) For purposes of this Agreement, the “**QAF Program**” means the California Department of Health Care Services Hospital Quality Assurance Fee Programs IV (“**QAF IV**”) and V (“**QAF V**”). During the period prior to Closing, Sellers shall pay any fees owing under QAF IV and QAF V, and Sellers shall be entitled to retain all payments received under QAF IV and QAF V. At Closing, Sellers shall credit to the Cash Consideration the amount by which payments received under QAF IV and QAF V between the Signing Date and Closing exceed the sum of (i) fees paid under QAF IV and QAF V during such period plus (ii) the amount of fees which are unpaid and owing as of the Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V (the “**Net QAF Reduction Amount**”), as provided above in Section 1.1(c). At Closing, Purchaser shall pay Sellers (as an increase to the Cash Consideration) the amount by which the sum of (i) fees paid under QAF IV and QAF V between the Signing Date and Closing plus (ii) the amount of fees which are unpaid and owing as of Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V exceeds payments received under QAF IV and QAF V during such period (the “**Net QAF Increase Amount**”), as provided above in Section 1.1(c).

(e) Purchaser shall, prior to Closing, be permitted to communicate with holders of secured debt of the Sellers regarding the possible assumption by Purchaser of all or a portion of such debt at the Closing. If Purchaser agrees to assume any such debt at the Closing, Purchaser and Sellers shall negotiate an appropriate credit to the Purchase Price for such assumption of debt.

1.2 **Deposit.** Purchaser, by wire transfer to an account designated by Sellers has made a good faith deposit in the amount of Thirty Million Dollars (\$30,000,000) on the date hereof (the “**Deposit**”). The Deposit shall be non-refundable in all events, except as provided in Section 6.1(b) or Section 6.2, or in the event Purchaser has terminated this Agreement pursuant to Section 9.1 (other than Section 9.1(b)) or as set forth in Section 9.2, in which case Seller shall immediately return the Deposit to Purchaser with all interest earned thereon. Upon Closing, the Deposit will



be credited against the Purchase Price. Pending the Closing, or until this Agreement is terminated, the Deposit shall be deposited in an interest bearing account, with interest credited to Purchaser, at a federally-insured financial institution mutually acceptable to Purchaser and Sellers. In addition, on the Signing Date, Purchaser shall deliver to Sellers executed letters from its financing sources, in form and substance satisfactory to Sellers in their discretion.

1.3 Closing Date. The consummation of the transactions contemplated by this Agreement (the “**Closing**”) shall take place at 10:00 a.m. local time at the offices of Dentons US LLP, 601 South Figueroa St., Suite 2500, Los Angeles, CA 90017-5704 (the day on which Closing actually occurs, the “**Closing Date**”) promptly but no later than ten (10) business days following the satisfaction or waiver of the conditions set forth in ARTICLE 7 and ARTICLE 8, other than those conditions that by their nature are to be satisfied at Closing but subject to fulfillment or waiver of those conditions. The Closing shall be deemed to occur and to be effective as of 11:59 p.m. Pacific time on the Closing Date (the “**Effective Time**”).

1.4 Items to be Delivered by Sellers at Closing. At or before the Closing, Sellers shall deliver, or cause to be delivered, to Purchaser the following:

1.4.1 a Bill of Sale substantially in the form of Exhibit 1.4.1 attached hereto (the “**Bill of Sale**”), duly executed by each Seller, with respect to the Assets;

1.4.2 Real Estate Assignment and Assumption Agreements (the “**Real Estate Assignments**”) in the form of Exhibit 1.4.2 attached hereto with respect to (i) the Leased Real Property, and (ii) the Tenant Leases, each duly executed by each Seller;

1.4.3 a Quitclaim Deed (the “**Deed**”) in the form of Exhibit 1.4.2 attached hereto with respect to the real property listed in Schedule 1.4.3, together with all plant, buildings, structures, installments, improvements, fixtures, betterments, additions and constructions in progress situated thereon (collectively, the “**Owned Real Property**”) duly executed by each Seller;

1.4.4 an Assumption Agreement (the “**Assumption Agreement**”) in the form of Exhibit 1.4.2 attached hereto with respect to the Assumed Obligations duly executed by each Seller;

1.4.5 favorable original certificates of good standing, of each Seller, issued by the State of California, dated no earlier than a date which is fifteen (15) calendar days prior to the Closing Date;

1.4.6 a duly executed certificate of an officer of each Seller certifying to Purchaser (i) the incumbency of the officers of such Seller on the Signing Date and on the Closing Date and bearing the authentic signatures of all such officers who shall execute this Agreement and any additional documents contemplated by this Agreement and (ii) the due adoption and text of the resolutions or consents of the Board of Directors of such Seller authorizing (I) the transfer of the Assets and transfer of the Assumed Obligations by such Seller to Purchaser and (II) the due execution, delivery and performance of this Agreement and all additional documents contemplated



by this Agreement, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

1.4.7 a certified copy of the Sale Order (as defined below);

1.4.8 a Transition Services Agreement (the “**Transition Services Agreement**”) in form and substance satisfactory to Sellers and Purchaser, in their reasonable discretion, granting to Sellers use of certain assets, systems and personnel identified in such agreement solely in connection with Sellers’ wind-down of the Businesses, the completion of the Bankruptcy Cases and the dissolution of Sellers (and following completion of such wind-down, Bankruptcy Cases and dissolution of Sellers, such Transition Services Agreement shall automatically terminate);

1.4.9 acknowledgements by CSCDA and the PACE Trustee that Purchaser is the Successor Property Owner and Obligated Party under the PACE Obligations and releases of the Sellers from any and all claims arising or accruing prior to the Closing Date, and

1.4.10 any such other instruments, certificates, consents or other documents which Purchaser and Sellers mutually deem reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

1.5 Items to be Delivered by Purchaser at Closing. At or before the Closing, Purchaser shall deliver or cause to be delivered to Sellers the following:

1.5.1 payment of the Cash Consideration subject to credits or plus payment to Sellers of all amounts as provided under Section 1.6;

1.5.2 evidence of payment of all Cure Costs required hereunder to be paid by Purchaser;

1.5.3 a duly executed certificate of the Secretary of Purchaser certifying to Sellers (a) the incumbency of the officers of Purchaser on the Signing Date and on the Closing Date and bearing the authentic signatures of all such officers who shall execute this Agreement and any additional documents contemplated by this Agreement and (b) the due adoption and text of the resolutions of the Board of Directors of Purchaser authorizing the execution, delivery and performance of this Agreement and all additional documents contemplated by this Agreement, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

1.5.4 favorable original certificate of good standing, of Purchaser, issued by the California Secretary of State dated no earlier than a date which is fifteen (15) calendar days prior to the Closing Date;

1.5.5 the Bill of Sale, duly executed by Purchaser;

1.5.6 the Real Estate Assignment(s), duly executed by Purchaser;

1.5.7 the Assumption Agreement, duly executed by Purchaser;



1.5.8 the License Agreement referenced in Section 1.7(q);

1.5.9 the Transition Services Agreement; and

1.5.10 any such other instruments, certificates, consents or other documents which Purchaser and Sellers mutually deem reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

1.6 Prorations and Utilities. All items of income and expense listed below with respect to the Assets shall be prorated in accordance with the principles and the rules for the specific items set forth hereafter:

1.6.1 All transfer, conveyance, sales, use, stamp, similar state and local taxes arising from the sale of the Assets hereunder shall be the responsibility of, and allocated to, Purchaser.

1.6.2 Other than the Utility Deposits (defined below), which are governed by Section 1.8(j), and other than with respect to Cure Costs payable by Purchaser, the following costs and expenses shall be prorated based upon the payment period (*i.e.*, calendar or other tax fiscal year) to which the same are attributable: all real estate and personal property lease payments, real estate and personal property taxes, real estate assessments, other than the PACE Special Assessments and other similar charges against real estate, and power and utility charges (collectively, the “**Prorated Charges**”) on the Assets. Each Seller shall pay its respective portion at or prior to the Closing (or Purchaser shall receive credit for) of any unpaid Prorated Charges attributable to periods or portions thereof occurring prior to the Effective Time, and Purchaser shall assume as an Assumed Liability or, to the extent previously paid by any Seller, pay to such Seller at the Closing all Prorated Charges attributable to periods or portions thereof occurring from and after the Effective Time. In the event that as of the Closing Date the actual tax bills for the tax year or years in question are not available and the amount of taxes to be prorated as aforesaid cannot be ascertained, then rates, millages and assessed valuation of the previous year, with known changes, shall be used. The parties agree that if the real estate and personal property tax prorations are made based upon the taxes for the preceding tax period, the prorations shall be re-prorated after the Closing. As to power and utility charges, “final readings” as of the Closing Date shall be ordered from the utilities; the cost of obtaining such “final readings,” if any, shall be paid by Purchaser.

1.6.3 Sellers shall be entitled to all rents and other payments under Tenant Leases accruing for the period prior to the Effective Time (“**Pre Effective Time Lease Amounts**”), and Purchaser shall be entitled to all rents and other payments under tenant leases accruing for the period after the Effective Time (“**Post Effective Time Lease Amounts**” and together with the Pre Effective Time Lease Amounts, the “**Lease Amounts**”). All Lease Amounts that are collected prior to the Closing shall be prorated as of the Closing in accordance with the immediately preceding sentence. All Lease Amounts that are accrued but uncollected as of the Closing (including, without limitation, rents and other payments accrued prior to the Closing but payable in arrears after the Closing) (collectively, the “**Unpaid Amounts**”) shall belong to Sellers, and Purchaser shall, upon receipt of said rents and other payments, receive the same in trust for Sellers and shall promptly remit any of such amounts to the applicable Seller within ten (10) days after



Purchaser's receipt of same. For the avoidance of doubt, all rental payments received after Closing shall be first applied to any amounts owed to the Sellers under this Section 1.6.3.

1.6.4 All prorations and payments to be made under the foregoing provisions shall be agreed upon by Purchaser and Sellers prior to the Closing and shall be binding upon the parties; provided, however, with respect to the Unpaid Amounts, in the event any proration, apportionment or computation shall prove to be incorrect for any reason, then either the applicable Seller or Purchaser shall be entitled to an adjustment to correct the same, provided that said party makes written demand on the party from whom it is entitled to such adjustment within thirty (30) calendar days after the erroneous payment or computation was made, or such later time as may be required, in the exercise of due diligence, to obtain the necessary information for proration. This Section 1.6 shall survive Closing.

1.7 Transfer of Assets of Sellers. On the Closing Date and subject to the terms and conditions of this Agreement, each Seller shall sell, assign, transfer, convey and deliver to Purchaser, free and clear of all liens, claims, interests and encumbrances other than the Permitted Exceptions (defined below), and Purchaser shall acquire, all of each Seller's right, title and interest in and to only the following assets and properties, as such assets shall exist on the Closing Date, in each case (notwithstanding anything else in this Agreement) solely to the extent used primarily in the conduct of the Businesses and to the extent not included among the Excluded Assets, such transfer being deemed to be effective at the Effective Time:

(a) all of the tangible personal property owned by such Hospital Seller, or to the extent assignable or transferable by each Hospital Seller, leased, subleased or licensed by such Hospital Seller, and used by such Seller in the operation of the Hospital of such Hospital Seller, including equipment, furniture, fixtures, machinery, vehicles, office furnishings and leasehold improvements (the "**Personal Property**");

(b) all of such Hospital Seller's rights, to the extent assignable or transferable, to all Medicare and Medi-Cal provider agreements, permits, approvals, certificates of exemption, franchises, accreditations and registrations and other governmental licenses, permits or approvals issued to such Seller for use in the operation of the Hospital of such Hospital Seller (the "**Licenses**"), including, without limitation, the Licenses and Medicare/Medi-Cal Provider Agreements set forth on Schedule 1.7(b), except to the extent Purchaser elects, in its discretion, not to take assignment of any such Licenses;

(c) all of such Hospital Seller's interest in and to the Owned Real Property and all of such Hospital Seller's interest, to the extent assignable or transferable, in and to all of the following (the "**Assumed Leases**"): (i) personal property leases with respect to the operation of the Hospital of such Hospital Seller (including leases for assets described in Section 1.7(i)), (ii) the real property leases for all real property leased by such Hospital Seller and set forth on Schedule 1.7(c)(ii) (the "**Leased Real Property**"), and (iii) the real property leased or subleased by such Seller to a third party and set forth on Schedule 1.7(c)(iii) (the "**Tenant Leases**");

(d) all of such Hospital Seller's interest, to the extent assignable or transferable, in and to all contracts and agreements (including, but not limited to, purchase orders) with respect



to the operation of the Hospital of such Hospital Seller that have been designated by Purchaser as a contract to be assumed pursuant to Section 1.11 (the “**Assumed Contracts**”);

(e) other than the Excluded Settlements and Actions (defined below), all claims, rights, interests and proceeds (whether received in cash or by credit to amounts otherwise due to a third party) with respect to amounts overpaid by such Seller to any third party health plans with respect to periods prior to the Effective Time (e.g. such overpaid amounts may be determined by billing audits undertaken by such Seller or such Seller’s consultants), except with respect to any causes of action or proceeds thereof arising under Chapter 5 of the Bankruptcy Code other than with respect to Assumed Contracts and Assumed Leases and other items described in Section 1.8(h);

(f) to the extent assignable or transferable, all inventories of supplies, drugs, food, janitorial and office supplies and other disposables and consumables (i) located at the Hospital of such Seller or (ii) used in the operation of the Hospital of such Seller (the “**Inventory**”) except as set forth in Section 1.8(e);

(g) other than Utility Deposits, all prepaid rentals, deposits, prepayments (excluding prepaid insurance and prepaid taxes) and similar amounts relating to the Assumed Contracts and/or the Assumed Leases, which were made with respect to the operation of the Hospital of such Hospital Seller (the “**Prepays**”);

(h) to the extent assignable or transferrable, all of the following that are not proprietary to such Seller and/or owned by or proprietary to such Hospital Seller’s affiliates: operating manuals, files and computer software with respect to the operation of the Hospital of such Hospital Seller, including, without limitation, all patient records, medical records, employee records, financial records, equipment records, construction plans and specifications, and medical and administrative libraries; *provided, however*, that any patient records and medical records which are not required by law to be maintained by such Hospital Seller as of the Effective Time shall be an Excluded Asset;

(i) to the extent assignable or transferrable (and if leased, to the extent the associated lease is transferrable), including any assignment which is made effective pursuant to the Sale Order where the consent of a third party is required pursuant to the terms of an applicable agreement but not obtained, all systems, servers, computers, hardware, firmware, middleware, telecom equipment, networks, data communications lines, routers, hubs, switches and all other information technology equipment, and all associated documentation owned, leased or licensed by Sellers and used by Sellers with respect to the operations of the Hospitals;

(j) all Measure B trauma funding received after the Signing Date to be paid related to service periods ending on or after the Signing Date (pro rated between Purchaser and Sellers for any such payments covering service periods which include days both before and after the Signing Date based upon the number of days in the relevant payment period before the Signing Date (for the account of Sellers) and after the Signing Date (for the account of Purchaser));

(k) Except for as stated in Section 1.7(j), all accounts and interest thereupon, notes and interest thereupon and other receivables of such Seller, including, without limitation,



accounts, notes or other amounts receivable, disproportionate share payments and all claims, rights, interests and proceeds related thereto, including all accounts and other receivables, and Seller Cost Report settlements related thereto, in each case arising from the rendering of services or provision of goods, products or supplies to inpatients and outpatients at the Hospital of such Seller, billed and unbilled, recorded and unrecorded, for services, goods, products and supplies provided by such Seller prior to the Effective Time whether payable by Medicare, Medicaid, or any other payor (including an insurance company), or any health care provider or network (such as a health maintenance organization, preferred provider organization or any other managed care program) or any fiscal intermediary of the foregoing, private pay patients, private insurance or by any other source (collectively, “**Accounts Receivable**”);

(l) all rights, claims and causes of action of such Seller to the extent related to and/or to the extent arising out of the Accounts Receivable acquired by Purchaser at the Closing;

(m) other than the Excluded Settlements and Actions, all regulatory settlements, rebates, adjustments, refunds or group appeals, including without limitation pursuant to all cost reports filed by Sellers for payment or reimbursement from government payment programs and other payors with respect to periods after the Signing Date;

(n) other than the Excluded Settlements and Actions, all casualty insurance proceeds arising in respect of casualty losses occurring after the Signing Date in connection with the ownership or operation of the Assets;

(o) other than the Excluded Settlements and Actions, all surpluses arising out of any risk pools, shared savings program or accountable care organization arrangement to which any Seller is party on the Closing Date, in each case to the extent Purchaser assumes the underlying contract relating to such risk pools, shared savings program or accountable care organization arrangement;

(p) all transferable unclaimed property of any Person in Sellers’ possession as of the Closing Date, including, without limitation, property which is subject to applicable escheat laws;

(q) to the extent assignable or transferable by Sellers without out-of-pocket expense to Sellers, all warranties (including warranties of any manufacturer or vendor) on or in connection with the Assets (including the Personal Property) in favor of the Hospitals or Sellers;

(r) the right to use the names “St. Francis Medical Center”, “St. Vincent Medical Center”, “Seton Medical Center” and “Seton Medical Center Coastside”, including any trademarks, service marks, trademark and service mark registrations and registration applications, trade names, trade name registrations, logos, domain names, trade dress, copyrights, copyright registrations, website content, know-how, trade secrets and the corporate or company names of Sellers and the names of the Hospitals, together with all rights to sue and recover damages for infringement, dilution, misappropriation or other violation or conflict associated with any of the foregoing; at the Closing, Purchaser will execute and deliver to Sellers the Transition Services Agreement granting to Sellers an unlimited, royalty free, irrevocable license to use any and all of the foregoing solely in connection with the wind-down of the Businesses, the completion of the



Bankruptcy Cases and the dissolution of Sellers (and following completion of such wind-down, Bankruptcy Cases and dissolution of Sellers, such license shall automatically terminate);

(s) all goodwill of the Hospital of such Hospital Seller evidenced by or associated with any of the Assets;

(t) to the extent transferable or assignable, such Hospital Seller's right or interest in the telephone and facsimile numbers and uniform resource locaters used with respect to the operation of the Hospital of such Hospital Seller;

(u) each such Hospital Seller's Medicare and Medi-Cal provider agreements and lockbox account(s) identified on **Schedule 1.7(u)**;

(v) all documents, records, correspondence, work papers and other documents, other than patient records, primarily relating to the Accounts Receivable;

(w) with respect to Verity Holdings, the assets represented by the assessor's parcel numbers (APN's) listed in **Schedule 1.7(w)** hereof (the "**Purchased Verity Holdings Assets**");

(x) except for the Excluded Assets, to the extent assignable or transferable, and subject to the Permitted Exceptions, any other assets owned by such Hospital Seller (which are not otherwise specifically described above in this Section 1.7) that are used in the operation of the Hospital of such Hospital Seller;

(y) all of Seton's interest in and to the PACE Obligations; and

(z) all QAF V and subsequent QAF program payments received after the Closing (e.g., QAF VI and QAF VII).

As used herein, the term "**Permitted Exceptions**" means (i) the Assumed Obligations; (ii) the PACE Obligations; (iii) liens for taxes not yet due and payable (iv) easements, rights of way, zoning ordinances and other similar encumbrances affecting real property; (v) other imperfections of title or encumbrances, if any, which are not monetary in nature and that are not, individually or in the aggregate, material to the business of the Hospital; (vi) any agreements made with any governmental authority in order to obtain any consent or approval, including, without limitation, in connection with the Medicare and Medi-Cal provider agreements; and (vii) other imperfections of title or encumbrances that are expressly identified on **Schedule 1.7** hereof.

1.8 Excluded Assets. Notwithstanding anything to the contrary in Section 1.7, each Seller shall retain all interests, rights and other assets owned directly or indirectly by it (or any of such Seller's affiliates) which are not among the Assets, including, without limitation, the following interests, rights and other assets of such Seller (collectively, the "**Excluded Assets**");

(a) cash, cash equivalents and short-term investments;



(b) all Seller Plans (defined below) and the assets of all Seller Plans and any asset that would revert to the employer upon the termination of any Seller Plan, including, without limitation, any assets representing a surplus or overfunding of any Seller Plan;

(c) all contracts that are not Assumed Contracts;

(d) all leases that are not Assumed Leases;

(e) the portions of Inventory, Prepaids, and other assets disposed of, expended or canceled, as the case may be, by such Seller after the Signing Date and prior to the Effective Time in the ordinary course of business;

(f) assets owned and provided by vendors of services or goods to the Hospital of such Hospital Seller;

(g) all of such Seller's organizational or corporate record books, minute books, tax returns, tax records and reports, data, files and documents, including electronic data related thereto;

(h) all claims, counterclaims and causes of action of such Seller or such Seller's bankruptcy estate (including parties acting for or on behalf of such Seller's bankruptcy estate, including, but not limited to, the official committee of unsecured creditors appointed in the Bankruptcy Cases), including, without limitation, rights of recovery or set-off of every kind and character against third parties, causes of action arising out of any claims and causes of action under chapter 5 of the Bankruptcy Code and any related claims, counterclaims and causes of action under applicable non-bankruptcy law, and any rights to challenge liens asserted against property of such Seller's bankruptcy estate, including, but not limited to, liens attaching to the Purchase Price paid to such Seller, and the proceeds from any of the foregoing;

(i) other than casualty insurance proceeds described in Section 1.7(m), all insurance policies and contracts and coverages obtained by such Seller or listing such Seller as insured party, a beneficiary or loss payee, including prepaid insurance premiums, and all rights to insurance proceeds under any of the foregoing, and all subrogation proceeds related to any insurance benefits arising from or relating to Assets prior to the Closing Date;

(j) all deposits made with any entity that provides utilities to the Hospital (the **"Utility Deposits"**);

(k) all rents, deposits, prepayments, and similar amounts relating to any contract or lease that is not an Assumed Contract or Assumed Lease;

(l) all non-transferrable unclaimed property of any third party as of the Effective Time, including, without limitation, property which is subject to applicable escheat laws;

(m) all other bank accounts of such Sellers not listed on **Schedule 1.7(u)**;



(n) all writings and other items that are protected from discovery by the attorney-client privilege, the attorney work product doctrine or any other cognizable privilege or protection;

(o) the rights of such Seller to receive mail and other communications with respect to Excluded Assets or Excluded Liabilities;

(p) all director and officer insurance;

(q) all tax refunds of such Seller;

(r) all documents, records, operating manuals and film pertaining to the Hospital that the parties agree that such Seller is required by law to retain;

(s) all patient records and medical records which are not required by law to be maintained by such Seller as of the Effective Time;

(t) all documents, records, correspondence, work papers and other patient records that may not be transferred under applicable law, and any other documents, records, or correspondence (including with respect to any employees) that may not be transferred under applicable law;

(u) any rights or documents relating to any Excluded Liability or other Excluded Asset;

(v) any rights or remedies provided to such Seller under this Agreement and each other document executed in connection with the Closing;

(w) any (i) personnel files for employees of such Seller who are not hired by Purchaser; (ii) other books and records that such Seller is required by Law to retain; provided, however, that except as prohibited by Law and subject to Article 5, Purchaser shall have the right to make copies of any portions of such retained books and records that relate to the business of the Hospital as conducted before the Closing or that relate to any of the Assets; (iii) documents which such Seller is not permitted to transfer pursuant to any contractual obligation owed to any third party; (iv) documents primarily related to any Excluded Assets; and (v) documents necessary to prepare tax returns (Purchaser shall be entitled to a copy of such documents). With respect to documents necessary to prepare cost reports, Purchaser shall receive the original document and such Seller shall be entitled to retain a copy of such documents for any period ending on or prior to the Closing Date;

(x) all deposits or other prepaid charges and expenses paid in connection with or relating to any other Excluded Assets;

(y) all rights, claims and causes of action of such Seller to the extent related to and/or to the extent arising out of the receivables identified in **Schedule 1.8(y)** and rights to settlements and retroactive adjustments, if any, whether arising under a Seller Cost Report or otherwise, for any reporting periods ending on or prior to the Effective Time, whether open or closed, arising from or against the United States government under the terms of the Medicare



program or TRICARE (formerly the Civilian Health and Medical Program of the Uniformed Services);

(z) all pre-Closing settlements or settlements pursuant to adversary proceedings in the Bankruptcy Cases, including, without limitation, any proceedings identified in Section 1.8(h) or 1.8(y) (together with the items identified in Section 1.8(h) and 1.8(y), the “**Excluded Settlements and Actions**”);

(aa) for the avoidance of doubt, all QAF IV and QAF V payments actually received prior to the Signing Date;

(bb) all assets of Verity Holdings other than the Purchased Verity Holdings Assets and all assets of any of the tenants located in the leased premises of the purchased Verity Holdings properties; and

(cc) any assets identified in Schedule 1.8(cc).

1.9 Assumed Obligations. On the Closing Date, each Seller shall assign, and Purchaser shall assume and agrees to discharge, perform and satisfy fully, on and after the Effective Time, the following liabilities and obligations of such Seller and only the following liabilities and obligations (collectively, the “**Assumed Obligations**”):

(a) the Assumed Contracts and all liabilities of such Seller under the Assumed Contracts, including related Cure Costs;

(b) the Assumed Leases and all liabilities of such Seller under the Assumed Leases, including related Cure Costs;

(c) all liabilities and obligations arising out of or relating to any act, omission, event or occurrence connected with the use, ownership or operation by Purchaser of the Hospital or any of the Assets on or after the Effective Time;

(d) all accrued vacation and other paid time off, to the extent assumed under Section 1.1(a)(ii);

(e) all liabilities and obligations of such Seller related to the Hired Employees arising on or following the Effective Time;

(f) all unpaid real and personal property taxes, if any, that are attributable to the Assets after the Effective Time, subject to the prorations provided in Section 1.6;

(g) all liabilities and obligations relating to utilities being furnished to the Assets, subject to the prorations provided in Section 1.6;

(h) any documentary, sales and transfer tax liabilities of such Seller incurred as a result of the consummation of the transaction contemplated by this Agreement;

(i) all liabilities or obligations provided for in Section 5.3;



(j) any obligations or liabilities Purchaser may desire or need to assume in order to have the Certifications/Licenses/Permits identified on Schedule 1.7(b) reissued to Purchaser, as well as any liabilities or obligations associated with Sellers' Medicare and Medi-Cal provider agreements, but only to the extent assumed by Purchaser, and any Medi-Cal liabilities or obligations needed to support ongoing Hospital Quality Assurance Fee Program payments; and

(k) any other obligations and liabilities identified in Schedule 1.9(k).

1.10 Excluded Liabilities. Purchaser shall not assume or become responsible for any duties, obligations or liabilities of any Seller that are not assumed by Purchaser pursuant to the terms of this Agreement, the Bill of Sale, the Assumption Agreement or the Real Estate Assignment(s) (the "**Excluded Liabilities**"), and each Seller shall remain fully and solely responsible for all of such Seller's debts, liabilities, contract obligations, expenses, obligations and claims of any nature whatsoever related to the Assets or the Hospital unless assumed by Purchaser under this Agreement, in the Bill of Sale, the Assumption Agreement or in the Real Estate Assignment(s).

1.11 Designation of Assumed Contracts and Assumed Leases.

(a) Except as provided in Section 1.11(b), all contracts and leases will be subject to evaluation by Purchaser for assumption or rejection (collectively "**Evaluated Contracts**"). Not later than seven (7) days prior to the date of the auction for the Assets (i) Purchaser shall notify each Seller in writing of which Evaluated Contracts are to be assumed by such Seller and assigned to Purchaser and (ii) Purchaser shall notify each Seller in writing signed and dated by Purchaser of which Evaluated Contracts are to be rejected by such Seller (collectively, the "**Rejected Contracts**"); provided, that Purchaser shall have the right to designate additional Evaluated Contracts for assumption up to thirty (30) days prior to Closing. Each Seller shall file such motions in the Bankruptcy Court and take such other actions as are reasonably necessary to ensure that final and non-appealable orders are entered (x) assuming and assigning the respective Assumed Contracts or Assumed Leases applicable to such Seller to Purchaser and (y) rejecting the Rejected Contracts. With respect to each Assumed Lease, the applicable Seller shall execute and deliver to Purchaser an Assignment and Assumption of Lease. Notwithstanding anything to the contrary set forth in this Agreement, the Rejected Contracts shall constitute part of the Excluded Assets pursuant to, and as defined in, this Agreement.

(b) At Closing and pursuant to an order of the Bankruptcy Court, each Seller will assume and immediately assign to Purchaser the leases of such Seller for Leased Real Property and the Tenant Leases.

(c) Notwithstanding the foregoing, Purchaser's obligation to consummate the transactions contemplated by this Agreement are not contingent upon the assumption, assignment or rejection of any contract or lease, or on the amount of any payment or other performance needed to cure any default thereunder.



1.12 Disclaimer of Warranties; Release.

(a) THE ASSETS TRANSFERRED TO PURCHASER WILL BE SOLD BY SELLERS AND PURCHASED BY PURCHASER IN THEIR PHYSICAL CONDITION AT THE EFFECTIVE TIME, “AS IS, WHERE IS AND WITH ALL FAULTS AND NONCOMPLIANCE WITH LAWS” WITH NO WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, USAGE, WORKMANSHIP, QUALITY, PHYSICAL CONDITION, OR VALUE, AND ANY AND ALL SUCH OTHER REPRESENTATIONS AND WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED, AND WITH RESPECT TO THE LEASED REAL PROPERTY WITH NO WARRANTY OF HABITABILITY OR FITNESS FOR HABITATION, INCLUDING, WITHOUT LIMITATION, THE LAND, THE BUILDINGS AND THE IMPROVEMENTS. ALL OF THE PROPERTIES, ASSETS, RIGHTS, LICENSES, PERMITS, PRIVILEGES, LIABILITIES, AND OBLIGATIONS OF SELLERS INCLUDED IN THE ASSETS AND THE ASSUMED OBLIGATIONS ARE BEING ACQUIRED OR ASSUMED “AS IS, WHERE IS” ON THE CLOSING DATE AND IN THEIR PRESENT CONDITION, WITH ALL FAULTS. ALL OF THE TANGIBLE ASSETS SHALL BE FURTHER SUBJECT TO NORMAL WEAR AND TEAR AND NORMAL AND CUSTOMARY USE OF THE INVENTORY AND SUPPLIES IN THE ORDINARY COURSE OF BUSINESS UP TO THE EFFECTIVE TIME.

(b) Purchaser acknowledges that Purchaser will be examining, reviewing and inspecting all matters which in Purchaser’s judgment bear upon the Assets, the Sellers, the Hospitals, the business of the Hospitals and their value and suitability for Purchaser’s purposes and is relying solely on Purchaser’s own examination, review and inspection of the Assets and Assumed Obligations. Purchaser releases each Seller and its affiliates from all responsibility and liability regarding the condition, valuation, salability or utility of the business of the Hospitals or the Assets, or their suitability for any purpose whatsoever. Purchaser further acknowledges that the representations and warranties of Sellers contained in ARTICLE 2 of this Agreement are the sole and exclusive representations and warranties made by Sellers to Purchaser (including with respect to the Hospitals, the Assets and the Assumed Obligations) and shall expire, and be of no further force or effect after January 8, 2019 (the period from the Signing Date until January 8, 2019, the “**Final Diligence Period**”), except that the Sale Order Date Representations shall expire, and be of no further force or effect upon the Sale Order Date, and in each case Sellers shall not have any liability in respect of any breach thereof following such expiration.



## ARTICLE 2

### REPRESENTATIONS AND WARRANTIES OF SELLERS

Each Seller hereby represents, warrants and covenants to Purchaser, severally (and not jointly) with respect to such Seller that the following matters are true and correct as of the Signing Date and as of the last day of the Final Diligence Period, except as would not have a material adverse effect upon the Hospitals, taken as a whole (a “**Material Adverse Effect**”) and except as disclosed in the disclosure schedule, as may be amended pursuant to the terms of this Agreement (the “**Disclosure Schedule**”), provided that the representations and warranties set forth in Sections 2.1 (Authorization), 2.2 (Binding Agreement), 2.3 (Organization and Good Standing; No Violation), 2.8 (Compliance with Legal Requirements), 2.9 (Required Consents), 2.11 (Title) and 2.14 (Legal Proceedings) (the “**Sale Order Date Representations**”) shall also be made as of immediately prior to the entry of the Sale Order (the “**Sale Order Date**”):

2.1 Authorization. Such Seller has all necessary corporate power and authority to enter into this Agreement and, subject to Bankruptcy Court approval, to carry out the transactions contemplated hereby.

2.2 Binding Agreement. This Agreement has been duly and validly executed and delivered by such Seller and, assuming due and valid execution by Purchaser, this Agreement constitutes a valid and binding obligation of such Seller enforceable in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies. Except for such corporate actions which have been taken on or before the date hereof, no other corporate action on the part of Sellers is necessary to authorize the execution, delivery and performance of this Agreement and the transactions contemplated hereby and thereby.

2.3 Organization and Good Standing; No Violation.

(a) Such Seller is an entity duly organized, validly existing and in good standing under the laws of the State of California. Such Seller has all necessary power and authority to own, operate and lease its properties and to carry on its businesses as now conducted.

(b) Neither the execution and delivery by such Seller of this Agreement nor the consummation of the transactions contemplated hereby by such Seller nor compliance with any of the material provisions hereof by such Seller, will violate, conflict with or result in a breach of any material provision of such Seller’s articles of incorporation or bylaws or any other organizational documents of such Seller.

2.4 Contracts. Except as set forth in Schedule 2.4, upon entry of the Sale Order and Purchaser’s payment of the Cure Costs, to Seller’s knowledge, Seller is not in material breach or default of the Assumed Contracts or Assumed Leases. No provision of this Section 2.4 shall apply to any failure to obtain consents to the assignment of the Assumed Contracts and Assumed Leases from third parties to the Assumed Contracts and Assumed Leases for which consent is required to



assign the Assumed Contracts and Assumed Leases to Purchaser (the “**Contract and Lease Consents**”).

2.5 Brokers and Finders. Except as set forth on Schedule 2.5, neither such Seller nor any affiliate thereof, nor any officer or director thereof, have engaged or incurred any liability to any finder, broker or agent in connection with the transactions contemplated hereunder.

2.6 Seller Knowledge. References in this Agreement to “Sellers’ knowledge or “the knowledge of Sellers” means the actual knowledge of the Chief Executive Officer or Chief Financial Officer of the applicable Seller, without independent research. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

2.7 Non-Contravention. Neither the execution and delivery by Sellers of this Agreement and each Ancillary Agreement nor performance of any of the material provisions hereof by Sellers, will violate, conflict with or result in a breach of any material provisions of the articles of incorporation or bylaws of Sellers.

2.8 Compliance with Legal Requirements. Except as set forth in Schedule 2.8, to the knowledge of Sellers: each Seller, with respect to the operation of the Hospitals, is in material compliance with all applicable laws, statutes, ordinances, orders, rules, regulations, policies, guidelines, licenses, certificates, judgments or decrees of all judicial or governmental authorities (federal, state, local, foreign or otherwise) (collectively, “**Legal Requirements**”). Except as set forth in Schedule 2.8, to the knowledge of Sellers, none of the Sellers, with respect to the operation of the Hospitals, has been charged in writing with or been given written notice of or is under investigation with respect to, any material violation of, or any obligation to take material remedial action under, any applicable Legal Requirements.

2.9 Required Consents. Except as set forth in Schedule 2.9, and other than in connection with any Licenses, any provider agreements (including any such agreements with a governmental authority) and the CA AG (defined below), Sellers are not a party to or bound by, nor are any of the Assets subject to, any mortgage, or any material lien, deed of trust, material lease, or material contract or any material order, judgment or decree which, after giving effect to the Sale Order (a) will require the consent of any third party to the execution of this Agreement or (b) will require the consent of any third party to consummate the transactions contemplated by this Agreement.

2.10 Environmental Matters.

(a) Sellers have provided Purchasers with the Phase I Environmental Site Assessments set forth in said Schedule 2.10(a).

(b) Except as disclosed in Schedule 2.10(b), to the knowledge of Sellers, the operations of the Hospitals are not in material violation of any applicable limitations, restrictions, conditions, standards, prohibitions, requirements and obligations of Environmental Laws and related orders of any court or any other governmental authority.



(c) For the purposes of this Section, the term “**Environmental Laws**” shall mean all state, federal or local laws, ordinances, codes or regulations relating to Hazardous Substances or to the protection of the environment, including, without limitation, laws and regulations relating to the storage, treatment and disposal of medical and biological waste. For purposes of this Agreement, the term “**Hazardous Substances**” shall mean (i) any hazardous or toxic waste, substance, or material defined as such in (or for the purposes of) any Environmental Laws, (ii) asbestos-containing material, (iii) medical and biological waste, (iv) polychlorinated biphenyls, (v) petroleum products, including gasoline, fuel oil, crude oil and other various constituents of such products, and (vi) any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any Environmental Laws.

2.11 Title. Prior to December 21, 2018, Sellers have delivered at their own expense (i) for all the Real Property preliminary title reports issued by First American Title Insurance Company (the “**Title Commitments**”), (ii) for all of the Real Property all underlying title documents listed on the Title Commitments (the “**Underlying Title Documents**”), and (iii) for all of the Hospitals an as-built ALTA Surveys (the “**Surveys**”, and collectively with the Title Commitment and the Underlying Title Documents, the “**Title Documents**”).

2.12 Certain Other Representations with Respect to the Hospitals.

(a) Except as set forth in Schedule 2.12, all Licenses which are material and necessary to the operation of the Hospitals or the Hospitals by Sellers are valid and in good standing and Sellers are in compliance with the terms and conditions of all such Licenses in all material respects, in each case except where the failure to be valid and in good standing or in compliance would not have a material adverse effect on the Assets or the Hospitals. Except as set forth in Schedule 2.12, as of the Closing Date Sellers will have any and all material Licenses required under Legal Requirements to conduct the Hospitals as presently conducted by Sellers, except where the failure to have any such License would not have a material adverse effect on the Assets or the Hospitals. To the knowledge of Sellers, no loss or expiration of any License is pending or threatened.

(b) Sellers are certified for participation in the Medicare, Medi-Cal and TRICARE programs and any other federal or state health care reimbursement programs in which they participate, and have current and valid provider agreements with each such program, except where the failure to be so certified or have such provider agreements would not have a material adverse effect.

(c) Sellers have not been excluded from Medicare, Medi-Cal or any federal or state health care reimbursement program, and, to the knowledge of Sellers, there is no pending or threatened exclusion action by a governmental authority against Sellers.

2.13 Financial Statements.

(a) Schedule 2.13(a) hereto contains the following financial statements (the “Historical Financial Statements”): (i) the unaudited balance sheets of the Sellers as of June 30,



2018; (ii) unaudited income statements of the Sellers for the twelve-month periods ended June 30, 2018; (iii) the audited consolidated income statements of Sellers for the years ended 2016 and 2017; and (iv) the unaudited consolidated balance sheet of Sellers as of June 30, 2018.

(b) the income statements contained in the Historical Financial Statements present, fairly in all material respects the results of the operations of the Sellers as of and for the periods covered therein and, except as set forth on Schedule 2.13(b), the balance sheets contained in the Historical Financial Statements (i) are true, complete and correct in all material respects; (ii) present, fairly in all material respects the financial condition of the Sellers as of the dates indicated thereon; and (iii) to the extent prepared by an independent certified public accounting firm, have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered, except as disclosed therein.

2.14 Legal Proceedings. Except as set forth on Schedule 2.14, and except for any and all cases and/or pleadings filed or to be filed in the Bankruptcy Court, which shall be available through Sellers' claims and noticing agent's website at <http://www.kccclcc.com/VERITYHEALTH/>, to the knowledge of Sellers, there are no material claims, proceedings or investigations pending or threatened with respect to the ownership of the Assets or the operation of the Hospitals or the Hospitals by Sellers before any governmental authority. Except as set forth on Schedule 2.14, and other than any action or proceeding brought in the Bankruptcy Court, to the knowledge of Sellers, Sellers are not subject to any government order with respect to the ownership or operation by Sellers of the Hospitals or the other Assets or the Hospitals and are in substantial compliance with respect to each such government order.

2.15 Employee Benefits. Schedule 2.15(a) contains a list of (i) each pension, profit sharing, bonus, deferred compensation, or other retirement plan or arrangement of Seller with respect to the operation of the Hospital, whether oral or written, which constitutes an "employee pension benefit plan" as defined in Section 3(2) of ERISA, (ii) each medical, health, disability, insurance or other plan or arrangement of Seller with respect to the operation of the Hospital, whether oral or written, which constitutes an "employee welfare benefit plan" as defined in Section 3(1) of ERISA, and (iii) each other employee benefit or perquisite provided by Seller with respect to the operation of the Hospital, in which any employee of Seller participates in his capacity as such (collectively, the "**Seller Plans**").

2.16 Personnel. Schedule 2.16 sets forth a complete list (as of the date set forth therein) of names, positions and current annual salaries or wage rates and scheduled bonus, and the accrued paid time off pay of all employees of Sellers (including employees of the Hospitals and employees of Verity and Verity Holdings) immediately prior to December 21, 2018, whether such employees are full time employees, part-time employees, on short-term or long-term disability or on leave of absence pursuant to Sellers's policies, the Family and Medical Leave Act of 1993 or other similar Legal Requirements (the "**Hospital Employees**") and indicating whether the Hospital Employee is full- time or part-time. Sellers shall have the right to update to Schedule 2.16(a) to reflect changes in employment status or new hires and terminations occurring after December 21, 2018 by providing a revised schedule to Purchase no later than five (5) Business Days before the date scheduled for the Closing.Insurance. Schedule 2.17 contains a list of all material insurance maintained by Sellers with respect to the Assets and the Businesses, as of the Signing Date.



2.18 Accounts Receivable. To the knowledge of Sellers, all Accounts Receivable included in the Assets at Closing result from the bona fide provision of products or services in the ordinary course of business. All Sellers Accounts Receivable are currently deposited, either electronically or manually, into the bank accounts listed on Schedule 4.25(b).

2.19 Payer Contracts. To the knowledge of Sellers, and subject to Section 365 of the Bankruptcy Code, Schedule 2.19 sets forth a complete list of all written contracts with private third party payers including insurance companies and HMOs (“**Payer Contracts**”). Sellers have provided Purchasers with a true and correct copy of all material Payer Contracts, whether or not entered into in the ordinary course of business, or otherwise required to be disclosed on Schedule 2.20, in each case together with all amendments thereto.

2.20 Excluded Individuals. Except as set forth on Schedule 2.20, to the knowledge of Sellers: neither Sellers, Hospitals nor any director, officer or employee of Sellers or Hospitals (a) was, is or is proposed to be, suspended, excluded from participation in, or sanctioned under, any federal or state health care program (including, without limitation, Medicare and Medicaid) (an “**Excluded Individual**”); (b) has been convicted of any criminal offense related to the delivery of any medical or health care services or supplies, or related to the neglect or abuse of patients; (c) has failed to maintain its current License to provide the services required to be provided by it to or on behalf of Sellers and Hospitals; or (d) is unable to obtain or maintain liability insurance consistent with commercially reasonable industry practices.

### ARTICLE 3

#### REPRESENTATIONS AND WARRANTIES OF PURCHASER

As an inducement to Sellers to enter into this Agreement and to consummate the transactions contemplated by this Agreement, Purchaser hereby represents, warrants and covenants to Sellers as to the following matters as of the Signing Date and, except as otherwise provided herein, shall be deemed to remake all of the following representations, warranties and covenants as of the Closing Date:

3.1 Authorization. Purchaser has full power and authority to enter into this Agreement and has full power and authority to perform its obligations hereunder and to carry out the transactions contemplated hereby. No additional internal consents are required in order for Purchaser to perform its obligations and agreements hereunder.

3.2 Binding Agreement. This Agreement has been duly and validly executed and delivered by Purchaser and, assuming due and valid execution by Sellers, this Agreement constitutes a valid and binding obligation of Purchaser enforceable in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies.

3.3 Organization and Good Standing. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of California, is or will be duly



authorized to transact business in the State of California, and has full power and authority to own, operate and lease its properties and to carry on its business as now conducted.

3.4 No Violation. Except as set forth in **Schedule 3.4**, neither the execution and delivery by Purchaser of this Agreement nor the consummation of the transactions contemplated hereby nor compliance with any of the material provisions hereof by Purchaser will (a) violate, conflict with or result in a breach of any material provision of the Articles of Incorporation, Bylaws or other organizational documents of Purchaser or any contract, lease or other instrument by which Purchaser is bound; (b) require any approval or consent of, or filing with, any governmental agency or authority, (c) violate any law, rule, regulation, or ordinance to which Purchaser is or may be subject, (d) violate any judgment, order or decree of any court or other governmental agency or authority to which Purchaser is subject.

3.5 Brokers and Finders. Neither Purchaser nor any affiliate thereof nor any officer or director thereof has engaged any finder or broker in connection with the transactions contemplated hereunder.

3.6 Representations of Sellers. Purchaser acknowledges that it is purchasing the Assets on an "AS IS, WHERE IS" basis (as more particularly described in Section 1.12), and that Purchaser is not relying on any representation or warranty (expressed or implied, oral or otherwise) made on behalf of any Seller other than as expressly set forth in this Agreement. Purchaser further acknowledges that no Seller is making any representations or warranties herein relating to the Assets or the operation of the Hospital on and after the Effective Time.

3.7 Legal Proceedings. Except as described on **Schedule 3.7**, there are no claims, proceedings or investigations pending or, to the best knowledge of Purchaser, threatened relating to or affecting Purchaser or any affiliate of Purchaser before any court or governmental body (whether judicial, executive or administrative) in which an adverse determination would materially adversely affect the properties, business condition (financial or otherwise) of Purchaser or any affiliate of Purchaser or which would adversely affect Purchaser's ability to consummate the transactions contemplated hereby. Neither Purchaser nor any affiliate of Purchaser is subject to any judgment, order, decree or other governmental restriction specifically (as distinct from generically) applicable to Purchaser or any affiliate of Purchaser which materially adversely affects the condition (financial or otherwise), operations or business of Purchaser or any affiliate of Purchaser or which would adversely affect Purchaser's ability to consummate the transactions contemplated hereby.

3.8 No Knowledge of a Seller's Breach. Neither Purchaser nor any of its affiliates has knowledge of any breach of any representation or warranty by any Seller or of any other condition or circumstance that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c). If information comes to Purchaser's attention on or before the Closing Date (whether through a Seller or otherwise and whether before or after the Signing Date) which indicates that Sellers have breached any of its representations and warranties under this Agreement, then the effect shall be as if the representations and warranties had been modified in this Agreement in accordance with the actual state of facts existing prior to the Effective Time such that there will be no breach under Sellers' representations and warranties in relation to such information; *provided, however*, that Purchaser must immediately notify Sellers if any such breach comes to its attention



on or before the Closing Date, and Purchaser's failure to so notify Sellers shall constitute a waiver by Purchaser of Sellers' breach, if any, of any representation or warranty. If any such information comes to Purchaser's attention on or before the Closing Date (whether through a Seller or otherwise, including through updated schedules, and whether before or after the Signing Date) that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c), Purchaser must immediately notify Sellers if any such information comes to its attention on or before the Closing Date, and Purchaser's failure to so notify Sellers shall constitute a waiver of such right in relation to the relevant breach.

3.9 Ability to Perform. Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.

3.10 Purchaser Knowledge. References in this Agreement to "Purchaser's knowledge" or "the knowledge of Purchaser" means the actual knowledge of the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer of Purchaser, without independent research. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

3.11 Investigation. Purchaser has been afforded reasonable access to, and has been provided adequate time to review, the books, records, information, operations, facilities and personnel of each Seller and the Hospital for purposes of conducting a due diligence investigation of each Seller and the Hospital. Purchaser has conducted a reasonable due diligence investigation of each Seller and the Hospital and has received satisfactory answers to all inquiries it has made respecting each Seller and the Hospital and has received all information it considers necessary to make an informed business evaluation of each Seller and the Hospital. In connection with its due diligence investigation of each Seller and the Hospital, Purchaser has not relied upon any books, records, information, operations, facilities and personnel provided by any Seller, including in making its determination to enter into this Agreement and/or consummate the transactions contemplated hereby.

## ARTICLE 4

### COVENANTS OF SELLERS

#### 4.1 Access and Information; Inspections.

4.1.1 From the Signing Date through the Effective Time, (a) each Seller shall afford to the officers and agents of Purchaser (which shall include accountants, attorneys, bankers and other consultants and authorized agents of Purchaser) reasonable access during normal business hours at Seller's corporate headquarters in El Segundo, California to, and the right to inspect, the books, accounts, records and all other relevant documents and information with respect to the assets, liabilities and business of the Hospital of such Seller and the plant and property of the Hospital of such Seller at the Hospital of such Seller and (b) each Seller shall furnish Purchaser with such additional financial and operating data and other information in such Seller's possession



as to businesses and properties of the Hospital of such Seller as Purchaser or its representatives may from time to time reasonably request; *provided, however*, that such Seller is not obligated to disclose information which is proprietary to such Seller and would not be essential to the ongoing operation of the Hospital of such Seller by Purchaser; *provided, further*, that all disclosures of information shall be consistent with the confidentiality agreements and any other non-disclosure agreements entered into (or to be entered into) among Purchaser, its representatives and such Seller. Purchaser's right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operations of any Seller or the Hospital.

4.1.2 Notwithstanding anything contained herein, no Seller shall be required to provide Purchaser or its representatives or agents access to or disclose information where such access or disclosure would violate the rights of its patients, jeopardize the attorney-client or similar privilege with respect to such information or contravene any law, judgment, fiduciary duty or contract entered into prior to or on the date of this Agreement with respect to such information.

#### 4.2 Cooperation.

4.2.1 Each Seller shall reasonably cooperate with Purchaser and its authorized representatives and attorneys: (a) in Purchaser's efforts to obtain all consents, approvals, authorizations, clearances and licenses required to carry out the transactions contemplated by this Agreement (including, without limitation, those of governmental and regulatory authorities) or which Purchaser reasonably deems necessary or appropriate, (b) in the preparation of any document or other material which may be required by any governmental agency as a predicate to or result of the transactions contemplated in this Agreement, and (c) in Purchaser's efforts to effectuate the assignment of Assumed Contracts to Purchaser as of the Closing Date. Except as may be otherwise requested by a Seller in order to comply with applicable law or regulatory guidance, notwithstanding anything contained herein, other than Bankruptcy Court orders and authorizations, it shall be Purchaser's sole responsibility (including payment of any fees, expenses, filings costs or other amounts) to obtain the Contract and Lease Consents, as well as all governmental consents, approvals, assignments, authorizations, clearances and licenses required to (x) carry out the transactions contemplated by this Agreement, including but not limited to medical licenses and/or (y) transfer any of the Assets, including any Licenses. To the extent Purchaser needs certain information and data which is in the possession of a Seller in order for Purchaser to complete Purchaser's license and permit approval applications, Purchaser shall receive, upon request, reasonable assistance from such Seller in connection with the provision of such information.

4.2.2 Notwithstanding any provision to the contrary contained in this Agreement (including Section 8.7), no Seller shall be obligated to obtain the approval or consent to the assignment, to Purchaser, of any Assumed Contracts or Assumed Leases, from any party to any of the Assumed Contracts or Assumed Leases even if any such contract or lease states that it is not assignable without such party's consent.

4.3 Other Bidders. Purchaser expressly acknowledges and agrees that each Seller has an obligation to seek out and determine the best and highest offer reasonably available for such



Seller's assets in accordance with the Bankruptcy Code, and nothing herein shall amend, modify, alter, diminish or affect such obligation.

4.4 Sellers' Efforts to Close. Each Seller shall use its reasonable commercial efforts to satisfy all of the conditions precedent set forth in ARTICLE 7 and ARTICLE 8 to its or Purchaser's obligations under this Agreement to the extent that such Seller's action or inaction can control or materially influence the satisfaction of such conditions; provided, however, that such Seller shall not be required to pay or commit to pay any amount to (or incur any obligation in favor of) any person (other than filing or application fees).

4.5 Termination Cost Reports. Each Seller shall file all Medicare, Medi-Cal and any other termination cost reports required to be filed as a result of the consummation of (a) the transfer of the Assets of such Seller to Purchaser and (b) the transactions contemplated by this Agreement with respect to such Seller, provided that Purchaser shall fund reasonable costs and expenses of preparation, filing and audit of such reports. Purchaser shall permit each Seller access to all Hospital books and records to prepare such reports and shall assist such Seller in the process of preparing, filing, and reviewing the termination cost reports. All such termination cost reports shall be filed by the applicable Seller in a manner that is consistent with current laws, rules and regulations. Each Seller shall be responsible for filing governmental cost reports for the period of January 1, 2019 through the Closing Date. Purchaser shall be responsible for its own cost report filings relating to the Hospitals beginning on the day immediately following the Effective Time.

4.6 Conduct of the Business. From the Signing Date until the Closing, or the earlier termination of this Agreement, without the prior written consent of Purchaser, Sellers shall, with respect to the ownership of the Assets and the operation of the Hospitals, use commercially reasonable efforts to, in each case except as would not have a Material Adverse Effect (except as otherwise noted):

(a) without regard to Material Adverse Effect, carry on Sellers' ownership of the Assets and the operation of the Hospitals consistent with past practice, but subject to the Bankruptcy Cases and Sellers' obligations and actions in connection therewith;

(b) maintain in effect the insurance and equipment replacement coverage with respect to the Assets;

(c) if and as permitted by the Bankruptcy Court, pay any bonuses payable under the Key Employee Retention Plan and Key Employee Incentive Plan of Sellers;

(d) maintain the Assets in materially the same condition as at present, ordinary wear and tear excepted;

(e) perform its obligations under all contracts with respect to the Assets in compliance with the Bankruptcy Code;

(f) following entry of the Sale Order, permit and allow reasonable access by Purchaser and its representatives (which shall include the right to send written materials, all of which shall be subject to Sellers' reasonable approval prior to delivery) to make offers of post-



Closing employment to any of Sellers' personnel (including access by Purchasers and their representatives for the purpose of conducting open enrollment sessions for Purchasers' employee benefit plans and programs) and to establish relationships with physicians, medical staff and others having business relations with Sellers;

(g) with respect to material deficiencies, if any, cited by any governmental authority (other than the Attorney General of the State of California and other than with respect to Seismic requirements) or accreditation body in the most recent surveys conducted by each, cure or develop and timely implement a plan of correction that is acceptable to such governmental authority or such accreditation body;

(h) timely file or cause to be filed all material reports, notices and tax returns required to be filed and pay all required taxes as they come due;

(i) without regard to Material Adverse Effect, beginning on February 21, 2019 and in accordance with the Sellers' budget under their debtor in possession financing, timely pay any fees that are or become due and payable under QAF IV and QAF V;

(j) comply in all material respects with all Legal Requirements (including Environmental Laws) applicable to the conduct and operation of the Hospitals; and

(k) without regard to Material Adverse Effect, maintain all material approvals, permits and environmental permits relating to the Hospitals and the Assets.

4.7 Contract With Unions. Representatives of Sellers who are parties to collective bargaining agreements and Purchaser shall meet and confer from time to time as reasonably requested by either party to discuss strategic business options and alternative approaches in negotiating each collective bargaining agreement. The applicable Sellers and Purchaser shall each participate in all union negotiations related to any specific collective bargaining agreement. Promptly following the Signing Date, applicable Sellers shall use commercially reasonable efforts to initiate discussions with Purchaser and conduct discussions to renegotiate each collective bargaining agreement currently in effect with each applicable union. The applicable Sellers will not unreasonably withhold, condition or delay approval or implementation of any successfully renegotiated collective bargaining agreement. The parties recognize that an applicable Seller's failure to secure a modification to any collective bargaining agreement, or to conclude a successor collective bargaining agreement shall not be a breach of Sellers' obligation under this Agreement, provided that if the unions refuse to negotiate, or otherwise are not timely, reasonable or realistic in renegotiating, the collective bargaining agreements during the period between the Signing Date and the Closing Date, Sellers and Purchaser will jointly consider, and negotiate mutually in good faith, alternative approaches that may be available and/or necessary to reduce Sellers' labor cost structure, including, but not limited to, seeking to reject the collective bargaining agreement(s).

## ARTICLE 5

### COVENANTS OF PURCHASER



5.1 Purchaser's Efforts to Close. Purchaser shall use its reasonable commercial efforts to satisfy all of the conditions precedent set forth in ARTICLE 7 and ARTICLE 8 to its or Sellers' obligations under this Agreement to the extent that Purchaser's action or inaction can control or materially influence the satisfaction of such conditions. Prior to consummation of the transactions contemplated hereby or the termination or expiration of this Agreement, Purchaser shall be permitted to communicate and meet with (a) counter-parties to the agreements and contracts of the Hospitals, included those included in Assumed Obligations, regarding the terms and conditions under which they may be assumed and assigned to Purchaser, and (b) applicable governmental and regulatory authorities regarding prospective compliance with regulatory requirements and related issues; so long as, in the case of each of (a) and (b) (i) such communications and meetings do not interfere with the operation of the Businesses or the conduct of the Bankruptcy Cases and (ii) any communications or meetings with any governmental authority are approved in advance by Sellers as to timing and content (and Sellers are copied on such communications and afforded the opportunity to participate in such meetings).

5.2 Required Governmental Approvals.

(a) Purchaser, at its sole cost and expense (a) shall use its best efforts to secure, as promptly as practicable before the Closing Date, all consents, approvals (or exemptions therefrom), authorizations, clearances and licenses required to be obtained from governmental and regulatory authorities in order to carry out the transactions contemplated by this Agreement and to cause all of its covenants and agreements to be performed, satisfied and fulfilled (and provide Sellers copies of all materials relating to such consents, approvals, authorizations, clearances and licenses upon submission and all materials received from third parties in connection with such consents, approvals, authorizations, clearances and licenses upon receipt), and (b) will provide such other information and communications to governmental and regulatory authorities as any Seller or such authorities may reasonably request. Purchaser will provide Sellers periodic and timely updates regarding all such consents, approvals, authorizations, clearances and licenses. Purchaser is responsible for all filings with and requests to governmental authorities necessary to enable Purchaser to operate the Hospital at and after the Effective Time. Purchaser shall, promptly, but no later than thirty (30) business days after the entry of the Sale Order or sooner if required by applicable governmental or regulatory authorities, file all applications, licensing packages and other similar documents with all applicable governmental and regulatory authorities which are a prerequisite to obtaining the material licenses, permits, authorizations and provider numbers described in Section 8.1. Purchaser shall be entitled, but not obligated, to obtain the Contract and Lease Consents. Purchaser shall be entitled, but not obligated, to solicit and obtain estoppel certificates from any third party to any Leased Real Property. Purchaser's failure to obtaining any or all of the Contract and Lease Consents or estoppel certificates as of the Closing Date shall not be a condition precedent to either party's obligation to close the transactions contemplated by this Agreement.

(b) Purchaser and Sellers agree that because the change of ownership and regulatory approval process in connection with the transactions contemplated by this Agreement may take an extended period of time, Purchaser and Sellers agree to an initial closing effective upon the approval of the court and upon the approval of the transaction by the CA AG (as defined below) in accordance with Sections 7.5 and 8.6, at which time the Assets (less the portion of the Assets constituting drugs or other pharmacy assets) will be sold to Purchaser and immediately leased back



to Sellers, with a concurrent management agreement entered into at that time upon terms mutually agreeable to the parties in their reasonable business judgment. The Sale Leaseback Agreement and Interim Management Agreement will terminate at the Closing when the Purchaser is issued the Licenses necessary to operate the Hospitals directly (namely, the Hospital Licenses and pharmacy permits).

### 5.3 Certain Employee Matters.

(a) Purchaser agrees to make offers of employment, effective as of the Effective Time, to substantially all persons (whether such persons are full time employees, part-time employees, on short-term or long-term disability or on leave of absence, military leave or workers compensation leave) (the “**Hospital Employees**”) who, immediately prior to the Effective Time are: (i) employees of any Seller; (ii) employees of any affiliate of any Seller which employs individuals at the Hospital and are listed on Schedule 5.3; or (iii) employed by an affiliate of any Seller and are listed on Schedule 5.3. For the avoidance of doubt, the Hospital Employees shall not include any employees of Verity or any other affiliate of Seller unless such individual is listed on Schedule 5.3. Any of the Hospital Employees who accept an offer of employment with Purchaser as of or after the Effective Time shall be referred to in this Agreement as the “**Hired Employees**.” All employees who are Hired Employees shall cease to be employees of the applicable Seller or its affiliates as of the Effective Time.

(b) Purchaser shall give all Hired Employees full credit for paid time off pay to such employees as of the Closing Date by crediting such employees the time off reflected in the employment records of the applicable Seller and/or any of its affiliates immediately prior to the Effective Time, subject to compliance with applicable law and regulation, including consent of such employees if required.

(c) After the Closing Date, Purchaser’s human resources department will give reasonable assistance to each Seller and its affiliates with respect to such Seller’s and such Seller’s affiliates’ post-Closing administration of such Seller’s and such Seller’s affiliates’ pre-Closing employee benefit plans for the Hospital Employees. Within five (5) days after the Closing Date, Purchaser shall provide to each Seller a list of all the Hospital Employees who were offered employment by Purchaser but refused such employment along with a list of all Hired Employees (which such list Purchaser shall periodically update).

(d) With respect to any collective bargaining agreements or labor contract with respect to any employees, Purchaser shall comply with the applicable laws and bankruptcy court orders relating to collective bargaining agreements or labor contracts.

(e) The provisions of this Section 5.3 are solely for the benefit of the parties to this Agreement, and no employee or former employee or any other individual associated therewith or any employee benefit plan or trustee thereof shall be regarded for any purpose as a third party beneficiary of this Agreement, and nothing herein shall be construed as an amendment to any employee benefit plan for any purpose.

5.4 Excluded Assets. As soon as practicable after the Closing Date, Purchaser shall deliver to each Seller or such Seller’s designee any Excluded Assets of such Seller found at the



Hospital on and after the Effective Time, without imposing any charge on any Seller for Purchaser's storage or holding of same on and after the Effective Time.

5.5 Waiver of Bulk Sales Law Compliance. Purchaser hereby waives compliance by Sellers with the requirements, if any, of Article 6 of the Uniform Commercial Code as in force in any state in which the Assets are located and all other laws applicable to bulk sales and transfers.

5.6 Attorney General. Promptly after entry of the Sale Order, but in any event within ten (10) calendar days, Purchaser shall, at its sole cost and expense, make any notices or other filings with the Attorney General of the State of California (the "CA AG"). Each Seller shall reasonably cooperate with Purchaser in such notices or other filings.

5.7 Conduct Pending Closing. Prior to consummation of the transactions contemplated hereby or the termination or expiration of this Agreement pursuant to its terms, unless Sellers shall otherwise consent in writing, Purchaser shall not take any action or fail or omit to take any action which would cause any of Purchaser's representations and warranties set forth in ARTICLE 4 to be inaccurate or untrue as of the Closing.

5.8 Cure Costs. Purchaser, upon assumption, shall pay the Cure Costs for each Assumed Contract and Assumed Lease so that each such Assumed Contract and Assumed Lease may be assumed by the applicable Seller and assigned to Purchaser in accordance with the provisions of section 365 of the Bankruptcy Code. For purposes of this Agreement, "**Cure Costs**", means all amounts that must be paid and all obligations that otherwise must be satisfied, including pursuant to Sections 365(b)(1)(A) and (B) of the Bankruptcy Code in connection with the assumption and/or assignment of the Assumed Contracts and Assumed Leases to Purchaser as provided herein.

5.9 Operating Covenant. Purchaser shall act in good faith and use Purchaser's commercially reasonable efforts to serve the medical needs of each Hospital's service area.

5.10 HSR Filing. Purchaser and each Seller will as promptly as practicable, and in any event no later than five business days after the date of the Sale Order, file with the Federal Trade Commission and the Department of Justice the notification and report forms required for the transactions contemplated hereby and any supplemental information that may be reasonably requested in connection therewith pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**HSR Act**"), which notification and report forms and supplemental information will comply in all material respects with the requirements of the HSR Act. Purchaser shall pay all filing fees required with respect to the notification, report and other requirements of the HSR Act. Each of Purchaser and Sellers shall furnish to the other such information and assistance as the other shall reasonably requires in connection with the preparation and submission to, or agency proceedings by, any governmental authority under the HSR Act, and each of Purchaser and Sellers shall keep the other promptly apprised of any communications with, and inquires or requests for information from, such governmental authorities. Purchaser shall take such action (including divestitures or hold separate arrangements) as may be required by any governmental authority in order to resolve with the minimum practicable delay any objections such governmental authorities may have to the transactions contemplated by this Agreement under the HSR Act.



5.11 Contract with Unions. Representatives of Sellers who are parties to collective bargaining agreements and Purchaser shall meet and confer from time to time as reasonably requested by either party to discuss strategic business options and alternative approaches in negotiating each collective bargaining agreement. The applicable Sellers and Purchaser shall each participate in all union negotiations related to any specific collective bargaining agreement. Promptly following the Signing Date, applicable Sellers shall use commercially reasonable efforts to initiate discussions with Purchaser and conduct discussions to renegotiate each collective bargaining agreement currently in effect with each applicable union. The applicable Sellers will not unreasonably withhold, condition or delay approval or implementation of any successfully renegotiated collective bargaining agreement to be assumed by Purchaser. The parties recognize that an applicable Seller's failure to secure a modification to any collective bargaining agreement, or to conclude a successor collective bargaining agreement shall not be a breach of Sellers' obligation under this Agreement. In addition, Sellers may, in their discretion, seek to reject any or all of the collective bargaining agreement(s).

## ARTICLE 6

### SELLERS' BANKRUPTCY AND BANKRUPTCY COURT APPROVAL

#### 6.1 Bankruptcy Court Approval; Overbid Protection and Break-Up Fee.

(a) Sellers and Purchaser acknowledge that this Agreement and the sale of the Assets and the assumption and assignment of the Assumed Contracts and Assumed Leases are subject to Bankruptcy Court approval, and that this Agreement is subject to termination in its entirety in the event any Seller receives a better and higher offer for the Assets in accordance with the Bankruptcy Code and subject to the terms stated herein.

(b) Promptly following the execution of this Agreement by all parties, the Seller shall file a motion with the Bankruptcy Court (the "**Sales Procedures Motion**"), the content of which shall be subject to the reasonable approval by Purchaser, for entry of an order approving bid procedures and overbid protections containing substantially the following terms and conditions:

(1) the Seller shall not accept any offer to sell the Assets subject to this Agreement ("**Overbid**") to another purchaser ("**Overbidder**") unless that offer exceeds the Purchase Price by an amount sufficient to pay the Break-Up Fee and such offer includes the purchase of substantially all Assets subject of this Agreement;

(2) in the event that an overbidder (and not the Purchaser) is the successful bidder for the purchase of the Assets (the "**Alternate Transaction**") and the Alternative Transaction is approved by the Bankruptcy Court, (a) the Deposit, and any interest earned thereon, shall be returned to Purchaser immediately upon the entry of such sale order, and (b) Purchaser shall be paid a break-up fee of three and one-half percent (3.5%) of the Cash Consideration (\$21,350,000.00) plus reimbursement of reasonably documented reasonable costs and expenses incurred by Purchaser related to its due diligence, and pursuing, negotiating, and documenting the transactions contemplated by this Agreement in an amount not to exceed \$2,000,000.00 ( the "**Break-Up Fee**"); provided, however, that in the event that



the Purchaser is successful as to some but not all of the Assets, the Break-Up Fee shall be reduced pro rata to the percentage of Assets not actually purchased by the Purchaser, based on the allocation of the Purchase Price as described in Section 1.1(a)(i), as compared to the Assets which were the subject of this Agreement.; and

(3) The Break-Up Fee shall be deemed to be an allowed expense of the kind specified in Section 503(b) of the Bankruptcy Code to be paid solely from the proceeds of the Alternate Transaction, pursuant to the Sale Order. The Break-Up Fee shall not be paid if the Alternate Transaction was pursued due to a material breach by the Purchaser or the Purchaser's failure or refusal to consummate the transaction after the satisfaction or waiver of all closing conditions.

The Sales Procedures Motion will contain bid procedures as set forth in the bid procedures attached hereto as **Schedule 6.1(b)(3)**.

If Sellers fails to obtain Bankruptcy Court approval for the Sales Procedures Motion by no later than four weeks after the end of the Final Diligence Period, Purchaser shall have the right to terminate this Agreement, without recourse or liability, and Seller shall immediately thereafter return to Purchaser the Deposit and any interest earned thereon.

(c) Each Seller shall at the Sale Hearing exercise reasonable efforts to obtain a "Sale Order" approving this Agreement, subject to its obligations in respect of any better and higher offer for such Seller's assets in accordance with the Bankruptcy Code. For purposes of this Agreement, the term "**Sale Order**" shall mean an order of the Bankruptcy Court authorizing the sale of the Assets (including the assumption and assignment of the Assumed Contracts and Assumed Leases) to Purchaser consistent with this Agreement and in a form reasonably satisfactory to Purchaser.

(d) Each Seller agrees to proceed in good faith to obtain Bankruptcy Court approval of the sale contemplated herein with a determination that Purchaser is a good faith purchaser pursuant to Bankruptcy Code section 363(m) and to file such declarations and other evidence as may be required to support a finding of good faith.

(e) Each Seller shall seek an order from the Bankruptcy Court retaining jurisdiction over all matters relating to claims against such Seller as debtor solely in the Bankruptcy Court.

6.2 Appeal of Sale Order. In the event an appeal is taken or a stay pending appeal is requested from the Sale Order, Sellers shall immediately notify Purchaser of such appeal or stay request and shall provide to Purchaser promptly a copy of the related notice of appeal or order of stay. Sellers shall also provide Purchaser with written notice of any motion or application filed in connection with any appeal from either of such orders. In the event of an appeal of the Sale Order, Sellers shall be primarily responsible for drafting pleadings and attending hearings as necessary to defend against the appeal; provided, however, Purchaser, at its option, shall have the right to participate as a party in interest in such appeal. In the event a stay is issued by any appellate court, including the United States District Court, which prevents the sale from closing, as scheduled, Purchaser shall have the right to terminate this Agreement if such stay is not vacated on or before



45 days from the date of the stay is issued, and Purchaser shall be entitled to the prompt return of the Deposit and any interest earned thereon.

## ARTICLE 7

### CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS

Sellers' obligation to sell the Assets and to close the transactions as contemplated by this Agreement shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Sellers in whole or in part at or prior to the Closing:

7.1 Signing and Delivery of Instruments. Purchaser shall have executed and delivered all documents, instruments and certificates required to be executed and delivered pursuant to the provisions of this Agreement.

7.2 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated in this Agreement shall have been issued by any court of competent jurisdiction or any other governmental body and shall remain in effect on the Closing Date, and further, no governmental entity shall have commenced any action or suit before any court of competent jurisdiction or other governmental authority that seeks to restrain or prohibit the consummation of the transactions contemplated hereby.

7.3 Performance of Covenants. Purchaser shall have in all respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by it on or prior to the Closing Date.

7.4 Governmental Authorizations. Purchaser shall have obtained all material licenses, permits and authorizations from governmental agencies or governmental bodies that are necessary or required for completion of the transactions contemplated by this Agreement, including reasonable assurances that any material licenses, permits and authorizations not actually issued as of the Closing will be issued following Closing (which may include oral assurances from appropriate governmental agencies or bodies).

7.5 Attorney General Provisions. The conditions to Purchaser's obligations to close set forth in Section 8.6 shall have been satisfied.

7.6 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order.

7.7 HSR Act. The applicable waiting period under the HSR Act shall have expired or been earlier terminated.

7.8 CSCDA Acknowledgement. The CSCDA and PACE Trustee shall have executed acknowledgements in form and substance acceptable to Sellers that Purchaser is the Successor Property Owner and Obligated Party under the PACE Obligations, and releases of the Sellers from any and all claims arising or accruing prior to the Closing Date.



## ARTICLE 8

### CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER

Purchaser's obligation to purchase the Assets and to close the transactions contemplated by this Agreement shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Purchaser in whole or in part at or prior to the Closing.

8.1 Governmental Authorizations. Except as otherwise set forth in this Agreement, Purchaser and Sellers shall have obtained licenses, permits and authorizations from governmental agencies or governmental bodies that are required for the purchase, sale and operation of the Hospitals, including without limitation approval of the CA AG (subject to Section 8.6), except in such case where failure to obtain such license, permit or authorizations from a governmental agency or governmental body does not have a Material Adverse Effect.

8.2 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order and made a finding that Purchaser is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code.

8.3 Signing and Delivery of Instruments. Sellers shall have executed and delivered all documents, instruments and certificates required to be executed and delivered pursuant to all of the provisions of this Agreement.

8.4 Performance of Covenants. Sellers shall have in all material respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by Sellers on or prior to the Closing Date; *provided, however*, this condition will be deemed to be satisfied unless (a) Sellers were given written notice of such failure to perform or comply and did not or could not cure such failure to perform or comply within fifteen (15) business days after receipt of such notice and (b) the respects in which such obligations, covenants, agreements and conditions have not been performed have had or would have a Material Adverse Effect.

8.5 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated in this Agreement shall have been issued by any court of competent jurisdiction and shall remain in effect on the Closing Date, and further, no governmental entity shall have commenced any action or suit before any court of competent jurisdiction or other governmental authority that seeks to restrain or prohibit the consummation of the transactions contemplated hereby.

8.6 Attorney General Provisions. Purchaser recognizes that the transactions contemplated by this Agreement may be subject to review and approval of the CA AG. Purchaser agrees to close the transactions contemplated by this Agreement so long as any conditions imposed by the CA AG are substantially consistent with the conditions set forth in Schedule 8.6. In the event the CA AG imposes conditions on the transactions contemplated by this Agreement which are not as set forth on Schedule 8.6 (the "**Additional Conditions**"), Sellers shall have the opportunity to file a motion with the Bankruptcy Court seeking the entry of an order finding that



the Additional Conditions are an “interest in property” for purposes of 11 U.S.C. § 363(f), and that the Assets can be sold free and clear of the Additional Conditions. If Sellers obtain such an order, from the Bankruptcy Court or another court, Purchaser shall have a period of 21 business days from the entry of such order to determine, in Purchaser’s sole and absolute discretion, and in consultation with Purchaser’s financing sources, whether to proceed to consummate the transactions contemplated by this Agreement. If Purchaser determines not to proceed, Purchaser shall have the right to terminate this Agreement and receive the return of its Good Faith Deposit.

8.7 Medicare and Medi-Cal Provider Agreements. Sellers shall transfer their Medicare provider agreements pursuant to a settlement agreement with the Centers for Medicare and Medicaid Services (“CMS”) and shall transfer their Medi-Cal provider agreements pursuant to a settlement agreement with the California Department of Health Care Services (“DHCS”), which such settlement agreements shall result in: (i) resolution of all outstanding financial defaults under any of Sellers’ Medicare and Medi-Cal provider agreements and (ii) full satisfaction, discharge, and release of any claims under the Medicare or Medi-Cal provider agreements, whether known or unknown, that CMS or DHCS, as applicable, has against the Seller or Purchaser for monetary liability arising under the Medicare or Medi-Cal provider agreements before the Effective Time; provided, however, that Purchaser acknowledges that it will succeed to the quality history associated with the relevant Medicare or Medi-Cal provider agreements assigned and shall be treated, for purposes of survey and certification issues as if it is the relevant Seller and no change of ownership occurred.

8.8 HSR Act. The applicable waiting period under the HSR Act shall have expired or been earlier terminated.

## ARTICLE 9

### TERMINATION

9.1 Termination. This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written consent of the parties;
- (b) by Sellers if a material breach of this Agreement has been committed by Purchaser and such breach has not been (i) waived in writing by Sellers or (ii) cured by Purchaser to the reasonable satisfaction of Sellers within fifteen (15) business days after service by Sellers upon Purchaser of a written notice which describes the nature of such breach;
- (c) by Purchaser if, in its sole and absolute discretion, it is not satisfied with either (i) the results of its due diligence examination of the Hospitals, or (ii) the contents of any schedule or exhibit that was not completed and attached to this Agreement, but which has been provided to Purchaser after the Signing Date, and Purchaser has notified Seller of its election to terminate the Agreement under this Section 9.1(c) on or prior to January 8, 2019, which notice may be given by facsimile or email correspondence; provided, that for the avoidance of doubt, following expiration of the Final Diligence Period, notwithstanding anything else in this Agreement, Purchaser shall not be entitled to terminate this Agreement (or not Close) as a result of the breach of any representation or warranty made by Sellers (or any of them) other than the



breach of a Sale Order Date Representation, but in each case solely to the extent such breach of a Sale Order Date Representation would result in a Material Adverse Effect; provided, further, that any dispute between Purchaser and Sellers as to whether a Material Adverse Effect has occurred for any purpose under this Agreement shall be exclusively settled by a determination made by the Bankruptcy Court;

(d) by Purchaser if a material breach of this Agreement has been committed by Sellers and such breach has not been (i) waived in writing by Purchaser or (ii) cured by Sellers to the reasonable satisfaction of Purchaser within fifteen (15) business days after service by Purchaser upon Sellers of a written notice which describes the nature of such breach;

(e) by Purchaser if satisfaction of any of the conditions in ARTICLE 8 has not occurred by December 31, 2019 or becomes impossible, and Purchaser has not waived such condition in writing (provided that the failure to satisfy any of the applicable condition or conditions in Sections 8.1 through 8.5 inclusive has occurred by reason other than (i) through the failure of Purchaser to comply with its obligations under this Agreement or (ii) Sellers' failure to provide their closing deliveries on the Closing Date as a result of Purchaser not being ready, willing and able to close the transaction on the Closing Date); provided that upon the imposition of Additional Conditions by the CA AG, Section 8.6 must be satisfied or waived by Purchaser by no later than sixty (60) days thereafter.

(f) by Sellers if satisfaction of any of the conditions in ARTICLE 7 has not occurred by December 31, 2019 or becomes impossible, and Sellers have not waived such condition in writing (provided that the failure to satisfy the applicable condition or conditions has occurred by reason other than (i) through the failure of Sellers to comply with their obligations under this Agreement or (ii) Purchaser's failure to provide its closing deliveries on the Closing Date as a result of Sellers not being ready, willing and able to close the transaction on the Closing Date);

(g) by either Purchaser or Sellers if the Bankruptcy Court enters an order dismissing the Bankruptcy Cases or fails to approve the Sales Procedures Motion by the date specified in Section 6.1(b);

(h) by Sellers if, in connection with the Bankruptcy Cases, any Seller accepts an Alternate Transaction and pays the Break-Up Fee;

(i) by either Purchaser or Sellers if the Closing has not occurred (other than through the failure of any party seeking to terminate this Agreement to comply fully with its obligations under this Agreement) on or before December 31, 2019; or

(j) by Purchaser if a force majeure event (such as acts of God, storms, floods, landslides, earthquakes, lightning, riots, fires, pandemics, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities, other national or international calamity, one or more acts of terrorism, or failure of energy sources) shall have occurred between the Signing Date and Closing Date, which event is reasonably likely to have a Material Adverse Effect.



9.2 Termination Consequences. If this Agreement is terminated pursuant to Sections 6.1(b), 6.2 or 9.1: (a) all further obligations of the parties under this Agreement shall terminate (other than Purchaser's right to receive the Break-Up Fee if applicable), provided that the provisions of ARTICLE 12, shall survive; and (b) each party shall pay only its own costs and expenses incurred by it in connection with this Agreement; provided, in the case of any termination based on Sections 9.1(b) or (d) the consequences of such termination shall be determined in accordance with ARTICLE 11 hereof. In addition, if this Agreement is terminated pursuant to Sections 6.1(b), 6.2 or 9.1 (other than Section 9.1(b)), Seller shall immediately return the Deposit to Purchaser with all interest earned thereon. Each Party acknowledges that the agreements contained in this Section 9.2 are an integral part of the transactions contemplated by this Agreement, that without these agreements such Party would not have entered into this Agreement.

## ARTICLE 10

### POST-CLOSING MATTERS

#### 10.1 Excluded Assets.

Subject to Section 10.2 hereof, any Excluded Asset (or proceeds thereof) (a) pursuant to the terms of this Agreement, (b) as otherwise determined by the parties' mutual written agreement or (c) absent such agreement, as determined by adjudication by the Bankruptcy Court, which comes into the possession, custody or control of Purchaser (or its respective successors-in-interest, assigns or affiliates) shall, within five (5) business days following receipt, be transferred, assigned or conveyed by Purchaser (and its respective successors-in-interest, assigns and affiliates) to the applicable Seller. Purchaser (and its respective successors-in-interest, assigns and affiliates) shall have neither the right to offset amounts payable to any Seller under this Section 10.1 against, nor the right to contest its obligation to transfer, assign and convey to any Seller because of, outstanding claims, liabilities or obligations asserted by Purchaser against any Seller. If Purchaser does not remit any monies included in the Excluded Assets (or proceeds thereof) to the applicable Seller in accordance with the first sentence of this Section 10.1, such withheld funds shall bear interest at the Prime Rate in effect on the calendar day upon which such payment was required to be made to Seller (the "**Excluded Asset Due Date**") plus five percent (5%) (or the maximum rate allowed by law, whichever is less), such interest accruing on each calendar day after the Excluded Asset Due Date until payment of the Excluded Assets and all interest thereon is made to the applicable Seller.

#### 10.2 Preservation and Access to Records After the Closing.

(a) From the Closing Date until seven (7) years after the Closing Date or such longer period as required by law (the "**Document Retention Period**"), Purchaser shall keep and preserve all medical records (including, without limitation, electronic medical records), patient records, medical staff records and other books and records which are among the Assets as of the Effective Time, but excluding any records which are among the Excluded Assets. Purchaser will afford to the representatives of Sellers, any of their affiliates, the Official Committee of the Unsecured Creditors of the Sellers, Sellers' estate representative or any liquidating trustee of the Sellers' bankruptcy estate ("**Seller Parties**"), including their counsel and accountants, full and complete access to, and copies (including, without limitation, color laser copies) of, such records



with respect to time periods prior to the Effective Time (including, without limitation, access to records of patients treated at the Hospital prior to the Effective Time) during normal business hours after the Effective Time, to the extent reasonably needed by any Seller Party for any lawful purpose. Purchaser acknowledges that, as a result of entering into this Agreement and operating the Hospital, it will gain access to patient records and other information which are subject to rules and regulations concerning confidentiality. Purchaser shall abide by any such rules and regulations relating to the confidential information it acquires. Purchaser shall maintain the patient and medical staff records at the Hospital in accordance with applicable law and the requirements of relevant insurance carriers. After the expiration of the Document Retention Period, if Purchaser intends to destroy or otherwise dispose of any of the documents described in this Section 10.2(a), Purchaser shall provide written notice to Sellers of Purchaser's intention no later than forty-five (45) calendar days prior to the date of such intended destruction or disposal. Any of the Seller Parties shall have the right, at its sole cost, to take possession of such documents during such forty-five (45) calendar day period. If any of the Seller Parties does not take possession of such documents during such forty-five (45) calendar day period, Purchaser shall be free to destroy or otherwise dispose of such documentation upon the expiration of such forty-five (45) calendar day period.

(b) Provided that Purchaser shall not incur any out of pocket costs, Purchaser shall give full cooperation to the Seller Parties and their insurance carriers in connection with the administration of Sellers' estate, including, without limitation, in connection with all claims, actions, causes of action or audits relating to the Excluded Assets, Excluded Liabilities or pre-Closing operation of the Sellers or the Hospital that any Seller Party may elect to pursue, dispute or defend, in respect of events occurring prior to the Effective Time with respect to the operation of the Hospital. Such cooperation shall include, without limitation, making the Hired Employees available for interviews, depositions, hearings and trials and other assistance in connection with the administration of Sellers' estate and such cooperation shall also include making all of its employees available to assist in the securing and giving of evidence and in obtaining the presence and cooperation of witnesses (all of which shall be done without payment of any fees or expenses to Purchaser or to such employees); provided that Purchaser shall not be required to incur any out of pocket costs in association therewith. In addition, Sellers and their affiliates shall be entitled to remove from the Hospital originals of any such records, but only for purposes of pending litigation involving the persons to whom such records refer, as certified in writing prior to removal by counsel retained by Sellers or any of their affiliates in connection with such litigation. Any records so removed from the Hospital shall be promptly returned to Purchaser following Sellers' or their applicable affiliate's use of such records.

(c) In connection with (i) the transition of the Hospital pursuant to the transaction contemplated by this Agreement, (ii) Sellers' rights to the Excluded Assets, (iii) any claim, audit, or proceeding, including, without limitation, any tax claim, audit, or proceeding and (iv) the Sellers' obligations under the Excluded Liabilities, Purchaser shall after the Effective Time give Sellers access during normal business hours to Purchaser's books, personnel, accounts and records and all other relevant documents and information with respect to the assets, liabilities and business of the Hospital as representatives of Sellers and their affiliates may from time to time reasonably request, all in such manner as not to unreasonably interfere with the operations of the Hospital.



(d) Purchaser and its representatives shall be given access by Sellers during normal business hours to the extent reasonably needed by Purchaser for business purposes to all documents, records, correspondence, work papers and other documents retained by Sellers pertaining to any of the Assets prior to the Effective Time (excluding confidential employee information, privileged materials and patient records), all in such manner as to not interfere unreasonably with Sellers. Such documents and other materials shall be, at Sellers' option, either (i) copied by Sellers for Purchaser at Purchaser's expense, or (ii) removed by Purchaser from the premises, copied by Purchaser and promptly returned to Sellers.

(e) Purchaser shall comply with, and be solely responsible for, all obligations under the Standards for Privacy of Individually Identifiable Health Information (45 CFR Parts 160 and 164) promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 with respect to the operation of the Hospital on and after the Effective Time.

(f) Purchaser shall cooperate with Sellers, on a timely basis and as reasonably requested by Sellers, in connection with the provision of all data of the Hospital and other information required by Sellers for reporting to HFAP for the remainder of the quarterly period in which the Closing has occurred.

(g) To the maximum extent permitted by law, if any Person requests or demands, by subpoena or otherwise, any documents relating to the Excluded Liabilities or Excluded Assets, including without limitation, documents relating to the operations of any of the Hospital or any of the Hospital's committees prior to the Effective Time, prior to any disclosure of such documents, Purchaser shall notify Sellers and shall provide Sellers with the opportunity to object to, and otherwise coordinate with respect to, such request or demand.

(h) Provision of Benefits of Certain Contracts. Notwithstanding anything contained herein to the contrary, this Agreement shall not constitute an agreement to assign any Assumed Contract or Assumed Lease, if, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, an attempted assignment thereof, without the consent of the third party thereto, would constitute a breach thereof or in any way negatively affect the rights of Sellers or Purchaser, as the assignee of such Assumed Contract or Assumed Lease, as the case may be, thereunder. If, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, such consent or approval is required but not obtained, Sellers will cooperate with Purchaser in any reasonable arrangement designed to both (a) provide Purchaser with the benefits of or under any such Assumed Contract or Assumed Lease, and (b) cause Purchaser to bear all costs and obligations of or under any such Assumed Contract or Assumed Lease. Further, notwithstanding anything contained in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Account Receivable the assignment of which is either prohibited by law or by the terms of any contract with a payor without the consent of such payor. Any payments received by Sellers after the Closing Date from patients, payors, clients, customers, or others who are the obligors on Accounts Receivables transferred to Purchaser as a part of the Assets on the Closing Date shall be paid over to Purchaser within ten (10) business days after receipt by Seller.

10.3 Closing of Financials. Provided that Purchaser shall not incur any out of pocket costs, Purchaser shall cause the individual acting as the chief financial officer of the Hospital after the Effective Time (the "**Post-Effective Time CFO**") to cooperate with Sellers' representatives in



order to complete the standardized closing of Sellers' financial records through the Closing Date including, without limitation, the closing of general ledger account reconciliations (collectively, the "**Closing of Financials**"). Purchaser shall cause the Post-Effective Time CFO to use his or her good faith efforts to cooperate with Sellers' representatives in order to complete the Closing of Financials by no later than the date which is thirty (30) calendar days after the Closing Date. The Post-Effective Time CFO and other appropriate personnel shall be reasonably available to Sellers for a period of no less than one hundred eighty (180) calendar days after the Closing Date to assist Sellers in the completion of Sellers' post-Closing audit, such assistance not to interfere unreasonably with such Post-Effective Time CFO's other duties.

10.4 Medical Staff. To ensure continuity of care in the community, Purchaser agrees that the Hospital's medical staff members in good standing as of the Effective Time shall maintain medical staff privileges at the Hospital as of the Effective Time. On and after the Effective Time, the medical staff will be subject to the Hospital's Medical Staff Bylaws then currently in effect, provided that such Bylaws are in compliance with all applicable laws and regulations and contain customary obligations.

10.5 Shared Intangible Assets. In the event and to the extent that certain intangible Assets transferred by Sellers have been used to operate businesses of Verity or Verity Holdings or their affiliates which are not being sold to Purchaser ("**Shared Intangible Assets**") and such Shared Intangible Assets continue to be used by Verity or Verity Holdings or their affiliates to operate such businesses after Closing, Verity and Verity Holdings retain the rights to continue to use such Assets notwithstanding their sale to Purchaser. Purchaser shall reasonably cooperate with Verity and Verity Holdings and their affiliates to give effect to such rights and shall provide Verity and Verity Holdings and their affiliates such documentation, records and information and reasonable access to such systems as necessary for Verity and Verity Holdings and their affiliates to continue to operate such businesses; all in such manner as not to reasonably interfere with the operations of the Hospitals; provided, however, Purchaser shall not be required to incur any out-of-pocket costs in association therewith unless reimbursed by Verity and Verity Holdings and their affiliates.

## ARTICLE 11

### DEFAULT, TAXES AND COST REPORTS

11.1 Purchaser Default. If Purchaser commits any material default under this Agreement, Sellers shall have the right to sue for damages; provided, however that the amount of such damages shall never exceed \$60,000,000.00. For the avoidance of doubt, Sellers shall have no right to sue for specific performance under this Agreement.

11.2 Seller Default. If Sellers commit any material default under this Agreement, Purchaser shall have the right to demand and receive a refund of the Deposit, and Purchaser may, in addition thereto, pursue any rights or remedies that Purchaser may have under applicable law, including the right to sue for damages or specific performance.

11.3 Tax Matters; Allocation of Purchase Price.



(a) After the Closing Date, the parties shall cooperate fully with each other and shall make available to each other, as reasonably requested, all information, records or documents relating to tax liabilities or potential tax liabilities attributable to Sellers with respect to the operation of the Hospital for all periods prior to the Effective Time and shall preserve all such information, records and documents at least until the expiration of any applicable statute of limitations or extensions thereof. The parties shall also make available to each other to the extent reasonably required, and at the reasonable cost of the requesting party (for out-of-pocket costs and expenses only), personnel responsible for preparing or maintaining information, records and documents in connection with tax matters and as Sellers reasonably may request in connection with the completion of any post-Closing audits of the Hospital.

(b) The Purchase Price (including any liabilities that are considered to be an increase to the Purchase Price for United States federal income Tax purposes) shall be allocated among the Assets in accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder as set forth in **Schedule 11.3(b)** (such schedule the “**Allocation Schedule**”). The Allocation Schedule shall be for Sellers’ and Purchaser’s tax purposes only, and shall not limit the Sellers’ creditors in any way.

#### 11.4 Cost Report Matters.

(a) Consistent with Section 4.5, Sellers shall, at Purchaser’s expense, prepare and timely file all cost reports relating to the periods ending prior to the Effective Time or required as a result of the consummation of the transactions described in this Agreement, including, without limitation, those relating to Medicare, Medicaid, and other third party payors which settle on a cost report basis (the “**Seller Cost Reports**”).

(b) Upon reasonable notice and during normal business office hours, Purchaser will cooperate reasonably with Sellers in regard to Sellers’ preparation and filing of the Seller Cost Reports. Such cooperation shall include, at no cost to Sellers, obtaining access to files at the Hospital and Purchaser’s provision to Sellers of data and statistics, and the coordination with Sellers pursuant to reasonable notice of Medicare and Medicaid exit conferences or meetings. Sellers shall have no obligations after the Effective Time with respect to Seller Cost Reports except for preparation and filing thereof.

## ARTICLE 12

### MISCELLANEOUS PROVISIONS

12.1 Further Assurances and Cooperation. Sellers shall execute, acknowledge and deliver to Purchaser any and all other assignments, consents, approvals, conveyances, assurances, documents and instruments reasonably requested by Purchaser at any time and shall take any and all other actions reasonably requested by Purchaser at any time for the purpose of more effectively assigning, transferring, granting, conveying and confirming to Purchaser, the Assets. After consummation of the transaction contemplated in this Agreement, the parties agree to cooperate with each other and take such further actions as may be necessary or appropriate to effectuate, carry out and comply with all of the terms of this Agreement, the documents referred to in this Agreement and the transactions contemplated hereby.



12.2 Successors and Assigns. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; *provided, however*, that no party hereto may assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the other parties which consent shall not be unreasonably withheld or delayed, except that Purchaser may, without the prior written consent of Sellers, assign all or any portion of its rights under this Agreement to one or more of its affiliates prior to the Closing Date.

12.3 Governing Law; Venue. This Agreement shall be construed, performed, and enforced in accordance with, and governed by, the laws of the State of California (without giving effect to the principles of conflicts of laws thereof), except to the extent that the laws of such State are superseded by the Bankruptcy Code or other applicable federal law. For so long as Sellers are subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. The parties hereby consent to the jurisdiction of such court and waive their right to challenge any proceeding involving or relating to this Agreement on the basis of lack of jurisdiction over the Person or forum non conveniens.

12.4 Amendments. This Agreement may not be amended other than by written instrument signed by the parties hereto.

12.5 Exhibits, Schedules and Disclosure Schedule. The Disclosure Schedule and all exhibits and schedules referred to in this Agreement shall be attached hereto and are incorporated by reference herein. From the Signing Date until the Closing, the parties agree that Sellers may update the Disclosure Schedule as necessary upon written notice to Purchaser, and the applicable representation and warranty shall thereafter be deemed amended for all purposes by such updated Disclosure Schedule. Notwithstanding the foregoing, but subject to Section 9.2(c), should any exhibit or schedule not be completed and attached hereto as of the Signing Date, Sellers and Purchaser shall promptly negotiate in good faith any such exhibit or schedule, which exhibit or schedule must be acceptable to each of Sellers and Purchaser in their reasonable discretion prior to being attached hereto. Any matter disclosed in this Agreement or in the Disclosure Schedule with reference to any Section of this Agreement shall be deemed a disclosure in respect of all sections to which such disclosure may apply. The headings, if any, of the individual sections of the Disclosure Schedule are provided for convenience only and are not intended to affect the construction or interpretation of this Agreement. The Disclosure Schedule is arranged in sections and paragraphs corresponding to the numbered and lettered sections and paragraphs of Article III merely for convenience, and the disclosure of an item in one section of the Disclosure Schedule as an exception to a particular representation or warranty shall be deemed adequately disclosed as an exception with respect to all other representations or warranties to the extent that the relevance of such item to such representations or warranties is reasonably apparent on the face of such disclosure, notwithstanding the presence or absence of an appropriate section of the Disclosure Schedule with respect to such other representations or warranties or an appropriate cross reference thereto.

12.6 Notices. Any notice, demand or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by telegraphic or other electronic means (including facsimile) or overnight courier, or five (5)



calendar days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to Sellers: Verity Health System of California, Inc.  
2040 East Mariposa St.  
El Segundo, CA 90245  
Attention: Rich Adcock, CEO  
Telephone: 424-367-0630

With copies to: Dentons US LLP  
(which copies shall 601 South Figueroa St., Suite 2500  
not constitute notice) Los Angeles, CA 90017-5704  
Attention: Samuel R. Maizel, Esq.  
Telephone: 213-892-2910  
Facsimile: 213-623-9924

If to Purchaser: Strategic Global Management, Inc.  
9 KPC Parkway, Suite 301  
Corona, CA 92879  
Attention: William E. Thomas  
Facsimile: 951-782-8850

With copies to: Levene, Neale, Bender, Yoo & Brill L.L.P.  
(which copies shall 10250 Constellation Blvd., Suite 1700  
not constitute notice) Los Angeles, CA 90067  
Attention: Gary E. Klausner, Esq.  
Facsimile: 310-229-1244

and  
Loeb & Loeb LLP  
10100 Santa Monica Blvd., Suite 2200  
Los Angeles, California 90067  
Attention: Allen Z. Sussman, Esq.  
Facsimile: 310-919-3934

or at such other address as one party may designate by notice hereunder to the other parties.

12.7 Headings. The section and other headings contained in this Agreement and in the Disclosure Schedule, exhibits and schedules to this Agreement are included for the purpose of convenient reference only and shall not restrict, amplify, modify or otherwise affect in any way the meaning or interpretation of this Agreement or the Disclosure Schedule, exhibits and schedules hereto.

12.8 Publicity. Prior to the Closing Date, Sellers and Purchaser shall consult with each other as to the form and substance of any press release or other public disclosure materially related



to this Agreement or any other transaction contemplated hereby and each shall have the right to review and comment on the other's press releases prior to issuance; *provided, however*, that nothing in this Section 12.8 shall be deemed to prohibit either Sellers or Purchaser from making any disclosure that its counsel deems necessary or advisable in order to satisfy either party's disclosure obligations imposed by law subject to reasonable prior notice to the other party thereof.

12.9 Fair Meaning. This Agreement shall be construed according to its fair meaning and as if prepared by all parties hereto.

12.10 Gender and Number; Construction; Affiliates. All references to the neuter gender shall include the feminine or masculine gender and vice versa, where applicable, and all references to the singular shall include the plural and vice versa, where applicable. Unless otherwise expressly provided, the word "including" followed by a listing does not limit the preceding words or terms and shall mean "including, without limitation." Any reference in this Agreement to an "affiliate" shall mean any Person directly or indirectly controlling, controlled by or under common control with a second Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. A "Person" shall mean any natural person, partnership, corporation, limited liability company, association, trust or other legal entity.

12.11 Third Party Beneficiary. None of the provisions contained in this Agreement are intended by the parties, nor shall they be deemed, to confer any benefit on any person not a party to this Agreement, except for the parties' successors and permitted assigns, and except for any liquidating trustee or plan administrator for Sellers' estate.

12.12 Expenses and Attorneys' Fees. Except as otherwise provided in this Agreement, each party shall bear and pay its own costs and expenses relating to the preparation of this Agreement and to the transactions contemplated by, or the performance of or compliance with any condition or covenant set forth in, this Agreement, including without limitation, the disbursements and fees of their respective attorneys, accountants, advisors, agents and other representatives, incidental to the preparation and carrying out of this Agreement, whether or not the transactions contemplated hereby are consummated. The parties expressly agree that all sales, transfer, documentary transfer and similar taxes, fees, surcharges and the like in connection with the sale of the Assets shall be borne by Purchaser. If any action is brought by any party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its court costs and reasonable attorneys' fees.

12.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement, binding on all of the parties hereto. The parties agree that facsimile copies of signatures shall be deemed originals for all purposes hereof and that a party may produce such copies, without the need to produce original signatures, to prove the existence of this Agreement in any proceeding brought hereunder.

12.14 Entire Agreement. This Agreement, the Disclosure Schedule, the exhibits and schedules, and the documents referred to in this Agreement contain the entire understanding



between the parties with respect to the transactions contemplated hereby and supersede all prior or contemporaneous agreements, understandings, representations and statements, oral or written, between the parties on the subject matter hereof (the “**Superseded Agreements**”), which Superseded Agreements shall be of no further force or effect; provided, that notwithstanding the foregoing, the letter Confidentiality Agreement dated July 12, 2018 between Purchaser and Cain Brothers, a division of KeyBanc Capital Markets Inc., on behalf of Sellers and their related entities shall not be a Superseded Agreement and shall continue in full force in effect in accordance with its terms.

12.15 No Waiver. Any term, covenant or condition of this Agreement may be waived at any time by the party which is entitled to the benefit thereof but only by a written notice signed by the party expressly waiving such term or condition. The subsequent acceptance of performance hereunder by a party shall not be deemed to be a waiver of any preceding breach by any other party of any term, covenant or condition of this Agreement, other than the failure of such other party to perform the particular duties so accepted, regardless of the accepting party’s knowledge of such preceding breach at the time of acceptance of such performance. The waiver of any term, covenant or condition shall not be construed as a waiver of any other term, covenant or condition of this Agreement.

12.16 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstance shall be held to be invalid or unenforceable to any extent in any jurisdiction, then the remainder of this Agreement and the application of such term, provision, condition or covenant in any other jurisdiction or to persons or circumstances other than those as to whom or which it is held to be invalid or unenforceable, shall not be affected thereby, and each term, provision, condition and covenant of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12.17 Time is of the Essence. Time is of the essence for all dates and time periods set forth in this Agreement and each performance called for in this Agreement.

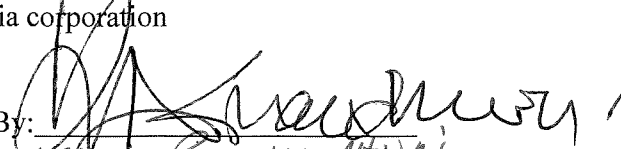
*[Signature Page Follows]*



IN WITNESS WHEREOF, this Agreement has been entered into as of the day and year first above written.

**PURCHASER:**

**STRATEGIC GLOBAL  
MANAGEMENT, INC.,**  
a California corporation

Signature By:   
Print Name: KAL P. CHAUDHURI  
Title: CHAIRMAN & CEO  
Date: JANUARY 9, 2019

**SELLERS:**

**ST. FRANCIS MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ST. VINCENT MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**ST. VINCENT DIALYSIS CENTER,  
INC.**

a California nonprofit public benefit  
corporation

Signature By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

**SETON MEDICAL CENTER,**

a California nonprofit public benefit  
corporation

Signature By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

**VERITY HOLDINGS, LLC,**

a California limited liability company

Signature By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

**VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC.,**

a California nonprofit public benefit  
corporation

Signature By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_



### **SCHEDULE 6.1(b)(3)**

#### **(Bidding Procedures)**

### **BIDDING PROCEDURES**

Set forth below are the bidding procedures (the “Bidding Procedures”)<sup>1</sup> to be employed in connection with the sale of (i) the assets (the “Purchased Assets”) enumerated in the Stalking Horse APA (as defined below), including, but not limited to, St Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center (including Seton Coastside) (collectively, the “APA Facilities”); and (ii) assets not otherwise enumerated in the APA, but associated with the ownership or operation of the APA Facilities and available for purchase (the “Other Assets”), in connection with the chapter 11 cases pending in the United States Bankruptcy Court for the Central District of California (the “Bankruptcy Court”), jointly administered as case number 2:18-bk-20151-ER, in the form to be approved by the Bankruptcy Court, by Order dated \_\_\_\_\_, 2019 (the “Bidding Procedures Order”).

The Debtors entered into that certain Asset Purchase Agreement, dated January 8, 2019 between the Debtors, on the one hand, and Strategic Global Management, Inc., a California corporation (the “Stalking Horse Purchaser”) on the other hand, pursuant to which the Stalking Horse Purchaser shall acquire the Purchased Assets on the terms and conditions specified therein (together with the schedules and related documents thereto, the “Stalking Horse APA”). The sale transaction pursuant to the Stalking Horse APA is subject to competitive bidding as set forth herein. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the *Debtors’ Notice of Motion and Motion for the Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders to Use, (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to Interested Parties, (4) Scheduling a Hearing to Consider Approval of the Sale to the Highest Bidder, (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* (the “Sale Motion”) or the Bidding Procedures Order.

#### **I. ASSETS TO BE SOLD**

The Debtors seek to complete a sale of substantially all assets of APA Facilities, including both the Purchased Assets and the Other Assets (the “Sale”). The Stalking Horse APA will serve as the “stalking-horse” bid for the Purchased Assets.

#### **II. THE BIDDING PROCEDURES**

In order to ensure that the Debtors receive the maximum value for the Purchased Assets and/or the Other Assets, they intend to hold a sale process for the Purchased Assets and/or the Other Assets pursuant to the procedures and on the timeline proposed herein.

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<sup>1</sup> Unless otherwise defined, all capitalized terms shall have the meanings ascribed to them in the Stalking Horse APA.



**A. Provisions Governing Qualifications of Bidders**

Unless otherwise ordered by the Court or as set forth in these procedures, in order to participate in the bidding process, each person, other than the Stalking Horse Purchaser, who wishes to participate in the bidding process must deliver, prior to the Bid Deadline (defined herein), the following to the Debtors:

- a) a written disclosure of the identity of each entity that will be bidding for the Purchased Assets or and/or the Other Assets or otherwise participating in connection with such bid; and
- b) an executed confidentiality agreement (to be delivered prior to the distribution of any confidential information by the Debtors) in form and substance satisfactory to the Debtors and which shall inure to the benefit of any purchaser of the Purchased Assets and/or the Other Assets; without limiting the foregoing, each such confidentiality agreement shall contain standard non-solicitation provisions.

A bidder that delivers the documents and information described above and that the Debtors determine, after consultation with the Official Committee of Unsecured Creditors, the Prepetition Secured Creditors, and any other party deemed appropriate within the business judgment of the Debtors (collectively, the “Consultation Parties”) in their reasonable business judgment, is likely (based on availability of financing, experience, and other considerations) to be able to consummate the sale, will be deemed a potential bidder (“Potential Bidder”).

**B. Due Diligence**

The Debtors will afford any Potential Bidder such due diligence access or additional information as the Debtors, in consultation with their advisors, deem appropriate, in their reasonable discretion. The due diligence period shall extend through and including the relevant Bid Deadline; provided, however, that any bid submitted under these procedures shall be irrevocable until at least the selection of the Successful Bidder(s) (defined herein) and any Back-Up Bidder(s) (defined herein).

**C. Provisions Governing Qualified Bids**

A bid submitted by a Potential Bidder will be considered a Qualified Bid (each, a “Qualified Bid,” and each such Potential Bidder thereafter a “Qualified Bidder”) only if the bid complies with the following requirements:

- a) it states that the applicable Qualified Bidder offers to purchase, in cash, some or all of the Purchased Assets and/or the Other Assets;
- b) it identifies with particularity the portion of the Purchased Assets and/or the Other Assets the Qualified Bidder is offering to purchase;
- c) it allocates with specificity the portion of the purchase price offered that the Qualified Bidder attributes to St. Francis Medical Center, St. Vincent Medical



Center, Seton Medical Center, and Seton Coastside, and each of the Other Assets, respectively;<sup>2</sup>

- d) it includes a signed writing that the Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder and the Back-Up Bidder, provided that if such bidder is selected as the Successful Bidder or the Back-Up Bidder then the offer shall remain irrevocable until the earliest of (i) the closing of the transaction with the Successful Bidder, (ii) in the case of the Successful Bidder, a termination of the Qualified Bid pursuant to the terms of the Successful Bidder Purchase Agreement and (iii) with respect to the Back-Up Bidder, the time specified in Section II (K) below;
- e) it includes confirmation that there are no conditions precedent to the Qualified Bidder's ability to enter into a definitive agreement and that all necessary internal governance and shareholder approvals have been obtained prior to the bid;
- f) it sets forth each third-party, regulatory and governmental approval required for the Qualified Bidder to consummate the transaction and the time period within which the Qualified Bidder expects to receive such approvals and establishes a substantial likelihood that the Qualified Bidder will obtain such approvals by the stated time period;
- g) it includes a duly authorized and executed copy of a purchase or acquisition agreement in the form of the Stalking Horse APA (a "Purchase Agreement"), including the purchase price for some or all of the Purchased Assets and/or the Other Assets, or both, expressed in U.S. Dollars, together with all exhibits and schedules thereto, together with copies marked to show any amendments and modifications to the Stalking Horse APA ("Marked Agreement");
- h) it is not subject to any financing contingency and includes written evidence of a firm ability to have the funding necessary to consummate the proposed transaction, that will allow the Debtors to make a reasonable determination, in consultation with the Consultation Parties, as to the Qualified Bidder's financial and other capabilities to consummate the transaction contemplated by the Purchase Agreement;
- i) if the bid is for all of the Purchased Assets, it must have a value to the Debtors, in the Debtors' exercise of its reasonable business judgment, after consultation with its advisors and the Consultation Parties, that is greater than or equal to the sum of the value offered under the Stalking Horse APA, plus (i) the amount of the Break-Up Fee (\$21,350,000.00); (ii) the amount of the Expense Reimbursement (\$2,000,000.00); and (iii) \$7,000,000.00 (the "Initial Bidding Increment," and, together with the Break-Up Fee and the Expense Reimbursement, the "Minimum Qualified Bid");

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<sup>2</sup> For the avoidance of doubt, such allocation shall not be binding on the Debtors, their estates or any Consultation Party.



- j) if the bid is a partial bid (the “Partial Bid”),<sup>3</sup> the terms of paragraph (i) immediately above shall not apply but the terms of paragraph (o) below concerning the Good Faith Deposit shall expressly apply in order to be a bid qualified to participate in the Partial Bid Auction (as defined below) (each, a “Partial Bid Auction Qualified Bid”). In the event that the Debtors aggregate Partial Bids, the Partial Bid purchasers’ responsibility for the Break-Up Fee, the Expense Reimbursement, and the Initial Bidding Increment shall be reasonably allocated to each Partial Bid purchaser, and in no event shall the Stalking Horse Purchaser be entitled to more than one Break-Up Fee and/or Expense Reimbursement;
- k) it identifies with particularity which (i) executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it, and (ii) Purchased Assets and/or Other Assets, subject to purchase money liens or the like, the Qualified Bidder wishes to acquire and therefore pay the associated purchase money financing;
- l) it contains sufficient information concerning the Qualified Bidder’s ability to provide adequate assurance of future performance with respect to executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it;
- m) it includes an acknowledgement and representation that the Qualified Bidder: (A) has had an opportunity to conduct any and all required due diligence regarding the Purchased Assets and/or Other Assets prior to making its offer and that the offer is not subject to any further due diligence or the need to raise capital/financing to consummate the proposed transaction; (B) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets and/or Other Assets in making its bid; (C) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Purchased Assets and/or Other Assets or the completeness of any information provided in connection therewith or with the relevant Auction (defined below), except as expressly stated in the Purchase Agreement; and (D) is not entitled to any expense reimbursement, break-up fee, or similar type of payment in connection with its bid;
- o) unless it is a Credit Bid (as defined below), it is accompanied by a (i) good faith deposit in the form of a wire transfer (to a bank account specified by the Debtors), certified check or such other form of cash or cash equivalent acceptable to the Debtors, payable to the order of the Debtors (or such other party as the Debtors may determine) in an amount equal to: (a) 20% of purchase price for bids under \$5 million; (b) for bids greater than \$5 million and less than \$100 million, the greater of: (i) \$1 million or (ii) 10% of purchase price; (c) for bids greater than \$100 million, the greater of (i) \$10 million or (ii) 5% of purchase price (collectively, the “Good Faith Deposit”), which Good Faith Deposit shall, be forfeited if such bidder

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<sup>3</sup> A Partial Bid shall mean a bid for less than all of the Purchased Assets.



is the Successful Bidder and breaches its obligation to close; and (ii) if the Qualified Bid is a bid made by a secured creditor of the Debtors (a “Credit Bid Bidder”) who intends to make a credit bid (each, a “Credit Bid Bid”), evidence of (a) the basis for and property covered by such Credit Bid Bidder’s secured claim, (b) the amount of such Credit Bid Bidder’s claim that is secured by the property in question, (c) whether it is the senior secured claim on the property (x) prepetition and (y) as of the date of the request to be a Qualified Bidder, as well as (d) evidence of the resolution of any Challenge to such Credit Bid Bidder’s secured claim within the meaning of the Final DIP Order.

- p) it contains a detailed description of how the Qualified Bidder intends to treat current employees of the Debtors;
- r) it identifies the person(s) and their title(s) who will attend the relevant Auction, and confirms that such person(s) have authority to make binding Overbids (defined below) at such Auction
- s) it contains such other information reasonably requested by the Debtors; and
- t) it is received prior to the Bid Deadline.

The Debtors, in consultation with the Consultation Parties (who shall receive copies of the Purchase Agreements relating to any bids cast pursuant to these Bidding Procedures as soon as reasonably practicable), may qualify any bid that meets the foregoing requirements as a Qualified Bid. Notwithstanding the foregoing, the Stalking Horse Purchaser is deemed a Qualified Bidder and the Stalking Horse APA is deemed a Qualified Bid, for all purposes in connection with the Bidding Process, the Auctions, and the Sale.

The Debtors shall notify the Consultation Parties, the Stalking Horse Purchaser, all Qualified Bidders and the Notice Parties in writing as to whether or not any bids constitute Qualified Bids (and with respect to each Qualified Bidder that submitted a bid as to whether such Qualified Bidder’s bid constitutes a Qualified Bid) and provide copies of the Purchase Agreements relating any such Qualified Bid to the Consultation Parties, the Stalking Horse Purchaser and such Qualified Bidders, and the Notice Parties on the earlier of: (1) the date that any bid other than the Stalking Horse Bid has been deemed a Qualified Bid, or (2) two business days prior to the Partial Bid Auction.

#### **D. Bid Deadline**

In order to be eligible to participate in the Auction, a Qualified Bidder that desires to make a bid will deliver written copies of its bid to the following parties (collectively, the “Notice Parties”): (i) counsel to the Debtors: Dentons US LLP, 601 S. Figueroa Street, Suite 2500, Los Angeles, CA 90017 (Attn: Tania M. Moyron (taniamoyron@dentons.com)); (ii) the Debtors’ Investment Banker: Cain Brothers, a division of KeyBanc Capital Markets, 1 California Street, Suite 2400, San Francisco, CA 94111 (Attn: James Moloney (jmoloney@cainbrothers.com)); (iii) counsel to the Official Committee: Milbank, Tweed, Hadley & McCloy LLP, 2029 Century Park East, 33rd Floor, Los Angeles, CA 90067 (Attn: Gregory A. Bray (gbray@milbank.com)); (iv) counsel to the Master Trustee and Series 2005 Bond Trustee: Mintz, Levin, Cohn, Ferris, Glovsky and Popeo,



P.C., One Financial Center, Boston, MA 02111 (Attn: Daniel S. Bleck and Paul Ricotta (dsbleck@mintz.com, pricotta@mintz.com)); (v) counsel to the Series 2015 and Series 2017 Notes Trustee: Maslon, LLP, 3300 Wells Fargo Center, 90 South Seventh Street, Minneapolis, MN 55402 (Attn: Clark Whitmore (clark.whitmore@maslon.com)), so as to be received by the Notice Parties not later than March 29, 2019, at 4:00 p.m. (prevailing Pacific Time) for partial bids (the “Partial Bid Deadline”) or April 3, 2019, at 4:00 p.m. (prevailing Pacific Time) for full bids (the “Bid Deadline”).

**E. Credit Bidding**

Any party with a valid, properly perfected security interest in any of the Purchased Assets and/or Other Assets (which is not subject to a pending Challenge within the meaning of the Final DIP Order) may credit bid for such Purchased Assets and/or Other Assets in connection with the Sale in accordance with and pursuant to § 363(k), except as otherwise limited by the Debtors for cause; provided, however, that any party seeking to credit bid may not credit bid unless such bid provides that all secured creditors with security interests on such Purchased Assets and/or Other Assets that are senior to such junior security interest are to be paid in cash in connection with such junior creditor’s bid. Any credit bids made by secured creditors shall not impair or otherwise affect the Stalking Horse Purchaser’s entitlement to the benefits of the Bidding Procedures and related protections granted under the Bidding Procedures Order.

**F. Evaluation of Competing Bids**

A Qualified Bid will be valued based upon several factors including, without limitation: (i) the amount of such bid; (ii) the risks and timing associated with consummating such bid; (iii) any proposed revisions to the form of Stalking Horse APA; and (iv) any other factors deemed relevant by the Debtors in their reasonable discretion, in consultation with the Consultation Parties, including the amount of cash included in the bid.

**G. No Qualified Bids**

If the Debtors do not receive any Qualified Bids other than the Stalking Horse APA, the Debtors will not hold an auction and the Stalking Horse Purchaser will be named the Successful Bidder for the Purchased Assets. If the Debtors receive one or more qualified Partial Bid Auction Qualified Bids and, after the Partial Bid Auction contemplated by Section (H) of these Bidding Procedures, the Debtors will determine, in consultation with the Consultation Parties, if there are any Partial Bidders that will not be qualified to participate at the Full Bid Auction

**H. Auction Process**

If the Debtors receive one or more Partial Bid Auction Qualified Bids as set forth above, the Debtors will conduct separate auctions of each asset or combinations thereof (each, a “Partial Bid Auction”). Any Partial Bidder holding a Partial Bid Auction Qualified Bid shall be entitled to bid on any assets in any Partial Bid Auction(s). The procedures below for the Full Bid Auction shall apply to the Partial Bid Auction, except as where otherwise indicated. The Debtors will conduct the Partial Bid Auction(s), which shall be transcribed, on April 8, 2019 at 10:00 a.m. (prevailing Pacific Time) at the offices of Dentons US LLP, 601 South Figueroa Street, Suite 2500, Los



Angeles, CA 90017, or such other location as shall be timely communicated to all entities entitled to attend the Auction.

The Partial Bid Auction Qualified Bids determined by the Debtors, in consultation with the Consultation Parties, at the Partial Bid Auction(s) (as set forth above) to be eligible to participate at the Full Bid Auction, including (without limitation) the highest and best bids for each asset (the “Winning Partial Bids”), shall be permitted to participate in the Full Bid Auction (as defined below) of the Purchased Assets and/or the Other Assets; except that:

- (a) If the Partial Bids, at the conclusion of the Partial Bid Auction, include all four APA Facilities and exceed, in the aggregate, the Purchase Price in the Stalking Horse APA, there will be a Full Bid Auction (as defined below) and (1) the Stalking Horse Purchaser may overbid in the aggregate for all four APA Facilities, or (2) the Stalking Horse Purchaser may bid for less than the four APA Facilities and be entitled to a pro-rata Break-Up Fee for the APA Facilities which the Stalking Horse Purchaser does not acquire, as specified in the Stalking Horse APA at Section 6.26 (b)(2);
- (b) If the Partial Bids do not include all four APA Facilities, and if there are no other Qualified Full Bids, then Seller, in its discretion, after consultation with the Consultation Parties, may choose, at the conclusion of the Partial Bid Auction, (1) to have no Full Bid Auction, and the Stalking Horse Purchaser will purchase the four APA Facilities pursuant to the Stalking Horse APA, or (2) if the Debtor and Consultation Parties deem the aggregate designated Winning Partial Bid(s) to be sufficient to warrant leaving one or more APA Facilities behind (the “Remaining Facility”), the Stalking Horse Purchaser shall have the option of (i) acquiring the Remaining Facility at the allocated price in the Stalking Horse APA, (ii) overbidding one or more of the Partial Bids, or (iii) terminating the Stalking Horse APA. In either event, the Stalking Horse Purchaser shall be entitled to the Break-Up Fee for all of the APA Facilities not acquired by the Stalking Horse Purchaser.

If the Debtors receive, in addition to the Stalking Horse APA, one or more Qualified Full Bids (and/or a combination of Winning Partial Bids from the Partial Bid Auction(s) seeking, on aggregate basis, to purchase all or substantially all of the Purchased Assets and/or the Other Assets), the Debtors will conduct a full bid auction of the Purchased Assets and/or the Other Assets (the “Full Bid Auction”), which shall be transcribed, on April 9, 2019 (the “Full Bid Auction Date”), at 10:00 a.m. (prevailing Pacific Time), at the offices of Dentons US LLP, 601 South Figueroa Street, Suite 2500, Los Angeles, CA 90017, or such other location as shall be timely communicated to all entities entitled to attend the Auction.

The Full Bid Auction shall be conducted in accordance with the following procedures:

- a) only the Debtors, the Stalking Horse Purchaser, Qualified Bidders who have timely submitted a Qualified Bid, the U.S. Trustee, and the Consultation Parties, and their



respective advisors, and other parties who request and receive authority to attend the auction in advance from the Debtors may attend the Auction;

- b) only the Stalking Horse Purchaser and the Qualified Bidders who have timely submitted Qualified Bids will be entitled to make any subsequent bids at the Auction;
- c) each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the sale;
- d) all Qualified Bidders who have timely submitted Qualified Bids will be entitled to be present for all Subsequent Bids (defined herein) at the relevant Auction and the actual identity of each Qualified Bidder will be disclosed on the record at the relevant Auction; provided that all Qualified Bidders wishing to attend the relevant Auction must have at least one individual representative with authority to bind such Qualified Bidder attending the relevant Auction in person;
- e) the Debtors, after consultation with the Consultation Parties and the Stalking Horse Purchaser, may employ and announce at the relevant Auction additional procedural rules that are (i) reasonable under the circumstances for conducting the relevant Auction, (ii) in the best interest of the Debtors' estates; provided, however, that rules (i) are disclosed to the Stalking Horse Purchaser and each Qualified Bidder participating in the Auction, and (ii) are not inconsistent with the Bid Protections, the Stalking Horse APA, the Bankruptcy Code, or any order of the Court entered in connection herewith;
- f) bidding at the relevant Auction will begin with a bid determined by the Debtors after consulting with the Consultation Parties as being the then highest and best bid which will be announced by the Debtors prior to the commencement of the Auction (the "Baseline Bid"). The Auction will continue in bidding increments to be determined in the discretion of the Debtors, in consultation with the Consultation Parties (each a "Overbid"), and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders who submitted Qualified Bids and are in attendance at the Auction (including, without limitation, Winning Partial Bids), as well as to the Notice Parties;
- g) the initial Overbid, if any, shall provide for total consideration to Debtors with a value that exceeds the value of the consideration under the Baseline Bid by an incremental amount. Additional consideration in excess of the amount set forth in the respective Baseline Bid must include: (i) cash and/or (ii) in the case of a Qualified Bidder (including, without limitation, with respect to any Winning Partial Bids) that is a Credit Bid Bidder that has a valid and perfected lien (not subject to a Challenge within the meaning the Final DIP Order) on any of the Purchased Assets and/or the Other Assets, a Credit Bid of up to the full amount of such Credit Bidder's allowed perfected lien, subject to § 363(k) and any other restrictions set forth herein; and



- i) at the Full Bid Auction, the Stalking Horse Purchaser may, subject to the terms and conditions set forth herein, elect to bid for the Purchased Assets as described in the Bid Procedures Order. In the alternative, the Stalking Horse Purchaser, and any bidder with a Qualified Full Bid, (a) may elect to bid against any one or more of the Winning Partial Bidders for the assets subject to the relevant Partial Bid(s), in lieu of seeking to acquire such Purchased Assets and/or Other Assets by means of the Stalking Horse Bid or another Qualified Full Bid; and (b) if successful with its Overbids for such assets, replace the Winning Partial Bidder(s) as the proponent of the relevant Winning Partial Bids or Aggregate Winning Partial Bid as to such assets. In the event that the Stalking Horse Purchaser or another bidder so elects, and as long as the Stalking Horse Purchaser or another bidder so bids, the Winning Partial Bidders must continue to present qualified Winning Partial Bids (i.e., bids as to which the aggregate of all still pending Winning Partial Bids is greater than or equal to the then Prevailing Highest Bid) for the Purchased Assets and/or the Other Assets in each round to continue to bid as Winning Partial Bidders in the Full Bid Auction. In addition, the Debtors may elect, in their discretion, after consultation with the Consultation Parties, to allow Partial Bidders to bid for all or substantially all the Purchased Assets and/or the Other Assets subject to augmenting its Good Faith Deposit, as necessary, or to allow proponents of Full Bids to bid for less than all or substantially all of the Purchased Assets and/or the Other Assets in any given round of the Auction, provided that in any given round there is a Full Bid or an Aggregate Partial Bid that is superior to Prevailing Highest Bid that is then subject to acceptance by the Debtors and binding on the Stalking Horse Purchaser or another Qualified Bidder. In all events, (i) any such Overbid shall continue to comply with all of the requirements for Qualified Bids set forth in Section C of these Bidding Procedures; and (ii) the bidder submitting such a modified Qualified Bid or Qualified Partial Bid shall furnish to the Debtors and the Consultation Parties, within twenty-four (24) hours of the conclusion of the Auction, a revised Purchase Agreement and Marked Agreement showing all amendments and modifications to the Stalking Horse APA and the Sale Order.

#### **I. Selection of Successful Bid**

Prior to the conclusion of the relevant Auction, the Debtors, in consultation with the Consultation Parties, will review and evaluate each Qualified Bid in accordance with the procedures set forth herein and determine which offer or offers are the highest or otherwise best from among the Qualified Bids submitted at the relevant Auction (one or more such bids, collectively the “Successful Bid” and the bidder(s) making such bid, collectively, the “Successful Bidder”), and communicate to the Qualified Bidders the identity of the Successful Bidder and the details of the Successful Bid. The determination of the Successful Bid by the Debtors at the conclusion of the relevant Auction shall be subject to approval by the Court.

If selected, at the conclusion of the Partial Bid Auction, as the Winning Partial Bidder or the Back-Up Bidder in accordance with Section H above, then such party or parties, prior to the Full Bid Auction, shall increase its Good Faith Deposit in the amount set forth in Section II(C)(o), or as determined by the Seller in consultation with the Consultation Parties; provided, however, if a party or parties are bidding on all four APA Facilities, the deposit will be no less than \$30,000,000.



If selected as the Successful Bidder or the Back-Up Bidder at the conclusion of the Full Bid Auction, each of the Successful Bidder and the Back-Up Bidder shall, within forty-eight (48) hours, increase its Good Faith Deposit to the sum of five percent (5%) of the Successful Bid or Back-Up Bid, as applicable. If the Successful Bidder fails to increase the Good Faith Deposit within forty-eight (48) hours of the Auction conclusion date (the “Final Deposit”), then (1) the Successful Bidder forfeits its Good Faith Deposit, and (2) the Successful Bid is nullified (i.e., the Back-Up Bidder becomes the Successful Bidder in the amount of its last bid).

Unless otherwise agreed to by the Debtors and the Successful Bidder, within two (2) business days after the conclusion of the relevant Auction, the Successful Bidder shall complete and execute all agreements, contracts, instruments, and other documents evidencing and containing the terms and conditions upon which the Successful Bid was made. Within forty-eight (48) hours following the conclusion of the relevant Auction, the Debtors shall file a notice identifying the Successful Bidder(s) and Back-Up Bidders with the Court and shall serve such notice by fax, email, or if neither is available, by overnight mail to all counterparties whose contracts are to be assumed and assigned.

The Debtors will sell the Purchased Assets and (to extent included in an Overbid) the Other Assets to the Successful Bidder pursuant to the terms of the Successful Bid upon the approval of such Successful Bid by the Court at the Sale Hearing and satisfaction of any other closing conditions set forth in the Successful Bidder’s Purchase Agreement.

**J. Return of Deposits**

All deposits shall be returned to each bidder not selected by the Debtors as the Successful Bidder or the Back-Up Bidder (defined herein) no later than five (5) business days following the conclusion of the Auction.

**K. Back-Up Bidder**

If an Auction is conducted, the Qualified Bidder or Qualified Bidders with the next highest or otherwise best Qualified Bid, as determined by the Debtors in the exercise of their business judgment, in consultation with the Consultation Parties, at the relevant Auction shall be required to serve as a back-up bidder (the “Back-Up Bidder”) and keep such bid open and irrevocable for thirty (30) business days after the entry of the Sale Order (the “Thirty-Day Period”). If during the Thirty-Day Period, the Successful Bidder fails to consummate the approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Back-Up Bidder will be deemed to be the new Successful Bidder, and the Debtors will be authorized, but not required, to consummate the sale with the Back-Up Bidder without further order of the Court provided that the Back-Up Bidder shall thereafter keep such bid open and irrevocable in accordance with the terms of the Back-Up Bidder APA; provided further, however, that if the Back-Up Bidder is the Stalking Horse Purchaser, the Debtors will be authorized and required to consummate the sale to the Stalking Horse Purchaser.

If, after the Thirty-Day Period, the Successful Bidder has failed to consummate the approved sale, the Back-Up Bidder may elect, at its discretion, to remain as the Back-Up Bidder until (a) the sale closes, (b) the Successful Bidder defaults, or (c) the Back-Up Bidder elects to terminate its



participation as Back-Up Bidder. For the avoidance of doubt, after the Thirty-Day Period, if the Successful Bidder fails to consummate the approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Back-Up Bidder will not be contractually obligated to be the Back-Up Bidder, and will have the option to either (i) be entitled to terminate its Back-Up Bidder APA and the return of its deposit, or (ii) remain as the Back-up Bidder, in which event, there will be no re-opening of the auction.

#### **L. Break-Up Fee**

In recognition of this expenditure of time, energy, and resources, the Debtors have agreed that if the Stalking Horse Purchaser is not the Successful Bidder as to the Purchased Assets, the Debtors will pay the Stalking Horse Purchaser at closing of the sale of the Purchased Assets the Break-Up Fee and the Expense Reimbursement as set forth in the Stalking Horse APA.

### **III. Sale Hearing**

The Debtors will seek entry of the Sale Order, at the Sale Hearing on April 17, 2019, at 10:00 a.m. (or at another date and time convenient to the Court), to approve and authorize the sale transaction to the Successful Bidder(s) on terms and conditions determined in accordance with the Bidding Procedures. The Debtors may submit and present such additional evidence, as they may deem necessary, at the Sale Hearing demonstrating that the Sale is fair, reasonable, and in the best interest of the Debtors' estates and all interested parties, and satisfies the standards necessary to approve a sale of the Purchased Assets."

### **IV. Sale Order**

The Sale Order will provide Court approval of (i) the Sale to the Successful Bidder, free and clear of all liens, claims, interests, and encumbrances, pursuant to 11 U.S.C. § 363, with the proceeds of the Sale deposited in accordance with Paragraph 4 of the Final DIP Order, with all liens, claims, interests, and encumbrances to attach to the sale proceeds with the same validity and in the same order of priority as they attached to the Purchased Assets prior to the Sale, including, without limitation, the liens and security interests of the DIP Lender and each of the Prepetition Secured Creditors under the relevant agreements, applicable law and the Final DIP Order, and (ii) the assumption by the Debtors and assignment to the Successful Bidder of the Assumed Executory Contracts and Leases pursuant to 11 U.S.C. § 365.

### **VII. Reservation**

The Debtors reserve the right, as they may determine in their discretion and in accordance with their business judgment to be in the best interest of their estates, in consultation with their professionals and the Consultation Parties to: (i) modify the Bidding Procedures to discontinue incremental bidding and then require that any and all bidders or potential purchasers submit their sealed, highest and best offer for the Purchased Assets and/or the Other Assets; (ii) determine which Qualified Bid is the highest or otherwise best bid and which is the next highest or otherwise best bid; (iii) waive terms and conditions set forth herein with respect to all Potential Bidders; (iv)



impose additional terms and conditions with respect to all Potential Bidders; (v) extend the deadlines set forth herein; (vi) continue or cancel an Auction and/or Sale Hearing in open court without further notice; and (vii) implement additional procedural rules that the Debtors determine, in their reasonable business judgment and in consultation with the Consultation Parties will better promote the goals of the bidding process; provided that such modifications are disclosed to each Qualified Bidder participating in the Auction; provided, however, and notwithstanding the foregoing, these Bid Procedures shall not be modified so as to alter, extinguish or modify any rights or interests of the Stalking Horse Purchaser expressly set forth herein or in the Stalking Horse APA.



**SCHEDULES 1.4.3 TO 11.3(b) TO BE SUBMITTED**



# EXHIBIT B

EXHIBIT B Page 1 of 3  
Case 5:50-jb-01001-EB Doc 23-5 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT B



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FILED & ENTERED

FEB 19 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

CHANGES MADE BY COURT

In re

Lead Case No. 2:18-bk-20151-ER

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Jointly Administered With:

Debtors and Debtors In Possession.

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

☒ Affects All Debtors

Hon. Ernest M. Robles

- ☐ Affects Verity Health System of  
California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of  
Lynwood Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose  
Dialysis, LLC

**ORDER (I) APPROVING FORM OF ASSET PURCHASE  
AGREEMENT FOR STALKING HORSE BIDDER AND  
FOR PROSPECTIVE OVERBIDDERS, (2) APPROVING  
AUCTION SALE FORMAT, BIDDING PROCEDURES  
AND STALKING HORSE BID PROTECTIONS, (3)  
APPROVING FORM OF NOTICE TO BE PROVIDED TO  
INTERESTED PARTIES, (4) SCHEDULING A COURT  
HEARING TO CONSIDER APPROVAL OF THE SALE TO  
THE HIGHEST BIDDER AND (5) APPROVING  
PROCEDURES RELATED TO THE ASSUMPTION OF  
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES; AND (II) AN ORDER (A) AUTHORIZING THE  
SALE OF PROPERTY FREE AND CLEAR OF ALL  
CLAIMS, LIENS AND ENCUMBRANCES;  
MEMORANDUM OF POINTS AND AUTHORITIES IN  
SUPPORT THEREOF**

Debtors and Debtors In Possession.

Hearing:

Date: February 6, 2019

Time: 10:00 am

Location: Courtroom 1568, 255 E. Temple St., Los Angeles, CA

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This matter coming before the Court on the motion (the “Motion”)<sup>1</sup> of the above-captioned debtors and debtors in possession (the “Debtors”) for the entry of an Order, as applicable, pursuant to Sections 105(a), 363, and 365 of Title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004, 6006, 9007, and 9014 of the Federal Rules of Bankruptcy Procedure (as amended from time to time, the “Bankruptcy Rules”), and Rule 6004-1 and 9013-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California (“LBR”) (i)(a) approving form of asset purchase agreement for the Stalking Horse Purchaser and for prospective Overbidders (the “Stalking Horse APA”); (b) approving auction sale format, bidding procedures (the “Bidding Procedures”) and stalking horse bid protections; (c) approving the form of notice to be provided to interested parties; (d) scheduling the Auction and a court hearing to consider approval of the sale to the highest bidder; and (e) approving procedures related to the assumption and assignment of certain executory contracts and unexpired leases to the Successful Bidder; (ii) authorizing the sale of property free and clear of all claims, liens and encumbrances; and (iii) granting related relief; the Court having found that (i) the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and (iv) notice of the Motion was sufficient under the circumstances and properly given, and it appearing that no other or further notice need be provided; and a hearing on the proposed bid and sale procedures as detailed in the Motion having been held; and after due deliberation the Court having determined that the relief requested in the Motion with respect to proposed bid and sale procedures is in the best interests of the Debtors, their estates, and their creditors; ~~and for the reasons set forth in the Court’s tentative~~

---

<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.



~~ruling (the “Tentative Ruling”) [Doc. No. 1488], which the Court adopts as its final ruling and which is incorporated herein by reference,~~<sup>2</sup> and good and sufficient cause having been shown;

**AND IT IS FURTHER FOUND AND DETERMINED THAT:**<sup>3</sup>

A. The statutory and legal predicates for the relief requested in the Motion and provided for herein are Sections 105(a), 363, and 365 of Title 11 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 9007, 9013 and 9014, and Local Bankruptcy Rules 6004-1, and 9013-1.

B. In the Motion and at the hearing on the Motion, the Debtors demonstrated that good and sufficient notice of the relief granted by this Order has been given and no further notice is required. A reasonable opportunity to object or be heard regarding the relief granted by this Order has been afforded to those parties entitled to notice pursuant to Bankruptcy Rule 2002 and all other interested parties.

C. The Debtors’ proposed notice of the Bidding Procedures, the Auction and the hearing to approve the sale (the “Sale”) of the Assets (the “Sale Hearing”) is appropriate and reasonably calculated to provide all interested parties with timely and proper notice, and no other or further notice is required.

D. The Bidding Procedures substantially in the form attached hereto as Exhibit 1 are fair, reasonable, and appropriate and are designed to maximize the recovery from the Sale of the Assets.

E. The Break-Up Fee, in the amount set forth below, (i) is reasonable and appropriate given, among other things, the size and nature of the Sale and the efforts that will have been

---

<sup>2</sup> Because material changes were made to the Court’s Tentative Ruling on the record at the hearing, the Court has not posted the Tentative Ruling to the CM/ECF docket.

<sup>3</sup> The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.



1 expended, and will continue to be expended, by the Stalking Horse Purchaser, and (ii) is a  
2 material inducement for, and a condition of, the Stalking Horse Purchaser's entry into the  
3 Stalking Horse APA.

4 F. The form of the Stalking Horse APA is fair and reasonable and provides flexibility  
5 in the process to sell the Assets in a manner designed to maximize the value of the Assets.

6  
7 G. The assumption and assignment procedures described in the Motion and provided  
8 for herein (the "Assumption and Assignment Procedures") and the Cure Notice are reasonable  
9 and appropriate and consistent with the provisions of Section 365 of the Bankruptcy Code and  
10 Bankruptcy Rule 6006. The Assumption and Assignment Procedures and the Cure Notice have  
11 been narrowly tailored to provide an adequate opportunity for all non-debtor counterparties to the  
12 Assumed Executory Contracts to assert an Assumption Objection.

13  
14 H. Entry of this Order is in the best interests of the Debtors, their estates and  
15 creditors, and all other parties in interest.

16 **NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

- 17 1. The Motion is **GRANTED** as set forth herein.
- 18 2. To the extent that the International Union of Operating Engineers, Stationary  
19 Engineers Local 39 [Doc. No. 1355], the Service Employees International Union, United  
20 Healthcare Workers West [Doc. No. 1354], the California Nurses Association [Doc. No. 1359],  
21 and the United Nurses Association of California/Union of Health Care Professionals (collectively,  
22 the "Unions") assert that the Debtors are required to reject the Collective Bargaining Agreements  
23 prior to entering into the Stalking Horse APA, the Unions' objections are overruled.  
24 Additionally, the Union's objection that the Bidding Procedures do not sufficiently incentivize  
25 prospective purchasers to assume Collective Bargaining Agreements (the "CBAs") to which the  
26 Unions are parties is overruled. The Court finds that requiring the Debtors to provide a precise  
27  
28



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quantification of the value to be accorded to the assumption of liabilities arising under the CBAs would unduly impair the Debtors' flexibility in the conduct of the auction of the Debtors' assets, and would likely yield suboptimal results for all stakeholders. The Debtors must be allowed to conduct the auction in accordance with their business judgment, especially given the complexity of an auction of this type. Precise quantification of the valuation to be afforded to assumption of the CBAs would not be of material assistance to the sophisticated participants in this auction, who will be assisted by professional advisors using their own detailed financial models and projections. ~~to the Bidding Procedures are overruled as set forth in the Tentative Ruling, at Section 11 ¶ C.~~ This Order does not prevent the Unions from raising objections under § 1113 at the Sale Hearing. However, the Unions' contention that the Stalking Horse APA and the associated bidding procedures cannot be approved prior to the adjudication of § 1113 issues is without merit.

3. The objection filed by St. Vincent IPA Medical Corporation and Angeles IPA [Doc. No. 1388] is premature and may be raised at the Sale Hearing. With respect to the objection filed by Hooper Healthcare Consulting LLC ("Hooper") [Doc. No. 1397], to the extent that Hooper asserts that it is entitled to receive notification of the treatment of its Net Benefit Compensation (as that term is defined in Doc. No. 1397) prior to selection of the Successful Bidder, its objection is overruled. Hooper may raise any objections regarding its Net Benefit Compensation or the assumption and assignment of its executory contract at the Sale Hearing. Hooper's objection to the timeline proposed by the Debtors with respect to the assumption and assignment of executory contracts is overruled. ~~To the extent that Hooper The objections filed by (i) St. Vincent IPA Medical Corporation and Angeles IPA [Doc. No. 1388], and (ii) Hooper Healthcare Consulting LLC [Doc. No. 1397] are overruled for the reasons set forth in the Tentative Ruling, Section II ¶ G & J.~~



1           4.       The objection filed by the Official Committee of Unsecured **Creditors (the**  
2       **“Committee”**) [Docket Nos. 1399, 1401, 1402] and the *Joint Supplement to Objection and*  
3       *Response to Debtors’ Sale Motion* [Docket No. 1279] filed by the Committee, UMB Bank, N.A.,  
4       and Wells Fargo Bank, National Association, is overruled in part and sustained in part with  
5       respect to the revised Section 8.6 of the Stalking Horse APA and the Break-Up Fee, as set forth  
6       below.

7  
8           5.       As to the objection filed by the County of San Mateo and the Health Plan of San  
9       Mateo [Doc. No. 1361], the restrictions and limitations set forth in § 5.1(b) of the Stalking Horse  
10      APA on communications between SGM and governmental authorities shall apply only to  
11      communications regarding licensing or regulation of the Hospitals with the relevant licensing or  
12      regulatory authorities. Such restrictions shall not apply to communications involving SGM (or  
13      any other prospective buyers) and any governmental authority on subjects unrelated to licensing  
14      or regulation by that authority.

15  
16          6.       The Court does not rule on the objections filed by MGH Painting Inc. [Doc. No.  
17      1358], Belfor USA Group, Inc. [Doc. No. 1364], **and the** California Attorney General [Doc. No.  
18      1352], ~~**Centers for Medicare and Medicaid Services**~~; all such objections are premature and are  
19      preserved for the Sale Hearing and may be raised at that time. All objections to the relief  
20      requested in the Motion that have not been withdrawn, waived or settled are overruled.

21  
22          7.       The objection of Cigna Healthcare of California, Inc. (“Cigna”) [Doc. Nos. 1349  
23      and 1459] is sustained. The Debtors shall, no later than the earlier of (i) 48 hours after the  
24      conclusion of the Auction, or (ii) thirty (30) days prior to the Closing Date, provide Cigna with  
25      written notice of its irrevocable decision as to whether or not the Debtors propose to assume and  
26      assign any or all of the Cigna Provider Agreements as part of the Sale; provided, however, that  
27      such notice shall be irrevocable only to the extent that the Successful Bidder’s transaction is  
28



1 approved by this Court and an order thereon becomes final and non-appealable. The Debtors shall  
2 provide the same notice to UnitedHealthcare Insurance Company.

3 8. The objections filed by the U.S. Department of Health and Human Services and  
4 Centers for Medicare and Medicaid Services [Doc. No. 1346] and the California Department of  
5 Health Care Services [Doc. No. 1353] are continued, as resolved by stipulations [Docket Nos.  
6 1458 and 1473, respectively], approved by orders entered on [Docket Nos. 1465 and 1483,  
7 respectively].

9 9. The Bidding Procedures attached hereto as Exhibit 1 are **APPROVED**.<sup>4</sup>

10 10. Strategic Global Management, Inc. or an affiliate to be designated (the “Stalking  
11 Horse Purchaser”) is hereby **APPROVED** to be and designated as the Stalking Horse Purchaser  
12 as to the Assets, and the form of the Stalking Horse APA is hereby **APPROVED**.

13 11. Subject to the Bidding Procedures and approval of the Sale at the Sale Hearing, the  
14 Debtors’ entry into the Stalking Horse APA (including any amendments thereto) is hereby  
15 **APPROVED** subject to the following modifications:

16 (i) the following language is added to Section 6.1(b)(2): “In the event that Purchaser  
17 terminates this Agreement in accordance with Section 8.6 hereof, expenses of Purchaser incurred  
18 in satisfaction of Section 8.6 shall be reimbursed up to \$500,000”;

19 (ii) Section 8.6 shall be replaced by the following revised Section 8.6:

20  
21 8.6 **Attorney General Provisions**. Purchaser recognizes that the  
22 transactions contemplated by this Agreement may be subject to review  
23 and approval of the CA AG. Purchaser agrees to close the transactions  
24 contemplated by this Agreement so long as any conditions imposed by  
25 the CA AG are substantially consistent with the conditions set forth, as  
26 Purchaser Approved Conditions, in Schedule 8.6. In the event the CA  
27 AG imposes conditions on the transactions contemplated by this  
28 Agreement, or on Purchaser in connection therewith, which are  
materially different than the Purchaser Approved Conditions set forth

<sup>4</sup> For the convenience of parties in interest, a chart listing important dates set forth in this Order is attached hereto as Exhibit 2.



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on Schedule 8.6 (the “Additional Conditions”), Sellers shall have the opportunity to file a motion with the Bankruptcy Court seeking the entry of an order (“Supplemental Sale Order”) finding that the Additional Conditions are an “interest in property” for purposes of 11 U.S.C. § 363(f), and that the Assets can be sold free and clear of the Additional Conditions without the imposition of any other conditions, which would adversely affect the Purchaser. For purposes of this Section 8.6, Additional Conditions which individually or collectively impose a direct or indirect cost to Purchaser of \$5 million, or more, shall be conclusively deemed to be “materially different.” If Sellers determine not to seek such Supplemental Sale Order, or fail to obtain such Supplemental Sale Order within 60 days of the Attorney General’s imposition of Additional Conditions, Purchaser shall be entitled to terminate this Agreement and receive the return of its Good Faith Deposit. If Sellers timely obtain such Supplemental Sale Order from the Bankruptcy Court or another court, Purchaser shall have a period of 21 business days from the entry of such order (the “Evaluation Period”) to determine, in the exercise of the Purchaser’s reasonable business judgment and in consultation with Purchaser’s financing sources, whether to proceed to consummate the transactions contemplated by this Agreement; provided, however, (i) Purchaser shall not terminate or provide notice of termination of the Stalking Horse APA based on the Seller’s failure to satisfy the condition set forth under this Section 8.6 until the expiration of the Evaluation Period as may be extended herein, and (ii) the Evaluation Period may be extended by the Debtors, in consultation with the Consultation Parties, by up to 90 days for any appeal properly perfected with respect to the Supplemental Sale Order (the “Extended Evaluation Periods”). For the avoidance of doubt, if the Debtors or any of the Consultation Parties dispute the reasonableness of the exercise of the Purchaser’s business judgment, such dispute shall be determined by the Bankruptcy Court only in the context of an adversary proceeding. If, at the conclusion of the Extended Evaluation Periods, such Supplemental Sale Order has not become a final, non-appealable order and Purchaser determines not to proceed, Purchaser shall have the right within ten (10) business days after the conclusion of the Extended Evaluation Periods to terminate this Agreement and receive the return of its Good Faith Deposit. Sellers shall provide Purchaser with prompt written notice of the conclusion of the Extended Evaluation Periods and whether the Supplemental Sale Order has become a final, non-appealable order. For purposes of this Section 8.6, “a final, non-appealable order” shall include a Supplemental Sale Order (i) which has been affirmed or the appeal of which has been dismissed by any appellate court and for which the relevant appeal period has expired (other than any right of appeal to the U.S. Supreme Court), or (ii) which has been withdrawn by the appellant. If the Supplemental Sale Order becomes a final, non-appealable order prior to the expiration of the Evaluation Period or, if applicable, the



Extended Evaluation Periods, Purchaser shall consummate the Sale provided that all other conditions to closing have been satisfied. During any Evaluation Period or Extended Evaluation Periods, Purchaser shall reasonably cooperate in any efforts to render the Supplemental Sale Order a final, non-appealable order, including timely taking reasonable steps in preparation for closing of the transactions described in this Agreement; provided, however, Purchaser shall not be obligated to expend more than \$500,000. For the avoidance of doubt, neither this provision, nor any of the rights granted to the Purchaser herein, shall constitute a waiver of any party in interest's right to argue that any appeal from the Sale Order should be dismissed on statutory, Constitutional or equitable mootness grounds.

(iii) in Section II, H(a), in Schedule 6.1(b)(3), annexed to the Stalking Horse APA [Docket No. 1279, at 111], the reference to Section 6.26(b)(2) is hereby corrected to Section 6.1(b)(2); and

(iv) other clarifications to the Bidding Procedures set forth in the attached Exhibit "1" are hereby deemed incorporated into Schedule 6.1(b)(3), annexed to the Stalking Horse APA [Docket No. 1279, at 111].

12. The Break-Up Fee, as modified, is **APPROVED** for the reasons stated on the record. If the Stalking Horse Purchaser is not the Successful Bidder and is not then in breach, and the Stalking Horse APA has not otherwise been terminated, the Stalking Horse Purchaser shall be paid at the closing of the Sale of the Purchased Assets (i) three and one-quarter percent (3.25%) of the Cash Consideration (\$19,825,000.00), plus (ii) reimbursement of reasonably documented reasonable costs and expenses in an amount not to exceed \$2,000,000.00. Notwithstanding anything to the contrary contained herein, upon payment of the Break-Up Fee to the Stalking Horse Purchaser, the Debtors and their representatives and affiliates, on the one hand, and Stalking Horse Purchaser and its respective representatives and affiliates, on the other hand, will be deemed to have fully released and discharged each other from any liability resulting from the termination of the Stalking Horse APA, and neither the Debtors and their representatives and



1 affiliates, on the one hand, and the Stalking Horse Purchaser and its respective representatives  
2 and affiliates, on the other hand, nor any other Person, will have any other remedy or cause of  
3 action under or relating to the Stalking Horse APA, including for reimbursement of any additional  
4 expenses incurred by the Stalking Horse Purchaser in connection with the negotiation and  
5 documentation of the Stalking Horse APA and all proceedings held in connection therewith. Any  
6 Break-Up Fee shall be payable without any further order of the Bankruptcy Court.  
7

8 13. The Partial Bid Deadline **shall be March 28, 2019 at 4:00 p.m. (prevailing**  
9 **Pacific Time)** and the Bid Deadline shall be **April 3, 2019 at 4:00 p.m. (prevailing Pacific**  
10 **Time).**

11 14. The Debtors, after consultation with the Consultation Parties (as defined in the  
12 Bidding Procedures), shall have the exclusive right to determine whether a bid is a Qualified Bid  
13 and shall notify Qualified Bidders whether their bids have been recognized as such as promptly as  
14 practicable after a Qualified Bidder delivers all of the materials required by the Bidding  
15 Procedures.  
16

17 15. The Partial Bid Auction, if necessary, shall be held on **April 8, 2019 at 10:00 a.m.**  
18 **(prevailing Pacific Time)** at the offices of Dentons US LLP, 601 South Figueroa Street, Suite  
19 2500, Los Angeles, CA 90017, or at such other location as shall be identified in a notice filed  
20 with the Bankruptcy Court at least 24 hours before the Partial Bid Auction. The Full Bid  
21 Auction, if necessary, shall be held on **April 9, 2019 at 10:00 a.m. (prevailing Pacific Time)** at  
22 the offices of Dentons US LLP, 601 South Figueroa Street, Suite 2500, Los Angeles, CA 90017,  
23 or at such other location as shall be identified in a notice filed with the Bankruptcy Court at least  
24 24 hours before the Full Bid Auction.  
25

26 16. At each of the Partial Bid Auction and the Full Bid Auction, each Qualified Bidder  
27 shall be required to confirm that it has not engaged in any collusion with respect to the bidding or  
28



the sale, and the Auction shall be conducted openly and transcribed. Within twenty-four (24) hours following the conclusion of the Full Bid Auction, the Debtors shall file a notice identifying the Successful Bidder with the Court and shall serve such notice by fax, email, or if neither is available, by overnight mail to all counterparties whose contracts are to be assumed and assigned.

17. The Debtors, after consultation with the Consultation Parties, shall determine which offer is the highest and otherwise best offer for the Assets, giving effect to the Break-Up Fee payable to the Stalking Horse Purchaser as well as any additional liabilities or Cure Amounts to be assumed by the Stalking Horse Purchaser or another Qualified Bidder and any additional costs which may be imposed on the Debtors.

18. The Sale Hearing shall be held on **April 17, 2019 at 10:00 a.m. (prevailing Pacific Time)** before this Court, the U.S. Bankruptcy Court for the Central District of California, 255 E. Temple St., Los Angeles, California 90012. Any objections to the Sale (other than an Assumption Objection (defined herein) which shall be governed by the procedures set forth below) (a “Sale Objection”), must (i) be in writing; (ii) comply with the Bankruptcy Rules and the Local Rules; (iii) set forth the specific basis for the Sale Objection; (iv) be filed with the Court, 255 E. Temple St., Los Angeles, California 90012, together with proof of service, **on or before 4:00 p.m. (prevailing Pacific Time) on April 12, 2019** (the “Sale Objection Deadline”) and (v) be served, so as to be actually received on or before the Sale Objection Deadline, upon: (i) counsel to the Debtors: Dentons US LLP, 601 S. Figueroa Street, Suite 2500, Los Angeles, CA 90017 (Attn: Tania M. Moyron (tania.moyron@dentons.com)); (ii) the Debtors’ Investment Banker: Cain Brothers, a division of KeyBanc Capital Markets, 1 California Street, Suite 2400, San Francisco, CA 94111 (Attn: James Moloney (jmoloney@cainbrothers.com)); (iii) counsel to the Official Committee: Milbank, Tweed, Hadley & McCloy LLP, 2029 Century Park East, 33rd Floor, Los Angeles, CA 90067 (Attn: Gregory A. Bray (gbray@milbank.com)); (iv) counsel to the



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Master Trustee and Series 2005 Bond Trustee: Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111 (Attn: Daniel S. Bleck and Paul Ricotta (dsbleck@mintz.com, pricotta@mintz.com)); and (v) counsel to the Series 2015 and Series 2017 Notes Trustee: Maslon, LLP, 3300 Wells Fargo Center, 90 South Seventh Street, Minneapolis, MN 55402 (Attn: Clark Whitmore (clark.whitmore@maslon.com) (collectively, the “Notice Parties”). If a Sale Objection is not filed and served on or before the Sale Objection Deadline, the objecting party may be barred from objecting to the Sale and may not be heard at the Sale Hearing, and this Court may enter the Sale Order without further notice to such party.

19. The Sale Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing, and the Debtors shall have the exclusive right, in the exercise of its fiduciary obligations and business judgment, and after consultation with the Consultation Parties, to cancel the Sale at any time subject to the terms of this Order, in accordance with the terms of this Order and the Stalking Horse APA.

20. The following forms of notice are approved: (a) the Procedures Notice, in the form substantially similar to that attached hereto as Exhibit 3 and (b) the Cure Notice, in the form substantially similar to that attached hereto as Exhibit 4.

20. The Debtors shall, within one (1) business day after the entry of this Order, file with the Court and serve a copy of this Order and the Procedures Notice by first class mail, postage prepaid, on the Notice Parties and all parties which the Debtor are require to serve pursuant to LBR 6004-1(b)(3) and the *Order Granting Emergency Motion of Debtors for Order Limiting Scope of Notice* [Dkt. No. 132].

21. The Debtors shall file with the Court and serve the Cure Notice (along with a copy of this Motion) upon each counterparty to the Assumed Executory Contracts by no later than



1 **March 5, 2019**. The Cure Notice shall state the date, time and place of the Sale Hearing as well  
2 as the date by which any Assumption Objection must be filed and served. The Cure Notice also  
3 will identify the amounts, if any, that the Debtors believe are owed to each counterparty to an  
4 Assumed Executory Contract in order to cure any defaults that exist under such contract (the  
5 “Cure Amounts”).  
6

7 22. To the extent there is a contract added to the list of contracts to be assumed by the  
8 Successful Bidder pursuant to the Successful Bidder’s Purchase Agreement selected at the  
9 Auction, the Motion constitutes a separate motion to assume and assign that contract to the  
10 Successful Bidder pursuant to Section 365 of the Bankruptcy Code; each such contract will be  
11 listed on an exhibit to the Successful Bidder’s Purchase Agreement, and shall be given a separate  
12 Cure Notice filed and served by overnight delivery by the Debtors within 5 business days of the  
13 conclusion of the Auction and announcement of the Successful Bidder(s).  
14

15 23. The inclusion of a contract, lease, or other agreement on the Cure Notice shall not  
16 constitute or be deemed a determination or admission by the Debtors and their estates or any  
17 other party in interest that such contract, lease, or other agreement is, in fact, an executory  
18 contract or unexpired lease within the meaning of the Bankruptcy Code, and any and all rights  
19 with respect thereto shall be reserved.  
20

21 24. If any counterparty to an Assumed Executory Contract wishes to file an  
22 Assumption Objection, such counterparty must file and serve it so as to be actually received by  
23 the Notice Parties by no later than: (i) **4:00 p.m. (prevailing Pacific Time) on March 22, 2019**,  
24 (ii) such later date otherwise specified in the Cure Notice, or (iii) solely with respect to those  
25 counterparties to Assumed Executory Contracts who are not served with a Cure Notice until a  
26 date after March 22, 2019, seven (7) days after service by overnight mail of such Cure Notice (the  
27 “Assumption Objection Deadline”), provided, however, that if any Successful Bidder is not the  
28



1 Stalking Horse Purchaser, any counterparty may raise at the Sale Hearing (or any time before the  
2 Sale Hearing) an objection to the assumption and assignment of the Assumed Executory Contract  
3 solely with respect to such Successful Bidder's ability to provide adequate assurance of future  
4 performance under the Assumed Executory Contract. The Court will make any and all  
5 determinations concerning adequate assurance of future performance under the Assumed  
6 Executory Contracts pursuant to Sections 365(b) and (f)(2) of the Bankruptcy Code at the Sale  
7 Hearing.

9 25. To the extent the Assumed Executory Contract counterparty wishes to object to the  
10 Cure Amount, if any, set forth in the Cure Notice, its Assumption Objection must set forth with  
11 specificity each and every asserted default in any executory contract or unexpired lease and the  
12 monetary cure amount asserted by such counterparty to the extent it differs from the amount, if  
13 any, specified by the Debtors in the Cure Notice.

15 26. Any counterparty to an Assumed Executory Contract that fails to timely file and  
16 serve an objection to the Cure Amounts shall be forever barred from asserting that a Cure  
17 Amount is owed in an amount in excess of that set forth in the Cure Notice.

18 27. If a Contract or Lease is assumed and assigned pursuant to Court order, the  
19 Assumed Executory Contract counterparty shall receive no later than three (3) business days  
20 following the closing of the Sale, the Cure Amount, if any, as set forth in the Cure Notice. All  
21 Cure Amounts will be funded in accordance with the terms and conditions of the Stalking Horse  
22 APA and/or the Purchase Agreement(s), as applicable.

24 28. Assumption Objections (including those related to adequate assurance of future  
25 performance) will be resolved by the Court at the Sale Hearing. Notwithstanding, in the event  
26 that the Debtors and the counterparty cannot resolve the Cure Amount, such dispute may be  
27  
28



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1 resolved by the Court at the Sale Hearing or such later date as may be agreed to or ordered by the  
2 Court.

3 29. The Successful Bidder(s) shall be responsible for satisfying any requirements  
4 regarding adequate assurance of future performance that may be imposed under section 365(b) of  
5 the Bankruptcy Code in connection with the proposed assignment of any Assumed Executory  
6 Contract, and the failure to provide adequate assurance of future performance to any counterparty  
7 to any Assumed Executory Contract shall not excuse the Successful Bidder(s) from performance  
8 of any and all of its obligations pursuant to the Successful Bidder's Purchase Agreement.

10 30. Except to the extent otherwise provided in a Successful Bidder's Purchase  
11 Agreement, the Debtors and their estates shall be relieved of all liability accruing or arising after  
12 the assumption and assignment of the Assumed Executory Contracts pursuant to section 365(k) of  
13 the Bankruptcy Code.

15 31. All proceeds of the Sale shall be paid by the Successful Bidder(s) to the Debtors  
16 and such proceeds shall be deposited in accordance with paragraph 4 of the Final DIP Order, and  
17 all liens, claims, interests and encumbrances on the Assets sold pursuant to the Sale shall attach to  
18 the proceeds of Sale with the same force, effect, validity and priority as such liens, claims,  
19 interests and encumbrances had on such Assets prior to the Closing, subject to the liens and  
20 security interests of the DIP Lender and the Prepetition Secured Creditors under the relevant  
21 intercreditor agreements, applicable law and the Final DIP Order, as applicable.

23 32. To the extent the provisions of this Order are inconsistent with the provisions of  
24 any Exhibit referenced herein or with the Motion, the provisions of this Order shall control.

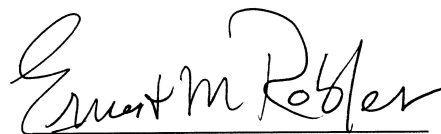
25 33. The Court shall retain jurisdiction over all matters arising from or related to the  
26 interpretation and implementation of this Order.



1 34. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 6006, 7062,  
2 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and  
3 enforceable.  
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24 Date: February 19, 2019  
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Ernest M. Robles  
United States Bankruptcy Judge

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**Exhibit 1**

**(Bidding Procedures)**

**BIDDING PROCEDURES**

Set forth below are the bidding procedures (the “Bidding Procedures”) to be employed in connection with the sale of all assets of (i) the assets (the “Purchased Assets”) enumerated in the Stalking Horse APA (as defined below), including but not limited to, St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc., Seton Medical Center and Seton Medical Center Coastside (collectively, the “APA Facilities”); and (ii) assets not otherwise enumerated in the APA, but associated with the ownership or operation of the APA Facilities and available for purchase (the “Other Assets”), in connection with the chapter 11 cases pending in the United States Bankruptcy Court for the Central District of California (the “Bankruptcy Court”), jointly administered as case number 2:18-bk-20151-ER, in the form to be approved by the Bankruptcy Court, by Order dated [\_\_\_\_], 2019 (the “Bidding Procedures Order”).

The Debtors entered into that certain Asset Purchase Agreement, dated January 8, 2019 between the Debtors, on the one hand, and Strategic Global Management, Inc. (the “Stalking Horse Purchaser”), on the other hand, pursuant to which the Stalking Horse Purchaser shall acquire the Assets on the terms and conditions specified therein (together with the schedules and related documents thereto, the “Stalking Horse APA”). The sale transaction pursuant to the Stalking Horse APA is subject to competitive bidding as set forth herein. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the *Debtors’ Notice of Motion and Motion for the Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders, (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to Interested Parties, (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder, and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* [Docket No. 1279] (the “Sale Motion”).

**I. ASSETS TO BE SOLD**

The Debtors seek to complete a sale of substantially all assets of the APA Facilities, including both the Purchased Assets and the Other Assets (the “Sale”). The Stalking Horse APA will serve as the “stalking-horse” bid for the Purchased Assets.

**II. THE BID PROCEDURES**

In order to ensure that the Debtors receive the maximum value for the Purchased Assets and/or the Other Assets, they intend to hold a sale process for the Purchased Assets and/or the Other Assets pursuant to the procedures and on the timeline proposed herein.

**A. Provisions Governing Qualifications of Bidders**

Unless otherwise ordered by the Court or as set forth in these procedures, in order to participate in the bidding process, each person, other than the Stalking Horse Purchaser, who wishes to



participate in the bidding process must deliver, prior to the Bid Deadline (defined herein), the following Debtors:

- (a) a written disclosure of the identity of each entity that will be bidding for the Purchased Assets and/or the Other Assets or otherwise participating in connection with such bid; and
- (b) an executed confidentiality agreement (to be delivered prior to the distribution of any confidential information by the Debtors) in form and substance satisfactory to the Debtors and which shall inure to the benefit of any purchaser of the Purchased Assets and/or Other Assets; without limiting the foregoing, each confidentiality agreement executed by a Potential Bidder shall contain standard non-solicitation provisions.

A bidder that delivers the documents and information described above and that the Debtors determine, after consultation with the Official Committee of Unsecured Creditors, the Prepetition Secured Creditors, and any other party deemed appropriate within the business judgment of the Debtors (collectively, the “Consultation Parties”) in their reasonable business judgment, is likely (based on availability of financing, experience, and other considerations) to be able to consummate the sale, will be deemed a potential bidder (“Potential Bidder”).

#### **B. Due Diligence**

The Debtors will afford any Potential Bidder such due diligence access or additional information as the Debtor, in consultation with their advisors, deem appropriate, in their reasonable discretion. The due diligence period shall extend through and including the relevant Bid Deadline; provided, however, that any bid submitted under these procedures shall be irrevocable until at least the selection of the Successful Bidder(s) (defined herein) and any Back-Up Bidder(s) (defined herein).

#### **C. Provisions Governing Qualified Bids**

A bid submitted by a Potential Bidder will be considered a Qualified Bid (each, a “Qualified Bid”, and each such Potential Bidder thereafter a “Qualified Bidder”) only if the bid complies with all of the following requirements:

- a) it states that the applicable Qualified Bidder offers to purchase, in cash, some or all of the Purchased Assets and/or the Other Assets;
- b) it identifies with particularity the portion of the Purchased Assets and/or the Other Assets the Qualified Bidder is offering to purchase;
- c) it allocates with specificity the portion of the purchase price offered that the Qualified Bidder attributes to St. Francis Medical Center, St. Vincent Medical Center, Seton Medical Center, and Seton Coastside, and each of the Other Assets, respectively;<sup>5</sup>

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<sup>5</sup> For the avoidance of doubt, such allocation shall not be binding on the Debtors, their estates or any Consultation Party.



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- d) it includes a signed writing that the Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder and the Back-Up Bidder, provided that if such bidder is selected as the Successful Bidder or the Back-Up Bidder then the offer shall remain irrevocable until the earliest of (i) the closing of the transaction with the Successful Bidder, (ii) in the case of the Successful Bidder, a termination of the Qualified Bid pursuant to the terms of the Successful Bidder Purchase Agreement and (iii) with respect to the Back-up Bidder, the date that is thirty (30) business days after entry of the Sale Order;
- e) it includes confirmation that there are no conditions precedent to the Qualified Bidder's ability to enter into a definitive agreement and that all necessary internal governance and shareholder approvals have been obtained prior to the bid;
- f) it sets forth each third-party, regulatory and governmental approval required for the Qualified Bidder to consummate the transaction and the time period within which the Qualified Bidder expects to receive such approvals and establishes a substantial likelihood that the Qualified Bidder will obtain such approvals by the stated time period;
- g) it includes a duly authorized and executed copy of a purchase or acquisition agreement in the form of the Stalking Horse APA (a "Purchase Agreement"), including the purchase price for some or all of the Purchased Assets and/or the Other Assets, or both, expressed in U.S. Dollars, together with all exhibits and schedules thereto, together with copies marked to show any amendments and modifications to the Stalking Horse APA ("Marked Agreement");
- h) it is not subject to any financing contingency and includes written evidence of a firm ability to have the funding necessary to consummate the proposed transaction, that will allow the Debtors to make a reasonable determination, in consultation with the Consultation Parties, as to the Qualified Bidder's financial and other capabilities to consummate the transaction contemplated by the Purchase Agreement;
- i) if the bid is for all of the Purchased Assets, it must have a value to the Debtors, in the Debtors' exercise of its reasonable business judgment, after consultation with its advisors and the Consultation Parties, that is greater than or equal to the sum of the value offered under the Stalking Horse APA, plus (i) the amount of the Break-Up Fee (\$19,825,000.00); (ii) the amount of the expense reimbursement (\$2,000,000.00); and (iii) \$7,000,000.00 (the "Initial Bidding Increment," and, together with the Break-Up Fee, the "Minimum Qualified Bid");
- j) if the bid is a partial bid (the "Partial Bid"),<sup>6</sup> the terms of paragraph (i) immediately above shall not apply but the terms of paragraph (o) below concerning the Good Faith Deposit shall expressly apply in order to be a bid qualified to participate in the Partial Bid Auction (as defined below) (each, a "Partial Bid Auction Qualified Bid"). In the event that the Debtors aggregate Partial Bids, the Partial Bid purchasers' responsibility for the Break-Up Fee, the Expense Reimbursement, and the Initial Bidding Increment shall be reasonably allocated to each Partial Bid purchaser, and (ii) in no event shall the Stalking Horse Purchaser be entitled to more than one Break-Up Fee and/or Expense Reimbursement;
- k) it identifies with particularity which (i) executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it, and (ii)

<sup>6</sup> A Partial Bid shall mean a bid for less than all of the Purchased Assets.



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Purchased Assets and/or Other Assets, subject to purchase money liens or the like, the Qualified Bidder wishes to acquire and therefore pay the associated purchase money financing;

- l) it contains sufficient information concerning the Qualified Bidder's ability to provide adequate assurance of performance with respect to executory contracts and unexpired leases;
- m) it includes an acknowledgement and representation that the Qualified Bidder: (A) has had an opportunity to conduct any and all required due diligence regarding the Purchased Assets and/or Other Assets prior to making its offer and that the offer is not subject to any further due diligence or the need to raise capital/financing to consummate the proposed transaction; (B) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets and/or Other Assets in making its bid; (C) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Purchased Assets and/or Other Assets or the completeness of any information provided in connection therewith or with the relevant Auction (defined below), except as expressly stated in the Purchase Agreement; and (D) is not entitled to any expense reimbursement, break-up fee, or similar type of payment in connection with its bid;
- o) unless it is a Credit Bid (as defined below), it is accompanied by a (i) good faith deposit in the form of a wire transfer (to a bank account specified by the Debtors), certified check or such other form of cash or cash equivalent acceptable to the Debtors, payable to the order of the Debtors (or such other party as the Debtors may determine) in an amount equal to: (a) 20% of purchase price for bids under \$5 million; (b) for bids greater than \$5 million and less than \$100 million, the greater of: (i) \$1 million or (ii) 10% of purchase price; (c) for bids greater than \$100 million, the greater of (i) \$10 million or (ii) 5% of purchase price (collectively, the "Good Faith Deposit"), which Good Faith Deposit shall, be forfeited if such bidder is the Successful Bidder and breaches its obligation to close; and (ii) if the Qualified Bid is a bid made by a secured creditor of the Debtors (a "Credit Bid Bidder") who intends to make a credit bid (each, a "Credit Bid Bidder"), evidence of (a) the basis for and property covered by such Credit Bid Bidder's secured claim, (b) the amount of such Credit Bid Bidder's claim that is secured by the property in question, (c) whether it is the senior secured claim on the property (x) prepetition and (y) as of the date of the request to be a Qualified Bidder, as well as (d) evidence of the resolution of any Challenge to such Credit Bid Bidder's secured claim within the meaning of the Final DIP Order;
- p) it contains a detailed description of how the Qualified Bidder intends to treat current employees of the Debtors;
- r) it identifies the person(s) and their title(s) who will attend the relevant Auction, and confirms that such person(s) have authority to make binding Overbids (defined below) at such Auction;
- s) it contains such other information reasonably requested by the Debtors; and
- t) it is received prior to the Bid Deadline.



The Debtors, in consultation with the Consultation Parties (who shall receive copies of the Purchase Agreement relating to any bids cast pursuant to these Bidding Procedures as soon as reasonably practicable), may qualify any bid that meets the foregoing requirements as a Qualified Bid. Notwithstanding the foregoing, the Stalking Horse Purchaser is deemed a Qualified Bidder and the Stalking Horse APA is deemed a Qualified Bid, for all purposes in connection with the Bidding Process, the Auction, and the Sale.

The Debtors shall notify the Consultation Parties, the Stalking Horse Purchaser and all Qualified Bidders and the Notice Parties in writing as to whether or not any bids constitute Qualified Bids (and with respect to each Qualified Bidder that submitted a bid as to whether such Qualified Bidder's bid constitutes a Qualified Bid) and provide copies of the Purchase Agreements relating any such Qualified Bid to the Consultation Parties, the Stalking Horse Purchaser and such Qualified Bidders and the Notice Parties on the earlier of: (1) the date that any bid other than the Stalking Horse Bid has been deemed a Qualified Bid, or (2) two business days prior to the Partial Bid Auction.

#### **D. Bid Deadline**

A Qualified Bidder that desires to make a bid or a Partial Bid will deliver written copies of its bid or Partial Bid to the following parties (collectively, the "Notice Parties"): (i) counsel to the Debtors: Dentons US LLP, 601 S. Figueroa Street, Suite 2500, Los Angeles, CA 90017 (Attn: Tania M. Moyron (taniamoyron@dentons.com)); (ii) the Debtors' Investment Banker: Cain Brothers, a division of KeyBanc Capital Markets, 1 California Street, Suite 2400, San Francisco, CA 94111 (Attn: James Moloney (jmoloney@cainbrothers.com)); (iii) counsel to the Official Committee: Milbank, Tweed, Hadley & McCloy LLP, 2029 Century Park East, 33rd Floor, Los Angeles, CA 90067 (Attn: Gregory A. Bray (gbray@milbank.com)); (iv) counsel to the Master Trustee and Series 2005 Bond Trustee: Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111 (Attn: Daniel S. Bleck and Paul Ricotta (dsbleck@mintz.com, pricotta@mintz.com)); and (v) counsel to the Series 2015 and Series 2017 Notes Trustee: Maslon, LLP, 3300 Wells Fargo Center, 90 South Seventh Street, Minneapolis, MN 55402 (Attn: Clark Whitmore (clark.whitmore@maslon.com)), so as to be received by the Notice Parties not later than **March 28, 2019, at 4:00 p.m.** (prevailing Pacific Time), for partial bids (the "Partial Bid Deadline") or **April 3, 2019, at 4:00 p.m.** (prevailing Pacific Time), for full bids (the "Full Bid Deadline").

A list of all Qualified Bids, as well as all adequate assurance information included in such bids as required by paragraph C(l) above, will be provided to Cigna and United (through their counsel) no later than April 4, 2018, at 4:00 p.m. (prevailing Pacific Time) to allow those parties to evaluate Qualified Bidders related to adequate assurance of future performance of the Cigna and United provider agreements.

#### **E. Credit Bidding**

Any party with a valid, properly perfected security interest in any of the Assets may credit bid for the Assets in connection with the Sale pursuant to § 363(k) of the Bankruptcy Code.

Any credit bids made by secured creditors shall not impair or otherwise affect the Stalking Horse Purchaser's entitlement to the Bidding Procedures and related protections granted under the Bidding Procedures Order.



1           **F. Evaluation of Competing Bids**

2       A Qualified Bid will be valued based upon several factors including, without limitation: (i) the  
3       amount of such bid; (ii) the risks and timing associated with consummating such bid; (iii) any  
4       proposed revisions to the form of Stalking Horse APA; and (iv) any other factors deemed relevant  
5       by the Debtors in its reasonable discretion, in consultation with the Consultation Parties,  
6       including the amount of cash included in the bid.

7           **G. No Qualified Bids**

8       If the Debtors do not receive any Qualified Bids other than the Stalking Horse APA, the Debtors  
9       will not hold an auction and the Stalking Horse Purchaser will be named the Successful Bidder  
10      for the Assets. If the Debtors receive one or more qualified Partial Bid Auction Qualified Bids  
11      and, after the Partial Bid Auction, the Debtors will determine, in consultation with the  
12      Consultation Parties, if there are any Partial Bidders that will not be qualified to participate at the  
13      Full Bid Auction.

14           **H. Auction Process**

15      If the Debtors receive one or more Partial Bid Auction Qualified Bids, the Debtors will conduct  
16      separate auctions of each asset or combinations thereof (each, a "Partial Bid Auction"). Any  
17      Partial Bidder holding a Partial Bid Auction Qualified Bid shall be entitled to bid on any assets in  
18      any Partial Bid Auction(s). The procedures below shall apply to the Partial Bid Auction, except  
19      as where otherwise indicated. The Debtors will conduct the Partial Bid Auction(s), which shall  
20      be transcribed on **April 8, 2019, at 10:00 a.m. (prevailing Pacific Time)** (the "Partial Bid  
21      Auction Date"), at the offices of Dentons US LLP, 601 South Figueroa Street, Suite 2500, Los  
22      Angeles, California 90017, or such other location as shall be timely communicated to all entities  
23      entitled to attend the Auction.

24      The Partial Bid Auction Qualified Bids determined by the Debtors, in consultation with the  
25      Consultation Parties, at the Partial Bid Auction(s) (as set forth above) to be eligible to participate  
26      at the Full Bid Auction, including (without limitation) the highest and best bids for each asset (the  
27      "Winning Partial Bids") shall be permitted to participate in the Full Bid Auction (as defined  
28      below) of the Purchased Assets and/or the Other Assets, except that:

- 29           (a) If the Partial Bids, at the conclusion of the Partial Bid Auction, include all four  
30           APA Facilities and exceed, in the aggregate, the Purchase Price in the Stalking  
31           Horse APA, there will be a Full Bid Auction (as defined below) and (1) the  
32           Stalking Horse Purchaser may overbid in the aggregate for all four APA Facilities,  
33           or (2) the Stalking Horse Purchaser may bid for less than the four APA Facilities  
34           and be entitled to a pro-rata Break-Up Fee for the APA Facilities which the  
35           Stalking Horse Purchaser does not acquire, as specified in the Stalking Horse APA  
36           at 6.1(b)(2);
- 37           (b) If the Partial Bids do not include all four APA Facilities, and if there are no other  
38           Qualified Full Bids, then Seller, in its discretion, after consultation with the  
39           Consultation Parties, may choose, at the conclusion of the Partial Bid Auction, (1)  
40           to have no Full Bid Auction and the Stalking Horse Purchaser will purchase the  
41           four APA Facilities pursuant to the Stalking Horse APA, or (2) if the Debtor and



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Consultation Parties deem the aggregate designated Winning Partial Bid(s) to be sufficient to warrant leaving one or more APA Facilities behind (the “Remaining Facility”), the Stalking Horse Purchaser shall have the option of (i) acquiring the Remaining Facility at the allocated price in the Stalking Horse APA, (ii) overbidding one or more of the Partial Bids, or (iii) terminating the Stalking Horse APA. In either event, the Stalking Horse Purchaser shall be entitled to the Break-Up Fee for all of the APA Facilities not acquired by the Stalking Horse Purchaser.

If the Debtors receive, in addition to the Stalking Horse APA, one or more Qualified Full Bids (and/or a combination of Winning Partial Bids from the Partial Bid Auction(s) seeking, on an aggregate basis, to purchase all or substantially all of the Purchased Assets and/or the Other Assets), the Debtor will conduct a full bid auction of the Purchased Assets and/or the Other Assets (the “Full Bid Auction”), which shall be transcribed, on **April 9, 2019, at 10:00 a.m. (prevailing Pacific Time)** (the “Full Bid Auction Date”), at the offices of Dentons US LLP, 601 South Figueroa Street, Suite 2500, Los Angeles, California 90017, or such other location as shall be timely communicated to all entities entitled to attend the Auction. The Partial Bid Auction and the Full Bid Auction shall run in accordance with the following procedures:

- a) only the Debtors, the Stalking Horse Purchaser, Qualified Bidders who have timely submitted a Qualified Bid, the U.S. Trustee, and the Consultation Parties, and their respective advisors, and other parties who request and receive authority to attend the auction in advance from the Debtors may attend the Auction;
- b) only the Stalking Horse Purchaser and the Qualified Bidders who have timely submitted Qualified Bids will be entitled to make any subsequent bids at the Auction;
- c) each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the sale;
- d) all Qualified Bidders who have timely submitted Qualified Bids will be entitled to be present for all Subsequent Bids (defined herein) at the relevant Auction and the actual identity of each Qualified Bidder will be disclosed on the record at the relevant Auction; provided that all Qualified Bidders wishing to attend the relevant Auction must have at least one individual representative with authority to bind such Qualified Bidder attending the relevant Auction in person;
- e) the Debtors, after consultation with the Consultation Parties, the Stalking Horse Purchaser, and any other Qualified Bidders may employ and announce at the relevant Auction additional procedural rules that are (i) reasonable under the circumstances for conducting the relevant Auction, (ii) in the best interest of the Debtors’ estates; provided, however, that rules (i) are disclosed to the Stalking Horse Purchaser and each Qualified Bidder participating in the Auction, and (ii) are not inconsistent with the Bidding Procedures, the Stalking Horse APA, the Bankruptcy Code, or any order of the Court entered in connection herewith;
- f) bidding at the relevant Auction will begin with a bid determined by the Debtors after consulting with the Consultation Parties as being the then highest and best bid which will be announced by the Debtors prior to the commencement of the Auction (the “Baseline Bid”). The Auction will continue in bidding increments to be determined in the discretion of the Debtors, in consultation with the Consultation Parties (each a “Overbid”), and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders who submitted Qualified



Bids and are in attendance at the Auction (including, without limitation, Winning Partial Bids), as well as to the Notice Parties;

g) the initial Overbid, if any, shall provide for total consideration to Debtors with a value that exceeds the value of the consideration under the Baseline Bid by an incremental amount. Additional consideration in excess of the amount set forth in the respective Baseline Bid must include: (i) cash and/or (ii) in the case of a Qualified Bidder (including, without limitation, with respect to any Winning Partial Bids) that is a Credit Bid Bidder that has a valid and perfected lien (not subject to a Challenge within the meaning the Final DIP Order) on any of the Purchased Assets and/or the Other Assets, a Credit Bid of up to the full amount of such Credit Bidder's allowed perfected lien, subject to § 363(k) and any other restrictions set forth herein; and

h) at the Full Bid Auction, the Stalking Horse Purchaser may, subject to the terms and conditions set forth herein, elect to bid for the Purchased Assets as described in the Bid Procedures Order. In the alternative, the Stalking Horse Purchaser, and any bidder with a Qualified Full Bid, (a) may elect to bid against any one or more of the Winning Partial Bidders for the assets subject to the relevant Partial Bid(s), in lieu of seeking to acquire such Purchased Assets and/or Other Assets by means of the Stalking Horse Bid or another Qualified Full Bid; and (b) if successful with its Overbids for such assets, replace the Winning Partial Bidder(s) as the proponent of the relevant Winning Partial Bids or Aggregate Winning Partial Bid as to such assets. In the event that the Stalking Horse Purchaser or another bidder so elects, and as long as the Stalking Horse Purchaser or another bidder so bids, the Winning Partial Bidders must continue to present qualified Winning Partial Bids (i.e., bids as to which the aggregate of all still pending Winning Partial Bids is greater than or equal to the then Prevailing Highest Bid) for the Purchased Assets and/or the Other Assets in each round to continue to bid as Winning Partial Bidders in the Full Bid Auction. In addition, the Debtors may elect, in their discretion, after consultation with the Consultation Parties, to allow Partial Bidders to bid for all or substantially all the Purchased Assets and/or the Other Assets, or to allow proponents of Full Bids to bid for less than all or substantially all of the Purchased Assets and/or the Other Assets in any given round of the Auction, provided that in any given round there is a Full Bid or an Aggregate Partial Bid that is superior to Prevailing Highest Bid that is then subject to acceptance by the Debtors and binding on the Stalking Horse Purchaser or another Qualified Bidder. In all events, (i) any such Overbid shall continue to comply with all of the requirements for Qualified Bids set forth in Section C of these Bidding Procedures; and (ii) the bidder submitting such a modified Qualified Bid or Qualified Partial Bid shall furnish to the Debtors and the Consultation Parties, within twenty-four (24) hours of the conclusion of the Auction, a revised Purchase Agreement and Marked Agreement showing all amendments and modifications to the Stalking Horse APA and the Sale Order.

#### **I. Selection of Successful Bid**

Prior to the conclusion of the Auction, the Debtors, in consultation with their advisors and the Consultation Parties, will review and evaluate each Qualified Bid in accordance with the procedures set forth herein and determine which offer or offers are the highest or otherwise best from among the Qualified Bidders submitted at the Auction (one or more such bids, collectively the "Successful Bid") and the bidder(s) making such bid, collectively, the "Successful Bidder"), and communicate to the Qualified Bidders the identity of the Successful Bidder and the details of the Successful Bid. The Successful Bid may consist of a single Qualified Bid or multiple bids.



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1 The determination of the Successful Bid by the Debtors at the conclusion of the Auction shall be  
2 subject to approval by the Court.

3 If selected, at the conclusion of the Partial Bid Auction, as the Winning Partial Bidder or the  
4 Back-Up Bidder, then such party or parties, prior to the Full Bid Auction, shall increase its Good  
5 Faith Deposit in the amount set forth in above in paragraph 30, subsection (o), or as determined  
6 by the Seller in consultation with the Consultation Parties; provided, however, if a party or parties  
7 are bidding on all four APA Facilities, the deposit will be no less than \$30,000,000. If selected as  
8 the Successful Bidder or the Back-Up Bidder at the conclusion of the Full Bid Auction, each of  
9 the Successful Bidder and the Back-Up Bidder shall, within forty-eight (48) hours, increase its  
10 Good Faith Deposit to the sum of five percent (5%) of the Successful Bid or Back-Up Bid, as  
11 applicable. If the Successful Bidder fails to increase the Good Faith Deposit within forty-eight  
12 (48) hours of the Auction conclusion date (the "Final Deposit"), then (1) the Successful Bidder  
13 forfeits its Good Faith Deposit, and (2) the Successful Bid is nullified (i.e., the Back-Up Bidder  
14 becomes the Successful Bidder in the amount of its last bid).

15 Unless otherwise agreed to by the Debtors and the Successful Bidder, within two (2) business  
16 days after the conclusion of the Auction, the Successful Bidder shall complete and execute all  
17 agreements, contracts, instruments, and other documents evidencing and containing the terms and  
18 conditions upon which the Successful Bid was made. Within twenty-four (24) hours following  
19 the conclusion of the Full Bid Auction, and within forty-eight (48) hours following the conclusion  
20 of the Partial Bid Auction, the Debtors shall file a notice identifying the Successful Bidder(s) and  
21 Back-Up Bidders with the Court and shall serve such notice by fax, email, or if neither is  
22 available, by overnight mail to all counterparties whose contracts are to be assumed and assigned.

23 The Debtors will sell the Purchased Assets and (to the extent included in an Overbid) the Other  
24 Assets to the Successful Bidder pursuant to the terms of the Successful Bid upon the approval of  
25 such Successful Bid by the Court at the Sale Hearing and satisfaction of any other closing  
26 conditions set forth in the Successful Bidder's Purchase Agreement.

27 **J. Return of Deposits**

28 All deposits shall be returned to each bidder not selected by the Debtors as the Successful Bidder  
or the Back-Up Bidder no later than five (5) business days following the conclusion of the  
Auction.

**K. Back-Up Bidder**

If an Auction is conducted (whether it be a Full Bid Auction or a Partial Bid Auction), the  
Qualified Bidder or Qualified Bidders (including the Stalking Horse Purchaser, subject to Section  
II H.(b) hereof) with the next highest or otherwise best Qualified Bid, as determined by the  
Debtors in the exercise of their business judgment, at the Auction shall be required to serve as a  
back-up bidder (the "Back-Up Bidder") and keep such bid open (whether it be a Partial Bid or  
Full Bid) and irrevocable for thirty (30) business days after the entry of the Sale Order (the  
"Thirty Day Period"). If during the Thirty-Day Period, the Successful Bidder fails to  
consummate the approved sale because of a breach or failure to perform on the part of such  
Successful Bidder, the Back-Up Bidder will be deemed to be the new Successful Bidder, and the  
Debtors will be authorized, but not required, to consummate the sale with the Back-Up Bidder  
without further order of the Court provided that the Back-Up Bidder shall thereafter keep such bid



open and irrevocable in accordance with the terms of the Back-Up Bidder APA; provided further, however, that if the Back-Up Bidder is the Stalking Horse Purchaser, the Debtors will be authorized and required to consummate the sale to the Stalking Horse Purchaser in accordance with the terms of the Stalking Horse APA, as such terms may (at the discretion of the Stalking Horse Purchaser) have been modified as a result of the Full Bid Auction or the Partial Bid Auction.

If, after the Thirty-Day Period, the Successful Bidder has failed to consummate the approved sale, the Back-Up Bidder (including the Stalking Horse Purchaser if it has been designated the Back-Up Bidder) may elect, in its discretion, to remain as the Back-Up Bidder until (a) the sale closes, (b) the Successful Bidder defaults, or (c) the Back-Up Bidder elects to terminate its participation as Back-Up Bidder. For the avoidance of doubt, after the Thirty-Day Period, if the Successful Bidder fails to consummate the approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Back-Up Bidder will not be contractually obligated to be the Back-Up Bidder, and will have the option to either (i) be entitled to terminate its Back-Up Bidder APA and the return of its deposit, or (ii) remain as the Back-up Bidder, in which event, there will be no reopening of the auction.

#### **L. Break-Up Fee**

In recognition of this expenditure of time, energy, and resources, the Debtors have agreed that if the Stalking Horse Purchaser is not the Successful Bidder as to the Assets, the Debtors will pay the Stalking Horse Purchaser at closing of the sale of the Assets an amount in cash equal to three percent (3.25%) of the Cash Consideration (\$19,825,000.00) plus reimbursement of reasonably documented reasonable costs and expenses in an amount not to exceed \$2,000,000.00. The Break-Up Fee shall be payable at closing of the sale from the sale proceeds.

If the Stalking Horse APA is terminated because the Stalking Horse Purchaser is not selected as the Successful Bidder or the Back-Up Bidder at Auction (or the Stalking Horse Purchaser is selected as the Back-Up Bidder but the sale of the Assets is consummated and closed with another entity), the Debtors shall pay to the Stalking Horse Purchaser the Break-Up Fee by wire transfer of immediately available funds immediately, and contemporaneous with, the closing of the sale of the Assets from the first cash proceeds thereof. The Break-Up Fee shall constitute an administrative expense claim with priority under Section 507(a) of the Bankruptcy Code in favor of the Stalking Horse Purchaser.

#### **III. Sale Hearing**

The Debtors will seek entry of the Sale Order from the Court at the Sale Hearing to begin at **10:00 a.m. Pacific Time on April 17, 2019** (or at another date and time convenient to the Court) to approve and authorize the sale transaction to the Successful Bidder(s) on terms and conditions determined in accordance with the Bidding Procedures.

At the Sale Hearing, the Debtors will seek Court approval of the Sale to the Successful Bidder, (or, in the event the Successful Bidder fails to close, the Back-Up Bidder), free and clear of all liens, claims, interests, and encumbrances pursuant to § 363 of the Bankruptcy Code, with all liens, claims, interests, and encumbrances to attach to the sale proceeds with the same validity and in the same order of priority as they attached to the Purchased Assets (and to the extent included in the Successful Bid, the Other Assets prior to the Sale), including the assumption by



1 the Debtors and assignment to the Successful Bidder of the Assumed Executory Contracts and  
2 Leases pursuant to Section 365 of the Bankruptcy Code. The Debtors will submit and present  
3 additional evidence, as necessary, at the Sale Hearing demonstrating that the Sale is fair,  
4 reasonable, and in the best interest of the Debtors' estates and all interested parties, and satisfies  
5 the standards necessary to approve a sale of the Purchased Assets and/or the Other Assets.

#### 6 **IV. Reservation**

7 The Debtors reserve the right, as they may determine in their discretion and in accordance with  
8 their business judgment to be in the best interest of their estates, in consultation with their  
9 professionals and the Consultation Parties to: (i) modify the Bidding Procedures to discontinue  
10 incremental bidding and then require that any and all bidders or potential purchasers must submit  
11 their sealed, highest and best offer for the Purchased Assets and/or Other Assets; (ii) determine  
12 which Qualified Bid is the highest or otherwise best bid and which is the next highest or  
13 otherwise best bid; (iii) waive terms and conditions set forth herein with respect to all Potential  
14 Bidders; (iv) impose additional terms and conditions with respect to all Potential Bidders; (v)  
15 extend the deadlines set forth herein; (vi) continue or cancel the Auction and/or Sale Hearing in  
16 open court without further notice; and (vii) implement additional procedural rules that the Debtors  
17 determine, in their reasonable business judgment and in consultation with the Consultation Parties  
18 will better promote the goals of the bidding process; provided that such modifications are  
19 disclosed to each Qualified Bidder participating in the Auction; provided, however, and  
20 notwithstanding the foregoing, these Bid Procedures shall not be modified so as to alter,  
21 extinguish or modify any rights or interests of the Stalking Horse Purchaser expressly set forth  
22 herein or in the Stalking Horse APA.  
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27  
28

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**Exhibit 2**

**(Significant Dates)**

• <b>Service of Notice of Sale Hearing:</b>	March 1, 2019
• <b>Service of Assumption/Cure Notice:</b>	March 5, 2019
• <b>Assumption/Cure Objection Deadline:</b>	March 22, 2019 at 4:00 p.m. (Pacific Time)
• <b>Partial Bid Deadline:</b>	March 28, 2019 at 4:00 p.m. (Pacific Time)
• <b>Full Bid Deadline:</b>	April 3, 2019 at 4:00 p.m. (Pacific Time)
• <b>Partial Bid Auction:</b>	April 8, 2019 at 10:00 a.m. (Pacific Time)
• <b>Full Bid Auction:</b>	April 9, 2019 at 10:00 a.m. (Pacific Time)
• <b>Notice of Results of Auction &amp; Memorandum</b>	April 10, 2019 at 10:00 a.m. (Pacific Time)
• <b>Service of Notice of Contracts/Leases to be Assumed and Assigned:</b>	April 11, 2019 at 10:00 a.m. (Pacific Time)
• <b>Sale Objection Deadline:</b>	April 12, 2019 at 4:00 p.m. (Pacific Time)
• <b>Assumption and Assignment Objection Deadline:</b>	April 12, 2019 at 4:00 p.m. (Pacific Time)
• <b>Reply Deadline:</b>	April 15, 2019 at 4:00 p.m. (Pacific Time)
• <b>Sale Hearing:</b>	April 17, 2019 at 10:00 a.m. (Pacific Time)



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**Exhibit 3**

**(Procedures Notice)**

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors In Possession.

**NOTICE OF SALE PROCEDURES,  
AUCTION DATE, AND SALE HEARING**

**PLEASE TAKE NOTICE** that on January 17, 2019, the above-captioned debtors and debtors in possession (the "Debtors") filed the *Debtors' Notice of Motion and Motion for the Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders, (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to Interested Parties, (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder, and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free*



1 and Clear of All Claims, Liens and Encumbrances (the “Motion”).<sup>7</sup> The Debtors seek, among  
2 other things, to sell all assets of St. Francis Medical Center, St. Vincent Medical Center, St.  
3 Vincent Dialysis Center, Inc., Seton Medical Center and Seton Medical Center Coastsides (the  
4 “Assets”) to the successful bidder(s) (the “Successful Bidder”), at an auction free and clear of all  
liens, claims, encumbrances and other interests pursuant to Sections 363 and 365 of the  
Bankruptcy Code.

5 **PLEASE TAKE FURTHER NOTICE** that, on [DATE], the Bankruptcy Court entered  
6 an order (the “Bidding Procedures Order”) approving the Motion and the bidding procedures (the  
7 “Bidding Procedures”), which set the key dates and times related to the Sale of the Assets. All  
8 interested bidders should carefully read the Bidding Procedures Order and the Bidding  
9 Procedures. To the extent that there are any inconsistencies between the Bidding Procedures  
Order (including the Bidding Procedures) and the summary description of its terms and  
conditions contained in this Notice, the terms of the Bidding Procedures Order shall control.

10 **PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Bidding  
11 Procedures, a partial bid auction (the “Partial Bid Auction”) to sell the Assets will be conducted  
12 on **April 8, 2019, at 10:00 a.m. (prevailing Pacific Time)** at the offices of Dentons US LLP, 601  
13 South Figueroa Street, Suite 2500, Los Angeles, California 90017, or at such other location as  
shall be identified in a notice filed with the Bankruptcy Court at least 24 hours before the Partial  
Bid Auction. Within forty-eight (48) hours of the conclusion of the Partial Bid Auction, the  
Debtors shall file a notice with the Bankruptcy Court identifying the Successful Bidder.

14 **PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Bidding  
15 Procedures, a full bid auction (the “Full Bid Auction”) to sell the Assets will be conducted on  
16 **April 9, 2019 at 10:00 a.m. (prevailing Pacific Time)** at the offices of Dentons US LLP, 601  
17 South Figueroa Street, Suite 2500, Los Angeles, California 90017, or at such other location as  
shall be identified in a notice filed with the Bankruptcy Court at least 24 hours before the Full Bid  
Auction. Within twenty-four (24) hours of the conclusion of the Full Bid Auction, the Debtors  
shall file a notice with the Bankruptcy Court identifying the Successful Bidder.

18 **PLEASE TAKE FURTHER NOTICE** that a hearing will be held to approve the sale of  
19 the Assets to the Successful Bidder (the “Sale Hearing”) before the Honorable Ernest Robles,  
20 United States Bankruptcy Judge, United States Bankruptcy Court for the Central District of  
21 California, 255 E. Temple St., Los Angeles, California 90012, Courtroom 1568, on **April 17,**  
22 **2019 at 10:00 a.m. (prevailing Pacific Time)**, or at such time thereafter as counsel may be heard  
or at such other time as the Bankruptcy Court may determine. The Sale Hearing may be  
adjourned from time to time without further notice to creditors or parties in interest other than by  
announcement of the adjournment in open court on the date scheduled for the Sale Hearing.  
23 Objections to the Sale shall be filed with the Bankruptcy Court and served **so as to be received**  
24 **no later than 4:00 p.m. (prevailing Pacific Time) on April 12, 2019** by: (i) counsel to the  
Debtors: Dentons US LLP, 601 S. Figueroa Street, Suite 2500, Los Angeles, CA 90017 (Attn:  
25 Tania M. Moyron (tania.moyron@dentons.com)); (ii) the Debtors’ Investment Banker: Cain  
Brothers, a division of KeyBanc Capital Markets, 1 California Street, Suite 2400, San Francisco,  
26 CA 94111 (Attn: James Moloney (jmoloney@cainbrothers.com)); (iii) counsel to the Official  
Committee: Milbank, Tweed, Hadley & McCloy LLP, 2029 Century Park East, 33rd Floor, Los  
27

28 <sup>7</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the  
Motion.



Angeles, CA 90067 (Attn: Gregory A. Bray (gbray@milbank.com)); (iv) counsel to the Master Trustee and Series 2005 Bond Trustee: Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111 (Attn: Daniel S. Bleck and Paul Ricotta (dsbleck@mintz.com, pricotta@mintz.com)); (v) counsel to the Series 2015 and Series 2017 Notes Trustee: Maslon, LLP, 3300 Wells Fargo Center, 90 South Seventh Street, Minneapolis, MN 55402 (Attn: Clark Whitmore (clark.whitmore@maslon.com) (collectively, the “Notice Parties”); (vi) counsel to the Stalking Horse Purchaser: Levene, Neale, Bender, Yoo & Brill L.L.P., 10250 Constellation Blvd., Suite 1700, Los Angeles, CA 90067 (Attn: Gary E. Klausner, Esq. (GEK@lnbyb.com)); and (vii) the Office of the United States Trustee (the “U.S. Trustee”): 915 Wilshire Blvd., Suite 1850, Los Angeles, California 90017 (Attn: Hatty Yip (Hatty.Yip@usdoj.gov)).

**PLEASE TAKE FURTHER NOTICE** that this Notice of the Auction and Sale Hearing is subject to the full terms and conditions of the Motion, Bidding Procedures Order and Bidding Procedures, which Bidding Procedures Order shall control in the event of any conflict, and the Debtors encourage parties in interest to review such documents in their entirety. Any party that has not received a copy of the Motion or the Bidding Procedures Order that wishes to obtain a copy of the Motion, the Bidding Procedures Order (including all exhibits thereto), the Bidding Procedures, and the Stalking Horse APA, may make such a request in writing to Dentons US LLP, Attn: Samuel R. Maizel, 601 South Figueroa Street, Suite 2500, Los Angeles, CA 90017 or by emailing samuel.maizel@dentons.com or by calling (213) 892-2910.

Dated: \_ \_\_, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON

By: \_\_\_\_\_

Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



**Exhibit 4**

**(Cure Notice)**

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

☒ Affects All Debtors

- ☐ Affects Verity Health System of  
California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of  
Lynwood Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose  
Dialysis, LLC

Debtors and Debtors In Possession.

**NOTICE TO COUNTERPARTIES TO EXECUTORY CONTRACTS  
AND UNEXPIRED LEASES OF THE DEBTORS  
THAT MAY BE ASSUMED AND ASSIGNED**

**PLEASE TAKE NOTICE** that on January 17, 2019, the above-captioned debtors and debtors in possession (the "Debtors") filed the *Debtors' Notice of Motion and Motion for the Entry of (1) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders, (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to Interested Parties, (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder, and (5) Approving Procedures Related to the Assumption of Certain Executory*



1 *Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free*  
2 *and Clear of All Claims, Liens and Encumbrances (the “Motion”).*<sup>8</sup>

3 **PLEASE TAKE FURTHER NOTICE** that, on [DATE], the Court entered an Order (the  
4 “Bidding Procedures Order”) approving, among other things, the Bidding Procedures requested in  
5 the Motion, which Bidding Procedures Order governs (i) the bidding process for the sale of  
6 certain assets (the “Assets”) of the Debtors and (ii) procedures for the assumption and assignment  
7 of certain of the Debtors’ executory contracts and unexpired leases.

8 **PLEASE TAKE FURTHER NOTICE** that the Motion also seeks Court approval of the  
9 sale (the “Sale”) of the Assets to the Successful Bidder(s), free and clear of all liens, claims,  
10 interests and encumbrances pursuant to Section 363 of the Bankruptcy Code, including the  
11 assumption by the Debtors and assignment to the buyer(s) of certain executory contracts and  
12 unexpired leases pursuant to Section 365 of the Bankruptcy Code (the “Executory Contracts  
13 Subject to Assumption”), with such liens, claims, interests and encumbrances to attach to the  
14 proceeds of the Sale with the same priority, validity and enforceability as they had prior to such  
15 Sale. Within forty eight (48) hours following the conclusion of the Auction, the Debtors shall file  
16 a notice identifying the Successful Bidder(s) with the Bankruptcy Court and serve such notice by  
17 fax, email or overnight mail to all counterparties whose contracts are to be assumed and assigned.  
18 Any counterparty to an Executory Contracts Subject to Assumption that wishes to receive such  
19 notice by email or fax, must provide their email address or fax number to Dentons US LLP, Attn:  
20 Samuel R. Maizel by emailing samuel.maizel@dentons.com or calling (213) 892-2910 before the  
21 Auction.

22 **PLEASE TAKE FURTHER NOTICE** that an evidentiary hearing (the “Sale Hearing”) to  
23 approve the Sale and authorize the assumption and assignment of the Assumed Executory  
24 Contracts will be held on **April 17, 2019 at 10:00 a.m. (prevailing Pacific Time)**, before the  
25 United States Bankruptcy Court for the Central District of California, 255 E. Temple St., Los  
26 Angeles, California 90012, Courtroom 1568. The Sale Hearing may be adjourned from time to  
27 time without further notice to creditors or parties in interest other than by announcement of the  
28 adjournment in open court on the date scheduled for the Sale Hearing.

29 **PLEASE TAKE FURTHER NOTICE** that, consistent with the Bidding Procedures  
30 Order, the Debtors may seek to assume an executory contract or unexpired lease to which you  
31 may be a party. The Executory Contracts Subject to Assumption are described on Exhibit A  
32 attached to this Notice. The amount shown on Exhibit A hereto as the “Cure Amount” is the  
33 amount, if any, which the Debtors assert is owed to cure any defaults existing under the Assumed  
34 Executory Contract.

35 **PLEASE TAKE FURTHER NOTICE** that if you disagree with the Cure Amount  
36 shown for the Executory Contract(s) Subject to Assumption on Exhibit A to which you are a  
37 party, you must file in writing with the United States Bankruptcy Court for the Central District of  
38 California, 255 E. Temple St., Los Angeles, California 90012, an objection on or before **March**  
39 **22, 2019 at 4:00 p.m. (prevailing Pacific Time)**. Any objection must set forth the specific  
40 default or defaults alleged and set forth any cure amount as alleged by you. If a contract or lease  
41 is assumed and assigned pursuant to a Court order approving same, then unless you properly file

42 <sup>8</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the  
43 Motion.



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601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
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1 and serve an objection to the Cure Amount contained in this Notice, you will receive at the time  
2 of the closing of the sale (or as soon as reasonably practicable thereafter), the Cure Amount set  
3 forth herein, if any. Any counterparty to an Executory Contract Subject to Assumption that fails  
4 to timely file and serve an objection to the Cure Amounts shall be forever barred from asserting  
that a Cure Amount is owed in an amount in excess of the amount, if any, set forth in the attached  
Exhibit A.

5 **PLEASE TAKE FURTHER NOTICE** that if you have any other objection to the  
6 Debtors' assumption and assignment of the Executory Contract Subject to Assumption (including  
7 an objection based on adequate assurance of future performance by the Stalking Horse Purchaser<sup>9</sup>  
under the Assumed Executory Contract) to which you may be a party, you also must file that  
8 objection in writing no later than **4:00 p.m. (prevailing Pacific Time) on April 12, 2019**  
provided, however, that if any Successful Bidder is not the Stalking Horse Purchaser, any  
9 counterparty to an Executory Contract Subject to Assumption may raise an objection to the  
assumption and assignment of the Executory Contracts Subject to Assumption solely with respect  
10 to such Successful Bidder's ability to provide adequate assurance of future performance under the  
Assumed Executory Contract at the Sale Hearing, or any time before the Sale Hearing.

11 **PLEASE TAKE FURTHER NOTICE** that any objection you may file must be served  
12 so as to be received by the following parties by the applicable objection deadline date and time:  
13 (i) counsel to the Debtors: Dentons US LLP, 601 S. Figueroa Street, Suite 2500, Los Angeles, CA  
90017 (Attn: Tania M. Moyron (taniamoyron@dentons.com)); (ii) the Debtors' Investment  
14 Banker: Cain Brothers, a division of KeyBanc Capital Markets, 1 California Street, Suite 2400,  
San Francisco, CA 94111 (Attn: James Moloney (jmoloney@cainbrothers.com)); (iii) counsel to  
15 the Official Committee: Milbank, Tweed, Hadley & McCloy LLP, 2029 Century Park East, 33rd  
Floor, Los Angeles, CA 90067 (Attn: Gregory A. Bray (gbray@milbank.com)); (iv) counsel to the  
16 Master Trustee and Series 2005 Bond Trustee: Mintz, Levin, Cohn, Ferris, Glovsky and Popeo,  
P.C., One Financial Center, Boston, MA 02111 (Attn: Daniel S. Bleck and Paul Ricotta  
17 (dsbleck@mintz.com, pricotta@mintz.com)); (v) counsel to the Series 2015 and Series 2017  
Notes Trustee: Maslon, LLP, 3300 Wells Fargo Center, 90 South Seventh Street, Minneapolis,  
18 MN 55402 (Attn: Clark Whitmore (clark.whitmore@maslon.com) (collectively, the "Notice  
Parties"); (vi) counsel to the Stalking Horse Purchaser: Levene, Neale, Bender, Yoo & Brill  
19 L.L.P., 10250 Constellation Blvd., Suite 1700, Los Angeles, CA 90067 (Attn: Gary E. Klausner,  
Esq. (GEK@lnbyb.com); and (vii) the Office of the United States Trustee (the "U.S. Trustee"): 915  
20 Wilshire Blvd., Suite 1850, Los Angeles, California 90017 (Attn: Hatty Yip  
(Hatty.Yip@usdoj.gov)).

22 **PLEASE TAKE FURTHER NOTICE** that the Successful Bidder shall be responsible  
23 for satisfying any requirements regarding adequate assurance of future performance that may be  
imposed under §§ 365(b) and (f) of the Bankruptcy Code, 11 U.S.C. § 101, *et seq.*, in connection  
24 with the proposed assignment of any Assumed Executory Contract. The Court shall make its  
determinations concerning adequate assurance of future performance under the Assumed  
25 Executory Contracts pursuant to 11 U.S.C. §§ 365(b) and (f) at the Sale Hearing.

26 **PLEASE TAKE FURTHER NOTICE** that Assumption Objections may be resolved by  
27 the Court at the Sale Hearing, or at a separate hearing either before or after the Sale Hearing.

28  
<sup>9</sup> The Stalking Horse Purchaser is Strategic Global Management, Inc.



1 **PLEASE TAKE FURTHER NOTICE** that, except to the extent otherwise provided in  
2 the Purchase Agreement with the Successful Bidder(s), pursuant to § 365(k) of the Bankruptcy  
3 Code, the Debtors and their estates shall be relieved of all liability accruing or arising after the  
effective date of assumption and assignment of the Assumed Executory Contracts.

4 **PLEASE TAKE FURTHER NOTICE** that nothing contained herein shall obligate the  
5 Debtors to assume any Assumed Executory Contracts or to pay any Cure Amount.<sup>10</sup>

6 **PLEASE TAKE FURTHER NOTICE THAT IF YOU DO NOT TIMELY FILE**  
7 **AND SERVE AN OBJECTION AS STATED ABOVE, THE COURT MAY GRANT THE**  
8 **RELIEF REQUESTED IN THE MOTION WITH NO FURTHER NOTICE.**

9 **ANY COUNTERPARTY TO ANY ASSUMED EXECUTORY CONTRACT WHO**  
10 **DOES NOT FILE A TIMELY OBJECTION TO THE CURE AMOUNT FOR SUCH**  
11 **ASSUMED EXECUTORY CONTRACT IS DEEMED TO HAVE CONSENTED TO**  
12 **SUCH CURE AMOUNT.**

13 Dated: \_\_\_, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON

14 By: \_\_\_\_\_

15 Attorneys for the Chapter 11 Debtors and  
16 Debtors In Possession

17  
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26  
27 <sup>10</sup> “Executory Contracts Subject to Assumption” are those Contracts and Leases that the Debtors believe  
28 may be assumed and assigned as part of the orderly transfer of the Assets; however, the Successful  
Bidder may choose to exclude certain of the Debtors’ Contracts or Leases from the list of Assumed  
Executory Contracts as part of their Qualifying Bid, causing such Contracts and Leases not to be  
assumed by the Debtors.



**Exhibit A**

**(Assumed Executory Contracts)**

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LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



**EXHIBIT C**

**EXHIBIT C**



SAMUEL R. MAIZEL (Bar No. 189301)  
samuel.maizel@dentons.com  
TANIA M. MOYRON (Bar No. 235736)  
tania.moyron@dentons.com  
DENTONS US LLP  
601 South Figueroa Street, Suite 2500  
Los Angeles, California 90017-5704  
Tel: (213) 623-9300 / Fax: (213) 623-9924  
Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
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Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Hon. Judge Ernest M. Robles

**NOTICE OF FILING OF FINAL ASSET  
PURCHASE AGREEMENT AND SCHEDULES**

**RE MOTION FOR THE ENTRY OF (1) AN ORDER  
(1) APPROVING FORM OF ASSET PURCHASE  
AGREEMENT FOR STALKING HORSE BIDDER  
AND FOR PROSPECTIVE OVERBIDDERS, (2)  
APPROVING AUCTION SALE FORMAT,  
BIDDING PROCEDURES AND STALKING HORSE  
BID PROTECTIONS [...]**

**[RELATED TO DOCKET NOS. 1279 & 1572]**

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LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300





DENTONS US LLP  
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1 **PLEASE TAKE NOTICE** that, on January 17, 2019, Verity Health System of California,  
2 Inc. (“VHS”) and the above-referenced affiliated debtors, the debtors and debtors in possession in  
3 the above-captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), filed their *Motion*  
4 *For The Entry Of (I) An Order (1) Approving Form Of Asset Purchase Agreement For Stalking*  
5 *Horse Bidder And For Prospective Overbidders, (2) Approving Auction Sale Format, Bidding*  
6 *Procedures And Stalking Horse Bid Protections, (3) Approving Form Of Notice To Be Provided To*  
7 *Interested Parties, (4) Scheduling A Court Hearing To Consider Approval Of The Sale To The*  
8 *Highest Bidder, And (5) Approving Procedures Related To The Assumption Of Certain Executory*  
9 *Contracts And Unexpired Leases; And (II) An Order (A) Authorizing The Sale Of Property Free*  
10 *And Clear Of All Claims, Liens And Encumbrances* [Docket No. 1279] (the “Bidding Procedures  
11 Motion”), which attached, as Exhibit “A,” that certain Asset Purchase Agreement, dated January  
12 8, 2018 (the “APA”), between: (i) VHS, Verity Holdings, LLC, a California limited liability  
13 company, St. Francis Medical Center, a California nonprofit public benefit, St. Vincent Medical  
14 Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a  
15 California nonprofit public benefit corporation and Seton Medical Center, a California nonprofit  
16 public benefit corporation, on the one hand; and (ii) Strategic Global Management, Inc., a  
17 California corporation (“SGM”), on the other hand. Thereafter, on February 1, 2019, the Debtors  
18 filed the *Omnibus Reply to Objections to Motion For The Entry Of (I) An Order (1) Approving*  
19 *Form Of Asset Purchase Agreement For Stalking Horse Bidder And For Prospective Overbidders,*  
20 *(2) Approving Auction Sale Format, Bidding Procedures And Stalking Horse Bid Protections, (3)*  
21 *Approving Form Of Notice To Be Provided To Interested Parties, (4) Scheduling A Court Hearing*  
22 *To Consider Approval Of The Sale To The Highest Bidder, And (5) Approving Procedures Related*  
23 *To The Assumption Of Certain Executory Contracts And Unexpired Leases; And (II) An Order (A)*  
24 *Authorizing The Sale Of Property Free And Clear Of All Claims, Liens And Encumbrances*, which  
25 attached the schedules to the APA [Docket No. 1448-2].

16 **PLEASE TAKE FURTHER NOTICE** that, on February 19, 2019, the Court entered an  
17 order granting the Bidding Procedures Motion, and, among other things, approving the APA and  
18 Schedule 6.1(b)(3) with certain modifications [Docket No. 1572]. At a hearing on April 17, 2019,  
19 the Court approved the Debtors’ sale to SGM of the assets set forth in the APA.

19 **PLEASE TAKE FURTHER NOTICE** that the Debtors hereby file the final version of the  
20 APA and the schedules, attached hereto as **Exhibit “1.”**

21 Dated: May 2, 2019

**DENTONS US LLP**  
SAMUEL R. MAIZEL  
TANIA M. MOYRON

24 By /s/ Tania Moyron  
Tania Moyron

25 Attorneys for the Chapter 11 Debtors and  
26 Debtors In Possession



# **EXHIBIT 1**

## **PART 1**

# **EXHIBIT 1**

## **PART 1**



**ASSET PURCHASE AGREEMENT**

**By and Among**

**Verity Health System of California, Inc., Verity Holdings, LLC,**

**St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc.,  
Seton Medical Center**

**and**

**Strategic Global Management, Inc.**

**Dated January 8, 2019**



## TABLE OF CONTENTS

	Page
ARTICLE 1 SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING .....	2
1.1 Purchase Price .....	2
1.2 Deposit .....	3
1.3 Closing Date .....	4
1.4 Items to be Delivered by Sellers at Closing .....	4
1.5 Items to be Delivered by Purchaser at Closing .....	5
1.6 Prorations and Utilities .....	6
1.7 Transfer of Assets of Sellers .....	7
1.8 Excluded Assets .....	10
1.9 Assumed Obligations .....	13
1.10 Excluded Liabilities .....	14
1.11 Designation of Assumed Contracts and Assumed Leases .....	14
1.12 Disclaimer of Warranties; Release .....	15
ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF SELLERS .....	16
2.1 Authorization .....	16
2.2 Binding Agreement .....	16
2.3 Organization and Good Standing; No Violation .....	16
2.4 Contracts .....	16
2.5 Brokers and Finders .....	17
2.6 Seller Knowledge .....	17
2.7 Non-Contravention .....	17
2.8 Compliance with Legal Requirements .....	17
2.9 Required Consents .....	17
2.10 Environmental Matters .....	17
2.11 Title .....	18
2.12 Certain Other Representations with Respect to the Hospitals .....	18
2.13 Financial Statements .....	18
2.14 Legal Proceedings .....	19
2.15 Employee Benefits .....	19
2.16 Personnel .....	19
2.17 Insurance .....	19
2.18 Accounts Receivable .....	20
2.19 Payer Contracts .....	20
2.20 Excluded Individuals .....	20
ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF PURCHASER .....	20
3.1 Authorization .....	20
3.2 Binding Agreement .....	20
3.3 Organization and Good Standing .....	20
3.4 No Violation .....	21
3.5 Brokers and Finders .....	21
3.6 Representations of Sellers .....	21



**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
3.7 Legal Proceedings.....	21
3.8 No Knowledge of a Seller’s Breach.....	21
3.9 Ability to Perform.....	22
3.10 Purchaser Knowledge .....	22
3.11 Investigation.....	22
<b>ARTICLE 4 COVENANTS OF SELLERS .....</b>	<b>22</b>
4.1 Access and Information; Inspections .....	22
4.2 Cooperation.....	23
4.3 Other Bidders .....	23
4.4 Sellers’ Efforts to Close .....	24
4.5 Termination Cost Reports .....	24
4.6 Conduct of the Business.....	24
4.7 Contract With Unions .....	25
<b>ARTICLE 5 COVENANTS OF PURCHASER.....</b>	<b>25</b>
5.1 Purchaser’s Efforts to Close.....	26
5.2 Required Governmental Approvals .....	26
5.3 Certain Employee Matters .....	27
5.4 Excluded Assets .....	27
5.5 Waiver of Bulk Sales Law Compliance.....	28
5.6 Attorney General.....	28
5.7 Conduct Pending Closing .....	28
5.8 Cure Costs .....	28
5.9 Operating Covenant .....	28
5.10 HSR Filing .....	28
5.11 Contract with Unions .....	29
<b>ARTICLE 6 SELLERS’ BANKRUPTCY AND BANKRUPTCY COURT APPROVAL.....</b>	<b>29</b>
6.1 Bankruptcy Court Approval; Overbid Protection and Break-Up Fee.....	29
6.2 Appeal of Sale Order .....	30
<b>ARTICLE 7 CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS.....</b>	<b>31</b>
7.1 Signing and Delivery of Instruments .....	31
7.2 No Restraints.....	31
7.3 Performance of Covenants.....	31
7.4 Governmental Authorizations.....	31
7.5 Attorney General Provisions.....	31
7.6 Bankruptcy Court Approval.....	31
7.7 HSR Act .....	31
7.8 CSCDA Acknowledgement .....	32
<b>ARTICLE 8 CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER .....</b>	<b>32</b>
8.1 Governmental Authorizations .....	32



**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
8.2 Bankruptcy Court Approval.....	32
8.3 Signing and Delivery of Instruments .....	32
8.4 Performance of Covenants .....	32
8.5 No Restraints.....	32
8.6 Attorney General Provisions.....	32
8.7 Medicare and Medi-Cal Provider Agreements .....	34
8.8 HSR Act .....	34
ARTICLE 9 TERMINATION .....	34
9.1 Termination.....	34
9.2 Termination Consequences.....	35
ARTICLE 10 POST-CLOSING MATTERS.....	36
10.1 Excluded Assets .....	36
10.2 Preservation and Access to Records After the Closing .....	36
10.3 Closing of Financials .....	38
10.4 Medical Staff.....	39
10.5 Shared Intangible Assets.....	39
ARTICLE 11 DEFAULT, TAXES AND COST REPORTS .....	39
11.1 Purchaser Default.....	39
11.2 Seller Default .....	39
11.3 Tax Matters; Allocation of Purchase Price .....	39
11.4 Cost Report Matters .....	40
ARTICLE 12 MISCELLANEOUS PROVISIONS.....	40
12.1 Further Assurances and Cooperation .....	40
12.2 Successors and Assigns.....	41
12.3 Governing Law; Venue.....	41
12.4 Amendments .....	41
12.5 Exhibits, Schedules and Disclosure Schedule .....	41
12.6 Notices .....	41
12.7 Headings .....	42
12.8 Publicity .....	42
12.9 Fair Meaning.....	43
12.10 Gender and Number; Construction; Affiliates .....	43
12.11 Third Party Beneficiary.....	43
12.12 Expenses and Attorneys' Fees .....	43
12.13 Counterparts .....	43
12.14 Entire Agreement .....	43
12.15 No Waiver.....	44
12.16 Severability .....	44
12.17 Time is of the Essence .....	44



## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “**Agreement**”) is made and entered into as of the 8<sup>th</sup> day of January, 2019 (the “**Signing Date**”) by and among Verity Health System of California, Inc., a California nonprofit public benefit corporation (“**Verity**”), Verity Holdings, LLC, a California limited liability company (“**Verity Holdings**”), St. Francis Medical Center, a California nonprofit public benefit corporation (“**St. Francis**”), St. Vincent Medical Center, a California nonprofit public benefit corporation (“**St. Vincent**”), St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation (“**St. Vincent Dialysis**”), and Seton Medical Center, a California nonprofit public benefit corporation (“**Seton**” and together with St. Francis Medical Center, St. Vincent Medical Center and St. Vincent Dialysis, collectively, the “**Hospital Sellers**”) (Verity, Verity Holdings, St. Francis, St. Vincent, St. Vincent Dialysis and Seton are each referred to herein individually as a “**Seller**” and collectively as the “**Sellers**”), and Strategic Global Management, Inc., a California corporation (“**Purchaser**”).

### RECITALS:

A. St. Francis engages in the business of the operation of the hospital known as St. Francis Medical Center, located at 3630 E. Imperial Highway, Lynwood, CA 90262, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by St. Francis (collectively, the “**St. Francis Hospital**”).

B. St. Vincent engages in the business of the operation of the hospital known as St. Vincent Medical Center, located at 2131 W 3rd Street, Los Angeles, CA 90057, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by St. Vincent (collectively, the “**St. Vincent Hospital**”).

C. Seton engages in the business of the operation of two general acute care hospitals under a single license, consisting of: (i) the hospital known as Seton Medical Center, located at 1900 Sullivan Avenue, Daly City, CA 94015, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by Seton (collectively, the “**Seton Hospital**”) and (ii) the hospital known as Seton Medical Center Coastside, located at 600 Marine Blvd, Moss Beach, CA 94038, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by Seton (collectively, the “**Seton Coastside Hospital**”) and together with the St. Francis Medical Center Hospital, the St. Vincent Medical Center Hospital and the Seton Hospital, the “**Hospitals**”; the business of the operation of the Hospitals is referred to herein as the “**Businesses**”).

D. Purchaser desires to purchase from Sellers, and Sellers desire to sell to Purchaser, the assets described in Section 1.7 below (the “**Assets**”) owned by Sellers and used with respect to the Businesses, for the consideration and upon the terms and conditions contained in this Agreement.



E. Sellers filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Central District of California, Los Angeles Division (the “**Bankruptcy Court**”), lead Case No. 2:18-bk-201510ER, jointly administered or to be jointly administered with their affiliates (the “**Bankruptcy Cases**”).

F. The parties intend to effectuate the transactions contemplated by this Agreement through a sale of the Assets approved by the Bankruptcy Court pursuant to Section 363 of Title 11 of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants contained in this Agreement, and for their mutual reliance and incorporating into this Agreement the above recitals, the parties hereto agree as follows:

## ARTICLE 1

### SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING

#### 1.1 Purchase Price.

(a) Subject to the terms and conditions of this Agreement, the purchase price (“**Purchase Price**”) shall consist of the following:

(i) Cash payment to Sellers (the “**Cash Consideration**”) of Six Hundred Ten Million Dollars (\$610,000,000.00), which shall be allocated Four Hundred Twenty Million Dollars (\$420,000,000) to St. Francis Medical Center, One Hundred Twenty Million Dollars (\$120,000,000) to St. Vincent Medical Center, and Seventy Million Dollars (\$70,000,000) to Seton for Seton Hospital and Seton Coastside Hospital, provided, that if the CA AG’s approval does not include a requirement that Seton Hospital remain open as an acute care hospital or that Seton Coastside Hospital remain open as a skilled nursing facility, then an amount to be determined by Purchaser, in its sole discretion, of such Cash Consideration shall be re-allocated from St. Francis to Seton;

(ii) Assumption of Sellers’ accrued vacation and other paid time off as of the Closing, to be provided only with respect to Hired Employees (as defined in Section 5.3(a)) in the form of credited vacation and PTO, subject to compliance with applicable law and regulation, including consent of such employees if required;

(iii) Assumption of all liabilities of Seton as Obligated Party and Property Owner under the (i) Agreement to Pay Assessment and Finance Improvements dated May 17, 2017 with California Statewide Communities Development Authority (“**CSCDA**”) and (ii) Agreement to Pay Assessment and Finance Improvements dated May 18, 2017 with CSCDA (collectively



the “**Special Assessments**”) each associated with of the Property Assessed Clean Energy (“**PACE**”) (seismic and clean energy) loans (collectively the “**PACE Obligations**”); and

(iv) Payment of Cure Costs (defined below) associated with any Assumed Leases and/ or Assumed Contracts and assumption of the other Assumed Obligations (as defined below).

(b) Purchaser (i) is acquiring the Assets and (ii) is only assuming (x) the PACE Obligations and (y) the Assumed Obligations (as defined below).

(c) At the Closing, Purchaser shall pay to Sellers, by wire transfer of immediately available funds to the accounts specified by Sellers to Purchaser in writing, an aggregate amount equal to the Cash Consideration, minus the Net QAF Reduction Amount (defined below), if any, plus the Net QAF Increase Amount (defined below), if any, plus any amounts (x) held by the PACE Trustee as an interest or fee reserve on account the PACE Obligations on the Closing Date and (y) remitted to CSCDA by Seton pursuant to the Special Assessments from and after the date of execution of this Agreement by Buyer up to and including the Closing Date, minus the Deposit (defined below).

(d) For purposes of this Agreement, the “**QAF Program**” means the California Department of Health Care Services Hospital Quality Assurance Fee Programs IV (“**QAF IV**”) and V (“**QAF V**”). During the period prior to Closing, Sellers shall pay any fees owing under QAF IV and QAF V, and Sellers shall be entitled to retain all payments received under QAF IV and QAF V. At Closing, Sellers shall credit to the Cash Consideration the amount by which payments received under QAF IV and QAF V between the Signing Date and Closing exceed the sum of (i) fees paid under QAF IV and QAF V during such period plus (ii) the amount of fees which are unpaid and owing as of the Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V (the “**Net QAF Reduction Amount**”), as provided above in Section 1.1(c). At Closing, Purchaser shall pay Sellers (as an increase to the Cash Consideration) the amount by which the sum of (i) fees paid under QAF IV and QAF V between the Signing Date and Closing plus (ii) the amount of fees which are unpaid and owing as of Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V exceeds payments received under QAF IV and QAF V during such period (the “**Net QAF Increase Amount**”), as provided above in Section 1.1(c).

(e) Purchaser shall, prior to Closing, be permitted to communicate with holders of secured debt of the Sellers regarding the possible assumption by Purchaser of all or a portion of such debt at the Closing. If Purchaser agrees to assume any such debt at the Closing, Purchaser and Sellers shall negotiate an appropriate credit to the Purchase Price for such assumption of debt.

1.2 Deposit. Purchaser, by wire transfer to an account designated by Sellers has made a good faith deposit in the amount of Thirty Million Dollars (\$30,000,000) on the date hereof (the “**Deposit**”). The Deposit shall be non-refundable in all events, except as provided in Section 6.1(b) or Section 6.2, or in the event Purchaser has terminated this Agreement pursuant to Section 9.1 (other than Section 9.1(b)) or as set forth in Section 9.2, in which case Seller shall immediately return the Deposit to Purchaser with all interest earned thereon. Upon Closing, the Deposit will



be credited against the Purchase Price. Pending the Closing, or until this Agreement is terminated, the Deposit shall be deposited in an interest bearing account, with interest credited to Purchaser, at a federally-insured financial institution mutually acceptable to Purchaser and Sellers. In addition, on the Signing Date, Purchaser shall deliver to Sellers executed letters from its financing sources, in form and substance satisfactory to Sellers in their discretion.

1.3 Closing Date. The consummation of the transactions contemplated by this Agreement (the “**Closing**”) shall take place at 10:00 a.m. local time at the offices of Dentons US LLP, 601 South Figueroa St., Suite 2500, Los Angeles, CA 90017-5704 (the day on which Closing actually occurs, the “**Closing Date**”) promptly but no later than ten (10) business days following the satisfaction or waiver of the conditions set forth in ARTICLE 7 and ARTICLE 8, other than those conditions that by their nature are to be satisfied at Closing but subject to fulfillment or waiver of those conditions. The Closing shall be deemed to occur and to be effective as of 11:59 p.m. Pacific time on the Closing Date (the “**Effective Time**”).

1.4 Items to be Delivered by Sellers at Closing. At or before the Closing, Sellers shall deliver, or cause to be delivered, to Purchaser the following:

1.4.1 a Bill of Sale substantially in the form of Exhibit 1.4.1 attached hereto (the “**Bill of Sale**”), duly executed by each Seller, with respect to the Assets;

1.4.2 Real Estate Assignment and Assumption Agreements (the “**Real Estate Assignments**”) in the form of Exhibit 1.4.2 attached hereto with respect to (i) the Leased Real Property, and (ii) the Tenant Leases, each duly executed by each Seller;

1.4.3 a Quitclaim Deed (the “**Deed**”) in the form of Exhibit 1.4.2 attached hereto with respect to the real property listed in Schedule 1.4.3, together with all plant, buildings, structures, installments, improvements, fixtures, betterments, additions and constructions in progress situated thereon (collectively, the “**Owned Real Property**”) duly executed by each Seller;

1.4.4 an Assumption Agreement (the “**Assumption Agreement**”) in the form of Exhibit 1.4.2 attached hereto with respect to the Assumed Obligations duly executed by each Seller;

1.4.5 favorable original certificates of good standing, of each Seller, issued by the State of California, dated no earlier than a date which is fifteen (15) calendar days prior to the Closing Date;

1.4.6 a duly executed certificate of an officer of each Seller certifying to Purchaser (i) the incumbency of the officers of such Seller on the Signing Date and on the Closing Date and bearing the authentic signatures of all such officers who shall execute this Agreement and any additional documents contemplated by this Agreement and (ii) the due adoption and text of the resolutions or consents of the Board of Directors of such Seller authorizing (I) the transfer of the Assets and transfer of the Assumed Obligations by such Seller to Purchaser and (II) the due execution, delivery and performance of this Agreement and all additional documents contemplated



by this Agreement, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

1.4.7 a certified copy of the Sale Order (as defined below);

1.4.8 a Transition Services Agreement (the “**Transition Services Agreement**”) in form and substance satisfactory to Sellers and Purchaser, in their reasonable discretion, granting to Sellers use of certain assets, systems and personnel identified in such agreement solely in connection with Sellers’ wind-down of the Businesses, the completion of the Bankruptcy Cases and the dissolution of Sellers (and following completion of such wind-down, Bankruptcy Cases and dissolution of Sellers, such Transition Services Agreement shall automatically terminate);

1.4.9 acknowledgements by CSCDA and the PACE Trustee that Purchaser is the Successor Property Owner and Obligated Party under the PACE Obligations and releases of the Sellers from any and all claims arising or accruing prior to the Closing Date, and

1.4.10 any such other instruments, certificates, consents or other documents which Purchaser and Sellers mutually deem reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

1.5 Items to be Delivered by Purchaser at Closing. At or before the Closing, Purchaser shall deliver or cause to be delivered to Sellers the following:

1.5.1 payment of the Cash Consideration subject to credits or plus payment to Sellers of all amounts as provided under Section 1.6;

1.5.2 evidence of payment of all Cure Costs required hereunder to be paid by Purchaser;

1.5.3 a duly executed certificate of the Secretary of Purchaser certifying to Sellers (a) the incumbency of the officers of Purchaser on the Signing Date and on the Closing Date and bearing the authentic signatures of all such officers who shall execute this Agreement and any additional documents contemplated by this Agreement and (b) the due adoption and text of the resolutions of the Board of Directors of Purchaser authorizing the execution, delivery and performance of this Agreement and all additional documents contemplated by this Agreement, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

1.5.4 favorable original certificate of good standing, of Purchaser, issued by the California Secretary of State dated no earlier than a date which is fifteen (15) calendar days prior to the Closing Date;

1.5.5 the Bill of Sale, duly executed by Purchaser;

1.5.6 the Real Estate Assignment(s), duly executed by Purchaser;

1.5.7 the Assumption Agreement, duly executed by Purchaser;



1.5.8 the License Agreement referenced in Section 1.7(q);

1.5.9 the Transition Services Agreement; and

1.5.10 any such other instruments, certificates, consents or other documents which Purchaser and Sellers mutually deem reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

1.6 Prorations and Utilities. All items of income and expense listed below with respect to the Assets shall be prorated in accordance with the principles and the rules for the specific items set forth hereafter:

1.6.1 All transfer, conveyance, sales, use, stamp, similar state and local taxes arising from the sale of the Assets hereunder shall be the responsibility of, and allocated to, Purchaser.

1.6.2 Other than the Utility Deposits (defined below), which are governed by Section 1.8(j), and other than with respect to Cure Costs payable by Purchaser, the following costs and expenses shall be prorated based upon the payment period (*i.e.*, calendar or other tax fiscal year) to which the same are attributable: all real estate and personal property lease payments, real estate and personal property taxes, real estate assessments, other than the PACE Special Assessments and other similar charges against real estate, and power and utility charges (collectively, the “**Prorated Charges**”) on the Assets. Each Seller shall pay its respective portion at or prior to the Closing (or Purchaser shall receive credit for) of any unpaid Prorated Charges attributable to periods or portions thereof occurring prior to the Effective Time, and Purchaser shall assume as an Assumed Liability or, to the extent previously paid by any Seller, pay to such Seller at the Closing all Prorated Charges attributable to periods or portions thereof occurring from and after the Effective Time. In the event that as of the Closing Date the actual tax bills for the tax year or years in question are not available and the amount of taxes to be prorated as aforesaid cannot be ascertained, then rates, millages and assessed valuation of the previous year, with known changes, shall be used. The parties agree that if the real estate and personal property tax prorations are made based upon the taxes for the preceding tax period, the prorations shall be re-prorated after the Closing. As to power and utility charges, “final readings” as of the Closing Date shall be ordered from the utilities; the cost of obtaining such “final readings,” if any, shall be paid by Purchaser.

1.6.3 Sellers shall be entitled to all rents and other payments under Tenant Leases accruing for the period prior to the Effective Time (“**Pre Effective Time Lease Amounts**”), and Purchaser shall be entitled to all rents and other payments under tenant leases accruing for the period after the Effective Time (“**Post Effective Time Lease Amounts**” and together with the Pre Effective Time Lease Amounts, the “**Lease Amounts**”). All Lease Amounts that are collected prior to the Closing shall be prorated as of the Closing in accordance with the immediately preceding sentence. All Lease Amounts that are accrued but uncollected as of the Closing (including, without limitation, rents and other payments accrued prior to the Closing but payable in arrears after the Closing) (collectively, the “**Unpaid Amounts**”) shall belong to Sellers, and Purchaser shall, upon receipt of said rents and other payments, receive the same in trust for Sellers and shall promptly remit any of such amounts to the applicable Seller within ten (10) days after



Purchaser's receipt of same. For the avoidance of doubt, all rental payments received after Closing shall be first applied to any amounts owed to the Sellers under this Section 1.6.3.

1.6.4 All prorations and payments to be made under the foregoing provisions shall be agreed upon by Purchaser and Sellers prior to the Closing and shall be binding upon the parties; provided, however, with respect to the Unpaid Amounts, in the event any proration, apportionment or computation shall prove to be incorrect for any reason, then either the applicable Seller or Purchaser shall be entitled to an adjustment to correct the same, provided that said party makes written demand on the party from whom it is entitled to such adjustment within thirty (30) calendar days after the erroneous payment or computation was made, or such later time as may be required, in the exercise of due diligence, to obtain the necessary information for proration. This Section 1.6 shall survive Closing.

1.7 Transfer of Assets of Sellers. On the Closing Date and subject to the terms and conditions of this Agreement, each Seller shall sell, assign, transfer, convey and deliver to Purchaser, free and clear of all liens, claims, interests and encumbrances other than the Permitted Exceptions (defined below), and Purchaser shall acquire, all of each Seller's right, title and interest in and to only the following assets and properties, as such assets shall exist on the Closing Date, in each case (notwithstanding anything else in this Agreement) solely to the extent used primarily in the conduct of the Businesses and to the extent not included among the Excluded Assets, such transfer being deemed to be effective at the Effective Time:

(a) all of the tangible personal property owned by such Hospital Seller, or to the extent assignable or transferable by each Hospital Seller, leased, subleased or licensed by such Hospital Seller, and used by such Seller in the operation of the Hospital of such Hospital Seller, including equipment, furniture, fixtures, machinery, vehicles, office furnishings and leasehold improvements (the "**Personal Property**");

(b) all of such Hospital Seller's rights, to the extent assignable or transferable, to all Medicare and Medi-Cal provider agreements, permits, approvals, certificates of exemption, franchises, accreditations and registrations and other governmental licenses, permits or approvals issued to such Seller for use in the operation of the Hospital of such Hospital Seller (the "**Licenses**"), including, without limitation, the Licenses and Medicare/Medi-Cal Provider Agreements set forth on Schedule 1.7(b), except to the extent Purchaser elects, in its discretion, not to take assignment of any such Licenses;

(c) all of such Hospital Seller's interest in and to the Owned Real Property and all of such Hospital Seller's interest, to the extent assignable or transferable, in and to all of the following (the "**Assumed Leases**"): (i) personal property leases with respect to the operation of the Hospital of such Hospital Seller (including leases for assets described in Section 1.7(i)), (ii) the real property leases for all real property leased by such Hospital Seller and set forth on Schedule 1.7(c)(ii) (the "**Leased Real Property**"), and (iii) the real property leased or subleased by such Seller to a third party and set forth on Schedule 1.7(c)(iii) (the "**Tenant Leases**");

(d) all of such Hospital Seller's interest, to the extent assignable or transferable, in and to all contracts and agreements (including, but not limited to, purchase orders) with respect



to the operation of the Hospital of such Hospital Seller that have been designated by Purchaser as a contract to be assumed pursuant to Section 1.11 (the “**Assumed Contracts**”);

(e) other than the Excluded Settlements and Actions (defined below), all claims, rights, interests and proceeds (whether received in cash or by credit to amounts otherwise due to a third party) with respect to amounts overpaid by such Seller to any third party health plans with respect to periods prior to the Effective Time (e.g. such overpaid amounts may be determined by billing audits undertaken by such Seller or such Seller’s consultants), except with respect to any causes of action or proceeds thereof arising under Chapter 5 of the Bankruptcy Code other than with respect to Assumed Contracts and Assumed Leases and other items described in Section 1.8(h);

(f) to the extent assignable or transferable, all inventories of supplies, drugs, food, janitorial and office supplies and other disposables and consumables (i) located at the Hospital of such Seller or (ii) used in the operation of the Hospital of such Seller (the “**Inventory**”) except as set forth in Section 1.8(e);

(g) other than Utility Deposits, all prepaid rentals, deposits, prepayments (excluding prepaid insurance and prepaid taxes) and similar amounts relating to the Assumed Contracts and/or the Assumed Leases, which were made with respect to the operation of the Hospital of such Hospital Seller (the “**Prepays**”);

(h) to the extent assignable or transferrable, all of the following that are not proprietary to such Seller and/or owned by or proprietary to such Hospital Seller’s affiliates: operating manuals, files and computer software with respect to the operation of the Hospital of such Hospital Seller, including, without limitation, all patient records, medical records, employee records, financial records, equipment records, construction plans and specifications, and medical and administrative libraries; *provided, however*, that any patient records and medical records which are not required by law to be maintained by such Hospital Seller as of the Effective Time shall be an Excluded Asset;

(i) to the extent assignable or transferrable (and if leased, to the extent the associated lease is transferrable), including any assignment which is made effective pursuant to the Sale Order where the consent of a third party is required pursuant to the terms of an applicable agreement but not obtained, all systems, servers, computers, hardware, firmware, middleware, telecom equipment, networks, data communications lines, routers, hubs, switches and all other information technology equipment, and all associated documentation owned, leased or licensed by Sellers and used by Sellers with respect to the operations of the Hospitals;

(j) all Measure B trauma funding received after the Signing Date to be paid related to service periods ending on or after the Signing Date (pro rated between Purchaser and Sellers for any such payments covering service periods which include days both before and after the Signing Date based upon the number of days in the relevant payment period before the Signing Date (for the account of Sellers) and after the Signing Date (for the account of Purchaser));

(k) Except for as stated in Section 1.7(j), all accounts and interest thereupon, notes and interest thereupon and other receivables of such Seller, including, without limitation,



accounts, notes or other amounts receivable, disproportionate share payments and all claims, rights, interests and proceeds related thereto, including all accounts and other receivables, and Seller Cost Report settlements related thereto, in each case arising from the rendering of services or provision of goods, products or supplies to inpatients and outpatients at the Hospital of such Seller, billed and unbilled, recorded and unrecorded, for services, goods, products and supplies provided by such Seller prior to the Effective Time whether payable by Medicare, Medicaid, or any other payor (including an insurance company), or any health care provider or network (such as a health maintenance organization, preferred provider organization or any other managed care program) or any fiscal intermediary of the foregoing, private pay patients, private insurance or by any other source (collectively, “**Accounts Receivable**”);

(l) all rights, claims and causes of action of such Seller to the extent related to and/or to the extent arising out of the Accounts Receivable acquired by Purchaser at the Closing;

(m) other than the Excluded Settlements and Actions, all regulatory settlements, rebates, adjustments, refunds or group appeals, including without limitation pursuant to all cost reports filed by Sellers for payment or reimbursement from government payment programs and other payors with respect to periods after the Signing Date;

(n) other than the Excluded Settlements and Actions, all casualty insurance proceeds arising in respect of casualty losses occurring after the Signing Date in connection with the ownership or operation of the Assets;

(o) other than the Excluded Settlements and Actions, all surpluses arising out of any risk pools, shared savings program or accountable care organization arrangement to which any Seller is party on the Closing Date, in each case to the extent Purchaser assumes the underlying contract relating to such risk pools, shared savings program or accountable care organization arrangement;

(p) all transferable unclaimed property of any Person in Sellers’ possession as of the Closing Date, including, without limitation, property which is subject to applicable escheat laws;

(q) to the extent assignable or transferable by Sellers without out-of-pocket expense to Sellers, all warranties (including warranties of any manufacturer or vendor) on or in connection with the Assets (including the Personal Property) in favor of the Hospitals or Sellers;

(r) the right to use the names “St. Francis Medical Center”, “St. Vincent Medical Center”, “Seton Medical Center” and “Seton Medical Center Coastside”, including any trademarks, service marks, trademark and service mark registrations and registration applications, trade names, trade name registrations, logos, domain names, trade dress, copyrights, copyright registrations, website content, know-how, trade secrets and the corporate or company names of Sellers and the names of the Hospitals, together with all rights to sue and recover damages for infringement, dilution, misappropriation or other violation or conflict associated with any of the foregoing; at the Closing, Purchaser will execute and deliver to Sellers the Transition Services Agreement granting to Sellers an unlimited, royalty free, irrevocable license to use any and all of the foregoing solely in connection with the wind-down of the Businesses, the completion of the



Bankruptcy Cases and the dissolution of Sellers (and following completion of such wind-down, Bankruptcy Cases and dissolution of Sellers, such license shall automatically terminate);

(s) all goodwill of the Hospital of such Hospital Seller evidenced by or associated with any of the Assets;

(t) to the extent transferable or assignable, such Hospital Seller's right or interest in the telephone and facsimile numbers and uniform resource locaters used with respect to the operation of the Hospital of such Hospital Seller;

(u) each such Hospital Seller's Medicare and Medi-Cal provider agreements and lockbox account(s) identified on **Schedule 1.7(u)**;

(v) all documents, records, correspondence, work papers and other documents, other than patient records, primarily relating to the Accounts Receivable;

(w) with respect to Verity Holdings, the assets represented by the assessor's parcel numbers (APN's) listed in **Schedule 1.7(w)** hereof (the "**Purchased Verity Holdings Assets**");

(x) except for the Excluded Assets, to the extent assignable or transferable, and subject to the Permitted Exceptions, any other assets owned by such Hospital Seller (which are not otherwise specifically described above in this Section 1.7) that are used in the operation of the Hospital of such Hospital Seller;

(y) all of Seton's interest in and to the PACE Obligations; and

(z) all QAF V and subsequent QAF program payments received after the Closing (e.g., QAF VI and QAF VII).

As used herein, the term "**Permitted Exceptions**" means (i) the Assumed Obligations; (ii) the PACE Obligations; (iii) liens for taxes not yet due and payable (iv) easements, rights of way, zoning ordinances and other similar encumbrances affecting real property; (v) other imperfections of title or encumbrances, if any, which are not monetary in nature and that are not, individually or in the aggregate, material to the business of the Hospital; (vi) any agreements made with any governmental authority in order to obtain any consent or approval, including, without limitation, in connection with the Medicare and Medi-Cal provider agreements; and (vii) other imperfections of title or encumbrances that are expressly identified on **Schedule 1.7** hereof.

1.8 Excluded Assets. Notwithstanding anything to the contrary in Section 1.7, each Seller shall retain all interests, rights and other assets owned directly or indirectly by it (or any of such Seller's affiliates) which are not among the Assets, including, without limitation, the following interests, rights and other assets of such Seller (collectively, the "**Excluded Assets**"):

(a) cash, cash equivalents and short-term investments;



(b) all Seller Plans (defined below) and the assets of all Seller Plans and any asset that would revert to the employer upon the termination of any Seller Plan, including, without limitation, any assets representing a surplus or overfunding of any Seller Plan;

(c) all contracts that are not Assumed Contracts;

(d) all leases that are not Assumed Leases;

(e) the portions of Inventory, Prepaids, and other assets disposed of, expended or canceled, as the case may be, by such Seller after the Signing Date and prior to the Effective Time in the ordinary course of business;

(f) assets owned and provided by vendors of services or goods to the Hospital of such Hospital Seller;

(g) all of such Seller's organizational or corporate record books, minute books, tax returns, tax records and reports, data, files and documents, including electronic data related thereto;

(h) all claims, counterclaims and causes of action of such Seller or such Seller's bankruptcy estate (including parties acting for or on behalf of such Seller's bankruptcy estate, including, but not limited to, the official committee of unsecured creditors appointed in the Bankruptcy Cases), including, without limitation, rights of recovery or set-off of every kind and character against third parties, causes of action arising out of any claims and causes of action under chapter 5 of the Bankruptcy Code and any related claims, counterclaims and causes of action under applicable non-bankruptcy law, and any rights to challenge liens asserted against property of such Seller's bankruptcy estate, including, but not limited to, liens attaching to the Purchase Price paid to such Seller, and the proceeds from any of the foregoing;

(i) other than casualty insurance proceeds described in Section 1.7(m), all insurance policies and contracts and coverages obtained by such Seller or listing such Seller as insured party, a beneficiary or loss payee, including prepaid insurance premiums, and all rights to insurance proceeds under any of the foregoing, and all subrogation proceeds related to any insurance benefits arising from or relating to Assets prior to the Closing Date;

(j) all deposits made with any entity that provides utilities to the Hospital (the **"Utility Deposits"**);

(k) all rents, deposits, prepayments, and similar amounts relating to any contract or lease that is not an Assumed Contract or Assumed Lease;

(l) all non-transferrable unclaimed property of any third party as of the Effective Time, including, without limitation, property which is subject to applicable escheat laws;

(m) all other bank accounts of such Sellers not listed on **Schedule 1.7(u)**;



(n) all writings and other items that are protected from discovery by the attorney-client privilege, the attorney work product doctrine or any other cognizable privilege or protection;

(o) the rights of such Seller to receive mail and other communications with respect to Excluded Assets or Excluded Liabilities;

(p) all director and officer insurance;

(q) all tax refunds of such Seller;

(r) all documents, records, operating manuals and film pertaining to the Hospital that the parties agree that such Seller is required by law to retain;

(s) all patient records and medical records which are not required by law to be maintained by such Seller as of the Effective Time;

(t) all documents, records, correspondence, work papers and other patient records that may not be transferred under applicable law, and any other documents, records, or correspondence (including with respect to any employees) that may not be transferred under applicable law;

(u) any rights or documents relating to any Excluded Liability or other Excluded Asset;

(v) any rights or remedies provided to such Seller under this Agreement and each other document executed in connection with the Closing;

(w) any (i) personnel files for employees of such Seller who are not hired by Purchaser; (ii) other books and records that such Seller is required by Law to retain; provided, however, that except as prohibited by Law and subject to Article 5, Purchaser shall have the right to make copies of any portions of such retained books and records that relate to the business of the Hospital as conducted before the Closing or that relate to any of the Assets; (iii) documents which such Seller is not permitted to transfer pursuant to any contractual obligation owed to any third party; (iv) documents primarily related to any Excluded Assets; and (v) documents necessary to prepare tax returns (Purchaser shall be entitled to a copy of such documents). With respect to documents necessary to prepare cost reports, Purchaser shall receive the original document and such Seller shall be entitled to retain a copy of such documents for any period ending on or prior to the Closing Date;

(x) all deposits or other prepaid charges and expenses paid in connection with or relating to any other Excluded Assets;

(y) all rights, claims and causes of action of such Seller to the extent related to and/or to the extent arising out of the receivables identified in **Schedule 1.8(y)** and rights to settlements and retroactive adjustments, if any, whether arising under a Seller Cost Report or otherwise, for any reporting periods ending on or prior to the Effective Time, whether open or closed, arising from or against the United States government under the terms of the Medicare



program or TRICARE (formerly the Civilian Health and Medical Program of the Uniformed Services);

(z) all pre-Closing settlements or settlements pursuant to adversary proceedings in the Bankruptcy Cases, including, without limitation, any proceedings identified in Section 1.8(h) or 1.8(y) (together with the items identified in Section 1.8(h) and 1.8(y), the “**Excluded Settlements and Actions**”);

(aa) for the avoidance of doubt, all QAF IV and QAF V payments actually received prior to the Signing Date;

(bb) all assets of Verity Holdings other than the Purchased Verity Holdings Assets and all assets of any of the tenants located in the leased premises of the purchased Verity Holdings properties; and

(cc) any assets identified in Schedule 1.8(cc).

1.9 Assumed Obligations. On the Closing Date, each Seller shall assign, and Purchaser shall assume and agrees to discharge, perform and satisfy fully, on and after the Effective Time, the following liabilities and obligations of such Seller and only the following liabilities and obligations (collectively, the “**Assumed Obligations**”):

(a) the Assumed Contracts and all liabilities of such Seller under the Assumed Contracts, including related Cure Costs;

(b) the Assumed Leases and all liabilities of such Seller under the Assumed Leases, including related Cure Costs;

(c) all liabilities and obligations arising out of or relating to any act, omission, event or occurrence connected with the use, ownership or operation by Purchaser of the Hospital or any of the Assets on or after the Effective Time;

(d) all accrued vacation and other paid time off, to the extent assumed under Section 1.1(a)(ii);

(e) all liabilities and obligations of such Seller related to the Hired Employees arising on or following the Effective Time;

(f) all unpaid real and personal property taxes, if any, that are attributable to the Assets after the Effective Time, subject to the prorations provided in Section 1.6;

(g) all liabilities and obligations relating to utilities being furnished to the Assets, subject to the prorations provided in Section 1.6;

(h) any documentary, sales and transfer tax liabilities of such Seller incurred as a result of the consummation of the transaction contemplated by this Agreement;

(i) all liabilities or obligations provided for in Section 5.3;



(j) any obligations or liabilities Purchaser may desire or need to assume in order to have the Certifications/Licenses/Permits identified on Schedule 1.7(b) reissued to Purchaser, as well as any liabilities or obligations associated with Sellers' Medicare and Medi-Cal provider agreements, but only to the extent assumed by Purchaser, and any Medi-Cal liabilities or obligations needed to support ongoing Hospital Quality Assurance Fee Program payments; and

(k) any other obligations and liabilities identified in Schedule 1.9(k).

1.10 Excluded Liabilities. Purchaser shall not assume or become responsible for any duties, obligations or liabilities of any Seller that are not assumed by Purchaser pursuant to the terms of this Agreement, the Bill of Sale, the Assumption Agreement or the Real Estate Assignment(s) (the "**Excluded Liabilities**"), and each Seller shall remain fully and solely responsible for all of such Seller's debts, liabilities, contract obligations, expenses, obligations and claims of any nature whatsoever related to the Assets or the Hospital unless assumed by Purchaser under this Agreement, in the Bill of Sale, the Assumption Agreement or in the Real Estate Assignment(s).

1.11 Designation of Assumed Contracts and Assumed Leases.

(a) Except as provided in Section 1.11(b), all contracts and leases will be subject to evaluation by Purchaser for assumption or rejection (collectively "**Evaluated Contracts**"). Not later than seven (7) days prior to the date of the auction for the Assets (i) Purchaser shall notify each Seller in writing of which Evaluated Contracts are to be assumed by such Seller and assigned to Purchaser and (ii) Purchaser shall notify each Seller in writing signed and dated by Purchaser of which Evaluated Contracts are to be rejected by such Seller (collectively, the "**Rejected Contracts**"); provided, that Purchaser shall have the right to designate additional Evaluated Contracts for assumption up to thirty (30) days prior to Closing. Each Seller shall file such motions in the Bankruptcy Court and take such other actions as are reasonably necessary to ensure that final and non-appealable orders are entered (x) assuming and assigning the respective Assumed Contracts or Assumed Leases applicable to such Seller to Purchaser and (y) rejecting the Rejected Contracts. With respect to each Assumed Lease, the applicable Seller shall execute and deliver to Purchaser an Assignment and Assumption of Lease. Notwithstanding anything to the contrary set forth in this Agreement, the Rejected Contracts shall constitute part of the Excluded Assets pursuant to, and as defined in, this Agreement.

(b) At Closing and pursuant to an order of the Bankruptcy Court, each Seller will assume and immediately assign to Purchaser the leases of such Seller for Leased Real Property and the Tenant Leases.

(c) Notwithstanding the foregoing, Purchaser's obligation to consummate the transactions contemplated by this Agreement are not contingent upon the assumption, assignment or rejection of any contract or lease, or on the amount of any payment or other performance needed to cure any default thereunder.



1.12 Disclaimer of Warranties; Release.

(a) THE ASSETS TRANSFERRED TO PURCHASER WILL BE SOLD BY SELLERS AND PURCHASED BY PURCHASER IN THEIR PHYSICAL CONDITION AT THE EFFECTIVE TIME, “AS IS, WHERE IS AND WITH ALL FAULTS AND NONCOMPLIANCE WITH LAWS” WITH NO WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, USAGE, WORKMANSHIP, QUALITY, PHYSICAL CONDITION, OR VALUE, AND ANY AND ALL SUCH OTHER REPRESENTATIONS AND WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED, AND WITH RESPECT TO THE LEASED REAL PROPERTY WITH NO WARRANTY OF HABITABILITY OR FITNESS FOR HABITATION, INCLUDING, WITHOUT LIMITATION, THE LAND, THE BUILDINGS AND THE IMPROVEMENTS. ALL OF THE PROPERTIES, ASSETS, RIGHTS, LICENSES, PERMITS, PRIVILEGES, LIABILITIES, AND OBLIGATIONS OF SELLERS INCLUDED IN THE ASSETS AND THE ASSUMED OBLIGATIONS ARE BEING ACQUIRED OR ASSUMED “AS IS, WHERE IS” ON THE CLOSING DATE AND IN THEIR PRESENT CONDITION, WITH ALL FAULTS. ALL OF THE TANGIBLE ASSETS SHALL BE FURTHER SUBJECT TO NORMAL WEAR AND TEAR AND NORMAL AND CUSTOMARY USE OF THE INVENTORY AND SUPPLIES IN THE ORDINARY COURSE OF BUSINESS UP TO THE EFFECTIVE TIME.

(b) Purchaser acknowledges that Purchaser will be examining, reviewing and inspecting all matters which in Purchaser’s judgment bear upon the Assets, the Sellers, the Hospitals, the business of the Hospitals and their value and suitability for Purchaser’s purposes and is relying solely on Purchaser’s own examination, review and inspection of the Assets and Assumed Obligations. Purchaser releases each Seller and its affiliates from all responsibility and liability regarding the condition, valuation, salability or utility of the business of the Hospitals or the Assets, or their suitability for any purpose whatsoever. Purchaser further acknowledges that the representations and warranties of Sellers contained in ARTICLE 2 of this Agreement are the sole and exclusive representations and warranties made by Sellers to Purchaser (including with respect to the Hospitals, the Assets and the Assumed Obligations) and shall expire, and be of no further force or effect after January 8, 2019 (the period from the Signing Date until January 8, 2019, the “**Final Diligence Period**”), except that the Sale Order Date Representations shall expire, and be of no further force or effect upon the Sale Order Date, and in each case Sellers shall not have any liability in respect of any breach thereof following such expiration.



## ARTICLE 2

### REPRESENTATIONS AND WARRANTIES OF SELLERS

Each Seller hereby represents, warrants and covenants to Purchaser, severally (and not jointly) with respect to such Seller that the following matters are true and correct as of the Signing Date and as of the last day of the Final Diligence Period, except as would not have a material adverse effect upon the Hospitals, taken as a whole (a “**Material Adverse Effect**”) and except as disclosed in the disclosure schedule, as may be amended pursuant to the terms of this Agreement (the “**Disclosure Schedule**”), provided that the representations and warranties set forth in Sections 2.1 (Authorization), 2.2 (Binding Agreement), 2.3 (Organization and Good Standing; No Violation), 2.8 (Compliance with Legal Requirements), 2.9 (Required Consents), 2.11 (Title) and 2.14 (Legal Proceedings) (the “**Sale Order Date Representations**”) shall also be made as of immediately prior to the entry of the Sale Order (the “**Sale Order Date**”):

2.1 Authorization. Such Seller has all necessary corporate power and authority to enter into this Agreement and, subject to Bankruptcy Court approval, to carry out the transactions contemplated hereby.

2.2 Binding Agreement. This Agreement has been duly and validly executed and delivered by such Seller and, assuming due and valid execution by Purchaser, this Agreement constitutes a valid and binding obligation of such Seller enforceable in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies. Except for such corporate actions which have been taken on or before the date hereof, no other corporate action on the part of Sellers is necessary to authorize the execution, delivery and performance of this Agreement and the transactions contemplated hereby and thereby.

2.3 Organization and Good Standing; No Violation.

(a) Such Seller is an entity duly organized, validly existing and in good standing under the laws of the State of California. Such Seller has all necessary power and authority to own, operate and lease its properties and to carry on its businesses as now conducted.

(b) Neither the execution and delivery by such Seller of this Agreement nor the consummation of the transactions contemplated hereby by such Seller nor compliance with any of the material provisions hereof by such Seller, will violate, conflict with or result in a breach of any material provision of such Seller’s articles of incorporation or bylaws or any other organizational documents of such Seller.

2.4 Contracts. Except as set forth in Schedule 2.4, upon entry of the Sale Order and Purchaser’s payment of the Cure Costs, to Seller’s knowledge, Seller is not in material breach or default of the Assumed Contracts or Assumed Leases. No provision of this Section 2.4 shall apply to any failure to obtain consents to the assignment of the Assumed Contracts and Assumed Leases from third parties to the Assumed Contracts and Assumed Leases for which consent is required to



assign the Assumed Contracts and Assumed Leases to Purchaser (the “**Contract and Lease Consents**”).

2.5 Brokers and Finders. Except as set forth on Schedule 2.5, neither such Seller nor any affiliate thereof, nor any officer or director thereof, have engaged or incurred any liability to any finder, broker or agent in connection with the transactions contemplated hereunder.

2.6 Seller Knowledge. References in this Agreement to “Sellers’ knowledge or “the knowledge of Sellers” means the actual knowledge of the Chief Executive Officer or Chief Financial Officer of the applicable Seller, without independent research. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

2.7 Non-Contravention. Neither the execution and delivery by Sellers of this Agreement and each Ancillary Agreement nor performance of any of the material provisions hereof by Sellers, will violate, conflict with or result in a breach of any material provisions of the articles of incorporation or bylaws of Sellers.

2.8 Compliance with Legal Requirements. Except as set forth in Schedule 2.8, to the knowledge of Sellers: each Seller, with respect to the operation of the Hospitals, is in material compliance with all applicable laws, statutes, ordinances, orders, rules, regulations, policies, guidelines, licenses, certificates, judgments or decrees of all judicial or governmental authorities (federal, state, local, foreign or otherwise) (collectively, “**Legal Requirements**”). Except as set forth in Schedule 2.8, to the knowledge of Sellers, none of the Sellers, with respect to the operation of the Hospitals, has been charged in writing with or been given written notice of or is under investigation with respect to, any material violation of, or any obligation to take material remedial action under, any applicable Legal Requirements.

2.9 Required Consents. Except as set forth in Schedule 2.9, and other than in connection with any Licenses, any provider agreements (including any such agreements with a governmental authority) and the CA AG (defined below), Sellers are not a party to or bound by, nor are any of the Assets subject to, any mortgage, or any material lien, deed of trust, material lease, or material contract or any material order, judgment or decree which, after giving effect to the Sale Order (a) will require the consent of any third party to the execution of this Agreement or (b) will require the consent of any third party to consummate the transactions contemplated by this Agreement.

2.10 Environmental Matters.

(a) Sellers have provided Purchasers with the Phase I Environmental Site Assessments set forth in said Schedule 2.10(a).

(b) Except as disclosed in Schedule 2.10(b), to the knowledge of Sellers, the operations of the Hospitals are not in material violation of any applicable limitations, restrictions, conditions, standards, prohibitions, requirements and obligations of Environmental Laws and related orders of any court or any other governmental authority.



(c) For the purposes of this Section, the term “**Environmental Laws**” shall mean all state, federal or local laws, ordinances, codes or regulations relating to Hazardous Substances or to the protection of the environment, including, without limitation, laws and regulations relating to the storage, treatment and disposal of medical and biological waste. For purposes of this Agreement, the term “**Hazardous Substances**” shall mean (i) any hazardous or toxic waste, substance, or material defined as such in (or for the purposes of) any Environmental Laws, (ii) asbestos-containing material, (iii) medical and biological waste, (iv) polychlorinated biphenyls, (v) petroleum products, including gasoline, fuel oil, crude oil and other various constituents of such products, and (vi) any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any Environmental Laws.

2.11 Title. Prior to December 21, 2018, Sellers have delivered at their own expense (i) for all the Real Property preliminary title reports issued by First American Title Insurance Company (the “**Title Commitments**”), (ii) for all of the Real Property all underlying title documents listed on the Title Commitments (the “**Underlying Title Documents**”), and (iii) for all of the Hospitals an as-built ALTA Surveys (the “**Surveys**”, and collectively with the Title Commitment and the Underlying Title Documents, the “**Title Documents**”).

2.12 Certain Other Representations with Respect to the Hospitals.

(a) Except as set forth in Schedule 2.12, all Licenses which are material and necessary to the operation of the Hospitals or the Hospitals by Sellers are valid and in good standing and Sellers are in compliance with the terms and conditions of all such Licenses in all material respects, in each case except where the failure to be valid and in good standing or in compliance would not have a material adverse effect on the Assets or the Hospitals. Except as set forth in Schedule 2.12, as of the Closing Date Sellers will have any and all material Licenses required under Legal Requirements to conduct the Hospitals as presently conducted by Sellers, except where the failure to have any such License would not have a material adverse effect on the Assets or the Hospitals. To the knowledge of Sellers, no loss or expiration of any License is pending or threatened.

(b) Sellers are certified for participation in the Medicare, Medi-Cal and TRICARE programs and any other federal or state health care reimbursement programs in which they participate, and have current and valid provider agreements with each such program, except where the failure to be so certified or have such provider agreements would not have a material adverse effect.

(c) Sellers have not been excluded from Medicare, Medi-Cal or any federal or state health care reimbursement program, and, to the knowledge of Sellers, there is no pending or threatened exclusion action by a governmental authority against Sellers.

2.13 Financial Statements.

(a) Schedule 2.13(a) hereto contains the following financial statements (the “Historical Financial Statements”): (i) the unaudited balance sheets of the Sellers as of June 30,



2018; (ii) unaudited income statements of the Sellers for the twelve-month periods ended June 30, 2018; (iii) the audited consolidated income statements of Sellers for the years ended 2016 and 2017; and (iv) the unaudited consolidated balance sheet of Sellers as of June 30, 2018.

(b) the income statements contained in the Historical Financial Statements present, fairly in all material respects the results of the operations of the Sellers as of and for the periods covered therein and, except as set forth on Schedule 2.13(b), the balance sheets contained in the Historical Financial Statements (i) are true, complete and correct in all material respects; (ii) present, fairly in all material respects the financial condition of the Sellers as of the dates indicated thereon; and (iii) to the extent prepared by an independent certified public accounting firm, have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered, except as disclosed therein.

2.14 Legal Proceedings. Except as set forth on Schedule 2.14, and except for any and all cases and/or pleadings filed or to be filed in the Bankruptcy Court, which shall be available through Sellers' claims and noticing agent's website at <http://www.kccclcc.com/VERITYHEALTH/>, to the knowledge of Sellers, there are no material claims, proceedings or investigations pending or threatened with respect to the ownership of the Assets or the operation of the Hospitals or the Hospitals by Sellers before any governmental authority. Except as set forth on Schedule 2.14, and other than any action or proceeding brought in the Bankruptcy Court, to the knowledge of Sellers, Sellers are not subject to any government order with respect to the ownership or operation by Sellers of the Hospitals or the other Assets or the Hospitals and are in substantial compliance with respect to each such government order.

2.15 Employee Benefits. Schedule 2.15(a) contains a list of (i) each pension, profit sharing, bonus, deferred compensation, or other retirement plan or arrangement of Seller with respect to the operation of the Hospital, whether oral or written, which constitutes an "employee pension benefit plan" as defined in Section 3(2) of ERISA, (ii) each medical, health, disability, insurance or other plan or arrangement of Seller with respect to the operation of the Hospital, whether oral or written, which constitutes an "employee welfare benefit plan" as defined in Section 3(1) of ERISA, and (iii) each other employee benefit or perquisite provided by Seller with respect to the operation of the Hospital, in which any employee of Seller participates in his capacity as such (collectively, the "**Seller Plans**").

2.16 Personnel. Schedule 2.16 sets forth a complete list (as of the date set forth therein) of names, positions and current annual salaries or wage rates and scheduled bonus, and the accrued paid time off pay of all employees of Sellers (including employees of the Hospitals and employees of Verity and Verity Holdings) immediately prior to December 21, 2018, whether such employees are full time employees, part-time employees, on short-term or long-term disability or on leave of absence pursuant to Sellers's policies, the Family and Medical Leave Act of 1993 or other similar Legal Requirements (the "**Hospital Employees**") and indicating whether the Hospital Employee is full- time or part-time. Sellers shall have the right to update to Schedule 2.16(a) to reflect changes in employment status or new hires and terminations occurring after December 21, 2018 by providing a revised schedule to Purchase no later than five (5) Business Days before the date scheduled for the Closing.Insurance. Schedule 2.17 contains a list of all material insurance maintained by Sellers with respect to the Assets and the Businesses, as of the Signing Date.



2.18 Accounts Receivable. To the knowledge of Sellers, all Accounts Receivable included in the Assets at Closing result from the bona fide provision of products or services in the ordinary course of business. All Sellers Accounts Receivable are currently deposited, either electronically or manually, into the bank accounts listed on Schedule 4.25(b).

2.19 Payer Contracts. To the knowledge of Sellers, and subject to Section 365 of the Bankruptcy Code, Schedule 2.19 sets forth a complete list of all written contracts with private third party payers including insurance companies and HMOs (“**Payer Contracts**”). Sellers have provided Purchasers with a true and correct copy of all material Payer Contracts, whether or not entered into in the ordinary course of business, or otherwise required to be disclosed on Schedule 2.20, in each case together with all amendments thereto.

2.20 Excluded Individuals. Except as set forth on Schedule 2.20, to the knowledge of Sellers: neither Sellers, Hospitals nor any director, officer or employee of Sellers or Hospitals (a) was, is or is proposed to be, suspended, excluded from participation in, or sanctioned under, any federal or state health care program (including, without limitation, Medicare and Medicaid) (an “**Excluded Individual**”); (b) has been convicted of any criminal offense related to the delivery of any medical or health care services or supplies, or related to the neglect or abuse of patients; (c) has failed to maintain its current License to provide the services required to be provided by it to or on behalf of Sellers and Hospitals; or (d) is unable to obtain or maintain liability insurance consistent with commercially reasonable industry practices.

### ARTICLE 3

#### REPRESENTATIONS AND WARRANTIES OF PURCHASER

As an inducement to Sellers to enter into this Agreement and to consummate the transactions contemplated by this Agreement, Purchaser hereby represents, warrants and covenants to Sellers as to the following matters as of the Signing Date and, except as otherwise provided herein, shall be deemed to remake all of the following representations, warranties and covenants as of the Closing Date:

3.1 Authorization. Purchaser has full power and authority to enter into this Agreement and has full power and authority to perform its obligations hereunder and to carry out the transactions contemplated hereby. No additional internal consents are required in order for Purchaser to perform its obligations and agreements hereunder.

3.2 Binding Agreement. This Agreement has been duly and validly executed and delivered by Purchaser and, assuming due and valid execution by Sellers, this Agreement constitutes a valid and binding obligation of Purchaser enforceable in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies.

3.3 Organization and Good Standing. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of California, is or will be duly



authorized to transact business in the State of California, and has full power and authority to own, operate and lease its properties and to carry on its business as now conducted.

3.4 No Violation. Except as set forth in **Schedule 3.4**, neither the execution and delivery by Purchaser of this Agreement nor the consummation of the transactions contemplated hereby nor compliance with any of the material provisions hereof by Purchaser will (a) violate, conflict with or result in a breach of any material provision of the Articles of Incorporation, Bylaws or other organizational documents of Purchaser or any contract, lease or other instrument by which Purchaser is bound; (b) require any approval or consent of, or filing with, any governmental agency or authority, (c) violate any law, rule, regulation, or ordinance to which Purchaser is or may be subject, (d) violate any judgment, order or decree of any court or other governmental agency or authority to which Purchaser is subject.

3.5 Brokers and Finders. Neither Purchaser nor any affiliate thereof nor any officer or director thereof has engaged any finder or broker in connection with the transactions contemplated hereunder.

3.6 Representations of Sellers. Purchaser acknowledges that it is purchasing the Assets on an "AS IS, WHERE IS" basis (as more particularly described in Section 1.12), and that Purchaser is not relying on any representation or warranty (expressed or implied, oral or otherwise) made on behalf of any Seller other than as expressly set forth in this Agreement. Purchaser further acknowledges that no Seller is making any representations or warranties herein relating to the Assets or the operation of the Hospital on and after the Effective Time.

3.7 Legal Proceedings. Except as described on **Schedule 3.7**, there are no claims, proceedings or investigations pending or, to the best knowledge of Purchaser, threatened relating to or affecting Purchaser or any affiliate of Purchaser before any court or governmental body (whether judicial, executive or administrative) in which an adverse determination would materially adversely affect the properties, business condition (financial or otherwise) of Purchaser or any affiliate of Purchaser or which would adversely affect Purchaser's ability to consummate the transactions contemplated hereby. Neither Purchaser nor any affiliate of Purchaser is subject to any judgment, order, decree or other governmental restriction specifically (as distinct from generically) applicable to Purchaser or any affiliate of Purchaser which materially adversely affects the condition (financial or otherwise), operations or business of Purchaser or any affiliate of Purchaser or which would adversely affect Purchaser's ability to consummate the transactions contemplated hereby.

3.8 No Knowledge of a Seller's Breach. Neither Purchaser nor any of its affiliates has knowledge of any breach of any representation or warranty by any Seller or of any other condition or circumstance that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c). If information comes to Purchaser's attention on or before the Closing Date (whether through a Seller or otherwise and whether before or after the Signing Date) which indicates that Sellers have breached any of its representations and warranties under this Agreement, then the effect shall be as if the representations and warranties had been modified in this Agreement in accordance with the actual state of facts existing prior to the Effective Time such that there will be no breach under Sellers' representations and warranties in relation to such information; *provided, however*, that Purchaser must immediately notify Sellers if any such breach comes to its attention



on or before the Closing Date, and Purchaser's failure to so notify Sellers shall constitute a waiver by Purchaser of Sellers' breach, if any, of any representation or warranty. If any such information comes to Purchaser's attention on or before the Closing Date (whether through a Seller or otherwise, including through updated schedules, and whether before or after the Signing Date) that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c), Purchaser must immediately notify Sellers if any such information comes to its attention on or before the Closing Date, and Purchaser's failure to so notify Sellers shall constitute a waiver of such right in relation to the relevant breach.

3.9 Ability to Perform. Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.

3.10 Purchaser Knowledge. References in this Agreement to "Purchaser's knowledge" or "the knowledge of Purchaser" means the actual knowledge of the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer of Purchaser, without independent research. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

3.11 Investigation. Purchaser has been afforded reasonable access to, and has been provided adequate time to review, the books, records, information, operations, facilities and personnel of each Seller and the Hospital for purposes of conducting a due diligence investigation of each Seller and the Hospital. Purchaser has conducted a reasonable due diligence investigation of each Seller and the Hospital and has received satisfactory answers to all inquiries it has made respecting each Seller and the Hospital and has received all information it considers necessary to make an informed business evaluation of each Seller and the Hospital. In connection with its due diligence investigation of each Seller and the Hospital, Purchaser has not relied upon any books, records, information, operations, facilities and personnel provided by any Seller, including in making its determination to enter into this Agreement and/or consummate the transactions contemplated hereby.

## ARTICLE 4

### COVENANTS OF SELLERS

#### 4.1 Access and Information; Inspections.

4.1.1 From the Signing Date through the Effective Time, (a) each Seller shall afford to the officers and agents of Purchaser (which shall include accountants, attorneys, bankers and other consultants and authorized agents of Purchaser) reasonable access during normal business hours at Seller's corporate headquarters in El Segundo, California to, and the right to inspect, the books, accounts, records and all other relevant documents and information with respect to the assets, liabilities and business of the Hospital of such Seller and the plant and property of the Hospital of such Seller at the Hospital of such Seller and (b) each Seller shall furnish Purchaser with such additional financial and operating data and other information in such Seller's possession



as to businesses and properties of the Hospital of such Seller as Purchaser or its representatives may from time to time reasonably request; *provided, however*, that such Seller is not obligated to disclose information which is proprietary to such Seller and would not be essential to the ongoing operation of the Hospital of such Seller by Purchaser; *provided, further*, that all disclosures of information shall be consistent with the confidentiality agreements and any other non-disclosure agreements entered into (or to be entered into) among Purchaser, its representatives and such Seller. Purchaser's right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operations of any Seller or the Hospital.

4.1.2 Notwithstanding anything contained herein, no Seller shall be required to provide Purchaser or its representatives or agents access to or disclose information where such access or disclosure would violate the rights of its patients, jeopardize the attorney-client or similar privilege with respect to such information or contravene any law, judgment, fiduciary duty or contract entered into prior to or on the date of this Agreement with respect to such information.

#### 4.2 Cooperation.

4.2.1 Each Seller shall reasonably cooperate with Purchaser and its authorized representatives and attorneys: (a) in Purchaser's efforts to obtain all consents, approvals, authorizations, clearances and licenses required to carry out the transactions contemplated by this Agreement (including, without limitation, those of governmental and regulatory authorities) or which Purchaser reasonably deems necessary or appropriate, (b) in the preparation of any document or other material which may be required by any governmental agency as a predicate to or result of the transactions contemplated in this Agreement, and (c) in Purchaser's efforts to effectuate the assignment of Assumed Contracts to Purchaser as of the Closing Date. Except as may be otherwise requested by a Seller in order to comply with applicable law or regulatory guidance, notwithstanding anything contained herein, other than Bankruptcy Court orders and authorizations, it shall be Purchaser's sole responsibility (including payment of any fees, expenses, filings costs or other amounts) to obtain the Contract and Lease Consents, as well as all governmental consents, approvals, assignments, authorizations, clearances and licenses required to (x) carry out the transactions contemplated by this Agreement, including but not limited to medical licenses and/or (y) transfer any of the Assets, including any Licenses. To the extent Purchaser needs certain information and data which is in the possession of a Seller in order for Purchaser to complete Purchaser's license and permit approval applications, Purchaser shall receive, upon request, reasonable assistance from such Seller in connection with the provision of such information.

4.2.2 Notwithstanding any provision to the contrary contained in this Agreement (including Section 8.7), no Seller shall be obligated to obtain the approval or consent to the assignment, to Purchaser, of any Assumed Contracts or Assumed Leases, from any party to any of the Assumed Contracts or Assumed Leases even if any such contract or lease states that it is not assignable without such party's consent.

4.3 Other Bidders. Purchaser expressly acknowledges and agrees that each Seller has an obligation to seek out and determine the best and highest offer reasonably available for such



Seller's assets in accordance with the Bankruptcy Code, and nothing herein shall amend, modify, alter, diminish or affect such obligation.

4.4 Sellers' Efforts to Close. Each Seller shall use its reasonable commercial efforts to satisfy all of the conditions precedent set forth in ARTICLE 7 and ARTICLE 8 to its or Purchaser's obligations under this Agreement to the extent that such Seller's action or inaction can control or materially influence the satisfaction of such conditions; provided, however, that such Seller shall not be required to pay or commit to pay any amount to (or incur any obligation in favor of) any person (other than filing or application fees).

4.5 Termination Cost Reports. Each Seller shall file all Medicare, Medi-Cal and any other termination cost reports required to be filed as a result of the consummation of (a) the transfer of the Assets of such Seller to Purchaser and (b) the transactions contemplated by this Agreement with respect to such Seller, provided that Purchaser shall fund reasonable costs and expenses of preparation, filing and audit of such reports. Purchaser shall permit each Seller access to all Hospital books and records to prepare such reports and shall assist such Seller in the process of preparing, filing, and reviewing the termination cost reports. All such termination cost reports shall be filed by the applicable Seller in a manner that is consistent with current laws, rules and regulations. Each Seller shall be responsible for filing governmental cost reports for the period of January 1, 2019 through the Closing Date. Purchaser shall be responsible for its own cost report filings relating to the Hospitals beginning on the day immediately following the Effective Time.

4.6 Conduct of the Business. From the Signing Date until the Closing, or the earlier termination of this Agreement, without the prior written consent of Purchaser, Sellers shall, with respect to the ownership of the Assets and the operation of the Hospitals, use commercially reasonable efforts to, in each case except as would not have a Material Adverse Effect (except as otherwise noted):

(a) without regard to Material Adverse Effect, carry on Sellers' ownership of the Assets and the operation of the Hospitals consistent with past practice, but subject to the Bankruptcy Cases and Sellers' obligations and actions in connection therewith;

(b) maintain in effect the insurance and equipment replacement coverage with respect to the Assets;

(c) if and as permitted by the Bankruptcy Court, pay any bonuses payable under the Key Employee Retention Plan and Key Employee Incentive Plan of Sellers;

(d) maintain the Assets in materially the same condition as at present, ordinary wear and tear excepted;

(e) perform its obligations under all contracts with respect to the Assets in compliance with the Bankruptcy Code;

(f) following entry of the Sale Order, permit and allow reasonable access by Purchaser and its representatives (which shall include the right to send written materials, all of which shall be subject to Sellers' reasonable approval prior to delivery) to make offers of post-



Closing employment to any of Sellers' personnel (including access by Purchasers and their representatives for the purpose of conducting open enrollment sessions for Purchasers' employee benefit plans and programs) and to establish relationships with physicians, medical staff and others having business relations with Sellers;

(g) with respect to material deficiencies, if any, cited by any governmental authority (other than the Attorney General of the State of California and other than with respect to Seismic requirements) or accreditation body in the most recent surveys conducted by each, cure or develop and timely implement a plan of correction that is acceptable to such governmental authority or such accreditation body;

(h) timely file or cause to be filed all material reports, notices and tax returns required to be filed and pay all required taxes as they come due;

(i) without regard to Material Adverse Effect, beginning on February 21, 2019 and in accordance with the Sellers' budget under their debtor in possession financing, timely pay any fees that are or become due and payable under QAF IV and QAF V;

(j) comply in all material respects with all Legal Requirements (including Environmental Laws) applicable to the conduct and operation of the Hospitals; and

(k) without regard to Material Adverse Effect, maintain all material approvals, permits and environmental permits relating to the Hospitals and the Assets.

4.7 Contract With Unions. Representatives of Sellers who are parties to collective bargaining agreements and Purchaser shall meet and confer from time to time as reasonably requested by either party to discuss strategic business options and alternative approaches in negotiating each collective bargaining agreement. The applicable Sellers and Purchaser shall each participate in all union negotiations related to any specific collective bargaining agreement. Promptly following the Signing Date, applicable Sellers shall use commercially reasonable efforts to initiate discussions with Purchaser and conduct discussions to renegotiate each collective bargaining agreement currently in effect with each applicable union. The applicable Sellers will not unreasonably withhold, condition or delay approval or implementation of any successfully renegotiated collective bargaining agreement. The parties recognize that an applicable Seller's failure to secure a modification to any collective bargaining agreement, or to conclude a successor collective bargaining agreement shall not be a breach of Sellers' obligation under this Agreement, provided that if the unions refuse to negotiate, or otherwise are not timely, reasonable or realistic in renegotiating, the collective bargaining agreements during the period between the Signing Date and the Closing Date, Sellers and Purchaser will jointly consider, and negotiate mutually in good faith, alternative approaches that may be available and/or necessary to reduce Sellers' labor cost structure, including, but not limited to, seeking to reject the collective bargaining agreement(s).

## ARTICLE 5

### COVENANTS OF PURCHASER



5.1 Purchaser's Efforts to Close. Purchaser shall use its reasonable commercial efforts to satisfy all of the conditions precedent set forth in ARTICLE 7 and ARTICLE 8 to its or Sellers' obligations under this Agreement to the extent that Purchaser's action or inaction can control or materially influence the satisfaction of such conditions. Prior to consummation of the transactions contemplated hereby or the termination or expiration of this Agreement, Purchaser shall be permitted to communicate and meet with (a) counter-parties to the agreements and contracts of the Hospitals, included those included in Assumed Obligations, regarding the terms and conditions under which they may be assumed and assigned to Purchaser, and (b) applicable governmental and regulatory authorities regarding prospective compliance with regulatory requirements and related issues; so long as, in the case of each of (a) and (b) (i) such communications and meetings do not interfere with the operation of the Businesses or the conduct of the Bankruptcy Cases and (ii) any communications or meetings with any governmental authority are approved in advance by Sellers as to timing and content (and Sellers are copied on such communications and afforded the opportunity to participate in such meetings).

5.2 Required Governmental Approvals.

(a) Purchaser, at its sole cost and expense (a) shall use its best efforts to secure, as promptly as practicable before the Closing Date, all consents, approvals (or exemptions therefrom), authorizations, clearances and licenses required to be obtained from governmental and regulatory authorities in order to carry out the transactions contemplated by this Agreement and to cause all of its covenants and agreements to be performed, satisfied and fulfilled (and provide Sellers copies of all materials relating to such consents, approvals, authorizations, clearances and licenses upon submission and all materials received from third parties in connection with such consents, approvals, authorizations, clearances and licenses upon receipt), and (b) will provide such other information and communications to governmental and regulatory authorities as any Seller or such authorities may reasonably request. Purchaser will provide Sellers periodic and timely updates regarding all such consents, approvals, authorizations, clearances and licenses. Purchaser is responsible for all filings with and requests to governmental authorities necessary to enable Purchaser to operate the Hospital at and after the Effective Time. Purchaser shall, promptly, but no later than thirty (30) business days after the entry of the Sale Order or sooner if required by applicable governmental or regulatory authorities, file all applications, licensing packages and other similar documents with all applicable governmental and regulatory authorities which are a prerequisite to obtaining the material licenses, permits, authorizations and provider numbers described in Section 8.1. Purchaser shall be entitled, but not obligated, to obtain the Contract and Lease Consents. Purchaser shall be entitled, but not obligated, to solicit and obtain estoppel certificates from any third party to any Leased Real Property. Purchaser's failure to obtaining any or all of the Contract and Lease Consents or estoppel certificates as of the Closing Date shall not be a condition precedent to either party's obligation to close the transactions contemplated by this Agreement.

(b) Purchaser and Sellers agree that because the change of ownership and regulatory approval process in connection with the transactions contemplated by this Agreement may take an extended period of time, Purchaser and Sellers agree to an initial closing effective upon the approval of the court and upon the approval of the transaction by the CA AG (as defined below) in accordance with Sections 7.5 and 8.6, at which time the Assets (less the portion of the Assets constituting drugs or other pharmacy assets) will be sold to Purchaser and immediately leased back



to Sellers, with a concurrent management agreement entered into at that time upon terms mutually agreeable to the parties in their reasonable business judgment. The Sale Leaseback Agreement and Interim Management Agreement will terminate at the Closing when the Purchaser is issued the Licenses necessary to operate the Hospitals directly (namely, the Hospital Licenses and pharmacy permits).

5.3 Certain Employee Matters.

(a) Purchaser agrees to make offers of employment, effective as of the Effective Time, to substantially all persons (whether such persons are full time employees, part-time employees, on short-term or long-term disability or on leave of absence, military leave or workers compensation leave) (the “**Hospital Employees**”) who, immediately prior to the Effective Time are: (i) employees of any Seller; (ii) employees of any affiliate of any Seller which employs individuals at the Hospital and are listed on Schedule 5.3; or (iii) employed by an affiliate of any Seller and are listed on Schedule 5.3. For the avoidance of doubt, the Hospital Employees shall not include any employees of Verity or any other affiliate of Seller unless such individual is listed on Schedule 5.3. Any of the Hospital Employees who accept an offer of employment with Purchaser as of or after the Effective Time shall be referred to in this Agreement as the “**Hired Employees**.” All employees who are Hired Employees shall cease to be employees of the applicable Seller or its affiliates as of the Effective Time.

(b) Purchaser shall give all Hired Employees full credit for paid time off pay to such employees as of the Closing Date by crediting such employees the time off reflected in the employment records of the applicable Seller and/or any of its affiliates immediately prior to the Effective Time, subject to compliance with applicable law and regulation, including consent of such employees if required.

(c) After the Closing Date, Purchaser’s human resources department will give reasonable assistance to each Seller and its affiliates with respect to such Seller’s and such Seller’s affiliates’ post-Closing administration of such Seller’s and such Seller’s affiliates’ pre-Closing employee benefit plans for the Hospital Employees. Within five (5) days after the Closing Date, Purchaser shall provide to each Seller a list of all the Hospital Employees who were offered employment by Purchaser but refused such employment along with a list of all Hired Employees (which such list Purchaser shall periodically update).

(d) With respect to any collective bargaining agreements or labor contract with respect to any employees, Purchaser shall comply with the applicable laws and bankruptcy court orders relating to collective bargaining agreements or labor contracts.

(e) The provisions of this Section 5.3 are solely for the benefit of the parties to this Agreement, and no employee or former employee or any other individual associated therewith or any employee benefit plan or trustee thereof shall be regarded for any purpose as a third party beneficiary of this Agreement, and nothing herein shall be construed as an amendment to any employee benefit plan for any purpose.

5.4 Excluded Assets. As soon as practicable after the Closing Date, Purchaser shall deliver to each Seller or such Seller’s designee any Excluded Assets of such Seller found at the



Hospital on and after the Effective Time, without imposing any charge on any Seller for Purchaser's storage or holding of same on and after the Effective Time.

5.5 Waiver of Bulk Sales Law Compliance. Purchaser hereby waives compliance by Sellers with the requirements, if any, of Article 6 of the Uniform Commercial Code as in force in any state in which the Assets are located and all other laws applicable to bulk sales and transfers.

5.6 Attorney General. Promptly after entry of the Sale Order, but in any event within ten (10) calendar days, Purchaser shall, at its sole cost and expense, make any notices or other filings with the Attorney General of the State of California (the "CA AG"). Each Seller shall reasonably cooperate with Purchaser in such notices or other filings.

5.7 Conduct Pending Closing. Prior to consummation of the transactions contemplated hereby or the termination or expiration of this Agreement pursuant to its terms, unless Sellers shall otherwise consent in writing, Purchaser shall not take any action or fail or omit to take any action which would cause any of Purchaser's representations and warranties set forth in ARTICLE 4 to be inaccurate or untrue as of the Closing.

5.8 Cure Costs. Purchaser, upon assumption, shall pay the Cure Costs for each Assumed Contract and Assumed Lease so that each such Assumed Contract and Assumed Lease may be assumed by the applicable Seller and assigned to Purchaser in accordance with the provisions of section 365 of the Bankruptcy Code. For purposes of this Agreement, "**Cure Costs**", means all amounts that must be paid and all obligations that otherwise must be satisfied, including pursuant to Sections 365(b)(1)(A) and (B) of the Bankruptcy Code in connection with the assumption and/or assignment of the Assumed Contracts and Assumed Leases to Purchaser as provided herein.

5.9 Operating Covenant. Purchaser shall act in good faith and use Purchaser's commercially reasonable efforts to serve the medical needs of each Hospital's service area.

5.10 HSR Filing. Purchaser and each Seller will as promptly as practicable, and in any event no later than five business days after the date of the Sale Order, file with the Federal Trade Commission and the Department of Justice the notification and report forms required for the transactions contemplated hereby and any supplemental information that may be reasonably requested in connection therewith pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**HSR Act**"), which notification and report forms and supplemental information will comply in all material respects with the requirements of the HSR Act. Purchaser shall pay all filing fees required with respect to the notification, report and other requirements of the HSR Act. Each of Purchaser and Sellers shall furnish to the other such information and assistance as the other shall reasonably requires in connection with the preparation and submission to, or agency proceedings by, any governmental authority under the HSR Act, and each of Purchaser and Sellers shall keep the other promptly apprised of any communications with, and inquires or requests for information from, such governmental authorities. Purchaser shall take such action (including divestitures or hold separate arrangements) as may be required by any governmental authority in order to resolve with the minimum practicable delay any objections such governmental authorities may have to the transactions contemplated by this Agreement under the HSR Act.



5.11 Contract with Unions. Representatives of Sellers who are parties to collective bargaining agreements and Purchaser shall meet and confer from time to time as reasonably requested by either party to discuss strategic business options and alternative approaches in negotiating each collective bargaining agreement. The applicable Sellers and Purchaser shall each participate in all union negotiations related to any specific collective bargaining agreement. Promptly following the Signing Date, applicable Sellers shall use commercially reasonable efforts to initiate discussions with Purchaser and conduct discussions to renegotiate each collective bargaining agreement currently in effect with each applicable union. The applicable Sellers will not unreasonably withhold, condition or delay approval or implementation of any successfully renegotiated collective bargaining agreement to be assumed by Purchaser. The parties recognize that an applicable Seller's failure to secure a modification to any collective bargaining agreement, or to conclude a successor collective bargaining agreement shall not be a breach of Sellers' obligation under this Agreement. In addition, Sellers may, in their discretion, seek to reject any or all of the collective bargaining agreement(s).

## ARTICLE 6

### SELLERS' BANKRUPTCY AND BANKRUPTCY COURT APPROVAL

#### 6.1 Bankruptcy Court Approval; Overbid Protection and Break-Up Fee.

(a) Sellers and Purchaser acknowledge that this Agreement and the sale of the Assets and the assumption and assignment of the Assumed Contracts and Assumed Leases are subject to Bankruptcy Court approval, and that this Agreement is subject to termination in its entirety in the event any Seller receives a better and higher offer for the Assets in accordance with the Bankruptcy Code and subject to the terms stated herein.

(b) Promptly following the execution of this Agreement by all parties, the Seller shall file a motion with the Bankruptcy Court (the "**Sales Procedures Motion**"), the content of which shall be subject to the reasonable approval by Purchaser, for entry of an order approving bid procedures and overbid protections containing substantially the following terms and conditions:

(1) the Seller shall not accept any offer to sell the Assets subject to this Agreement ("**Overbid**") to another purchaser ("**Overbidder**") unless that offer exceeds the Purchase Price by an amount sufficient to pay the Break-Up Fee and such offer includes the purchase of substantially all Assets subject of this Agreement;

(2) in the event that an overbidder (and not the Purchaser) is the successful bidder for the purchase of the Assets (the "**Alternate Transaction**") and the Alternative Transaction is approved by the Bankruptcy Court, (a) the Deposit, and any interest earned thereon, shall be returned to Purchaser immediately upon the entry of such sale order, and (b) Purchaser shall be paid a break-up fee of three and one-half percent (3.25%) of the Cash Consideration (\$19,825,000.00) plus reimbursement of reasonably documented reasonable costs and expenses incurred by Purchaser related to its due diligence, and pursuing, negotiating, and documenting the transactions contemplated by this Agreement in an amount not to exceed \$2,000,000.00 (the "**Break-Up Fee**"); provided, however, that in the event that



the Purchaser is successful as to some but not all of the Assets, the Break-Up Fee shall be reduced pro rata to the percentage of Assets not actually purchased by the Purchaser, based on the allocation of the Purchase Price as described in Section 1.1(a)(i), as compared to the Assets which were the subject of this Agreement; in the event that Purchaser terminates this Agreement in accordance with Section 8.6 hereof, expenses of Purchaser incurred in satisfaction of Section 8.6 shall be reimbursed up to \$500,000; and

(3) The Break-Up Fee shall be deemed to be an allowed expense of the kind specified in Section 503(b) of the Bankruptcy Code to be paid solely from the proceeds of the Alternate Transaction, pursuant to the Sale Order. The Break-Up Fee shall not be paid if the Alternate Transaction was pursued due to a material breach by the Purchaser or the Purchaser's failure or refusal to consummate the transaction after the satisfaction or waiver of all closing conditions.

The Sales Procedures Motion will contain bid procedures as set forth in the bid procedures attached hereto as **Schedule 6.1(b)(3)**.

If Sellers fails to obtain Bankruptcy Court approval for the Sales Procedures Motion by no later than four weeks after the end of the Final Diligence Period, Purchaser shall have the right to terminate this Agreement, without recourse or liability, and Seller shall immediately thereafter return to Purchaser the Deposit and any interest earned thereon.

(c) Each Seller shall at the Sale Hearing exercise reasonable efforts to obtain a "Sale Order" approving this Agreement, subject to its obligations in respect of any better and higher offer for such Seller's assets in accordance with the Bankruptcy Code. For purposes of this Agreement, the term "**Sale Order**" shall mean an order of the Bankruptcy Court authorizing the sale of the Assets (including the assumption and assignment of the Assumed Contracts and Assumed Leases) to Purchaser consistent with this Agreement and in a form reasonably satisfactory to Purchaser.

(d) Each Seller agrees to proceed in good faith to obtain Bankruptcy Court approval of the sale contemplated herein with a determination that Purchaser is a good faith purchaser pursuant to Bankruptcy Code section 363(m) and to file such declarations and other evidence as may be required to support a finding of good faith.

(e) Each Seller shall seek an order from the Bankruptcy Court retaining jurisdiction over all matters relating to claims against such Seller as debtor solely in the Bankruptcy Court.

6.2 Appeal of Sale Order. In the event an appeal is taken or a stay pending appeal is requested from the Sale Order, Sellers shall immediately notify Purchaser of such appeal or stay request and shall provide to Purchaser promptly a copy of the related notice of appeal or order of stay. Sellers shall also provide Purchaser with written notice of any motion or application filed in connection with any appeal from either of such orders. In the event of an appeal of the Sale Order, Sellers shall be primarily responsible for drafting pleadings and attending hearings as necessary to defend against the appeal; provided, however, Purchaser, at its option, shall have the right to



participate as a party in interest in such appeal. In the event a stay is issued by any appellate court, including the United States District Court, which prevents the sale from closing, as scheduled, Purchaser shall have the right to terminate this Agreement if such stay is not vacated on or before 45 days from the date of the stay is issued, and Purchaser shall be entitled to the prompt return of the Deposit and any interest earned thereon.

## ARTICLE 7

### CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS

Sellers' obligation to sell the Assets and to close the transactions as contemplated by this Agreement shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Sellers in whole or in part at or prior to the Closing:

7.1 Signing and Delivery of Instruments. Purchaser shall have executed and delivered all documents, instruments and certificates required to be executed and delivered pursuant to the provisions of this Agreement.

7.2 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated in this Agreement shall have been issued by any court of competent jurisdiction or any other governmental body and shall remain in effect on the Closing Date, and further, no governmental entity shall have commenced any action or suit before any court of competent jurisdiction or other governmental authority that seeks to restrain or prohibit the consummation of the transactions contemplated hereby.

7.3 Performance of Covenants. Purchaser shall have in all respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by it on or prior to the Closing Date.

7.4 Governmental Authorizations. Purchaser shall have obtained all material licenses, permits and authorizations from governmental agencies or governmental bodies that are necessary or required for completion of the transactions contemplated by this Agreement, including reasonable assurances that any material licenses, permits and authorizations not actually issued as of the Closing will be issued following Closing (which may include oral assurances from appropriate governmental agencies or bodies).

7.5 Attorney General Provisions. The conditions to Purchaser's obligations to close set forth in Section 8.6 shall have been satisfied.

7.6 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order.

7.7 HSR Act. The applicable waiting period under the HSR Act shall have expired or been earlier terminated.



7.8 CSCDA Acknowledgement. The CSCDA and PACE Trustee shall have executed acknowledgements in form and substance acceptable to Sellers that Purchaser is the Successor Property Owner and Obligated Party under the PACE Obligations, and releases of the Sellers from any and all claims arising or accruing prior to the Closing Date.

## ARTICLE 8

### CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER

Purchaser's obligation to purchase the Assets and to close the transactions contemplated by this Agreement shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Purchaser in whole or in part at or prior to the Closing.

8.1 Governmental Authorizations. Except as otherwise set forth in this Agreement, Purchaser and Sellers shall have obtained licenses, permits and authorizations from governmental agencies or governmental bodies that are required for the purchase, sale and operation of the Hospitals, including without limitation approval of the CA AG (subject to Section 8.6), except in such case where failure to obtain such license, permit or authorizations from a governmental agency or governmental body does not have a Material Adverse Effect.

8.2 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order and made a finding that Purchaser is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code.

8.3 Signing and Delivery of Instruments. Sellers shall have executed and delivered all documents, instruments and certificates required to be executed and delivered pursuant to all of the provisions of this Agreement.

8.4 Performance of Covenants. Sellers shall have in all material respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by Sellers on or prior to the Closing Date; *provided, however*, this condition will be deemed to be satisfied unless (a) Sellers were given written notice of such failure to perform or comply and did not or could not cure such failure to perform or comply within fifteen (15) business days after receipt of such notice and (b) the respects in which such obligations, covenants, agreements and conditions have not been performed have had or would have a Material Adverse Effect.

8.5 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated in this Agreement shall have been issued by any court of competent jurisdiction and shall remain in effect on the Closing Date, and further, no governmental entity shall have commenced any action or suit before any court of competent jurisdiction or other governmental authority that seeks to restrain or prohibit the consummation of the transactions contemplated hereby.

8.6 Attorney General Provisions. Purchaser recognizes that the transactions contemplated by this Agreement may be subject to review and approval of the CA AG. Purchaser



agrees to close the transactions contemplated by this Agreement so long as any conditions imposed by the CA AG are substantially consistent with the conditions set forth, as Purchaser Approved Conditions, in Schedule 8.6. In the event the CA AG imposes conditions on the transactions contemplated by this Agreement, or on Purchaser in connection therewith, which are materially different than the Purchaser Approved Conditions set forth on Schedule 8.6 (the “Additional Conditions”), Sellers shall have the opportunity to file a motion with the Bankruptcy Court seeking the entry of an order (“Supplemental Sale Order”) finding that the Additional Conditions are an “interest in property” for purposes of 11 U.S.C. § 363(f), and that the Assets can be sold free and clear of the Additional Conditions without the imposition of any other conditions, which would adversely affect the Purchaser. For purposes of this Section 8.6, Additional Conditions which individually or collectively impose a direct or indirect cost to Purchaser of \$5 million, or more, shall be conclusively deemed to be “materially different.” If Sellers determine not to seek such Supplemental Sale Order, or fail to obtain such Supplemental Sale Order within 60 days of the Attorney General’s imposition of Additional Conditions, Purchaser shall be entitled to terminate this Agreement and receive the return of its Good Faith Deposit. If Sellers timely obtain such Supplemental Sale Order from the Bankruptcy Court or another court, Purchaser shall have a period of 21 business days from the entry of such order (the “Evaluation Period”) to determine, in the exercise of the Purchaser’s reasonable business judgment and in consultation with Purchaser’s financing sources, whether to proceed to consummate the transactions contemplated by this Agreement; provided, however, (i) Purchaser shall not terminate or provide notice of termination of the Stalking Horse APA based on the Seller’s failure to satisfy the condition set forth under this Section 8.6 until the expiration of the Evaluation Period as may be extended herein, and (ii) the Evaluation Period may be extended by the Debtors, in consultation with the Consultation Parties, by up to 90 days for any appeal properly perfected with respect to the Supplemental Sale Order (the “Extended Evaluation Periods”). For the avoidance of doubt, if the Debtors or any of the Consultation Parties dispute the reasonableness of the exercise of the Purchaser’s business judgment, such dispute shall be determined by the Bankruptcy Court only in the context of an adversary proceeding. If, at the conclusion of the Extended Evaluation Periods, such Supplemental Sale Order has not become a final, non-appealable order and Purchaser determines not to proceed, Purchaser shall have the right within ten (10) business days after the conclusion of the Extended Evaluation Periods to terminate this Agreement and receive the return of its Good Faith Deposit. Sellers shall provide Purchaser with prompt written notice of the conclusion of the Extended Evaluation Periods and whether the Supplemental Sale Order has become a final, non-appealable order. For purposes of this Section 8.6, “a final, non-appealable order” shall include a Supplemental Sale Order (i) which has been affirmed or the appeal of which has been dismissed by any appellate court and for which the relevant appeal period has expired (other than any right of appeal to the U.S. Supreme Court), or (ii) which has been withdrawn by the appellant. If the Supplemental Sale Order becomes a final, non-appealable order prior to the expiration of the Evaluation Period or, if applicable, the Extended Evaluation Periods, Purchaser shall consummate the Sale provided that all other conditions to closing have been satisfied. During any Evaluation Period or Extended Evaluation Periods, Purchaser shall reasonably cooperate in any efforts to render the Supplemental Sale Order a final, non-appealable order, including timely taking reasonable steps in preparation for closing of the transactions described in this Agreement; provided, however, Purchaser shall not be obligated to expend more than \$500,000. For the avoidance of doubt, neither this provision, nor any of the rights granted to the Purchaser herein,



shall constitute a waiver of any party in interest's right to argue that any appeal from the Sale Order should be dismissed on statutory, Constitutional or equitable mootness grounds.

8.7 Medicare and Medi-Cal Provider Agreements. Sellers shall transfer their Medicare provider agreements pursuant to a settlement agreement with the Centers for Medicare and Medicaid Services (“CMS”) and shall transfer their Medi-Cal provider agreements pursuant to a settlement agreement with the California Department of Health Care Services (“DHCS”), which such settlement agreements shall result in: (i) resolution of all outstanding financial defaults under any of Sellers’ Medicare and Medi-Cal provider agreements and (ii) full satisfaction, discharge, and release of any claims under the Medicare or Medi-Cal provider agreements, whether known or unknown, that CMS or DHCS, as applicable, has against the Seller or Purchaser for monetary liability arising under the Medicare or Medi-Cal provider agreements before the Effective Time; provided, however, that Purchaser acknowledges that it will succeed to the quality history associated with the relevant Medicare or Medi-Cal provider agreements assigned and shall be treated, for purposes of survey and certification issues as if it is the relevant Seller and no change of ownership occurred.

8.8 HSR Act. The applicable waiting period under the HSR Act shall have expired or been earlier terminated.

## ARTICLE 9

### TERMINATION

9.1 Termination. This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written consent of the parties;
- (b) by Sellers if a material breach of this Agreement has been committed by Purchaser and such breach has not been (i) waived in writing by Sellers or (ii) cured by Purchaser to the reasonable satisfaction of Sellers within fifteen (15) business days after service by Sellers upon Purchaser of a written notice which describes the nature of such breach;
- (c) by Purchaser if, in its sole and absolute discretion, it is not satisfied with either (i) the results of its due diligence examination of the Hospitals, or (ii) the contents of any schedule or exhibit that was not completed and attached to this Agreement, but which has been provided to Purchaser after the Signing Date, and Purchaser has notified Seller of its election to terminate the Agreement under this Section 9.1(c) on or prior to January 8, 2019, which notice may be given by facsimile or email correspondence; provided, that for the avoidance of doubt, following expiration of the Final Diligence Period, notwithstanding anything else in this Agreement, Purchaser shall not be entitled to terminate this Agreement (or not Close) as a result of the breach of any representation or warranty made by Sellers (or any of them) other than the breach of a Sale Order Date Representation, but in each case solely to the extent such breach of a



Sale Order Date Representation would result in a Material Adverse Effect; provided, further, that any dispute between Purchaser and Sellers as to whether a Material Adverse Effect has occurred for any purpose under this Agreement shall be exclusively settled by a determination made by the Bankruptcy Court;

(d) by Purchaser if a material breach of this Agreement has been committed by Sellers and such breach has not been (i) waived in writing by Purchaser or (ii) cured by Sellers to the reasonable satisfaction of Purchaser within fifteen (15) business days after service by Purchaser upon Sellers of a written notice which describes the nature of such breach;

(e) by Purchaser if satisfaction of any of the conditions in ARTICLE 8 has not occurred by December 31, 2019 or becomes impossible, and Purchaser has not waived such condition in writing (provided that the failure to satisfy any of the applicable condition or conditions in Sections 8.1 through 8.5 inclusive has occurred by reason other than (i) through the failure of Purchaser to comply with its obligations under this Agreement or (ii) Sellers' failure to provide their closing deliveries on the Closing Date as a result of Purchaser not being ready, willing and able to close the transaction on the Closing Date); provided that upon the imposition of Additional Conditions by the CA AG, Section 8.6 must be satisfied or waived by Purchaser by no later than sixty (60) days thereafter.

(f) by Sellers if satisfaction of any of the conditions in ARTICLE 7 has not occurred by December 31, 2019 or becomes impossible, and Sellers have not waived such condition in writing (provided that the failure to satisfy the applicable condition or conditions has occurred by reason other than (i) through the failure of Sellers to comply with their obligations under this Agreement or (ii) Purchaser's failure to provide its closing deliveries on the Closing Date as a result of Sellers not being ready, willing and able to close the transaction on the Closing Date);

(g) by either Purchaser or Sellers if the Bankruptcy Court enters an order dismissing the Bankruptcy Cases or fails to approve the Sales Procedures Motion by the date specified in Section 6.1(b);

(h) by Sellers if, in connection with the Bankruptcy Cases, any Seller accepts an Alternate Transaction and pays the Break-Up Fee;

(i) by either Purchaser or Sellers if the Closing has not occurred (other than through the failure of any party seeking to terminate this Agreement to comply fully with its obligations under this Agreement) on or before December 31, 2019; or

(j) by Purchaser if a force majeure event (such as acts of God, storms, floods, landslides, earthquakes, lightning, riots, fires, pandemics, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities, other national or international calamity, one or more acts of terrorism, or failure of energy sources) shall have occurred between the Signing Date and Closing Date, which event is reasonably likely to have a Material Adverse Effect.

9.2 Termination Consequences. If this Agreement is terminated pursuant to



Sections 6.1(b), 6.2 or 9.1: (a) all further obligations of the parties under this Agreement shall terminate (other than Purchaser's right to receive the Break-Up Fee if applicable), provided that the provisions of ARTICLE 12, shall survive; and (b) each party shall pay only its own costs and expenses incurred by it in connection with this Agreement; provided, in the case of any termination based on Sections 9.1(b) or (d) the consequences of such termination shall be determined in accordance with ARTICLE 11 hereof. In addition, if this Agreement is terminated pursuant to Sections 6.1(b), 6.2 or 9.1 (other than Section 9.1(b)), Seller shall immediately return the Deposit to Purchaser with all interest earned thereon. Each Party acknowledges that the agreements contained in this Section 9.2 are an integral part of the transactions contemplated by this Agreement, that without these agreements such Party would not have entered into this Agreement.

## ARTICLE 10

### POST-CLOSING MATTERS

#### 10.1 Excluded Assets.

Subject to Section 10.2 hereof, any Excluded Asset (or proceeds thereof) (a) pursuant to the terms of this Agreement, (b) as otherwise determined by the parties' mutual written agreement or (c) absent such agreement, as determined by adjudication by the Bankruptcy Court, which comes into the possession, custody or control of Purchaser (or its respective successors-in-interest, assigns or affiliates) shall, within five (5) business days following receipt, be transferred, assigned or conveyed by Purchaser (and its respective successors-in-interest, assigns and affiliates) to the applicable Seller. Purchaser (and its respective successors-in-interest, assigns and affiliates) shall have neither the right to offset amounts payable to any Seller under this Section 10.1 against, nor the right to contest its obligation to transfer, assign and convey to any Seller because of, outstanding claims, liabilities or obligations asserted by Purchaser against any Seller. If Purchaser does not remit any monies included in the Excluded Assets (or proceeds thereof) to the applicable Seller in accordance with the first sentence of this Section 10.1, such withheld funds shall bear interest at the Prime Rate in effect on the calendar day upon which such payment was required to be made to Seller (the "**Excluded Asset Due Date**") plus five percent (5%) (or the maximum rate allowed by law, whichever is less), such interest accruing on each calendar day after the Excluded Asset Due Date until payment of the Excluded Assets and all interest thereon is made to the applicable Seller.

#### 10.2 Preservation and Access to Records After the Closing.

(a) From the Closing Date until seven (7) years after the Closing Date or such longer period as required by law (the "**Document Retention Period**"), Purchaser shall keep and preserve all medical records (including, without limitation, electronic medical records), patient records, medical staff records and other books and records which are among the Assets as of the Effective Time, but excluding any records which are among the Excluded Assets. Purchaser will afford to the representatives of Sellers, any of their affiliates, the Official Committee of the Unsecured Creditors of the Sellers, Sellers' estate representative or any liquidating trustee of the Sellers' bankruptcy estate ("**Seller Parties**"), including their counsel and accountants, full and complete access to, and copies (including, without limitation, color laser copies) of, such records with respect to time periods prior to the Effective Time (including, without limitation, access to



records of patients treated at the Hospital prior to the Effective Time) during normal business hours after the Effective Time, to the extent reasonably needed by any Seller Party for any lawful purpose. Purchaser acknowledges that, as a result of entering into this Agreement and operating the Hospital, it will gain access to patient records and other information which are subject to rules and regulations concerning confidentiality. Purchaser shall abide by any such rules and regulations relating to the confidential information it acquires. Purchaser shall maintain the patient and medical staff records at the Hospital in accordance with applicable law and the requirements of relevant insurance carriers. After the expiration of the Document Retention Period, if Purchaser intends to destroy or otherwise dispose of any of the documents described in this Section 10.2(a), Purchaser shall provide written notice to Sellers of Purchaser's intention no later than forty-five (45) calendar days prior to the date of such intended destruction or disposal. Any of the Seller Parties shall have the right, at its sole cost, to take possession of such documents during such forty-five (45) calendar day period. If any of the Seller Parties does not take possession of such documents during such forty-five (45) calendar day period, Purchaser shall be free to destroy or otherwise dispose of such documentation upon the expiration of such forty-five (45) calendar day period.

(b) Provided that Purchaser shall not incur any out of pocket costs, Purchaser shall give full cooperation to the Seller Parties and their insurance carriers in connection with the administration of Sellers' estate, including, without limitation, in connection with all claims, actions, causes of action or audits relating to the Excluded Assets, Excluded Liabilities or pre-Closing operation of the Sellers or the Hospital that any Seller Party may elect to pursue, dispute or defend, in respect of events occurring prior to the Effective Time with respect to the operation of the Hospital. Such cooperation shall include, without limitation, making the Hired Employees available for interviews, depositions, hearings and trials and other assistance in connection with the administration of Sellers' estate and such cooperation shall also include making all of its employees available to assist in the securing and giving of evidence and in obtaining the presence and cooperation of witnesses (all of which shall be done without payment of any fees or expenses to Purchaser or to such employees); provided that Purchaser shall not be required to incur any out of pocket costs in association therewith. In addition, Sellers and their affiliates shall be entitled to remove from the Hospital originals of any such records, but only for purposes of pending litigation involving the persons to whom such records refer, as certified in writing prior to removal by counsel retained by Sellers or any of their affiliates in connection with such litigation. Any records so removed from the Hospital shall be promptly returned to Purchaser following Sellers' or their applicable affiliate's use of such records.

(c) In connection with (i) the transition of the Hospital pursuant to the transaction contemplated by this Agreement, (ii) Sellers' rights to the Excluded Assets, (iii) any claim, audit, or proceeding, including, without limitation, any tax claim, audit, or proceeding and (iv) the Sellers' obligations under the Excluded Liabilities, Purchaser shall after the Effective Time give Sellers access during normal business hours to Purchaser's books, personnel, accounts and records and all other relevant documents and information with respect to the assets, liabilities and business of the Hospital as representatives of Sellers and their affiliates may from time to time reasonably request, all in such manner as not to unreasonably interfere with the operations of the Hospital.



(d) Purchaser and its representatives shall be given access by Sellers during normal business hours to the extent reasonably needed by Purchaser for business purposes to all documents, records, correspondence, work papers and other documents retained by Sellers pertaining to any of the Assets prior to the Effective Time (excluding confidential employee information, privileged materials and patient records), all in such manner as to not interfere unreasonably with Sellers. Such documents and other materials shall be, at Sellers' option, either (i) copied by Sellers for Purchaser at Purchaser's expense, or (ii) removed by Purchaser from the premises, copied by Purchaser and promptly returned to Sellers.

(e) Purchaser shall comply with, and be solely responsible for, all obligations under the Standards for Privacy of Individually Identifiable Health Information (45 CFR Parts 160 and 164) promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 with respect to the operation of the Hospital on and after the Effective Time.

(f) Purchaser shall cooperate with Sellers, on a timely basis and as reasonably requested by Sellers, in connection with the provision of all data of the Hospital and other information required by Sellers for reporting to HFAP for the remainder of the quarterly period in which the Closing has occurred.

(g) To the maximum extent permitted by law, if any Person requests or demands, by subpoena or otherwise, any documents relating to the Excluded Liabilities or Excluded Assets, including without limitation, documents relating to the operations of any of the Hospital or any of the Hospital's committees prior to the Effective Time, prior to any disclosure of such documents, Purchaser shall notify Sellers and shall provide Sellers with the opportunity to object to, and otherwise coordinate with respect to, such request or demand.

(h) Provision of Benefits of Certain Contracts. Notwithstanding anything contained herein to the contrary, this Agreement shall not constitute an agreement to assign any Assumed Contract or Assumed Lease, if, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, an attempted assignment thereof, without the consent of the third party thereto, would constitute a breach thereof or in any way negatively affect the rights of Sellers or Purchaser, as the assignee of such Assumed Contract or Assumed Lease, as the case may be, thereunder. If, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, such consent or approval is required but not obtained, Sellers will cooperate with Purchaser in any reasonable arrangement designed to both (a) provide Purchaser with the benefits of or under any such Assumed Contract or Assumed Lease, and (b) cause Purchaser to bear all costs and obligations of or under any such Assumed Contract or Assumed Lease. Further, notwithstanding anything contained in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Account Receivable the assignment of which is either prohibited by law or by the terms of any contract with a payor without the consent of such payor. Any payments received by Sellers after the Closing Date from patients, payors, clients, customers, or others who are the obligors on Accounts Receivables transferred to Purchaser as a part of the Assets on the Closing Date shall be paid over to Purchaser within ten (10) business days after receipt by Seller.

10.3 Closing of Financials. Provided that Purchaser shall not incur any out of pocket costs, Purchaser shall cause the individual acting as the chief financial officer of the Hospital after the Effective Time (the "**Post-Effective Time CFO**") to cooperate with Sellers' representatives in



order to complete the standardized closing of Sellers' financial records through the Closing Date including, without limitation, the closing of general ledger account reconciliations (collectively, the "**Closing of Financials**"). Purchaser shall cause the Post-Effective Time CFO to use his or her good faith efforts to cooperate with Sellers' representatives in order to complete the Closing of Financials by no later than the date which is thirty (30) calendar days after the Closing Date. The Post-Effective Time CFO and other appropriate personnel shall be reasonably available to Sellers for a period of no less than one hundred eighty (180) calendar days after the Closing Date to assist Sellers in the completion of Sellers' post-Closing audit, such assistance not to interfere unreasonably with such Post-Effective Time CFO's other duties.

10.4 Medical Staff. To ensure continuity of care in the community, Purchaser agrees that the Hospital's medical staff members in good standing as of the Effective Time shall maintain medical staff privileges at the Hospital as of the Effective Time. On and after the Effective Time, the medical staff will be subject to the Hospital's Medical Staff Bylaws then currently in effect, provided that such Bylaws are in compliance with all applicable laws and regulations and contain customary obligations.

10.5 Shared Intangible Assets. In the event and to the extent that certain intangible Assets transferred by Sellers have been used to operate businesses of Verity or Verity Holdings or their affiliates which are not being sold to Purchaser ("**Shared Intangible Assets**") and such Shared Intangible Assets continue to be used by Verity or Verity Holdings or their affiliates to operate such businesses after Closing, Verity and Verity Holdings retain the rights to continue to use such Assets notwithstanding their sale to Purchaser. Purchaser shall reasonably cooperate with Verity and Verity Holdings and their affiliates to give effect to such rights and shall provide Verity and Verity Holdings and their affiliates such documentation, records and information and reasonable access to such systems as necessary for Verity and Verity Holdings and their affiliates to continue to operate such businesses; all in such manner as not to reasonably interfere with the operations of the Hospitals; provided, however, Purchaser shall not be required to incur any out-of-pocket costs in association therewith unless reimbursed by Verity and Verity Holdings and their affiliates.

## ARTICLE 11

### DEFAULT, TAXES AND COST REPORTS

11.1 Purchaser Default. If Purchaser commits any material default under this Agreement, Sellers shall have the right to sue for damages; provided, however that the amount of such damages shall never exceed \$60,000,000.00. For the avoidance of doubt, Sellers shall have no right to sue for specific performance under this Agreement.

11.2 Seller Default. If Sellers commit any material default under this Agreement, Purchaser shall have the right to demand and receive a refund of the Deposit, and Purchaser may, in addition thereto, pursue any rights or remedies that Purchaser may have under applicable law, including the right to sue for damages or specific performance.

11.3 Tax Matters; Allocation of Purchase Price.



(a) After the Closing Date, the parties shall cooperate fully with each other and shall make available to each other, as reasonably requested, all information, records or documents relating to tax liabilities or potential tax liabilities attributable to Sellers with respect to the operation of the Hospital for all periods prior to the Effective Time and shall preserve all such information, records and documents at least until the expiration of any applicable statute of limitations or extensions thereof. The parties shall also make available to each other to the extent reasonably required, and at the reasonable cost of the requesting party (for out-of-pocket costs and expenses only), personnel responsible for preparing or maintaining information, records and documents in connection with tax matters and as Sellers reasonably may request in connection with the completion of any post-Closing audits of the Hospital.

(b) The Purchase Price (including any liabilities that are considered to be an increase to the Purchase Price for United States federal income Tax purposes) shall be allocated among the Assets in accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder as set forth in **Schedule 11.3(b)** (such schedule the “**Allocation Schedule**”). The Allocation Schedule shall be for Sellers’ and Purchaser’s tax purposes only, and shall not limit the Sellers’ creditors in any way.

#### 11.4 Cost Report Matters.

(a) Consistent with Section 4.5, Sellers shall, at Purchaser’s expense, prepare and timely file all cost reports relating to the periods ending prior to the Effective Time or required as a result of the consummation of the transactions described in this Agreement, including, without limitation, those relating to Medicare, Medicaid, and other third party payors which settle on a cost report basis (the “**Seller Cost Reports**”).

(b) Upon reasonable notice and during normal business office hours, Purchaser will cooperate reasonably with Sellers in regard to Sellers’ preparation and filing of the Seller Cost Reports. Such cooperation shall include, at no cost to Sellers, obtaining access to files at the Hospital and Purchaser’s provision to Sellers of data and statistics, and the coordination with Sellers pursuant to reasonable notice of Medicare and Medicaid exit conferences or meetings. Sellers shall have no obligations after the Effective Time with respect to Seller Cost Reports except for preparation and filing thereof.

## ARTICLE 12

### MISCELLANEOUS PROVISIONS

12.1 Further Assurances and Cooperation. Sellers shall execute, acknowledge and deliver to Purchaser any and all other assignments, consents, approvals, conveyances, assurances, documents and instruments reasonably requested by Purchaser at any time and shall take any and all other actions reasonably requested by Purchaser at any time for the purpose of more effectively assigning, transferring, granting, conveying and confirming to Purchaser, the Assets. After consummation of the transaction contemplated in this Agreement, the parties agree to cooperate with each other and take such further actions as may be necessary or appropriate to effectuate, carry out and comply with all of the terms of this Agreement, the documents referred to in this Agreement and the transactions contemplated hereby.



12.2 Successors and Assigns. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; *provided, however*, that no party hereto may assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the other parties which consent shall not be unreasonably withheld or delayed, except that Purchaser may, without the prior written consent of Sellers, assign all or any portion of its rights under this Agreement to one or more of its affiliates prior to the Closing Date.

12.3 Governing Law; Venue. This Agreement shall be construed, performed, and enforced in accordance with, and governed by, the laws of the State of California (without giving effect to the principles of conflicts of laws thereof), except to the extent that the laws of such State are superseded by the Bankruptcy Code or other applicable federal law. For so long as Sellers are subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. The parties hereby consent to the jurisdiction of such court and waive their right to challenge any proceeding involving or relating to this Agreement on the basis of lack of jurisdiction over the Person or forum non conveniens.

12.4 Amendments. This Agreement may not be amended other than by written instrument signed by the parties hereto.

12.5 Exhibits, Schedules and Disclosure Schedule. The Disclosure Schedule and all exhibits and schedules referred to in this Agreement shall be attached hereto and are incorporated by reference herein. From the Signing Date until the Closing, the parties agree that Sellers may update the Disclosure Schedule as necessary upon written notice to Purchaser, and the applicable representation and warranty shall thereafter be deemed amended for all purposes by such updated Disclosure Schedule. Notwithstanding the foregoing, but subject to Section 9.2(c), should any exhibit or schedule not be completed and attached hereto as of the Signing Date, Sellers and Purchaser shall promptly negotiate in good faith any such exhibit or schedule, which exhibit or schedule must be acceptable to each of Sellers and Purchaser in their reasonable discretion prior to being attached hereto. Any matter disclosed in this Agreement or in the Disclosure Schedule with reference to any Section of this Agreement shall be deemed a disclosure in respect of all sections to which such disclosure may apply. The headings, if any, of the individual sections of the Disclosure Schedule are provided for convenience only and are not intended to affect the construction or interpretation of this Agreement. The Disclosure Schedule is arranged in sections and paragraphs corresponding to the numbered and lettered sections and paragraphs of Article III merely for convenience, and the disclosure of an item in one section of the Disclosure Schedule as an exception to a particular representation or warranty shall be deemed adequately disclosed as an exception with respect to all other representations or warranties to the extent that the relevance of such item to such representations or warranties is reasonably apparent on the face of such disclosure, notwithstanding the presence or absence of an appropriate section of the Disclosure Schedule with respect to such other representations or warranties or an appropriate cross reference thereto.

12.6 Notices. Any notice, demand or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by telegraphic or other electronic means (including facsimile) or overnight courier, or five (5)



calendar days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to Sellers: Verity Health System of California, Inc.  
2040 East Mariposa St.  
El Segundo, CA 90245  
Attention: Rich Adcock, CEO  
Telephone: 424-367-0630

With copies to: Dentons US LLP  
(which copies shall 601 South Figueroa St., Suite 2500  
not constitute notice) Los Angeles, CA 90017-5704  
Attention: Samuel R. Maizel, Esq.  
Telephone: 213-892-2910  
Facsimile: 213-623-9924

If to Purchaser: Strategic Global Management, Inc.  
9 KPC Parkway, Suite 301  
Corona, CA 92879  
Attention: William E. Thomas  
Facsimile: 951-782-8850

With copies to: Levene, Neale, Bender, Yoo & Brill L.L.P.  
(which copies shall 10250 Constellation Blvd., Suite 1700  
not constitute notice) Los Angeles, CA 90067  
Attention: Gary E. Klausner, Esq.  
Facsimile: 310-229-1244

and  
Loeb & Loeb LLP  
10100 Santa Monica Blvd., Suite 2200  
Los Angeles, California 90067  
Attention: Allen Z. Sussman, Esq.  
Facsimile: 310-919-3934

or at such other address as one party may designate by notice hereunder to the other parties.

12.7 Headings. The section and other headings contained in this Agreement and in the Disclosure Schedule, exhibits and schedules to this Agreement are included for the purpose of convenient reference only and shall not restrict, amplify, modify or otherwise affect in any way the meaning or interpretation of this Agreement or the Disclosure Schedule, exhibits and schedules hereto.

12.8 Publicity. Prior to the Closing Date, Sellers and Purchaser shall consult with each other as to the form and substance of any press release or other public disclosure materially related



to this Agreement or any other transaction contemplated hereby and each shall have the right to review and comment on the other's press releases prior to issuance; *provided, however*, that nothing in this Section 12.8 shall be deemed to prohibit either Sellers or Purchaser from making any disclosure that its counsel deems necessary or advisable in order to satisfy either party's disclosure obligations imposed by law subject to reasonable prior notice to the other party thereof.

12.9 Fair Meaning. This Agreement shall be construed according to its fair meaning and as if prepared by all parties hereto.

12.10 Gender and Number; Construction; Affiliates. All references to the neuter gender shall include the feminine or masculine gender and vice versa, where applicable, and all references to the singular shall include the plural and vice versa, where applicable. Unless otherwise expressly provided, the word "including" followed by a listing does not limit the preceding words or terms and shall mean "including, without limitation." Any reference in this Agreement to an "affiliate" shall mean any Person directly or indirectly controlling, controlled by or under common control with a second Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. A "Person" shall mean any natural person, partnership, corporation, limited liability company, association, trust or other legal entity.

12.11 Third Party Beneficiary. None of the provisions contained in this Agreement are intended by the parties, nor shall they be deemed, to confer any benefit on any person not a party to this Agreement, except for the parties' successors and permitted assigns, and except for any liquidating trustee or plan administrator for Sellers' estate.

12.12 Expenses and Attorneys' Fees. Except as otherwise provided in this Agreement, each party shall bear and pay its own costs and expenses relating to the preparation of this Agreement and to the transactions contemplated by, or the performance of or compliance with any condition or covenant set forth in, this Agreement, including without limitation, the disbursements and fees of their respective attorneys, accountants, advisors, agents and other representatives, incidental to the preparation and carrying out of this Agreement, whether or not the transactions contemplated hereby are consummated. The parties expressly agree that all sales, transfer, documentary transfer and similar taxes, fees, surcharges and the like in connection with the sale of the Assets shall be borne by Purchaser. If any action is brought by any party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its court costs and reasonable attorneys' fees.

12.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement, binding on all of the parties hereto. The parties agree that facsimile copies of signatures shall be deemed originals for all purposes hereof and that a party may produce such copies, without the need to produce original signatures, to prove the existence of this Agreement in any proceeding brought hereunder.

12.14 Entire Agreement. This Agreement, the Disclosure Schedule, the exhibits and schedules, and the documents referred to in this Agreement contain the entire understanding



between the parties with respect to the transactions contemplated hereby and supersede all prior or contemporaneous agreements, understandings, representations and statements, oral or written, between the parties on the subject matter hereof (the “**Superseded Agreements**”), which Superseded Agreements shall be of no further force or effect; provided, that notwithstanding the foregoing, the letter Confidentiality Agreement dated July 12, 2018 between Purchaser and Cain Brothers, a division of KeyBanc Capital Markets Inc., on behalf of Sellers and their related entities shall not be a Superseded Agreement and shall continue in full force in effect in accordance with its terms.

12.15 No Waiver. Any term, covenant or condition of this Agreement may be waived at any time by the party which is entitled to the benefit thereof but only by a written notice signed by the party expressly waiving such term or condition. The subsequent acceptance of performance hereunder by a party shall not be deemed to be a waiver of any preceding breach by any other party of any term, covenant or condition of this Agreement, other than the failure of such other party to perform the particular duties so accepted, regardless of the accepting party’s knowledge of such preceding breach at the time of acceptance of such performance. The waiver of any term, covenant or condition shall not be construed as a waiver of any other term, covenant or condition of this Agreement.

12.16 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstance shall be held to be invalid or unenforceable to any extent in any jurisdiction, then the remainder of this Agreement and the application of such term, provision, condition or covenant in any other jurisdiction or to persons or circumstances other than those as to whom or which it is held to be invalid or unenforceable, shall not be affected thereby, and each term, provision, condition and covenant of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12.17 Time is of the Essence. Time is of the essence for all dates and time periods set forth in this Agreement and each performance called for in this Agreement.

*[Signature Page Follows]*



IN WITNESS WHEREOF, this Agreement has been entered into as of the day and year first above written.

**PURCHASER:**

**STRATEGIC GLOBAL  
MANAGEMENT, INC.,**  
a California corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SELLERS:**

**ST. FRANCIS MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ST. VINCENT MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**ST. VINCENT DIALYSIS CENTER,  
INC.**

a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SETON MEDICAL CENTER,**

a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**VERITY HOLDINGS, LLC,**

a California limited liability company

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC.,**

a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



# EXHIBIT 1

## PART 2

D62C EXHIBIT 1 B94 S B906 J O4 S2T  
C926 S:T8-PK-S0T2T-EB Doc S302-S E116q 02\05\10 E1166q 02\05\10 Te:23:31

# EXHIBIT 1

## PART 2



**DISCLOSURE SCHEDULES**

**To**

**ASSET PURCHASE AGREEMENT**

**By and Among**

**Verity Health System of California, Inc., Verity Holdings, LLC,  
St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center,  
Seton Medical Center**

**and**

**Strategic Global Management, Inc.**

**Dated May 2, 2019**



## BILL OF SALE

This Bill of Sale (this “**Bill of Sale**”) is made and entered into as of this [\_\_\_\_\_] day of [\_\_\_\_\_, 201\_], by and among by and among Verity Health System of California, Inc., a California nonprofit public benefit corporation (“**Verity**”), Verity Holdings, LLC, a California limited liability company (“**Verity Holdings**”), St. Francis Medical Center, a California nonprofit public benefit corporation (“**St. Francis**”), St. Vincent Medical Center, a California nonprofit public benefit corporation (“**St. Vincent**”), St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation (“**St. Vincent Dialysis**”), and Seton Medical Center, a California nonprofit public benefit corporation (“**Seton**”), on the one hand, and Strategic Global Management, Inc., a California corporation (“**Purchaser**”), on the other hand. Verity, Verity Holdings, St. Francis Medical Center, St. Vincent Medical Center and St. Vincent Dialysis and Seton may each be referred to herein as a “**Seller**,” and collectively as the “**Sellers**.” Sellers and Purchaser may each be referred to herein as a “**Party**,” and collectively as the “**Parties**.”

The Parties are entering into this Bill of Sale pursuant to that certain Asset Purchase Agreement entered into by the Parties as of December \_\_, 2018 (the “**Purchase Agreement**”). Capitalized terms used herein that are not defined herein shall have the meanings ascribed to such terms in the Purchase Agreement. By this instrument, Purchaser and Sellers, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

**1. Sale and Assignment.** Subject to the terms of the Purchase Agreement, effective as of the Effective Time, Sellers hereby sell, assign, transfer, convey, and deliver to Purchaser, and Purchaser accepts and acquires from Sellers, all of Sellers’ right, title and interest in and to the Assets (including but not limited to the Assumed Contracts and Assumed Leases) as described in Section 1.7 of the Purchase Agreement.

**2. Miscellaneous Provisions.**

**a. Purchase Agreement.** This Bill of Sale is executed and delivered in connection with the Purchase Agreement. Notwithstanding anything herein to the contrary, nothing herein shall in any way alter or waive the promises, agreements, and covenants set forth in the Purchase Agreement, and in the event of a conflict between the terms of this Bill of Sale and the Purchase Agreement, the Purchase Agreement shall control.

**b. Notices.** All notices or other communications or deliveries provided for hereunder shall be given as provided in the Purchase Agreement.

**c. Successors in Interest.** This Bill of Sale and all of the provisions hereof shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto permitted under the Purchase Agreement.

**d. Governing Law; Venue.** This Bill of Sale shall be construed, performed, and enforced in accordance with, and governed by, the laws of the State of California (without giving effect to the principles of conflicts of laws thereof), except to the extent that the laws of such State are superseded by the Bankruptcy Code or other applicable federal law. For so long as



Sellers are subject to the jurisdiction of the Bankruptcy Court, the Parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Bill of Sale, and consent to the exclusive jurisdiction of, the Bankruptcy Court, and thereafter, the Parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Bill of Sale, and consent to the exclusive jurisdiction of, the courts in Los Angeles County, California. The Parties hereby consent to the jurisdiction of such courts and waive their right to challenge any proceeding involving or relating to this Bill of Sale on the basis of lack of jurisdiction over the person or forum non conveniens.

**e. Counterparts.** This Bill of Sale may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement, binding on all of the Parties. The Parties agree that signatures to this Bill of Sale created by the signer by electronic means shall be valid and effective to bind the Party so signing, and signatures transmitted by facsimile or electronic pdf shall be deemed originals for all purposes hereof and that a Party may produce such copies, without the need to produce original signatures, to prove the existence of this Bill of Sale in any proceeding brought hereunder.

**f. Amendment.** This Bill of Sale may not be amended or altered except by a written instrument executed by all of the Parties.

*[Signature Page Follows]*



IN WITNESS WHEREOF, this Bill of Sale has been duly executed as of the date first written above.

**PURCHASER:**

**Strategic Global Management, Inc.,**  
a California corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SELLERS:**

**Verity Health System of California, Inc.,**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Verity Holdings, LLC,**  
a California limited liability company

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**ST. FRANCIS MEDICAL CENTER,**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ST. VINCENT MEDICAL CENTER,**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ST. VINCENT DIALYSIS CENTER, INC.**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SETON MEDICAL CENTER,**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



## ASSUMPTION AGREEMENT

This Assumption Agreement (this “**Assumption Agreement**”) is made and entered into as of this [\_\_\_\_\_] day of [\_\_\_\_\_, 201\_], by and among Verity Health System of California, Inc., a California nonprofit public benefit corporation (“**Verity**”), Verity Holdings, LLC, a California limited liability company (“**Verity Holdings**”), St. Francis Medical Center, a California nonprofit public benefit corporation (“**St. Francis**”), St. Vincent Medical Center, a California nonprofit public benefit corporation (“**St. Vincent**”), St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation (“**St. Vincent Dialysis**”), and Seton Medical Center, a California nonprofit public benefit corporation (“**Seton**”), on the one hand, and Strategic Global Management, Inc., a California corporation (“**Purchaser**”), on the other hand. Verity, Verity Holdings, St. Francis Medical Center, St. Vincent Medical Center and St. Vincent Dialysis and Seton may each be referred to herein as a “**Seller**,” and collectively as the “**Sellers**.” Sellers and Purchaser may each be referred to herein as a “**Party**,” and collectively as the “**Parties**.”

The Parties are entering into this Assumption Agreement pursuant to that certain Asset Purchase Agreement entered into by the Parties as of December \_\_, 2018 (the “**Purchase Agreement**”). Capitalized terms used herein that are not defined herein shall have the meanings ascribed to such terms in the Purchase Agreement. By this instrument, Purchaser and Sellers, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

1. **Assumption of Assumed Obligations.** Subject to the terms of the Purchase Agreement, Sellers hereby assign to, and Purchaser hereby assumes and agrees to discharge on or after the Effective Time, the Assumed Obligations set forth in Section 1.9 of the Purchase Agreement.

2. **Miscellaneous Provisions.**

a. **Purchase Agreement.** This Assumption Agreement is executed and delivered in connection with the Purchase Agreement. Notwithstanding anything herein to the contrary, nothing herein shall in any way alter or waive the promises, agreements, and covenants set forth in the Purchase Agreement, and in the event of a conflict between the terms of this Assumption Agreement and the Purchase Agreement, the Purchase Agreement shall control.

b. **Notices.** All notices or other communications or deliveries provided for hereunder shall be given as provided in the Purchase Agreement.

c. **Successors in Interest.** This Assumption Agreement and all of the provisions hereof shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto permitted under the Purchase Agreement.

d. **Governing Law; Venue.** This Agreement shall be construed, performed, and enforced in accordance with, and governed by, the laws of the State of California (without giving effect to the principles of conflicts of laws thereof), except to the extent that the laws of such State are superseded by the Bankruptcy Code or other applicable federal law. For so long as Sellers are subject to the jurisdiction of the Bankruptcy Court, the Parties irrevocably elect, as



the sole judicial forum for the adjudication of any matters arising under or in connection with this Assumption Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court, and thereafter, the Parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Assumption Agreement, and consent to the exclusive jurisdiction of, the courts in Los Angeles County, California. The Parties hereby consent to the jurisdiction of such courts and waive their right to challenge any proceeding involving or relating to this Assumption Agreement on the basis of lack of jurisdiction over the person or forum non conveniens.

**e. Counterparts.** This Assumption Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement, binding on all of the Parties. The Parties agree that signatures to this Assumption Agreement created by the signer by electronic means shall be valid and effective to bind the Party so signing, and signatures transmitted by facsimile or electronic pdf shall be deemed originals for all purposes hereof and that a Party may produce such copies, without the need to produce original signatures, to prove the existence of this Assumption Agreement in any proceeding brought hereunder.

**f. Amendment.** This Assumption Agreement may not be amended or altered except by a written instrument executed by all of the Parties.

*[Signature Page Follows]*



IN WITNESS WHEREOF, this Assumption Agreement has been duly executed as of the date first written above.

**PURCHASER:**

**Strategic Global Management, Inc.,**  
a California corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SELLERS:**

**Verity Health System of California, Inc.,**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Verity Holdings, LLC,**  
a California limited liability company

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**ST. FRANCIS MEDICAL CENTER,**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ST. VINCENT MEDICAL CENTER,**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ST. VINCENT DIALYSIS CENTER, INC.**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SETON MEDICAL CENTER,**  
a California nonprofit public benefit corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



Recording Requested By:

When Recorded Mail to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_

(Space Above This Line For Recorder's Use)

**QUITCLAIM DEED**

Assessor's Parcel Number(s) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The undersigned Grantor(s) declare(s) under penalty of perjury that the following is true and correct:

Documentary transfer tax is \$ \_\_\_\_\_

☐ Computed on full value of property conveyed, or

☐ Computed on full value less value of liens and encumbrances remaining at time of sale or transfer.

☐ Unincorporated area: ☐ City of \_\_\_\_\_

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

\_\_\_\_\_ ("Grantor"),

hereby REMISES, RELEASES AND FOREVER QUITCLAIMS to

\_\_\_\_\_ ("Grantee"),

All that certain real property in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_ described on Exhibit "A" attached hereto and incorporated herein.

Dated: \_\_\_\_\_, 20\_\_ \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Mail Tax Statements to: \_\_\_\_\_



STATE OF CALIFORNIA            )  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public,  
personally appeared \_\_\_\_\_  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(Seal)



**EXHIBIT “A”**

LEGAL DESCRIPTION



## FORM OF ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT AND ASSUMPTION OF LEASES (the “**Assignment**”) is dated as of \_\_\_\_\_, 201\_ by and between \_\_\_\_\_, a \_\_\_\_\_ (“**Assignor**”) and STRATEGIC GLOBAL MANAGEMENT, INC., a California corporation (“**Assignee**”).

### RECITALS

A. Assignor, certain of Assignor’s affiliates, and Assignee entered into that certain Asset Purchase Agreement dated as of December \_\_, 2018 (as the same may be amended, the “**Agreement**”) with respect to the purchase of certain Assets. Capitalized terms not defined in this Assignment shall have the meanings ascribed to such terms in the Agreement.

B. Pursuant to the Agreement, Assignor has agreed to assign to Assignee (i) those certain leases governing the Leased Real Property described on Exhibit A attached hereto (the “**Operational Leases**”), and (ii) those Tenant Leases described on Exhibit B attached hereto.

C. In addition, pursuant to the Agreement, Assignor has agreed to assign to Assignee (i) Assignor’s right to the deposits held by landlords in connection with the Operational Leases in the amounts set forth on Exhibit A attached hereto, and (ii) the security deposits held by Assignor in connection with the Tenant Leases set forth on Exhibit B attached hereto ((i) and (ii), collectively, the “**Security Deposits**”).

NOW THEREFORE, for good and valuable consideration, Assignor and Assignee agree:

### AGREEMENT

1. Assignment of Leases and Security Deposits. Assignor hereby assigns, sells, transfers, sets over and delivers to Assignee all of Assignor’s right, title and interest in and to the Operational Leases, the Tenant Leases and the Security Deposits.
2. Assumption of Leases. Assignee hereby assumes all covenants and obligations to be performed, fulfilled or complied with by Assignor under the Operational Leases and the Tenant Leases to the extent arising on or after the Effective Time, including any related Cure Costs.
3. Notices. Immediately following the Closing, Assignor and Assignee shall give notice to the landlords of the Operational Leases and the tenants under the Tenant Leases that Assignee has assumed the respective lease.
4. Governing Law. This Assignment and the legal relations between the parties hereto shall be governed by and be construed in accordance with the laws of the State of California.



5. Counterparts. This Assignment may be executed in counterparts, each of which shall constitute an original. This Assignment shall only be effective if a counterpart is signed by both Assignor and Assignee. Signatures to this Assignment created by the signer by electronic means and/or transmitted by telecopy, email, or other electronic transmission shall be valid and effective to bind the party so signing.
6. Purchase Agreement. This Assignment is executed and delivered in connection with the Agreement. Notwithstanding anything herein to the contrary, nothing herein shall in any way alter or waive the promises, agreements, and covenants set forth in the Agreement, and in the event of a conflict between the terms of this Assignment and the Agreement, the Agreement shall control.
7. Successors and Assigns. This Assignment and all of the provisions hereof shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto permitted under the Agreement.
8. Miscellaneous. If any term or provision of this Assignment shall be held invalid or unenforceable, the remainder of this Assignment shall not be affected. This Assignment may not be amended or altered except by a written instrument executed by Assignor and Assignee.



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

**ASSIGNOR:**

\_\_\_\_\_  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**ASSIGNEE:**

STRATEGIC GLOBAL MANAGEMENT,  
INC., a California corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_



**EXHIBIT A**

**DESCRIPTION OF OPERATIONAL LEASES (INCLUDING SECURITY DEPOSITS)**

[To be attached.]



**EXHIBIT B**

**DESCRIPTION OF TENANT LEASES (INCLUDING SECURITY DEPOSITS)**

[To be attached.]



**Schedule 1.4.3 - Owned Real Property**

**St. Francis Medical Center**

<b>Description</b>	<b>Owner</b>	<b>Address</b>	<b>APN</b>
Hospital Campus (including Hospital Patient Tower, Health Services Pavilion, Progressive Care Unit, Family Life Center, Power Plant and Parking Structure #1)	St. Francis Medical Center	3630 East Imperial Highway, Lynwood, CA 90262	6173-021-008
Huntington Park Medical Office Building	St. Francis Medical Center	2700 East Slauson Avenue, Huntington Park, CA 90255	6320-006-069
Maywood Medical Office Building	St. Francis Medical Center	5953 South Atlantic Boulevard 5, Maywood, CA 90270	6313-013-028
Parking Lot (St. Francis Medical Center)	Verity Holdings, LLC	3633 Martin Luther King Jr., Boulevard, Lynwood, CA 90262	6173-015-047
Ministry Services Building (St. Francis Medical Center)	Verity Holdings, LLC	3663 Martin Luther King Jr., Boulevard, Lynwood, CA 90262	6173-019-022
Parking Lot (St. Francis Medical Center)	Verity Holdings, LLC	3621 Martin Luther King Jr., Boulevard, Lynwood, CA 90262	6173-015-048
Five Unit Apartment (St. Francis Medical Center)	Verity Holdings, LLC	3570 Brenton Avenue, Lynwood, CA 90057	6191-016-008

**St. Vincent Medical Center**

<b>Description</b>	<b>Owner</b>	<b>Address</b>	<b>APN</b>
Hospital Campus (including Hospital, Central Plant, Stauffer Wing Conference Rooms, Doheny Building, Cath Village, Annex/Boiler and Parking Structure)	St. Vincent Medical Center	2131 West 3 <sup>rd</sup> Street, Los Angeles, CA 90057	5154-018-018



**Schedule 1.7(b) - Licenses**

See attached "Schedule 1.7b Licenses.pdf"

<b>Provider Number Listing</b>	
<b>Medicare</b>	<b>Hospital</b>
05-0104	St Francis Medical Center
55-5238	St Francis Medical Center - SNF
05-0502	St Vincent Medical Center
55-5437	St Vincent Medical Center - SNF
05-T502	St Vincent Medical Center - Rehab
05-2355	St Vincent Medical Center - Dialysis (never used)
05-0289	Seton Medical Center
ZZZ26237Z	Seton Medical Center (Part B)
05-0289 <sup>1</sup>	Seton Medical Center - Coastside DPNF
55-5235	Seton Medical Center-SNF (hospital based) closed Oct 2010
05-S289	Seton Medical Center - Psych
05-7249	West Bay-HHA (closed Dec 2008)
05-2582	St Vincent Dialysis Center (free standing)

<b>Medi-Cal</b>	<b>Hospital</b>	<b>NPI</b>
	<b>St Francis Medical Center</b>	
HSC30104G	Acute Inpatient Contract	1487697215
ZZT30104G	Acute Inpatient Non-Contract	

<sup>1</sup> Coastside combined license with Seton effective February 1, 2005.



ZZT40104G	Outpatient Contract	
LTC55238G	SNF Inpatient	1245227180
	<b>St Vincent Medical Center</b>	
HSC30502H	Acute Inpatient Contract	1124004304
ZZT40502H	Outpatient Contract	
ZZT30502H	Outpatient Other	
LTC55437G	SNF Inpatient	1194879114
	Rehab Inpatient	1184898736
	<b>Seton Medical Center</b>	
ZZR 00289G	Acute Inpatient Non-Contract	1154428688
HSC 00289G	Acute Inpatient Contract	
LTC 55235G	SNF Inpatient LTC	1932200441
LTC 70037G	MAC Inpatient (LTC Subacute)	1679608640
	Gero-Psych	1922456458
HSP 40289G	Coastside - Outpatient	1154428688
HHA 70027F	Home Health Agency	
	<b>St Vincent Dialysis Center</b>	
CDC70030F	St Vincent Dialysis Center	1992700314

<b>OSHPD</b>	<b>Hospital</b>	<b>EIN</b>
106190754	St Francis Medical Center	91-2154439
106190762	St Vincent Medical Center	91-2154438
106410817	Seton Medical Center	91-2154441
	Seton Medical Center - Coastside	
306191163	St Vincent Dialysis Center	95-3749293



**Schedule 1.7(b) - Licenses<sup>1</sup>**

<b>Seton Medical Center and Seton Coastside - Accreditations/Certifications/Licenses</b>		
<b>License/Permit/Certificate</b>	<b>License/Permit Number</b>	<b>Expiration Date</b>
General Acute Care Hospital License	220000026	12/31/2019
Police Alarm Permit	ALA5171	12/31/2019
Fire Permit	FCP5441	12/31/2019
Permit to Operate Air Pressure Tanks	A035637-81	7/6/2023
Permit to Operate Air Pressure Tanks	A022238-10	10/8/2020
Permit to Operate Air Pressure Tanks	A035635-81	10/8/2020
Permit to Operate Air Pressure Tanks	A021539-79	10/8/2020
Permit to Operate Air Pressure Tanks	A021538-79	10/8/2020
Permit to Operate Air Pressure Tanks	A021540-79	10/8/2020
Permit to Operate Air Pressure Tanks	A003602-72	10/8/2020
Permit to Operate Air Pressure Tanks	A003601-72	10/8/2020
Permit to Operate Air Pressure Tanks	A035638-81	7/6/2023
Permit to Operate Air Pressure Tanks	A024295-13	7/6/2023
Permit to Operate Liquefied Petroleum Gas Tank	L000325-63	7/6/2023
Hazardous Materials Uniform Program Credential	MNS000110924	3/31/2019
Bay Area Air Quality Management District Permit to Operate	1000	1/1/2020
Permit to Operate Steam Boiler	B031777-65	2/21/2019
Permit to Operate Steam Boiler	B031778-65	4/5/2019
Permit to Operate Steam Boiler	B021694-81	4/16/2019
CLIA Accreditation (SMCC)	05D0062438	1/2/2021
Clinical Laboratory Certificate of Deemed Status (SMCC)	CDF00002552	12/29/2019
College of American Pathologists Laboratory Accreditation (SMCC)	2370501	Resurvey 8/2019
Permit to Operate –LHCF Food Prep (over 100 beds)	FA0016507 (Permit # PT0002070)	3/31/2019
Permit to Operate – Food Prep (11-100) and LHCF Food Prep (over 100 beds)	FA0017183 (Permit # PT0006834 and PT0002090)	8/31/2019
Diabetes Self-Management Education Program Recertification	3360	5/9/2019
Conveyance Permit	49252	6/28/2019
Conveyance Permit	42282	6/28/2019
Conveyance Permit	42283	6/28/2019
Conveyance Permit	41854	6/28/2019
Conveyance Permit	42281	6/28/2019
Conveyance Permit	48856	10/4/2019
Conveyance Permit	41857	6/28/2019

<sup>1</sup> Expiration date is subject to being updated.



Conveyance Permit	68597	6/28/2019
Conveyance Permit	68598	6/28/2019
Haz Mat Certification Registration -Stericycle	051016 550 027YA	6/30/2019
Hazard waste transporter registration	5791	4/30/2019
ACR Mammography		2/27/2021
Mammography X-Ray Equipment and Facility Accreditation Certificates	Facility #: 35539 Certificate #:19031, 19032, 19033	2/27/2021
FDA Certified Mammography Facility Certificate	156463	2/27/2021
Hazardous Waste Materials Registration	Site: 203048 Generator: (a) 735952-02 (b) 735950-03 (c) 917260-01 (d) 836234-01 (e) 836237-01 (f) 836238-01 (g) 836239-01 (h) 735945-02 (i) 735958-02 (j) 798252-02 (k) 975827-00 (l) 975831-00 (m) 782341-002 (n) 975828-00 (o) 975824-00 (p) 975820-00 (q) 980575-00 (r) 735954-003 (s) 735957-003 (t) 980588-00 (u) 735961-03	(a) 1/31/2020 (b) 1/31/2020 (c) 12/31/2019 (d) 4/30/2019 (e) 4/30/2019 (f) 4/30/2019 (g) 4/30/2019 (h) 1/31/2020 (i) 1/31/2020 (j) 12/31/2019 (k) 9/30/2019 (l) 9/30/2019 (m) 9/30/2019 (n) 9/30/2019 (o) 9/30/2019 (p) 9/30/2019 (q) 9/30/2019 (r) 1/31/2020 (s) 1/31/2020 (t) 9/30/2019 (u) 1/31/2020
Joint Commission Primary Stroke Certification	10087	8/12/2019
Commission on Cancer Accreditation	6932980	3/2021
Radioactive Material License	1391-41	6/3/2024



Joint Commission SMC Hospital Accreditation	10087	8/19/2020
College of American Pathologists Laboratory Accreditation (SMC)	2369901	Resurvey 8/22/2019
Clinical Laboratory License (SMC)	CLF 00000798	12/28/2019
CLIA Accreditation (SMC)	05D0673829	2/27/2021
Weights & Measures License	2152	12/31/2018
Federal Communications Commission Private Radio Licenses - (Seton Medical Center Coastside)	WNYW584	
Federal Communications Commission Private Radio Licenses - (Seton Medical Center)	WPUI949	
Medical Waste transfer station permit - Stericycle	TS-114	12/15/2021
Medical Waste transfer station permit - Stericycle	TS-109	12/27/2023
Sterile Compounding Pharmacy License	LSC 100405	2/1/2020
ACR Accreditation	Siemens Somatom Sensation 16 2003	10/10/2020
ACR Accreditation	General Electric Medical Systems CTI-Performix 1998	10/10/2020
DEA Controlled Substances Registration Certificate	BS7757430	2/29/2020
Certificate Reportable Sources of Radiation (SMCC)	FAC00032490	6/30/2019
Tissue Bank License (SMC)	CTB 00080703	12/13/2019
Tissue Bank License (Advanced Wound Care)	CTB 00081131	12/13/2019
Hospital Pharmacy Permit (SMC)	HSP 45703	2/01/2020
Hospital Pharmacy Permit (SMCC)	HSP 45702	2/01/2020



<b>St Francis Medical Center - Accreditations/Certifications/Licenses</b>		
<b>License/Permit/Certificate</b>	<b>License/Permit Number</b>	<b>Expiration date</b>
AABB - Certificate of Accreditation for Transfusion Activities		9/30/2019
ACR - Obstetrical, Gynecological, General Vascular		10/20/2019
ACR - for Adult Patients - Revolution EVO - 5		7/7/2020
ACR - for Adult Patients - Revolution EVO -4		7/7/2020
ACR - ADAC Laboratories TRANSCAM 1994-Accreditation		10/12/2021
ACR - ADAC Laboratories VERTEX 1998 for Planer - Accreditation		10/12/2021
ACR - MRI Siemens AVANTO 2005 - Accreditation		5/19/2021
ACR - Siemens SYMBIA T 2011 for Planar, SPECT, Nuclear Cardiology		10/12/2021
ACR - Mammography - Lorad Medical Systems Dimensions 2012		8/4/2019
ACR - Ultrasound Accreditation-OB/GYN		10/20/2019
Hospital Pharmacy Permit	HSP 45706	2/1/2020
California Department of Health - Processing Reportable Sources of Radiation	FAC00007446	6/30/2020
Sterile Compounding License	LSC 100267	2/1/2020
City of Lynwood - Business License - 4 Units	2301342	12/31/2019
City of Lynwood - Business License	2301756	12/31/2019
City of South Gate - Business License	3201	6/30/2019
CLIA Certificate of Waiver	05D0548351	2/27/2021
CLIA Certificate of Waiver	05D0949548	11/1/2019
County of LA Public Health - Public Health Permit - Cafeteria	PR0038667	6/30/2019
Department of Health & Human Services - Mammography Facility	138560	8/4/2019
Clinical Laboratory Certificate of Deemed Status	CDF00000291	12/28/2018
Department of Public Health - Mammography X-Ray Equipment and Facility 2 Dimension	17341	8/4/2019
Department of Public Health - Mammography X-Ray Equipment and Facility 3 Dimension	17342	8/4/2019
Department of Public Health - Medical Waste Generator Small Quantity	SQG37254	4/16/2019
Department of Public Health - Medical Waste Large Quantity Management Program	No. 289	11/16/2019
Hospital License	930000157	12/31/2019
Tissue Bank License - FLC	CTB 00080570	12/13/2019
Tissue Bank License - Hospital OR	CTB 00080568	12/13/2019
Department of Transportation Division Aeronautics - Heliport(TLOF) Permit	LA-179(H)	
DEA Controlled Substance Registration	BS7805609	2/29/2020
Institute for Medical Quality - Continuing Medical Education Certificate		12/31/2021



Los Angeles County Department of Public Health - Retail Food Official Inspection Report	FA0069958 (PR0038667)	12/19/2019
South Coast Air Quality Management District - Rule 2202-On Road Motor Vehicle Mitigation Options	14924	4/16/2019
Conveyance Permit	107436	1/16/2019
Conveyance Permit	107437	1/16/2019
Conveyance Permit	107438	1/16/2019
Conveyance Permit	113252	1/15/2019
Conveyance Permit	113372	1/15/2019
Conveyance Permit	113373	4/24/2019
Conveyance Permit	113374	1/15/2019
Conveyance Permit	113375	1/15/2019
Conveyance Permit	113401	1/16/2019
Conveyance Permit	113402	1/16/2019
Conveyance Permit	121533	1/15/2019
Conveyance Permit	121535	1/15/2019
Conveyance Permit	121557	1/15/2019
Conveyance Permit	36304	1/16/2019
Conveyance Permit	36305	1/16/2019
Conveyance Permit	90171	1/16/2019
Conveyance Permit	99368	1/16/2019
Conveyance Permit	99562	1/16/2019
Conveyance Permit	99563	1/16/2019
Conveyance Permit	99564	1/16/2019
Conveyance Permit	99565	1/16/2019
Radioactive Material License	0488-19	6/28/2024
The College of America Pathologists Laboratory Certification	2273801	8/22/2019
The Joint Commission - Hospital Accreditation Program	9953	10/27/2021
The Joint Commission - Primary Stroke	9953	6/21/2020
Federal Communications Commission Private Radio Licenses	KUX246	2/9/2024
Federal Communications Commission Private Radio Licenses	KWK570	3/21/2024
Federal Communications Commission Private Radio Licenses	WQHA434	6/11/2027
Federal Communications Commission Private Radio Licenses	WQIG242	1/30/2028
California Department of Tax and Fee Administration Seller's Permit	097962355-10000	N/A
Los Angeles County Department of Mental Health Consolidated Medi-Cal Re-Certification Approval for St. Francis Medical Center Children's Center	N/A	N/A



St Vincent Medical Center - Accreditations/Certifications/Licenses		
License/Permit/Certificate	License/Permit Number	Expiration date
ACR – Computed Tomography Services	Siemens EMOTION 6 2019 approved following survey	7/30/2022
ACR - Mammography	17975 (Lorad Medical Systems Inc. Selenia 2010 approved following survey)	4/12/2020
ACR - MRI	Siemens Magenatom Symphony 2001 approved following survey	10/13/2019
ACR - Nuclear Med Signature	Siemens Signature Series 2000 for Planar	1/20/2021
American Association of Blood Banks Certificate of Accreditation	8599	9/30/2020
Hospital Pharmacy Permit	HSP 45704	2/1/2020
Sterile Compounding	LSC 100177	2/1/2020
LADPH CA Health & Safety Code California Retail Food Code (Public Health Permit)	PR 0192041	6/30/2019
CAP - Pulmonary Services Lab	CAP Number 2266501	10/8/2018 (awaiting new certification, onsite audits completed in August 2018)
CAP - Pulmonary Services Lab	CAP Number 2266503	10/8/2020
CDPH - Tissue Bank	CTB 00080423	12/13/2019
CLIA Certificate	05D0545353	2/27/2019
CLIA Certificate - Pulmonary / ABG Lab	05D0867804	11/3/2020
CTC - X-Ray Tube Registration	FAC00049874	6/30/2020
DEA Controlled Substances Registration	BS7751755	2/29/2020
LADHS-EMSA-STEMI		6/30/2020
FDA- IRB	FWA00003778	8/1/2022
FDA- Mammography	150029	4/12/2020
Joint Commission Accreditation	9938	9/22/2021
CDPH MQSA - Mammography	17975	4/12/2020
DHHS Office for Human Research Protections – IRB	IRB00000913	7/26/2020
Reportable Sources of Radiation Certificate (X-Ray Tube Registration)	FAC00030779	6/30/2019
Radioactive Material License	0610-19	10/26/2024
Reportable Sources of Radiation Certificate (SPINE/JRI RAD -X-Ray Tube Registration)	FAC00058259	3/31/2019
CDPH State of California: Laboratory Field Services Certificate of Deemed Status	CDF00001222	12/28/2018
Reportable Sources of Radiation Certificate (X-Ray Tube Registration)	FAC00012617	10/31/2019
Federal Communications Commission Private Radio Licenses	WQQW771	3/18/2023
CDPH General Acute Care License	930000161	12/31/2019
IV Sterile Room Testing Certificate		4/17/2019
Department of Consumer Affairs – Continuing Education Provider Certificate	CEP13815	1/31/2021
Institute for Medical Quality Accreditation	4001292	1/31/2019







**St Vincent Dialysis Center - Accreditations/Certifications/Licenses**

<b>License/Permit/Certificate</b>	<b>License/Permit Number</b>	<b>Expiration date</b>
CDPH License	930000245	10/31/2019
FTB	994394	N/A
Board of Equalization Organizational Clearance Certificate	12364	N/A
CLIA Certificate of Waiver	05D0710877	8/31/2020
CDPH Medical Waste Management Certificate	Registration No. 155	8/16/2019
Los Angeles Fire Department Consolidated Unified Permit	Facility ID FA0013248	9/30/2019
City of Los Angeles Tax Registration Certificate	738283-14	



**Schedule 1.7(c)(ii) - Leased Real Property**

<b>St. Francis Medical Center as Tenant</b>
<p>1. Lease Agreement, dated May 1, 2018 between St. Francis Medical and Hopevale Properties, L.P. c/o Reliable Properties for the premises located at 4390 Tweedy Blvd., South Gate, CA 90280 (Expires May 1, 2019).</p>
<p>2. Lease Agreement dated May 1, 2018, between St. Francis Medical Center (as Tenant) and Hopevale Properties, L.P. c/o Reliable Properties, its agent (as Landlord) for the premises located at 4390 Tweedy Blvd., South Gate, CA 90280 (Expired April 30, 2019).</p>
<p>3. Standard Industrial/Commercial Multi-Tenant Lease-Gross, dated April 4, 2003, between St. Francis Medical Center (as Lessee) and the James H. and Wanda E. De Wald Trust (as Lessor) for the premises located at 9404 Burtis Street, South Gate, CA 90280, as amended by that certain Addendum to Lease, dated April 4, 2003, the Extension of Lease, dated December 2, 2005, between St. Francis Medical Center (as Lessee) and Huffburt Property LLC (as Lessor), the Second Extension and Amendment of Lease, dated April 30, 2009, the Third Extension of Lease, dated April 16, 2012, the Fourth Extension of Lease, dated May 11, 2015, and the Fifth Extension of Lease, dated March 18, 2016, the Sixth Extension of Lease, dated May 14, 2016 (Expired April 30, 2019).</p>
<p>4. St. Francis Medical Plaza Office Space Lease, dated January 1, 2006, between St. Francis Medical Center (as Tenant) and St. Francis-Lynwood Medical Plaza L.P. (as Landlord) for the premises located at 3628 E. Imperial Highway, Lynwood, CA 90262, as amended by that certain First Amendment to Lease, dated May 1, 2006, the Second Amendment to Lease, dated February 7, 2007, the Third Amendment to Lease, dated November 29, 2007, the Fourth Amendment to Lease, dated January 1, 2010, between St. Francis Medical Center (as Tenant) and NHP/PMB St. Francis-Lynwood Medical Plaza LLC (as Landlord), the Fifth Amendment to Lease, dated December 31, 2010, the Sixth Amendment to Office Lease and Agreement Regarding Property Tax Protection, dated May 27, 2011, the Seventh Amendment to Lease, dated March 27, 2012, the Eighth Amendment to Lease, dated May 1, 2013, the Ninth Amendment to Lease, dated September 9, 2013, the Consent of Prime Landlord to Sublease, dated April 1, 2014 by NHP/PMB St. Francis Lynwood Medical Plaza, LLC, the Tenth Amendment to Lease, dated November 20, 2015, the Consent of Prime Landlord to Sublease, dated January 15, 2016, by NHP/PMB St. Francis Lynwood Medical Plaza, LLC, the Eleventh Amendment to Lease, dated September 27, 2016, and the Consent</p>



<b>St. Francis Medical Center as Tenant</b>
of Prime Landlord to Sublease, dated December 1, 2016, by NHP/PMB St. Francis Lynwood Medical Plaza, LLC (Expires December 31, 2021).
<p>5. Standard Multi-Tenant Office Lease-Gross, dated March 1, 2006, between St. Francis Medical Center (as Lessee) and Sunshine Capital Group, LLC (as Lessor) for the premises located at 3680 E. Imperial Hwy Suites 450, 525 and 550, Lynwood, CA 90262, as amended by that certain First Amendment to Office Lease, dated October 23, 2007, the Second Amendment to Lease, dated December 5, 2012, the Third Amendment to Lease, dated June 25, 2013, and the Fourth Amendment to Lease, dated September 17, 2013 (Expired September 30, 2018).*</p>

<b>St. Vincent Medical Center Hospital as Tenant</b>
<p>1. Office Building Lease, dated July 1, 2016, between St. Vincent Medical Center (as Tenant) and Bakersfield Land and Cattle Company, LLC (as Landlord) for the premises located at 8501 Camino Media, Bakersfield, CA 93311 (Expires June 30, 2019).</p>
<p>2. Office Building Lease, dated July 1, 2016, between Bakersfield Land and Cattle Company, LLC (as Landlord) and St. Vincent Medical Center (as Tenant) for the premises located at 8501 Camino Media Suite 100, Bakersfield, CA 93311 (Expires June 30, 2019 ).</p>
<p>3. Lease-Back Agreement between Verity Holdings, LLC (as Landlord) and St. Vincent Medical Center (as Tenant) dated November 29, 2016, for the premises located at 201 South Alvarado, Suites A, 219, 220<sup>2</sup>, 311, 321, Los Angeles, CA 90057 as amended by that First Amendment to Lease-Back Agreement dated March 1, 2017 (Expires 11/30/2026)</p>
<p>4. Lease-Back Agreement between Verity Holdings, LLC (as Landlord) and St. Vincent Medical Center (as Tenant) dated November 29, 2016, for that premises located at 2200 West Third Street, Suites 120A, 120B, 200, 300D, 400, 500 and 501, Los Angeles, CA 90057, as amended by that First Amendment to Lease-Back Agreement dated March 1, 2017, and that Second Amendment to Lease-Back Agreement dated</p>

\* Within the Lease Schedules “\*” indicates the lease is currently month-to-month.

<sup>2</sup> St.Vincent Dialysis Center occupies Suites 219 & 220.



<b>St. Vincent Medical Center Hospital as Tenant</b>
June 29, 2018 which noted that Suite 200 should not have been included in the lease and removed Suite 200 from the Lease (Expires November 30, 2026)
5. Lease between Verity Holdings, LLC and St. Vincent Medical Center dated as of October 1, 2017, for The Seton Guest Center located at 262 South Lake Street, Los Angeles, CA 90057 (Expires September 30, 2027)

<b>Seton Medical Center as Tenant</b>
1. Lease, dated March 1, 1999, between Catholic Healthcare West (as Lessee) and The Roman Catholic Archbishop of San Francisco (as Lessor) for the premises located on a portion of Assessor's Parcel Number 037-0160-020 (formerly known as "Our Lady of Lourdes Chapel"), as amended by that certain Lease Renewal, dated August 1, 2008, between Seton Medical Center (as Lessee) and The Archdiocese of San Francisco Real Property Support Corporation (as Lessor) and the Lease Renewal, dated July 15, 2013, between Seton Medical Center (as Lessee) and The Archdiocese of San Francisco Parish and School Juridic Persons Real Property Support Corporation (as Lessor).*
2. Lease-Back Agreement between Seton Medical Center (as Tenant) and Verity Holdings, LLC (as Landlord) dated March 15, 2017, for the premises located at 1500 Southgate Avenue, Suites 112, 115, 108, and 201A, Daly City, CA 94015 (Expires March 31, 2027)
3. Lease-Back Agreement between Seton Medical Center (as Tenant) and Verity Holdings, LLC (as Landlord) dated November 29, 2016, for the premises located at 1850 Sullivan Avenue, Suites 400, 100, 110, 150, 140, 190, and 315, Daly City, CA 94015 as amended by that First Amendment to Lease-Back Agreement dated March 9, 2017 (Expires November 29, 2026)
4. Lease-Back Agreement between Seton Medical Center (as Tenant) and Verity Holdings, LLC (as Landlord) dated November 29, 2016, for the premises located at 1800 Sullivan Avenue, Suites 102 and 106, Daly City, CA 94015, as amended by that First Amendment to Lease-Back Agreement dated March 9, 2017 (Expires November 29, 2026)
5. Lease-Back Agreement between Verity Holdings, LLC (as Landlord) and Seton Medical Center (as Tenant) dated August 18, 2017, for the premises located at 600 Marine Boulevard, Moss Beach, CA 94038 (entire building) (Expires August 3, 2027)



<b>Verity Holdings, LLC as Tenant</b>
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- |   |
|---|
| <ol style="list-style-type: none"><li>1. Sublease Agreement between Nantworks, LLC (as Sublandlord) and Verity Holdings, LLC (as Subtenant) dated April 1, 2018, for that premises located at 2040 East Mariposa Avenue, (portion of 2<sup>nd</sup> floor) El Segundo, CA 90245 (Expires March 31, 2019).</li></ol> |
|---|



**Schedule 1.7(c)(iii) - Tenant Leases**

<b>St. Francis Medical Center as Landlord</b>
<p>1. Parking Space Lease, dated on or about January 7, 2018 between St. Francis Medical Center (as Landlord) and Davita Medical Management (as Tenant) for the premises located at 2700 E. Slauson Avenue, Huntington Park, CA 90255 (Expires December 31, 2018).*</p>
<p>2. Medical Office Building Ground Lease, dated January 1, 1993 between St. Francis Medical Center (as Landlord) and Pacific Medical Buildings, L.P. (as Tenant) for the premises located in Lynwood, CA, as amended by that certain First Amendment to Medical Office Building Ground Lease, dated February 1, 1993, the Second Amendment to Medical Office Building Ground Lease, dated May 1, 1993, the Assignment and Assumption of Leases and Subleases dated, June 4, 1993 between Pacific Medical Buildings, L.P. (as Assignor) and St. Francis-Lynwood Medical Plaza, L.P. (as Assignee), and the Grant and Reservation of Easements and Parking Covenants by St. Francis Medical Center, dated January 1, 1993 (Expires January 1, 2048).</p>
<p>3. Parking Garage Ground Lease, dated January 1, 1993 between St. Francis Medical Center (as Landlord) and Pacific Medical Buildings, L.P. (as Tenant) for the premises located in Lynwood, CA, as amended by that certain Assignment and Assumption of Leases and Subleases, dated June 4, 1993 between Pacific Medical Buildings, L.P. (as Assignor) and St. Francis-Lynwood Medical Plaza, L.P. (as Assignee) (Expires January 1, 2048).</p>
<p>4. Sublease, dated December 1, 2016, between St. Francis Medical Center (as Sublessor) and Verity Medical Foundation (as Sublessee) for the premises located at 3628 East Imperial Highway Suite 408, Lynwood, CA 90262 (Expires December 31, 2020).</p>
<p>5. Sublease, dated January 15, 2016, between St. Francis Medical Center (as Sublessor) and St. Francis Multispecialty Medical Group, Inc. (as Sublessee) for the premises located at 3628 East Imperial Highway Suite 303, Lynwood, CA 90262 (Expired January 31, 2018). *</p>



<b>St. Vincent Medical Center Hospital as Landlord</b>
<p>1. St. Vincent Medical Center Office Building Lease, dated May 20, 2009, between St. Vincent Medical Center (as Landlord) and Clinica Msr. Oscar A. Romero (as Tenant) for the premises located at 201 South Alvarado Street Suite 100, Los Angeles, CA 90057, as amended by that certain First Amendment to St. Vincent Medical Center Office Building Lease, dated June 21, 2011 and the Second Amendment to St. Vincent Medical Center Office Building Lease, dated July 9, 2014 (Expires May 31, 2019).</p>
<p>2. St. Vincent Medical Center Office Building Lease, dated June 17, 2009, between St. Vincent Medical Center (as Landlord) and Mordo Suchov, M.D. (as Tenant) for the premises located at 201 South Alvarado Street Suite 711, Los Angeles, CA 90057, as amended by that certain First Amendment to Lease, dated June 14, 2012, the Second Amendment to Lease, dated July 30, 2014, and the Third Amendment to Lease, dated July 26, 2016 (Expires July 31, 2019).</p>
<p>3. St. Vincent Medical Center Office Building Lease, dated January 3, 2005, between St. Vincent Medical Center (as Landlord) and Randal P. Arase, M.D. (as Tenant) for the premises located at 201 South Alvarado Street Suite 716, Los Angeles, CA 90057, as amended by that certain First Amendment to St. Vincent Professional Building Office Lease, dated February 1, 2005, the Second Amendment to St. Vincent Professional Building Office Lease, dated September 15, 2009, the Third Amendment to St. Vincent Professional Building Office Lease, dated November 6, 2014, and the Fourth Amendment to St. Vincent Professional Building Office Lease, dated January 15, 2016 (Expires January 31, 2019).</p>
<p>4. St. Vincent Medical Center Office Building Lease, dated August 30, 2012, between St. Vincent Medical Center (as Landlord) and Samuel K. Lee, M.D. (as Tenant) for the premises located at 201 South Alvarado Street Suite 622, Los Angeles, CA 90057 (Expires September 30, 2022).</p>
<p>5. St. Vincent Medical Center Office Building Lease, dated October 1, 2006, between St. Vincent Medical Center (as Landlord) and Southern California Infectious Disease Medical Group (as Tenant) for the premises located at 201 South Alvarado Street Suite 820, Los Angeles, CA 90057, as amended by that certain First Amendment to Lease, dated June 30, 2009 and the Second Amendment to Lease, dated July 31, 2012, and the Third Amendment to the Lease dated June 5, 2015 (Expired August, 31 2018).*</p>
<p>6. St. Vincent Medical Center Office Building Lease, dated September 24, 2013, between St. Vincent Medical Center (as Landlord) and Deno D. Kang, M.D. (as Tenant) for the premises located at 201 South Alvarado Street Suite 815, Los Angeles, CA 90057, as</p>



<b>St. Vincent Medical Center Hospital as Landlord</b>
amended by that certain First Amendment to Lease, dated August 15, 2016 (Expires December 31, 2018).
7. St. Vincent Medical Center Office Building Lease, dated August 17, 2011, between St. Vincent Medical Center (as Landlord) and Elena Spektor, M.D. (as Tenant) for the premises located at 201 South Alvarado Street Suite 808, Los Angeles, CA 90057, as amended by that certain First Amendment to Lease, dated August 1, 2014, the Second Amendment to Lease dated July 29, 2019, the Third Amendment to Lease dated (Expired August 31, 2018).*
8. St. Vincent Medical Center Office Building Lease, dated June 2, 2014, between St. Vincent Medical Center (as Landlord) and Felix Sigal, D.P.M., a Professional Corporation (as Tenant) for the premises located at 201 South Alvarado Street Suite 819, Los Angeles, CA 90057 (Expired July 31, 2017).*
9. St. Vincent Medical Center Office Building Lease, dated February 8, 2016, between St. Vincent Medical Center (as Landlord) and Elite Provider Network, Inc., a California Corporation (as Tenant) for the premises located at 201 South Alvarado Street Suite 100, Los Angeles, CA 90057 (Expires April 30, 2021).
10. St. Vincent Medical Center Office Building Lease, dated April 6, 2016, between St. Vincent Medical Center (as Landlord) and Regal Medical Group, Inc. (as Tenant) for the premises located at 2200 West 3 <sup>rd</sup> Street Suite 300, Los Angeles, CA 90057 (Expires December 1, 2021).
11. St. Vincent Medical Center Office Building Lease, dated November 8, 2013, between St. Vincent Medical Center (as Landlord) and Mendez National Institute of Transplantation Foundation (as Tenant) for the premises located at 2200 West 3 <sup>rd</sup> Street Suite 390, Los Angeles, CA 90057, as amended by that certain First Amendment to Lease, dated June 15, 2015 (Expired November 30, 2018).*
12. St. Vincent Medical Center Office Building Lease, dated August 1, 2006, between St. Vincent Medical Center (as Landlord) and Roberts Ngan Sugerman, A Medical Group, Inc. (as Tenant) for the premises located at 201 South Alvarado Street Suite 717, Los Angeles, CA 90057, as amended by that certain First Amendment to Lease, dated June 1, 2009, the Second Amendment to Lease, dated July 13, 2012, and the Third Amendment to Lease, dated July 17, 2015 (Expired July 31, 2018).*
13. St. Vincent Medical Center Office Building Lease, dated April 25, 2016, between St. Vincent Medical Center (as Landlord) and Greater Los Angeles Cardiology (as Tenant)



<b>St. Vincent Medical Center Hospital as Landlord</b>
for the premises located at 201 South Alvarado Street Suites 612 and 620, Los Angeles, CA 90057 (Expires September 30, 2021).
14. Parking Facilities Lease, dated May 23, 2011, between St. Vincent Medical Center (as Landlord) and Modern Parking, Inc. (as Tenant) for the premises located at 201 South Alvarado Street, Los Angeles, CA 90057 (Expired July 1, 2016). *
15. St. Vincent Medical Center Office Building Lease, dated October 26, 2007, between St. Vincent Medical Center (as Landlord) and Barton Tanenbaum, M.D. (as Tenant) for the premises located at 201 South Alvarado Street Suite 215, Los Angeles, CA 90057, as amended by that certain First Amendment to Office Lease, dated July 9, 2010, the Second Amendment to Office Lease, dated August 16, 2013, the Third Amendment to Lease, dated June 17, 2014, the Fourth Amendment to Lease, dated July 2, 2015, and the Fifth Amendment to Office Lease, dated June 28, 2016, between St. Vincent Medical Center and Barton Tanenbaum, M.D. (Expired August 31, 2017). *
16. St. Vincent Medical Center Office Building Lease, dated March 26, 2013, between St. Vincent Medical Center (as Landlord) and Los Angeles Hematology Oncology Medical Group (as Tenant), for the premises located at 201 South Alvarado Street Suite 110, Los Angeles, CA 90057, as amended by that certain First Amendment to Lease, dated June 22, 2016 (Expires June 30, 2019).
17. St. Vincent Medical Center Office Building Lease, dated July 1, 2013, between St. Vincent Medical Center (as Landlord) and Barry Morguelan, M.D. (as Tenant), for the premises located at 201 South Alvarado Street Suite 602, Los Angeles, CA 90057 (Expires July 31, 2020).
18. St. Vincent Medical Center Office Building Lease, dated August 23, 2013, between St. Vincent Medical Center (as Landlord) and Taro Yokoyama, M.D. (as Tenant), for the premises located at 201 South Alvarado Street Suite 702, Los Angeles, CA 90057, as amended by that certain First Amendment to Lease, dated August 16, 2016 (Expires October 31, 2019).
19. St. Vincent Medical Office Building Lease, dated October 14, 2016, between St. Vincent Medical Center (as Landlord) and J.W. Duncan, M.D., a Medical Corporation and Jan W. Duncan, M.D. (as Tenants) for the premises located at 2200 West 3 <sup>rd</sup> Street Suite 1, Los Angeles, CA 90068 (Expires October 31, 2021).
20. St. Vincent Medical Center Office Building Lease, dated December 2, 2013, between St. Vincent Medical Center (as Landlord) and Daughters of Charity Foundation (as



<b>St. Vincent Medical Center Hospital as Landlord</b>
<p>Tenant) for the premises located at 262 South Lake Street, Los Angeles, CA 90057, Rooms 213-223 (Odd) and Rooms 218-232 (Even),</p>
<p>21. St. Vincent Medical Center Office Building Lease, dated October 7, 2013, between St. Vincent Medical Center (as Landlord) and Narinder Batra, M.D. (as Tenant), for the premises located at 201 South Alvarado Street Suite 720, Los Angeles, CA 90057 (Expires December 31, 2018).</p>
<p>22. Office Lease, dated May 25, 2016, between St. Vincent Medical Center (as Landlord) and Alvarado Eye Surgery Center, LLC (as Tenant) for the premises located at 201 South Alvarado Street Suites 718 and 722, Los Angeles, CA 90057. (Expires May 31, 2021)</p>
<p>23. Lease dated September 29, 2014, between St. Vincent Medical Center (as Landlord) and House Clinic Foundation (as Tenant) for the premises located at 2222 West Ocean View Street, Rooms 202A and 202B at Suite 200, Los Angeles, CA 90057, as amended by that certain First Amendment to Lease dated January 5, 2015, the Second Amendment to Lease dated April 3, 2015, the Third Amendment to Lease dated July 1, 2015, the Fourth Amendment to Lease dated October 1, 2015, the Fifth Amendment to Lease dated January 4, 2016, Sixth Amendment to Lease dated March 21, 2016, First Amendment to Lease dated July 1, 2016 (Expired October 9, 2016) *</p>
<p>24. St. Vincent Medical Office Building Lease dated October 14, 2016, between St. Vincent Medical Center (as Landlord) and J.W. Duncan, M.D. (as Tenant) for that premises located at 2200 West 3rd Street, Suite 1, Los Angeles, CA (Expires October 31, 2021)</p>
<p>25. Office Lease S. Mark Taper Foundation Transplant Center Building dated April 6, 2016, between St. Vincent Medical Center (as Landlord) and Regal Medical Group, Inc. (as Tenant) for that premises located at 2200 West 3rd Street, Suite 300, Los Angeles, CA 90057 (Expires November 30, 2021).</p>

<b>Seton Medical Center as Landlord</b>
<p>1. Seton Medical Office Building Lease, dated April 1, 2012, between Seton Medical Center (as Landlord) and John Lai and Kevin Wong Medical Corporation (as Tenant)</p>



<b>Seton Medical Center as Landlord</b>
for the premises located at 1500 Southgate Avenue Suite 207, Daly City, CA 94015 (Expired June 30, 2018).*
2. Seton Medical Office Building Lease, dated May 31, 2012, between Seton Medical Center (as Landlord) and John W. Wilson, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 503, Daly City, CA 94015 (Expired June 30, 2017).*
3. Seton Medical Office Building Lease, dated July 23, 2015, between Seton Medical Center (as Landlord) and Richard Moskowitz, M.D., Inc. a California professional corporation and Richard P. Moskowitz, M.D. (as Tenants) for the premises located at 1500 Southgate Avenue Suite 209, Daly City, CA 94015 (Expires July 31, 2019).
4. Seton Medical Office Building Lease, dated April 1, 2007, between Seton Medical Center (as Landlord) and Peninsula Orthopedic Associates, Inc. (as Tenant) for the premises located at 1850 Sullivan Avenue Suite 330, Daly City, CA 94015, as amended by that certain Amendment to Office Building Lease, dated November 1, 2012, the Second Amendment to Office Building Lease, dated October 24, 2013, the Third Amendment to Office Building Lease, dated February 24, 2014, and the Amended and Restated Seton Medical Office Building Lease, dated May 25, 2016, between Seton Medical Center (as Landlord) and Peninsula Orthopedic Associates, Inc., Stephen E. Conrad, M.D., Victoria L. Barber, M.D., Alfredo Fernandez, M.D., and A. Shabi Khan, M.D. (as Tenants) for the premises located at 1850 Sullivan Avenue Suites 320 and 330, Daly City, CA 94015 (Expired August 31, 2019).
5. Seton Medical Office Building Lease, dated April 30, 2012, between Seton Medical Center (as Landlord) and Herminigildo Valle, M.D. (as Tenant) for the premises located at 1850 Sullivan Avenue Suite 510, Daly City, CA 94015, as amended by that certain First Amendment to Office Building Lease, dated June 6, 2013, the Settlement Agreement and Mutual Release, dated June 10, 2013, between Seton Medical Center and Herminigildo Valle, M.D., and the Amended and Restated Seton Medical Office Building Lease, dated June 29, 2016 (Expires June 30, 2021).
6. Seton Medical Office Building Lease, dated April 27, 2012, between Seton Medical Center (as Landlord) and James C. Wu, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 411, Daly City, CA 94015, as amended by that certain Guaranty of Lease, dated March 19, 2013, between Seton Medical Center (as Landlord) and James C. Wu, M.D. (as Guarantor), the First Amendment to Office Building Lease, dated March 19, 2013, the Settlement Agreement and Mutual Release, dated March 31, 2013, between Seton Medical Center (as Landlord) and James C. Wu, M.D. (as Tenant), and the Amended and Restate Seton Medical Office Building Lease,



<b>Seton Medical Center as Landlord</b>
dated March 18, 2016, between Seton Medical Center (as Landlord) and James C. Wu, M.D., Inc. and James C. Wu, M.D. (as Tenants) (Expires March 31, 2021).
<p>7. Seton Medical Office Center (SMOC II) Office Building Lease, dated January 23, 2006, between Seton Medical Center (as Landlord) and Women's Health Group, A Medical Corporation (as Tenant) for the premises located at 1850 Sullivan Avenue Suite 312, Daly City, CA 94015, as amended by that certain Amendment to Office Lease, dated July 29, 2011, the Amendment to Seton Medical Office Lease, dated May 1, 2012, the Settlement Agreement and Mutual Release, dated October 31, 2012, between Seton Medical Center (as Landlord) and Women's Health Group, A Medical Corporation (as Tenant), and the Amended and Restated Seton Medical Office Building Lease, dated November 1, 2012, between Seton Medical Center (as Landlord) and Women's Health Group, A Medical Corporation and Katie Shapiro, M.D. (as Tenants) as amended by that certain Amended and Restated Seton Medical Office Building Lease, dated August 1, 2016, between Seton Medical Center (as Landlord) and Women's Health Group, A Medical Corporation and Katie Shapiro, M.D. (as Tenants) for the premises located at 1850 Sullivan Avenue Suite 312, Daly City, CA 94015 (Expires July 31, 2019).</p>
<p>8. PCS Site Agreement, dated on or about January 28, 1997, between Seton Medical Center (as Landlord) and Sprint Spectrum, L.P. (as Tenant) for the premises located at 1900 Sullivan Avenue, Daly City, CA 94015, amended by that certain PCS Site Agreement Amendment, Settlement and Mutual Release, dated March 25, 2013, between Seton Medical Center (as Landlord) and Sprint Spectrum Realty Company, L.P. (as Tenant), the Second Amendment to PCI Site Agreement, dated September 25, 2013, and the Third Amendment to PCS Site Agreement, dated April 13, 2017, between Seton Medical Center (as Landlord) and Sprint Spectrum Realty Company, LLC (as Tenant) (Expired July 31, 2018). *</p>
<p>9. Seton Medical Office Center (SMOC II) Office Building Lease, dated February 10, 2005, between Seton Medical Center (as Landlord) and Pharmacia, Inc. and Randall Tonelli (as Tenants) for the premises located at 1800 Sullivan Avenue Suite 102, Daly City, CA 94015, as amended by that certain Amended and Restated Seton Medical Office Building Lease, dated December 9, 2013 and the Settlement Agreement and Mutual Release, dated December 16, 2013, between Seton Medical Center (as Landlord) and Pharmacia, Inc. and Randall Tonelli (as Tenants) (Expires January 31, 2019).</p>



<b>Seton Medical Center as Landlord</b>
<p>10. Seton Medical Office Building Lease, dated May 1, 2012, between Seton Medical Center (as Landlord) and Robert G. Perez, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 507, Daly City, CA 94015 (Expired April 30, 2018).*</p>
<p>11. SMOC I &amp; SMOC II Seton Medical Office Buildings Medical Office Lease, dated July 1, 2003, between Seton Medical Center (as Landlord) and Peninsula Allergy, a Medical Corporation (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 502, Daly City, CA 94015, as amended by that certain Amended and Restated Seton Medical Office Center (SMOC I) Office Building Lease, dated June 30, 2008, the Amendment to Seton Medical Office Lease, dated June 30, 2012, the Second Amendment to Seton Medical Office Lease, dated September 26, 2012, the Settlement Agreement and Mutual Release, dated June 30, 2013, between Seton Medical Center (as Landlord) and Peninsula Allergy Associates, a Medical Group, Inc. (as Tenant), the Amended and Restated Seton Medical Building Office Lease, dated July 1, 2013, the Guaranty of Lease, dated July 1, 2013, between Seton Medical Center (as Landlord) and Michael N. Cowan, M.D. (as Guarantor), and the Amended and Restated Seton Medical Office Building Lease, dated June 16, 2016, between Seton Medical Center (as Landlord) and Peninsula Allergy Associates, a Medical Group, Inc. and Michael N. Cowan, M.D. (as Tenants) (Expires June 30, 2019).</p>
<p>12. Seton Medical Office Building Lease, dated March 29, 2012, between Seton Medical Center (as Landlord) and Julia Myint, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 601, Daly City, CA 94015, as amended by that certain Amended and Restated Seton Medical Office Building Lease, dated March 18, 2016 (Expires March 31, 2021).</p>
<p>13. Seton Medical Office Center (SMOC II) Office Building Lease, dated August 14, 2001, between Seton Medical Center (as successor in interest to CHW Bay Area) (as Lessor) and Wheeler, Consiglieri, Selinger, Scheifele, Zaglin M.D.S, Inc. (as Lessees) for the premises located at 1850 Sullivan Avenue Suite 550, Daly City, CA 94015, as amended by that First Amendment to Lease, dated April 30, 2002, that certain Amended and Restated Seton Medical Office Center (SMOC II) Office Building Lease, dated September 1, 2008, the Amendment to Seton Medical Office Lease, dated February 28, 2012, the Amended and Restated Seton Medical Office Building Lease, dated April 22, 2013, between Seton Medical Center (as Landlord) and Wheeler, Consiglieri, Selinger, Scheifele, Zaglin M.D.S, Inc., Pamela D. Singleton, M.D., Douglas E. Rittenhouse, M.D., Emily N. Hu, M.D., Rong Wendy Zeng, M.D., and Milagros Cabrera, M.D. (as Tenants), the Settlement Agreement and Mutual Release, dated April 30, 2013, between Seton Medical Center (as Landlord) and Wheeler, Consiglieri, Selinger, Scheifele, Zaglin M.D.S, Inc., Pamela D. Singleton, M.D.,</p>



<b>Seton Medical Center as Landlord</b>
<p>Douglas E. Rittenhouse, M.D., Emily N. Hu, M.D., Rong Wendy Zeng, M.D., and Milagros Cabrera, M.D. (as Tenants), and the First Amendment to Office Building Lease, dated March 14, 2014, between Seton Medical Center (as Landlord) and Bay Area Obstetrics &amp; Gynecology, a California professional corporation (as Tenants) (Expires April 30, 2019).</p>
<p>14. Seton Medical Office Building Lease, dated March 1, 2012, between Seton Medical Center (as Landlord) and Leslie C. Moretti, M.D., Inc. (as Tenant), for the premises located at 1850 Sullivan Avenue Suite 440, Daly City, CA 94015, as amended by that certain Guaranty of Lease, dated May 29, 2012, between Seton Medical Hospital (as Landlord) and Leslie C. Moretti, M.D. (the Guarantor), the Amended and Restated Seton Medical Office Building Lease, dated February 24, 2016, between Seton Medical Center (as Landlord) and Leslie C. Moretti, M.D., Inc. and Leslie C. Moretti, M.D. (as Tenants) (Expired February 28, 2018).*</p>
<p>15. Seton Medical Office Center (SMOC I &amp; SMOC II) Office Building Lease, dated August 26, 2004, between Seton Medical Center (as Landlord) and Dr. Sean T. Moloney (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 201, Daly City, CA 94015, as amended by that certain Amended and Restated Seton Medical Office Center (SMOC I) Office Building Lease, dated October 1, 2009, the Amendment to Seton Medical Office Lease, dated September 30, 2012, the Amended and Restated Seton Medical Office Building Lease, dated March 13, 2013, the First Amendment to Office Building Lease, dated February 4, 2014, and the Amended and Restated Seton medical Office Building Lease, dated February 24, 2016 (Expired February 28, 2018).*</p>
<p>16. Seton Medical Office Center (SMOC I &amp; SMOC II) Office Building Lease, dated August 1, 2003, between Seton Medical Center (as Landlord) and Joseph Myers, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 308, Daly City, CA 94015, as amended by that certain Amended and Restated Seton Medical Office Center (SMOC I) Office Building Lease, dated July 31, 2008, the Amendment to Medical Office Lease, dated June 30, 2012, the Second Amendment to Seton Medical Office Lease, dated September 26, 2012, the Amended and Restated Seton Medical Office Building Lease, dated December 18, 2012, the Settlement Agreement and Mutual Release, dated December 31, 2012, between Seton Medical Center (as Landlord) and Joseph R. Myers, M.D. (as Tenant), and the First Amendment to Seton Medical Office Building Lease, dated December 10, 2015 (Expires December 31, 2018).</p>
<p>17. Seton Medical Office Building Lease, dated July 12, 2012, between Seton Medical Center (as Landlord) and Damon Lee, M.D. (as Tenant) for the premises located at</p>



<b>Seton Medical Center as Landlord</b>
1800 Sullivan Avenue Suite 304A, Daly City, CA 94015, as amended by that certain First Amendment to Office Building Lease, dated October 11, 2013, the Second Amendment to Office Building Lease, dated January 28, 2015, and the Third Amendment to Office Building Lease, dated January 28, 2016 (Expires January 31, 2019).
18. Seton Medical Office Center (SMOC I & SMOC II) Office Building Lease, dated August 1, 2003, between Seton Medical Center (as Landlord) and Dr. Bernd M. Kutzscher (as Tenant) for the premises located at 1850 Sullivan Avenue Suite 540, Daly City, CA 94015, as amended by that certain Amended and Restated Seton Medical Office Center (SMOC II) Office Building Lease, dated October 1, 2009, between Seton Medical Center (as Landlord) and Bernd Kutzscher, M.D., Inc. (as Tenant), the First Amendment to Seton Medical Office Lease, dated September 26, 2012, the Amended and Restated Seton Medical Office Building Lease, dated December 18, 2012, and the Settlement Agreement and Mutual Release, dated December 31, 2012, between Seton Medical Center (as Landlord) and Bernd Kutzscher, M.D., Inc. (Expires December 31, 2018).
19. Seton Medical Office Building Lease, dated January 26, 2012, between Seton Medical Center (as Landlord) and Divya R. Kini, M.D., Inc. (as Tenant) for the premises located at 1500 Southgate Avenue Suite 204, Daly City, CA 94015, as amended by that certain First Amendment to Office Building Lease, dated March 30, 2015, between Seton Medical Center (as Landlord) and Divya R. Kini, M.D., Inc. and Divya R. Kini, M.D. (as Tenants) (Expires March 31, 2019).
20. Seton Medical Office Building Lease, dated January 26, 2012, between Seton Medical Center (as Landlord) and Paul D. Hartman, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 301, Daly City, CA 94015, as amended by that certain First Amendment to Office Building Lease, dated January 7, 2015 (Expired February 28, 2019).
21. Seton Medical Office Building Lease, dated June 1, 2012, between Seton Medical Center (as Landlord) and Dennis Hamby, M.D. (as Tenant) for the premises located at 1500 Southgate Avenue Suite 201, Daly City, CA 94015, as amended by that certain First Amendment to Office Building Lease, dated July 15, 2013 and the Amended and Restated Seton Medical Office Building Lease, dated August 1, 2016 (Expires July 31, 2021).
22. Seton Medical Office Building Lease, dated May 1, 2012, between Seton Medical Center (as Landlord) and James M. Feeney M.D. and David A. Vaughan, M.D., a



<b>Seton Medical Center as Landlord</b>
<p>partnership (as Tenants) for the premises located at 1800 Sullivan Avenue Suite 207, Daly City, CA 94015, as amended by that certain First Amendment to Seton Medical Office Building Lease, dated April 20, 2015, between Seton Medical Center (as Landlord), James M. Feeney M.D. and David A. Vaughan, M.D., a partnership, and James M. Feeney M.D. and David A. Vaughan, M.D. (as Tenants) and the Amended and Restated Seton Medical Office Building Lease, dated July 28, 2016 (Expires July 31, 2019).</p>
<p>23. Seton Medical Office Building Lease, dated February 29, 2012, between Seton Medical Center (as Landlord) and Family Medical Group, a California professional corporation (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 209, Daly City, CA 94015, as amended by that certain First Amendment to Seton Medical Office Building Lease, dated February 24, 2015 and the Second Amendment to Seton Medical Office Building Lease, dated January 27, 2016 (Expires February 28, 2019).</p>
<p>24. Land Lease Agreement, dated December 15, 1993, between Seton Medical Center (as Landlord) and GTE Mobilnet of California Limited Partnership (as Tenant) for that premises located in Daly City, CA, as amended by that certain First Amendment to Land Lease Agreement, dated on or about May 31, 2012 (Expires February 1, 2029).</p>
<p>25. Seton Medical Office Building Lease, dated February 8, 2005, between Seton Medical Center (as Landlord) and Paul Belluomini, DDS, John I. Kis, DDS, Hung Pham, DDS, and Stephen F. West DDS (as Tenants) for the premises located at 1500 Southgate Avenue Suite 210, Daly City, CA 94015, as amended by that certain Settlement Agreement and Mutual Release, dated October 22, 2013 between Seton Medical Center (as Landlord) and Paul Belluomini, DDS, John I. Kis, DDS, Hung Pham, DDS, and Stephen F. West DDS (as Tenants), the Amended and Restated Seton Medical Office Building Lease, dated October 22, 2013, and the First Amendment to Office Building Lease, dated February 12, 2014 (Expired November 30, 2019).</p>
<p>26. Seton Medical Office Center (SMOC I &amp; SMOC II) Office Building Lease, dated May 16, 1989, between Seton Medical Center (as Lessor) and Bay Area Cellular Telephone Company, a California General Partnership (as Lessee) for the premises located at 1850 Sullivan Avenue, Mechanical Penthouse, Daly City, CA 94015, as amended by that certain First Amendment to Medical Office Lease, dated March 10, 2004, the Second Amendment to Medical Office Lease, dated on or about August 16, 2010, and the Third Amendment to Medical Office Lease, dated September 30, 2015 (Expired July 31, 2019).</p>



<b>Seton Medical Center as Landlord</b>
<p>27. Seton Medical Office Center (SMOC I &amp; SMOC II) Office Building Lease, dated June 10, 2005, between Seton Medical Center (as Lessor) and Edgardo G. Alicaway, M.D. (as Lessee) for the premises located at 1800 Sullivan Avenue Suite 508, Daly City, CA 94015, as amended by that certain Amended and Restated Seton Medical Center (SMOC I) Office Building Lease, dated April 1, 2010, between Seton Medical Center (as Landlord) and Edgardo G. Alicaway, M.D., P.C. (as Tenant), the Amended and Restate Seton Medical Office Building Lease, dated June 6, 2013, between Seton Medical Center (as Landlord) and Edgardo G. Alicaway, M.D., P.C. and Edgardo G. Alicaway, M.D. (as Tenants), the Settlement Agreement and Mutual Release, dated June 9, 2013, between Seton Medical Center (as Landlord) and Edgardo G. Alicaway, M.D. (as Tenant), and the Amended and Restated Seton Medical Office Building Lease, dated March 18, 2016 (Expires June 30, 2019).</p>
<p>28. Seton Medical Office Building Lease, dated March 29, 2012, between Seton Medical Center (as Landlord) and Aesthetic Dermatology and Cosmetic Surgery Medical Associates, Inc. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 403 Daly City, CA 94015, as amended by the Assumption and Consent to Assignment of Office Lease, dated June 4, 2013, between Seton Medical Center (as Landlord), Aesthetic Dermatology and Cosmetic Surgery Medical Associates, Inc. (as Existing Tenant), Jeffrey H. Binstock, M.D., and California Skin Institute, A Medical Corporation (as New Tenant) and the First Amendment to Medical Office Lease, dated March 25, 2015, between Seton Medical Center (as Landlord) and California Skin Institute, Inc. and CSI Medical Group, a California corporation (as Tenants) (Expires March 31, 2019).</p>
<p>29. Seton Medical Office Building Lease, dated June 15, 2016, between Seton Medical Center (as Landlord) and Okumu M.D., Inc. and Kris Okumu, M.D. (as Tenants) for the premises located at 1800 Sullivan Avenue Suite 602, Daly City, CA 94015 (Expired June 19, 2018). *</p>
<p>30. Seton Medical Office Building Lease, dated June 17, 2016, between Seton Medical Center (as Landlord) and Felix G. Millhouse, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 302, Daly City, CA 94015 (Expires July 31, 2021).</p>
<p>31. Seton Medical Office Building Lease, dated May 27, 2016, between Seton Medical Center (as Landlord) and Dale Kocienski, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 605, Daly City, CA 94015 (Expires June 30, 2019).</p>



<b>Seton Medical Center as Landlord</b>
<p>32. Seton Medical Office Building Lease, dated January 29, 2016, between Seton Medical Center (as Landlord) and John O. Missirian, MD, Inc., Richard C. Sherwood, M.D., Inc., John O. Missirian, M.D., and Richard C. Sherwood, M.D. (as Tenants) for the premises located at 1800 Sullivan Avenue Suite 604, Daly City, CA 94015, as amended by that certain Amended and Restated Seton Medical Office Building Lease, dated January 11, 2017 (Expires January 31, 2019).</p>
<p>33. Amended and Restated Seton Medical Office Building Lease, dated April 25, 2014, between Seton Medical Center (as Landlord) and Patricia Caverro, M.D. (as Tenant) for the premises located at 1500 Southgate Avenue Suite 202, Daly City, CA 94015, as amended by that certain First Amendment to Seton Medical Office Building Lease, dated April 29, 2015, and the Amended and Restated Seton Medical Office Building Lease, dated May 25, 2016 (Expires May 31, 2019).</p>
<p>34. Seton Medical Office Building Lease, dated March 21, 2016, between Seton Medical Center (as Landlord) and Bay Area Family Practice Medical Group, Inc., Ruth Hoddinott, M.D., and Norma Espinoza, NP (as Tenants) for the premises located at 1800 Sullivan Avenue Suite 606, Daly City, CA 94015 (Expires March 31, 2019).</p>
<p>35. Seton Medical Office Building Lease, dated November 4, 2013, between Seton Medical Center (as Landlord) and Melinda Aquino, M.D. (as Tenant) for the premises located at 1850 Sullivan Avenue Suite 300, Daly City, CA 94015, as amended by that certain First Amendment to Office Building Lease, dated June 24, 2014. (Expired November 30, 2018). *</p>
<p>36. Amended and Restated Seton Medical Office Building Lease, dated February 18, 2016, between Seton Medical Center (Landlord) and Tony Lee Wong, M.D., Inc. and Tony Lee Wong, M.D. (as Tenants) for the premises located at 1800 Sullivan Avenue Suite 104, Daly City, CA 94015 (Expires February 28, 2021).</p>
<p>37. Amended and Restated Seton Medical Office Building Lease, dated November 27, 2012, between Seton Medical Center (as Landlord) and Hermenegildo G. Angeles Jr., M.D. (as Tenant) for the premises located at 1850 Sullivan Avenue Suite 310, Daly City, CA 94015, as amended by that certain Settlement Agreement and Mutual Release, dated October 11, 2013, between Seton Medical Center (as Landlord) and Hermenegildo G. Angeles Jr., M.D. (as Tenant) and the Amended and Restated Seton Medical Office Building Lease, dated October 11, 2013, between Seton Medical Center (as Landlord) and Hermenegildo G. Angeles, Jr., M.D., a Professional Corporation, and Hermenegildo G. Angeles, Jr., M.D. (as Tenants) (Expired November 30, 2018). *</p>



<b>Seton Medical Center as Landlord</b>
38. Seton Medical Office Building Lease, dated August 1, 2012, between Seton Medical Center (as Landlord) and Cynthia Carsolin-Chang, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 506, Daly City, CA 94015 (Expired August 31, 2018).*
39. Seton Medical Office Building Lease dated May 1, 2018, between Seton Medical Center (as Landlord) and Verity Health System of California, Inc. (as Tenant) for the premises located at 1500 Southgate Ave, Daly City, 94015, Suites 102, 104, 107, 109, 206, 208, 211, 213 (Expires April 30, 2028)
40. Amended and Restated Seton Medical Office Center (SMOC II) Office Building Lease, dated June 30, 2008, between Seton Medical Center (as Landlord) and Bay Area Digestive Health Medical Group, Inc. (as Tenant) for the premises located at 1850 Sullivan Avenue Suite 520, Daly City, CA 94015, as amended by that certain Amendment to Seton Medical Office Lease, dated July 1, 2012, the Second Amendment to Seton Medical Office Lease, dated September 26, 2012, the Settlement Agreement and Mutual Release, dated June 25, 2013, between Seton Medical Center (as Landlord) and Bay Area Digestive Health Medical Group (as Tenant), and the Amended and Restated Seton Medical Office Building Lease, dated June 30, 2013 (Expires June 30, 2019).
41. Seton Medical Office Building Lease, dated July 17, 2012, between Seton Medical Center (as Landlord) and Ellick Tsang, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 304A, Daly City, CA 94015, as amended by that certain First Amendment to Office Building Lease, dated October 11, 2013 and the Second Amendment to Office Building Lease, dated November 25, 2015 (Expired November 30, 2018).*
42. Seton Medical Office Building Lease, dated May 28, 2013, between Seton Medical Center (as Landlord) and James W. Stavosky, M.D. (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 401, Daly City, CA 94015, as amended by that certain First Amendment to Office Building Lease, dated November 11, 2013 (Expired June 30, 2019).

<b>Verity Holdings, LLC as Landlord</b>
1. Amended and Restated St. Vincent Medical Office Building Lease dated April 24, 2018, between Verity Holdings, LLC (as Tenant) and Michael Roberts, M.D. for the



<b>Verity Holdings, LLC as Landlord</b>	
	premises located at 201 South Alvarado Street Suite 406, Los Angeles, CA 90057 (as Tenant) (Expires April 30, 2023).
2.	Amended and Restated St. Vincent Medical Office Building Lease dated March 30, 2018, between Verity Holdings, LLC (as Landlord) and Mingquan Bussarakum, M.D. for the premises located at 201 South Alvarado Street Suite 603, Los Angeles, CA 90057 (as Tenant) (Expires March 31, 2020).
3.	Amended and Restated Office Lease dated June 19, 2018, between Verity Holdings, LLC (as Landlord) and Victor De Los Santos, DDS (as Tenant) for the for the premises located at 201 South Alvarado Street Suite 402, Los Angeles, CA 90057 (Expires June 30, 2019).
4.	St. Vincent Medical Center Office Building Lease, dated June 15, 2017, between Verity Holdings, LLC (as Landlord) and Verity Medical Foundation (as Tenant) for the premises located at 201 South Alvarado Street Suite 407, Los Angeles, CA 90057 (Expires July 31, 2022).
5.	St. Vincent Medical Center Office Building Lease, dated July 17, 2018, between Verity Holdings, LLC (as Landlord) and Verity Medical Foundation (as Tenant) for the premises located at 2200 West 3 <sup>rd</sup> Street, Suite 200, Los Angeles, CA (Expires July 31, 2028).
6.	St. Vincent Medical Center Office Building Lease, dated February 25, 2016, between St. Vincent Medical Center (as Landlord) and Richard L Hoffman, M.D. (as Tenant) for the premises located at 201 South Alvarado Street Suite 828, Los Angeles, CA 90057 as amended by that First Amendment to Office Lease dated March 30, 2018 by and between Verity Holdings, LLC and Richard L. Hoffman, M.D. (Expires March 31, 2019).
7.	Amended and Restated St. Vincent Medical Office Building Lease dated June 29, 2017, between Verity Holdings, LLC successor-in-interest to St. Vincent Medical Center (as Landlord) and Michael J. Wong, M.D. Medical Corporation dba Hear Care and Michael J. Wong, M.D., an individual for that premises located at 201 South Alvarado Street, Suite 618, Los Angeles, CA 90057 (Expires June 30, 2019).
8.	Amended and Restated St. Vincent Professional Office Building Lease dated June 26, 2018 by Verity Holdings, LLC successor-in –interest to St. Vincent Medical Center (as Landlord) and Louis Wong and Mary Jo Wong (collectively as Tenant) for that



<b>Verity Holdings, LLC as Landlord</b>
premises located at 201 South Alvarado Street Suite 611, Los Angeles, CA 90057 (Expired June 30, 2019).
9. Office Lease Seton Medical Office Building dated April 26, 2017, between Verity Holdings, LLC (as Landlord) and Valdez Medical Corp. and Amelia B. Valdez MD (as Tenant) for the premises located at 1800 Sullivan Ave, Suite 408, Daly City, CA 94015 (Expires June 30, 2022)
10. Lease-Back Agreement between Verity Holdings, LLC (as Landlord) and St. Vincent Medical Center (as Tenant) dated November 29, 2016, for the premises located at 201 South Alvarado, Suites A, 219, 220, 311, 321, Los Angeles, CA 90057 as amended by that First Amendment to Lease-Back Agreement dated March 1, 2017 (Expires November 30, 2026)
11. Lease-Back Agreement between Verity Holdings, LLC (as Landlord) and St. Vincent Medical Center (as Tenant) dated November 29, 2016, for that premises located at 2200 West Third Street, Suites 120A, 120B, 200, 300D, 400, 500 and 501, Los Angeles, CA 90057, as amended by that First Amendment to Lease-Back Agreement dated March 1, 2017, and that Second Amendment to Lease-Back Agreement dated June 29, 2018 which noted that Suite 200 should not have been included in the lease and removed Suite 200 from the Lease (Expires November 30, 2026)
12. Lease between Verity Holdings, LLC and St. Vincent Medical Center dated as of October 1, 2017, for The Seton Guest Center located at 262 South Lake Street, Los Angeles, CA 90057 (Expires September 30, 2027)
13. Amended and Restated Seton Medical Office Building Lease dated as of April 27, 2017, between Verity Holdings, LLC (as Landlord) and Daniel J. Buckley (as Tenant) for the premises located at 1800 Sullivan Avenue Suite 410, Daly City, CA 94015 (Expires April 30, 2022).
14. Amended and Restated Seton Medical Office Building Lease dated June 7, 2017, between Verity Holdings, LLC (as Landlord) and Alice Yan, MD (as Tenant) for the premises located at 1800 Sullivan Avenue, Suite 405, Daly City, CA 94015 (Expires June 30, 2022).
15. Lease-Back Agreement between Seton Medical Center (as Tenant) and Verity Holdings, LLC (as Landlord) dated March 15, 2017, for the premises located at 1500 Southgate Avenue, Suites 112, 115, 108, and 201A, Daly City, CA 94015 (Expires March 31, 2027)



<b>Verity Holdings, LLC as Landlord</b>
16. Lease-Back Agreement between Seton Medical Center (as Tenant) and Verity Holdings, LLC (as Landlord) dated November 29, 2016, for the premises located at 1850 Sullivan Avenue, Suites 400, 100, 110, 150, 140, 190, and 315, Daly City, CA 94015 as amended by that First Amendment to Lease-Back Agreement dated March 9, 2017 (Expires November 29, 2026)
17. Lease-Back Agreement between Seton Medical Center (as Tenant) and Verity Holdings, LLC (as Landlord) dated November 29, 2016, for the premises located at 1800 Sullivan Avenue, Suites 102 and 106, Daly City, CA 94015, as amended by that First Amendment to Lease-Back Agreement dated March 9, 2017 (Expires November 29, 2026)
18. Lease-Back Agreement between Verity Holdings, LLC (as Landlord) and Seton Medical Center (as Tenant) dated August 18, 2017, for the premises located at 600 Marine Boulevard, Moss Beach, CA 94038 (entire building) (Expires August 3, 2027)
19. Amended and Restated St. Vincent Medical Office Building Lease, dated September 29, 2017, between Verity Holdings, LLC (as Landlord) and Wolfgang Scheele, M.D. (as Tenant) for the premises located at 201 South Avarado, Suite 609, Los Angeles, CA 90057(Expires September 30, 2020).
20. Lease-Back Agreement dated May 15, 2018, between Verity Holdings, LLC (as Landlord) and Verity Health System of California, Inc. (as Tenant) for that premises located at 2222 Ocean View Avenue, Suites 100 and 122.03, Los Angeles, CA 90057 (Expires May 31, 2025).
21. Office Lease S. Mark Taper Foundation Transplant Center Building dated March 2, 2017, between Verity Holdings, LLC (as Landlord) and Michael Stefin, M.D. (as Tenant) for that premises located at 2200 West 3rd Street, Suite 370 and 380, Los Angeles, CA 90057 (Expires April 14, 2022).
22. Lease-Back Agreement dated as of November 29, 2016, between Verity Holdings, LLC (as Landlord) and St. Vincent Medical Center (as Tenant) located at the premises 2200 West Third Street, Suites 120A, 120B, 300D, 400, 500, 501, Los Angeles, CA 90057 as amended by that First Amendment to Lease-Back Agreement dated March 1, 2017, and that Second Amendment to Lease-Back Agreement dated June 29, 2018 removing Suite 120A from the lease (Expires November 30, 2026).
23. Amended and Restated St. Francis Medical Office Building Lease dated February 16, 2018, between Verity Holding, LLC (as Landlord) and St. Louise Resource Services



<b>Verity Holdings, LLC as Landlord</b>	
	(as Tenant) for that premises located at 3663 Martin Luther King Jr. Blvd, Lynwood, CA (Expires February 28, 2020).
24.	Amended and Restated Office Lease St. Francis Medical Office Building dated October 1, 2017, between Verity Holding, LLC (as Landlord) and Ardmore Medical Group, Inc. and Alan K. Kims, M.D. (as Tenant) for the premises located 5953 Atlantic Blvd, Maywood, CA 90270 (Expired September 30, 2018).
25.	Lease dated October 1, 2017, Verity Holdings, LLC (as Landlord) and St. Vincent Medical Center (as Tenant) for that premises located at The Seton Hall Guest Center, 262 Lake Street, (1st floor, half of 2nd floor, 3rd floor, subbasement) Los Angeles, CA 90057 (Expires September 30, 2027).



**Schedule 1.7(u) - Medicare and Medi-Cal Lockbox Accounts**

<b><u>Bank Account Name</u></b>	<b><u>Seller</u></b>	<b><u>Financial Institution</u></b>	<b><u>Account Number</u></b>
SFMC - Lockbox	St. Francis Medical Center	Bank of America	*****2940
SVMC - Lockbox	St. Vincent Medical Center	Bank of America	*****2964
SMC - Lockbox	Seton Medical Center	Bank of America	*****2902
SMCC - Lockbox	Seton Medical Center	Bank of America	*****2907

See **Schedule 1.7(b) - Licenses** for provider numbers.



**Schedule 1.7(w) - Purchased Verity Holdings Assets**

See **Schedule 1.4.3 - Owned Real Property**.



**Schedule 1.7 - Permitted Exceptions**

None.



**Schedule 1.8(y) - Health Plan Causes of Actions**

*See attached folder* “Schedule 1.8(y) - Health Plan Causes of Actions”



Schedule 1.8(y) - Health Plan Causes of Action		
<b>Seton Medical Center</b>		
Health Plan	Nature of Cause	Amount requested
Aetna	No Payment and/or Underpayment of Fee for Service Claims	\$836,486.00
Anthem Blue Cross	No Payment and/or Underpayment of Fee for Service Claims	\$2,500,000.00
Blue Shield of California	No Payment and/or Underpayment of Fee for Service Claims	\$3,900,000.00
Cigna	No Payment and/or Underpayment of Fee for Service Claims	\$509,267.00
Health Net	No Payment and/or Underpayment of Fee for Service Claims	\$306,700.63
Health Plan of San Mateo	No Payment and/or Underpayment of Fee for Service Claims	\$4,000,000.00
Kaiser	No Payment and/or Underpayment of Fee for Service Claims	\$3,700,000.00
Tricare Healthnet Federal	No Payment and/or Underpayment of Fee for Service Claims	\$45,454.00
United Healthcare	No Payment and/or Underpayment of Fee for Service Claims	\$1,082,852.00
<b>TOTAL:</b>		<b>\$16,880,759.63</b>
<b>St. Francis Medical Center</b>		
Health Plan	Nature of Cause	Amount requested
Aetna	No Payment and/or Underpayment of Fee for Service Claims	\$815,621.00
Anthem Blue Cross	No Payment and/or Underpayment of Fee for Service Claims	\$4,941,107.00
Blue Shield of California	No Payment and/or Underpayment of Fee for Service Claims	\$3,631,301.00
Care 1st Health Plan	No Payment and/or Underpayment of Fee for Service Claims	\$2,090,674.00
Cigna	No Payment and/or Underpayment of Fee for Service Claims	\$747,074.00
Davita Healthcare Partners	No Payment and/or Underpayment of Fee for Service Claims	\$1,811,608.00
Health Net	No Payment and/or Underpayment of Fee for Service Claims	\$6,800,000.00
Kaiser	No Payment and/or Underpayment of Fee for Service Claims	\$4,035,011.00
LA Care Health Plan	No Payment and/or Underpayment of Fee for Service Claims	\$17,500,000.00
United Healthcare	No Payment and/or Underpayment of Fee for Service Claims	\$1,011,766.00
<b>TOTAL:</b>		<b>\$43,384,162.00</b>
<b>St. Vincent Medical Center</b>		
Health Plan	Nature of Cause	Amount requested
Aetna	No Payment and/or Underpayment of Fee for Service Claims	\$895,081.00
Anthem Blue Cross	No Payment and/or Underpayment of Fee for Service Claims	\$3,487,892.00
Blue Shield of California	No Payment and/or Underpayment of Fee for Service Claims	\$2,361,240.00
Care 1st Health Plan	No Payment and/or Underpayment of Fee for Service Claims	\$3,685,291.00
Cigna	No Payment and/or Underpayment of Fee for Service Claims	\$497,935.00
Health Net	No Payment and/or Underpayment of Fee for Service Claims	\$3,168,653.41
Kaiser	No Payment and/or Underpayment of Fee for Service Claims	\$511,119.00
LA Care Health Plan	No Payment and/or Underpayment of Fee for Service Claims	\$4,118,214.00
United Healthcare	No Payment and/or Underpayment of Fee for Service Claims	\$1,005,615.00
<b>TOTAL:</b>		<b>\$19,731,040.41</b>



**Schedule 1.8(cc) - Other Excluded Assets**

None.



**Schedule 1.9(k) - Other Assumed Obligations**

None.



**Schedule 2.4 - Material Breach**

None.



**Schedule 2.5 - Brokers and Finders**

Cain Brothers, a division of KeyBanc Capital Markets



**Schedule 2.8 - Legal Requirements**

*See Confidential Disclosure Letter.*



**Schedule 2.9 - Required Consents**

None, other than those consents required under §365 of the Bankruptcy Code.



**Schedule 2.10(a) - Phase I Environmental Site Assessments**

*See attached folder* “Schedule 2.10(a) - Phase I Environmental Site Assessments”

**[PHASE I REPORTS INTENTIONALLY  
OMITTED FROM FILING, FILES ARE  
OVER 24,000 PAGES]**



**Schedule 2.10(b) - Environmental Matters**

- In the Matter of South Coast Air Quality Management District, Petitioner, vs. St. Vincent Medical Center (Case No. 5936-1)
  - Agency: South Coast Air Quality Management District
  - 2013 Order for Abatement Regarding Hospital Boilers
  - Case Concluded
- Underground storage tank non-compliance notice issued by Los Angeles Department of Water and Power (LADWP) in September 2016 to Saint Francis Medical Center. Seller removed tank per closure permit issued to Saint Francis Medical Center by LADWP. There was no soil contamination or clean up necessary.



**Schedule 2.12 - Certain Other Representations with Respect to the Hospitals**

*See Confidential Disclosure Letter.*



**Schedule 2.13 - Historical Financial Statements**

**(a)**

*See attached folder* “Schedule 2.13 - Historical Financial Statements”

**(b)**

None.



CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES

Daughters of Charity Health System  
As of and for the Years Ended June 30, 2015 and 2014  
With Report of Independent Auditors

Ernst & Young LLP





Daughters of Charity Health System

Consolidated Financial Statements and Supplementary Schedules

As of and for the Years Ended June 30, 2015 and 2014

**Contents**

Report of Independent Auditors.....	1
Consolidated Financial Statements	
Consolidated Balance Sheets .....	3
Consolidated Statements of Operations and Changes in Net (Deficit) Assets .....	4
Consolidated Statements of Cash Flows.....	6
Notes to Consolidated Financial Statements.....	8
Supplementary Schedules	
Report of Independent Auditors on Supplementary Information .....	56
Consolidating Balance Sheet .....	57
Consolidating Statement of Operations .....	61



## Report of Independent Auditors

The Board of Directors  
Daughters of Charity Health System

We have audited the accompanying consolidated financial statements of Daughters of Charity Health System, which comprise the consolidated balance sheets as of June 30, 2015 and 2014, and the related consolidated statements of operations and changes in net (deficit) assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Marillac Insurance Company, Ltd (Marillac), a wholly-owned subsidiary, which statements reflect total assets constituting 6.81% as of June 30, 2015 and 6.68% as of June 30, 2014 and total revenues constituting 0.88% in 2015 and 0.85% in 2014 of the related consolidated totals. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Marillac, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not





for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, based on our audits and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Daughters of Charity Health System at June 30, 2015 and 2014, and the consolidated results of its operations and changes in net (deficit) assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

### **Daughters of Charity Health System's Ability to Continue as a Going Concern**

The accompanying consolidated financial statements have been prepared assuming that Daughters of Charity Health System will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, Daughters of Charity Health System has recurring losses from operations and has a net deficit that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

*Ernst & Young LLP*

November 16, 2015



## Daughters of Charity Health System

### Consolidated Balance Sheets (In Thousands)

	June 30	
	2015	2014
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 108,430	\$ 100,355
Interest in pooled investment fund – short-term	–	921
	<u>108,430</u>	<u>101,276</u>
Patient accounts receivable, net of allowance for doubtful accounts of \$30,678 and \$34,692 in 2015 and 2014, respectively	156,749	163,569
Due from government agencies	22,621	21,052
Other current assets	121,259	49,718
Other restricted assets	76,212	–
Total current assets	<u>485,271</u>	<u>335,615</u>
Assets limited as to use:		
Interest in pooled investment fund – long-term	–	26,881
Other investments	64,815	58,737
Under bond indenture agreements	25,871	26,133
Total assets limited as to use	<u>90,686</u>	<u>111,751</u>
Goodwill and intangibles, net	–	590
Property and equipment, net	282,215	339,439
Other long-term assets	9,390	10,852
Total assets	<u><u>\$ 867,562</u></u>	<u><u>\$ 798,247</u></u>
<b>Liabilities and net (deficit) assets</b>		
Current liabilities:		
Accounts payable	\$ 46,197	\$ 54,969
Accrued liabilities and other current liabilities	164,862	120,632
Current portion of long-term debt	6,833	6,607
Short-term debt	123,855	–
Due to government agencies	5,387	11,006
Total current liabilities	<u>347,134</u>	<u>193,214</u>
Pension obligations	251,267	235,467
Workers' compensation and hospital professional and general liability	45,594	37,209
Other liabilities	4,008	4,051
Long-term debt – net of current portion	282,308	289,427
Total liabilities	<u>930,311</u>	<u>759,368</u>
Net (deficit) assets:		
Unrestricted	(86,409)	1,661
Temporarily restricted	15,453	28,064
Permanently restricted	8,207	9,154
Total net (deficit) assets	<u>(62,749)</u>	<u>38,879</u>
Total liabilities and net (deficit) assets	<u><u>\$ 867,562</u></u>	<u><u>\$ 798,247</u></u>

See accompanying notes.



Daughters of Charity Health System

Consolidated Statements of Operations and  
Changes in Net (Deficit) Assets  
(In Thousands)

	Year Ended June 30	
	2015	2014
<b>Unrestricted revenues and other support</b>		
Net patient service revenue	\$ 1,315,150	\$ 1,136,718
Provision for doubtful accounts	(31,903)	(43,282)
Net patient service revenue less provision for doubtful accounts	1,283,247	1,093,436
Premium revenue	128,316	83,298
Other operating revenue	44,306	59,657
Contributions	8,321	157,694
Total unrestricted revenues and other support	1,464,190	1,394,085
Expenses:		
Salaries and benefits	759,508	805,075
Supplies	166,281	172,535
Purchased services and other	519,218	346,817
Depreciation and amortization	60,457	65,554
Interest – net	22,550	19,106
Goodwill impairment loss	–	13,376
Long-lived asset impairment	10,000	–
Total expenses	1,538,014	1,422,463
Operating loss	(73,824)	(28,378)
Investment income	3,876	16,276
Deficiency of revenues over expenses	(69,948)	(12,102)
Pension related changes	(23,383)	(8,564)
Other	576	342
Net assets released from restrictions used for purchase of property and equipment	4,685	1,319
Decrease in unrestricted net assets	(88,070)	(19,005)
<b>Temporarily restricted net assets</b>		
Contributions	2,464	138,443
Net realized and unrealized losses on investments	(3)	–
Net assets released from restrictions:		
Operations	(7,872)	(143,942)
Property, plant and equipment	(4,685)	(1,319)
Other	(2,515)	894
Decrease in temporarily restricted net assets	(12,611)	(5,924)



Daughters of Charity Health System

Consolidated Statements of Operations and  
Changes in Net (Deficit) Assets (continued)  
(In Thousands)

	Year Ended June 30	
	2015	2014
<b>Permanently restricted net assets</b>		
Net realized and unrealized gains on investments	\$ (562)	\$ 354
Other	(385)	(480)
Decrease in permanently restricted net assets	(947)	(126)
Decrease in net assets	(101,628)	(25,055)
Net assets, beginning of year	38,879	63,934
Net (deficit) assets, end of year	<u>\$ (62,749)</u>	<u>\$ 38,879</u>

See accompanying notes.



## Daughters of Charity Health System

### Consolidated Statements of Cash Flows (In Thousands)

	<b>Year Ended June 30</b>	
	<b>2015</b>	<b>2014</b>
<b>Operating activities</b>		
Change in net (deficit) assets	\$ (101,628)	\$ (25,055)
Adjustments to reconcile decrease in net (deficit) assets to net cash used in operating activities:		
Depreciation and amortization	60,457	65,554
Provision for doubtful accounts	31,903	43,282
Changes in fair value and unrealized and realized losses (gains) on investment, net	(2,920)	(12,408)
Amortization of bond premium	(359)	(359)
Amortization of deferred debt issuance cost	394	1,683
Pension related changes	23,383	8,564
Goodwill impairment loss	–	13,376
Long-lived asset impairment	10,000	–
Gain on disposal of property and equipment	(253)	(18,081)
Loss on sale of physician practice	27	–
Gain on contribution for debt repayment	–	(130,000)
Gain on loan forgiveness	–	(12,409)
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(25,083)	(53,000)
Due to/from government agencies	(7,188)	(7,873)
Other current assets	(71,751)	64,002
Other long-term assets	1,205	486
Accounts payable	(8,772)	17,735
Accrued liabilities	44,892	(5,535)
Workers' compensation and hospital professional and general liabilities	8,385	(6,318)
Pension obligations	(7,583)	(7,171)
Other long-term liabilities	(43)	397
Net cash used in operating activities	(44,934)	(63,130)
<b>Investing activities</b>		
Purchases of investments and deposits to interest in pooled investment fund – long-term	(224,111)	(272,990)
Purchase of asset for health-related activity	–	(2,488)
Proceeds from disposal of property and equipment	1,638	5,296
Proceeds from sales of investments	247,682	338,621
Changes in interest in pooled investment fund – short-term	921	90,644
Changes in assets under bond indenture agreements	262	14,726
Purchases of property and equipment	(14,607)	(39,662)
Proceeds from disposal of other assets	–	18,047
Net cash provided by investing activities	11,785	152,194



## Daughters of Charity Health System

### Consolidated Statements of Cash Flows (continued) (In Thousands)

	<b>Year Ended June 30</b>	
	<b>2015</b>	<b>2014</b>
<b>Financing activities</b>		
Retirement of debt	\$ —	\$ (13,655)
Repayment of debt	(6,606)	(8,787)
Issuance of debt	47,643	—
Cash contributions received for the purchase of property and equipment	187	2,573
Net cash provided by (used in) financing activities	<u>41,224</u>	<u>(19,869)</u>
 Increase in cash and cash equivalents	 8,075	 69,195
Cash and cash equivalents at beginning of year	100,355	31,160
Cash and cash equivalents at end of year	<u>\$ 108,430</u>	<u>\$ 100,355</u>
 <b>Supplemental disclosures of cash flow information</b>		
Cash paid for interest – net of capitalized interest	<u>\$ 22,229</u>	<u>\$ 17,735</u>
 <b>Supplemental disclosures of noncash items</b>		
Gain on contribution for debt repayment	\$ —	\$ (130,000)
Gain on loan forgiveness	\$ —	\$ (12,409)
Capitalized interest	\$ 665	\$ 824
Increase (decrease) in payable for investments purchased	\$ 1,579	\$ (7,132)
Increase (decrease) in receivable for investments sold	\$ 927	\$ (488)
Accrued purchases of property and equipment	\$ 270	\$ 747
Purchases of goodwill through debt issuance	\$ —	\$ 985

*See accompanying notes.*



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements

June 30, 2015

#### 1. Organization

The Daughters of Charity Health System (Parent), a California nonprofit religious corporation, was formed in June 2001 by the Daughters of Charity Ministry Services Corporation (Ministry Services), a California not-for-profit religious corporation. Ministry Services is the sole corporate member of Daughters of Charity Health System. Daughters of Charity Health System is the sole corporate member of six California not-for-profit religious corporations that operate six acute care hospitals and other facilities (the Hospitals, see list below) in the state of California. Daughters of Charity Health System and the following list of affiliated entities (collectively, DCHS) became one of the largest not-for-profit health care systems in the state of California, with approximately 1,660 licensed acute care and skilled nursing beds.

DCHS consists of Parent\* and the following:

- O'Connor Hospital\*
- Saint Louise Regional Hospital\*
- St. Francis Medical Center Lynwood\*
- St. Vincent Medical Center\*
- Seton Medical Center\*
- Seton Medical Center Coastsides (a division of Seton Medical Center)\*
- Caritas Business Services
- Marillac Insurance Company, Ltd. (Marillac)
- O'Connor Hospital Foundation
- Saint Louise Regional Hospital Foundation
- St. Francis Medical Center of Lynwood Foundation
- St. Vincent Medical Center Foundation
- Seton Health Services Foundation
- St. Vincent de Paul Ethics Corporation
- St. Vincent Dialysis Center
- De Paul Ventures, LLC (see Note 2)
- DCHS Medical Foundation (see Note 2)

\*Part of the Obligated Group (see discussion below and Note 9)

The Daughters of Charity of St. Vincent de Paul (the Daughters of Charity) commenced its health care mission in California in 1856, with four of the Hospitals having been sponsored by the Daughters of Charity since their formation.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 1. Organization (continued)

DCHS established an Obligated Group (see listing of entities included in the Obligated Group above) to access the capital markets. Obligated Group members are jointly and severally liable for the long-term debt outstanding under the Bond Master Indenture.

#### 2. Summary of Significant Accounting Policies

##### Basis of Presentation and Going Concern

In recent years, DCHS has experienced recurring operating losses that have been funded primarily from cash reserves. For the year ended June 30, 2015, DCHS recorded a net operating loss of \$73,824,000 and a decrease in cash, cash equivalents, short-term and long-term investments of \$13,911,000. In 2014, DCHS received a \$130,000,000 contribution from the Daughters of Charity Foundation that was restricted for the purpose of defeasing the Series 2008 Bonds. Refer to Note 9 for further details on the defeased Series 2008 Bonds. DCHS anticipates that it will continue to incur operating losses and intends to continue to fund its losses from operations. Subsequent to June 30, 2015, DCHS has not borrowed any additional short-term debt from the California Statewide Development Corporation. Refer to Note 9 for further details.

On July 17, 2015, the DCHS Parent and Daughters of Charity Ministry Services selected Blue Mountain Capital Management (Blue Mountain), a private investment firm, to recapitalize the Hospitals. Blue Mountain will also provide management services (via Integrity Healthcare, a wholly owned subsidiary) to operate the six California hospitals and medical foundation (collectively, the “Transaction”). Under the terms of the Transaction, the DCHS board of directors will transfer control of the Hospitals to an independent, non-profit board of directors, which will oversee hospital operations. The Transaction is subject to regulatory approval and there can be no guarantee that the Transaction will close. Refer to Note 12 for further details on the Transaction.

In the event that the Transaction does not close, the Board of DCHS will consider all alternatives, which may include seeking alternative transactions, closure, and use of bankruptcy proceedings to accomplish alternatives.

The uncertainties surrounding future cash flows and liquidity position raise substantial doubt regarding DCHS’ ability to continue as a going concern. The accompanying consolidated financial statements have been prepared in accordance with United States (U.S.) generally accepted accounting principles applicable to a going concern, which contemplates the realization



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

of assets and the settlement of liabilities and commitments in the normal course of business for the foreseeable future. Such consolidated financial statements do not include any adjustments relating to the recoverability of the carrying amounts of recorded assets or the amount of liabilities that might result from the outcome of the uncertainties described above.

#### **Consolidation**

The accompanying consolidated financial statements include the accounts of DCHS after elimination of intercompany transactions.

#### **Use of Estimates**

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. DCHS considers critical accounting policies to be those that require more significant judgments and estimates in the preparation of its consolidated financial statements, including the following: recognition of net patient service revenue, which includes contractual allowances and discounts; provisions for doubtful accounts and charity care; and risks and assumptions for measurement of pension and other postretirement liabilities. Management bases its estimates on historical experience and various other assumptions that it believes are reasonable under the particular facts and circumstances. Actual results could differ from those estimates.

#### **Cash and Cash Equivalents**

Cash and cash equivalents consist primarily of cash and highly liquid marketable securities with original maturities, at the time of purchase, of three months or less.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Patient Accounts Receivable, Allowance for Doubtful Accounts, and Net Patient Service Revenue

Patient accounts receivable and net patient service revenue are reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated settlements under reimbursement agreements with third-party payers. Settlements with third-party payers are accrued on an estimated basis in the period in which the related services are rendered and are adjusted in future periods as final settlements are determined.

DCHS manages the receivables by regularly reviewing its patient accounts and contracts and by providing appropriate allowances for uncollectible amounts. These allowances are estimated based upon an evaluation of historical payments, negotiated contracts and governmental reimbursements. Adjustments and changes in estimates are recorded in the period in which they are determined. The allowance for doubtful accounts for self-pay patients was 87% and 87% of self-pay accounts receivable at June 30, 2015 and 2014, respectively.

Patient service revenues, net of contractual allowances and discounts, are as follows (in thousands):

	<b>Year Ended June 30</b>	
	<b>2015</b>	<b>2014</b>
Government	\$ 881,274	\$ 656,291
Contracted	380,068	412,280
Self-pay and others	53,808	68,147
Net patient service revenue	<u>1,315,150</u>	<u>1,136,718</u>
Less: Provision for doubtful accounts	<u>(31,903)</u>	<u>(43,282)</u>
Net patient service revenue less provision for doubtful accounts	<u><u>\$ 1,283,247</u></u>	<u><u>\$ 1,093,436</u></u>



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

Significant concentrations of net patient accounts receivable are as follows:

	<b>June 30</b>	
	<b>2015</b>	<b>2014</b>
HMO/PPO/Commercial	<b>36%</b>	38%
Medicare	<b>32</b>	29
Medi-Cal	<b>29</b>	28
Other	<b>3</b>	5
Total	<b>100%</b>	100%

Inpatient acute care services, outpatient services, and skilled nursing services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain inpatient nonacute services and defined capital and medical education costs related to Medicare beneficiaries are paid using a cost reimbursement methodology.

Health care services are provided free of charge or at a significant discount based on a sliding scale to individuals who meet certain financial criteria. DCHS makes every effort to determine if a patient qualifies for charity care upon admission. If a patient is determined to qualify for charity care, services are rendered to the patient free of cost. The costs of providing these services are included in unsponsored community benefit expense (see Note 3).

After satisfaction of amounts due from insurance and the application of financial discounts to patients' balances, and after exhausting all reasonable efforts to collect from the patients, a significant portion of the DCHS's uninsured and self-pay patient accounts are referred to the third-party agencies based on DCHS's established guidelines for further collection activities. As a result, DCHS's records a significant provision for doubtful accounts related to these uninsured patients in the period the services are rendered.

Payments from Medi-Cal and contracted-rate payers are based on a per diem, per discharge, modified cost, or capitated basis or a combination of these.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

Adjustments for the finalization of prior year cost reports from both Medicare and Medi-Cal resulted in an increase to patient service revenues of \$5,176,000 and \$9,291,000, for the years ended June 30, 2015 and 2014, respectively. Additionally, as a result of recent finalized cost reports, management determined that certain allocated reserves related to open prior year Medicare cost reports were no longer necessary, which resulted in a gain of \$15,069,000 for the year ended June 30, 2015.

DCHS's St. Francis Medical Center qualified for and received Medi-Cal funding as a disproportionate-share hospital from the state of California under Senate Bill (SB) 855. Related revenues were \$27,143,000 and \$27,381,000, for the years ended June 30, 2015 and 2014, respectively, and are included in net patient service revenue. Amounts to be received in future years, if any, are subject to annual determination.

The St. Francis Medical Center also received funding for Medi-Cal disproportionate-share hospitals under Senate Bill 1255 (SB 1255). These SB 1255 funds are paid from the Emergency Services and Supplemental Payments Fund. Related revenues were \$8,413,000 and \$9,023,000, for the years ended June 30, 2015 and 2014, respectively, and are included in net patient service revenue. This funding must be applied for and approved each year.

The St. Francis Medical Center also qualifies for Medi-Cal funding as a disproportionate-share hospital from the state of California under Senate Bill 1732 (SB 1732). This SB 1732 program permits health care facilities servicing a disproportionate share of Medi-Cal patients to receive supplemental reimbursement for a portion of their debt service for qualified capital projects. St. Francis Medical Center has an amendment to its Medi-Cal contract, which was executed on June 19, 1993, for reimbursement related to the St. Francis Medical Center Health Services Pavilion, which was completed in 1991. Related revenues were \$2,570,000 and \$2,475,000, for the years ended June 30, 2015 and 2014, respectively, and are included in net patient service revenue.

As part of DCHS's mission to serve the community, DCHS provides care to patients even though they may lack adequate insurance or may participate in programs that do not pay full charges. Reserves for charity care and uncollectible amounts have been established and are netted against patient accounts receivable in the consolidated balance sheets.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

##### **Industry Concentration**

The receipt of future revenues by DCHS is subject to, among other factors, federal and state policies affecting the health care industry. There are future revenue uncertainties that may require that costs be controlled, which will be subject to the capability of management; future economic conditions, which may include an inability to control expenses in periods of inflation; increased competition; and other conditions, which are impossible to predict.

##### **Inventories**

Inventories consist of supplies and are stated at the lower of cost or market value, which is determined using the first-in, first-out method. Inventories are reviewed for obsolescence on a periodic basis. Amounts are included in other current assets.

##### **Assets Limited as to Use**

Assets limited as to use represent assets designated by the board of directors for future capital improvements, other specific purposes for Marillac over which the board of directors retains control, assets held by trustees under bond indenture agreements, and investments restricted by donors. The board of directors has the full ability to utilize the Marillac assets limited as to use to satisfy the needs of on-going operations, as necessary. Additionally, DCHS participated in a pooled investment fund administered by Ascension Health until September 2014. Assets limited as to use are stated at fair value. Refer to Note 4 for further details.

Investment income or loss is included in deficiency of revenues over expenses, unless the income or loss is restricted by donor or law. The assets are reflected in the assets limited as to use line item in the consolidated balance sheets.

##### **Investments**

Investments received through gifts are recorded at estimated fair value at the date of donation. Gains and losses that result from market fluctuations are recognized in the period that such fluctuations occur. Realized gains or losses resulting from sales or maturities are calculated on an adjusted-cost basis. Adjusted-cost is the original cost of the security adjusted for any purchases or sales during the year. Dividend and interest income are accrued when earned.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

Investment income includes the following (in thousands):

	<b>Year Ended June 30</b>	
	<b>2015</b>	<b>2014</b>
Interest and dividends	\$ 3,362	\$ 1,559
Investment fees	(213)	(246)
Unrealized (loss) gain on investments – net	(936)	8,871
Net realized gain on sales of securities	1,660	6,450
	<u>3,873</u>	<u>16,634</u>
Amounts included in changes in restricted net assets	3	(358)
Investment income	<u>\$ 3,876</u>	<u>\$ 16,276</u>

#### Property and Equipment

Property and equipment are stated at cost, if purchased, and at fair market value, if donated. Depreciation of property and equipment is calculated using a half-year convention and the straight-line method for financial statement purposes. Estimated useful lives by classification are as follows:

Land improvements	5–25 years
Buildings	10–40 years
Building service equipment	5–25 years
Equipment	4–20 years

#### Long-Lived Asset Impairment

DCHS routinely evaluates the carrying value of its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset, or related group of assets, may not be recoverable from estimated future undiscounted cash flows generated by the underlying tangible assets. When the carrying value of an asset exceeds the estimated recoverability, an asset impairment charge is recognized. The impairment tests are based on financial projections prepared by management that incorporate anticipated results from programs and initiatives being implemented and market value assessments of the assets. If the projections are not met, or if negative trends occur that impact the future outlook, the value of the long-lived assets may be impaired, which could be material.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

DCHS recorded \$10,000,000 of impairment for the estimated non-recoverability of the building and select equipment at St. Vincent Medical Center. The amount of impairment was determined using a distressed revenue multiple, and was allocated using comparable prices for similar assets.

#### Goodwill and Intangible Assets

Goodwill is measured as of the effective date of a business acquisition as the excess of the aggregate of the fair value of consideration transferred over the fair value of the tangible and intangible assets acquired and liabilities assumed.

The changes in the carrying amount of goodwill are as follows (in thousands):

	<b>Year Ended June 30</b>	
	<b>2015</b>	<b>2014</b>
Beginning balance	\$ —	\$ 10,421
Addition from acquisition	—	2,955
Impairment	—	(13,376)
Ending balance	<u>\$ —</u>	<u>\$ —</u>

DCHS, through the DCHS Medical Foundation, acquired intangible assets and goodwill valued at \$3,251,000 as of June 30, 2014, as a result of various physician practice acquisitions during fiscal year 2014. No acquisitions were made during fiscal year 2015.

The goodwill impairment tests are based on financial projections prepared by management that incorporate anticipated results from programs and initiatives being implemented. If these projections are not met or if negative trends occur that impact outlook, the value of goodwill may be impaired. During the year ended June 30, 2014, management determined that all goodwill was impaired.

It is DCHS's policy to amortize intangible assets with a finite life over their useful lives.

#### Fair Value of Financial Instruments

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, and due to/from government agencies approximate fair value. The fair value of investments is disclosed in Notes 4 and 8, and the fair value of debt is disclosed in Note 9.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Medical Foundation

The DCHS Medical Foundation (Medical Foundation) was established in December 2011 and incorporated under the California Nonprofit Religious Corporation regulations as a not-for-profit corporation exempted from IRC Section 501(c)(3). The sole member of this corporation is DCHS, acting through its board of directors.

During the fiscal year ended June 30, 2014, the Medical Foundation acquired eight physician groups, comprising the physician groups tangible and intangible assets, respectively. The total purchase consideration for the year ended June 30, 2014, amounted to \$3,473,000, of which \$2,488,000 was paid in cash and the remaining balance of \$985,000 in notes payable in two installments of \$492,500 due in fiscal years 2015 and 2016, respectively. The majority of the purchase price was allocated to goodwill at June 30, 2014. These acquisition costs have been reflected in DCHS's consolidated financial statements as of June 30, 2014. No acquisitions were made during the fiscal year ended June 30, 2015.

##### Guarantees

In the normal course of its business, DCHS enters into various types of guarantees with counterparties in connection with asset sales and other transactions. DCHS also provides indemnifications against potential losses to certain parties involved in their bond financing. The indemnifications are ordinarily documented in standard contract terms. Generally, there are no stated or notional amounts included in these indemnifications, and the events or contingences triggering the obligations to indemnify are generally not expected to occur. There have been no claims, and none are expected to occur; therefore, it is not possible to develop an estimate of the maximum payout and fair value under these guarantees and indemnifications. DCHS has not recorded any liabilities in the consolidated financial statements as of June 30, 2015 and 2014, related to any guarantees or indemnification arrangements.

##### Self Insurance

DCHS is self-insured for hospital professional and general liabilities by a wholly-owned self-insured captive insurance company. The provisions for estimated hospital professional and general liability claims include estimates of the ultimate costs for both uninsured reported claims and claims incurred-but-not-reported (IBNR), in accordance with actuarial projections or paid claims lag models based on past experience. Such claim reserves are based on the best data



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

available to DCHS; however, these estimates are subject to a significant degree of inherent variability. There is at least a reasonable possibility that a material change to the estimated reserves will occur in the near term. Such estimates are continually monitored and reviewed, and as reserves are adjusted, the differences are reflected in current operations. Management is of the opinion that the associated liabilities recognized in the accompanying consolidated financial statements are adequate to cover such claims.

DCHS has entered into reinsurance, stop loss, and excess policy agreements with independent insurance companies to limit its losses on hospital professional and general liability claims.

Hospital professional and general liabilities were \$13,161,000 and \$6,022,000, discounted at a rate of 4% and 3% as of June 30, 2015 and 2014, respectively. Management is not aware of any potential hospital professional and general liability claims whose settlement would have a material adverse effect on DCHS's consolidated financial position.

#### **Workers' Compensation Insurance**

DCHS is insured for workers' compensation claims with major independent insurance companies, subject to certain deductibles of \$500,000 per occurrence as of June 30, 2015 and 2014. Based on actuarially determined estimates, provisions have been made in the consolidated financial statements, with the current portion included within accrued liabilities and the non-current portion within workers' compensation and hospital professional and general liabilities, for all known claims and incurred but not reported claims as of June 30, 2015 and 2014. Workers' compensation liabilities were \$24,278,000 and \$26,115,000 discounted using a rate of 4% and 3%, as of June 30, 2015 and 2014, respectively. Estimation differences between actual payments and amounts recorded in previous years are recognized as expense in the year such amounts become determinable.

#### **Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are those for which use by DCHS has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by DCHS in perpetuity.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

##### **California Hospital Fee Program**

California legislation established a program in 2009 that imposes a Quality Assurance Fee (QA Fee) on certain general acute-care hospitals in order to make supplemental and grant payments and increased capitation payments (Supplemental Payments) to hospitals up to the aggregate upper payment limit for various periods. There have been four such programs (the “Programs”) since inception.

The Programs are designed to make supplemental inpatient and outpatient Medi-Cal payments to private hospitals, including additional payments for certain facilities that provide high-acuity care and trauma services to the Medi-Cal population. This hospital QA Fee program provides a mechanism for increasing payments to hospitals that serve Medi-Cal patients, with no impact on the state’s General Fund. Payments are made directly by the state or Medi-Cal managed care plans, which will receive increased capitation rates from the state in amounts equal to the Supplemental Payments. Outside of the legislation, the California Hospital Association has created a private program, operated by the California Health Foundation and Trust (CHFT), which was established to alleviate disparities potentially resulting from the implementation of the Programs.

The Programs require full federal approval (i.e., by the Centers for Medicare and Medicaid Services (CMS)) in order for them to be fully enacted. If final federal approval is not ultimately obtained, provisions in the underlying legislation allowed for the QA Fee, previously assessed, and Supplemental Payments, previously received, to be returned and recouped, respectively. As such, revenue and expense recognition is not allowed until full CMS approval was obtained.

In June 2012, the third program (30-Month Program), covering the period from July 2011 to December 2013, was amended to allow for the fee-for-service portion to be administered separately from the managed care portion. The fee-for-service portion of the 30-Month Program was approved in June 2012. In May and June 2013, 24 months of managed care payments were approved by CMS. In December 2014, the final six months of managed care payments were approved by CMS.

In October 2013, the fourth program (36-Month Program), covering the period from January 2014 to December 2016, was signed into law by the Governor of California. The fee-for-service payments of the 36-Month Program were approved in December 2014 by CMS. The first six months of non-expansion managed care payments were approved by CMS in June 2015.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

DCHS recognized payments to the California Department of Health Care Services for the QA fee in the amount of \$134,198,000 and \$33,411,000 and pledge payments to CHFT of \$2,282,000 and \$1,577,000 within purchased services and other expenses for the years ended June 30, 2015 and 2014, respectively. DCHS also recognized Supplemental Payment revenue in the amount of \$222,467,000 and \$49,606,000 pertaining to the 30-Month and 36-Month Programs within the net patient service revenues for the years ended June 30, 2015 and 2014, respectively.

#### **Meaningful Use Incentives**

The American Recovery and Reinvestment Act of 2009 established payments under the Medicare and Medi-Cal programs for certain professionals and hospitals that meaningfully use certified electronic health record (EHR) technology. The Medicare incentive payments are paid out to qualifying hospitals over four consecutive years on a transitional schedule. To qualify for Medi-Cal incentives, hospitals and physicians must annually meet EHR “meaningful use” criteria that become more stringent over three stages as determined by CMS. For the years ended June 30, 2015 and 2014, DCHS has recorded meaningful use incentive payments of \$7,947,000 and \$10,104,000, respectively. These incentive payments have been recorded as other operating revenue in the DCHS consolidated financial statements.

#### **Premium Revenue**

Certain entities of DCHS have at-risk agreements with various payers to provide medical services to enrollees. Under these agreements, DCHS receives monthly payments based on the number of enrollees, regardless of services actually performed by DCHS. DCHS accrues costs when services are rendered under these contracts, including estimates of IBNR claims and amounts receivable/payable under risk-sharing arrangements.

The IBNR accrual includes an estimate of the costs of services for which DCHS is responsible, including out-of-network services.

#### **Other Operating Revenue**

Included in other operating revenue are amounts from investments in health-related activities, rental income, cafeteria, and other nonpatient care revenue.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Contributions

Unconditional promises to give cash and other assets to DCHS are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets. Net assets released from restrictions used for operations are also included in other operating revenue as contribution revenue to the Hospitals.

##### Interest Expense

Interest expense on debt issued for construction projects, net of income earned on the funds held pending use, is capitalized from the date of the borrowing until the projects are placed in service. Interest components include the following (in thousands):

	<b>Year Ended June 30</b>	
	<b>2015</b>	<b>2014</b>
Total interest expense	\$ 23,215	\$ 19,930
Less: capitalized interest expense	(665)	(824)
Net interest expense	<u>\$ 22,550</u>	<u>\$ 19,106</u>

##### Income Taxes

DCHS has established its status as an organization exempt from income taxes under the Internal Revenue Code (IRC) Section 501(c) (3) and the laws of California. Certain activities of the operating entities of DCHS may be subject to income taxes; however, such activities are not significant to the consolidated financial statements.

##### Performance Indicator

Management considers the deficiency of revenues over expenses to be DCHS's performance indicator. Deficiency of revenues over expenses includes all changes in unrestricted net assets, except net assets released from restrictions used for purchase of property and equipment, the change in funded status of pension plans, and other.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

##### **Transactions Between Related Organizations**

DCHS and various members of DCHS pay for sisters' services provided to it by its sponsoring congregation at amounts comparable to low-wage employees' salaries.

Certain Obligated Group members have a policy whereby assets are periodically transferred as charitable distributions to subsidiaries of DCHS that are not members of the Obligated Group. These transfers are accounted for as direct charges to the Obligated Group members' unrestricted net assets. It is anticipated that Obligated Group members will continue to make asset transfers to the subsidiaries. These transfers are eliminated upon consolidation.

##### **Asset Retirement Obligations (AROs)**

AROs are legal obligations associated with the retirement of long-lived assets. These liabilities are initially recorded at fair value, and the related asset retirement costs are capitalized by increasing the carrying amount of the related assets by the same amount as the liability. Asset retirement costs are subsequently depreciated over the useful lives of the related assets. Subsequent to initial recognition, DCHS records period-to-period changes in the ARO liability resulting from the passage of time. DCHS's ARO liabilities recorded in the consolidated financial statements at June 30, 2015 and 2014 were \$3,421,000 and \$3,227,000, respectively.

##### **Revenue Guarantees**

DCHS has agreements with physicians whereby minimum revenues are guaranteed by DCHS for stipulated dollar amounts over specified periods, as defined in the contracts. DCHS records a liability for the amount of the guaranteed revenue at the time the contract is entered into and adjusts the liability as it is expended. DCHS has recorded liabilities of \$746,000 and \$1,396,000 as of June 30, 2015 and 2014, respectively.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Recent Accounting Pronouncements

In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)* (ASU 2015-07), which removes the requirement to categorize, within the fair value hierarchy, investments for which fair value is measured using the net asset value per share practical expedient. It also limits disclosures related to investments for which the entity has elected to measure the fair value using that practical expedient. The guidance is effective for DCHS as of July 1, 2016. The adoption of ASU 2015-07 is not expected to have a material impact on the consolidated financial statements.

In April 2015, the FASB issued ASU No. 2015-03, *Simplifying the Presentation of the Debt Issuance Costs* (ASU 2015-03), which changes the presentation of debt issuance costs in financial statements. Under ASU 2015-03, an entity presents such costs in the balance sheet as a direct deduction from the related debt liability rather than as an asset, and amortization of the costs is reported as interest expense. The guidance is effective for DCHS as of July 1, 2016. The adoption of ASU 2015-03 is not expected to have a material impact on the consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (ASU 2014-09), which outlines a comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance, and requires significantly expanded disclosures about revenue recognition. The core principle of the revenue model is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance, as amended by ASU 2015-14, *Revenue From Contracts With Customers (Topic 106)*, is effective for DCHS as of July 1, 2018. Early adoption is not permitted; DCHS management is currently evaluating the impact on the consolidated financial statements and the options of adopting either a full retrospective or a modified approach.

In April 2014, the FASB issued ASU No. 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity* (ASU 2014-08), which amends the definition of a discontinued operation in Accounting Standards Codification (ASC) 205-20, *Discontinued Operations*, and requires entities to disclose additional information about disposal



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

transactions that do not meet the discontinued operations criteria. The guidance is effective for DCHS as of July 1, 2015. DCHS is assessing the impact of the adoption of ASU 2014-08 on its consolidated financial statements.

#### 3. Unsponsored Community Benefit Expense

The following is a summary of DCHS's community service in terms of services to the poor and benefits to the broader community for the year ended June 30, 2015. The summary has been prepared in accordance with the Catholic Health Association of the United States publication, *A Guide for Planning and Reporting Community Benefit* (dollars in thousands) (unaudited):

	Total Community Benefit Expense – at Cost			Unsponsored Community Benefit Expense – at Cost	
	Amount	Percentage of Total Expenses	Direct Offsetting Revenue	Amount	Percentage of Total Expenses
	<i>(Unaudited)</i>				
Benefits for the poor:					
Traditional charity care	\$ 13,226	0.9%	\$ –	\$ 13,226	0.9%
Unpaid costs of public programs – Medicaid	402,506	26.2	304,259	98,247	6.4
Nonbilled services	5,578	0.4	3,363	2,215	0.1
Cash and in-kind donations	2	0.0	–	2	0.0
Other	4,170	0.3	1,243	2,927	0.2
Total quantifiable benefits for the poor	425,482	27.8	308,865	116,617	7.6
Benefits for the broader community:					
Nonbilled services	1,970	0.1	1,574	396	0.0
Education and research	211	0.0	–	211	0.0
Cash and in-kind donations	137	0.0	33	104	0.0
Other	1,607	0.1	–	1,607	0.1
Total quantifiable benefits for the broader community	3,925	0.2	1,607	2,318	0.1
Total quantifiable community benefits	429,407	27.9	310,472	118,935	7.7
Unpaid costs of Medicare program	341,566	22.1	265,492	76,074	5.0
Total quantifiable community benefits and unpaid costs of Medicare program	\$ 770,973	50.1%	\$ 575,964	\$ 195,009	12.7%



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **3. Un-sponsored Community Benefit Expense (continued)**

##### **Benefits for the Poor**

Benefits for the poor include services provided to persons who cannot afford health care because of inadequate resources and/or who are uninsured or underinsured.

##### **Benefits for the Broader Community**

Benefits for the broader community include services and programs provided to other needy populations that may not qualify as poor, but that need special services and support. Examples include the elderly, substance abusers, victims of child abuse, and persons with acquired immune deficiency syndrome. They also include the cost of health promotion and education, health clinics and screenings, and medical research, which benefit the broader community.

##### **Traditional Charity Care**

Traditional charity care covers services provided to persons who cannot afford to pay and who meet DCHS's criteria for financial assistance. DCHS utilizes information obtained directly from patients as well as information from publicly available sources in determining charity care eligibility. The amounts above reflect the costs of these services (based on DCHS's relationship of costs to charges) before and after contributions and other revenues received as direct assistance for the provision of charity care. The amount of traditional charity care at cost was \$13,226,000 and \$21,768,000 for the years ended June 30, 2015 and 2014, respectively.

##### **Unpaid Costs of Public Programs – Medi-Cal**

Unpaid costs of public programs are the costs of treating indigent and Medi-Cal beneficiaries in excess of government payments. Cost is based on DCHS's relationship of costs to charges.

##### **Nonbilled Services**

Nonbilled services include the cost of services for which a patient is not billed or for which a nominal fee has been assessed. These are services that are not expected to be financially self-supporting. Examples are free clinic services and meal programs.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **3. Un-sponsored Community Benefit Expense (continued)**

##### **Cash and In-Kind Donations**

Cash and in-kind donations are made by DCHS to special funds used to benefit the poor and the community.

##### **Education**

Education includes the unpaid cost of training health professionals, such as medical residents, nursing students, and students in allied health professions.

##### **Research**

Research includes the unpaid cost of testing medical equipment and controlled studies of therapeutic protocols.

##### **Other Benefits for the Broader Community Expenses**

Other benefits for the broader community expenses include low-or negative-margin services, which are services offered because of a need in the community. They do not include services offered because they create revenues elsewhere.

##### **Total Community Benefit Expense**

Total community benefit expense is the total cost of community benefits before direct offsetting revenue, donations, or other funds used to defray such costs.

##### **Un-sponsored Community Benefit Expense**

Un-sponsored community benefit expense is the total cost incurred after direct offsetting revenue, if any, from patients, donations, and other sources.

##### **Unpaid Costs of Medicare Program**

Unpaid costs of the Medicare program are the costs of treating Medicare beneficiaries in excess of government payments. Cost is based on DCHS's relationship of costs to charges.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 4. Fair Value Measurements

DCHS accounts for certain assets at fair value or on a basis that approximates fair value. A fair value hierarchy for valuation inputs has been established to prioritize the valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels, which is determined by the lowest-level input that is significant to the fair value measurement in its entirety. These levels are as follows:

- *Level 1* – Quoted prices are available in active markets for identical assets as of the measurement date. Financial assets in Level 1 include listed equities and money market balances.
- *Level 2* – Pricing inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Financial assets in this category generally include asset-backed securities, corporate bonds, municipal bonds, and commingled investment funds.
- *Level 3* – Pricing inputs are generally unobservable for the assets and include situations where there is little, if any, market activity for the investment. The inputs used in determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets. Therefore, the fair values are determined using factors that involve judgment and interpretations, including discounted cash flow models and similar techniques. There were no Level 3 investments at June 30, 2015 and 2014.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 4. Fair Value Measurements (continued)

The following represents assets measured at fair value on a recurring basis (in thousands):

	June 30, 2015		
	Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)
	Total		
Other investments – assets limited as to use:			
Cash equivalents	\$ 12,737	\$ 12,737	\$ –
Debt securities issued by foreign corporations	1,961	–	1,961
Debt securities issued by the U.S. Treasury and other U.S. government corporations	14,806	–	14,806
Government mortgage-backed securities	1,575	–	1,575
Commercial mortgage-backed securities	4,094	–	4,094
Corporate U.S. debt securities	14,017	–	14,017
Index funds	10,311	–	10,311
Convertible equity	32	–	32
Investment held in trust account	5,282	–	5,282
	<b>64,815</b>	<b>12,737</b>	<b>52,078</b>
Under bond indenture agreements – assets limited as to use:			
Cash equivalents	2,000	2,000	–
Receivables under repurchase agreement	23,871	–	23,871
	<b>\$ 90,686</b>	<b>\$ 14,737</b>	<b>\$ 75,949</b>



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 4. Fair Value Measurements (continued)

	June 30, 2014		
	Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)
	Total		
Pooled investment funds:			
Pooled funds – short-term	\$ 921	\$ –	\$ 921
Pooled funds – long-term	26,881	–	26,881
	27,802	–	27,802
Other investments – assets limited as to use:			
Cash equivalents	10,665	10,665	–
Debt securities issued by foreign corporations	2,364	–	2,364
Debt securities issued by the U.S. Treasury and other U.S. government corporations	8,608	–	8,608
Government mortgage-backed securities	2,243	–	2,243
Commercial mortgage-backed securities	2,872	–	2,872
Corporate U.S. debt securities	15,987	–	15,987
Index funds	10,458	–	10,458
Convertible equity	199	–	199
Investment held in trust account	5,341	–	5,341
	58,737	10,665	48,072
Under bond indenture agreements – assets limited as to use:			
Cash equivalents	2,000	2,000	–
Receivables under repurchase agreement	24,133	–	24,133
	26,133	2,000	24,133
	\$ 112,672	\$ 12,665	\$ 100,007



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 4. Fair Value Measurements (continued)

There were no transfers to or from Levels 1, 2 or 3 during the years presented. The Level 2 financial assets listed in fair value hierarchy tables above use the following valuation techniques and inputs:

DCHS participated in Ascension Health's pooled Catholic Healthcare Investment Management Company (CHIMCO) Alpha Fund, LLC, which is carried at fair value based on quoted market prices, quoted market prices for similar instruments, and observable and unobservable inputs. The pooled fund is composed of cash, equity securities (domestic and foreign), U.S. federal and corporate obligations, to be announced (TBA) mortgage-backed securities, asset-backed securities, and fixed-income securities and is designated as Level 2. Beginning January 1, 2014, DCHS moved all of its investments in the Alpha Fund to short-term liquid funds, such as cash and cash equivalents. As of September 2014, DCHS sold its investment in the Fund, and Ascension Investment Management no longer manages any funds on behalf of DCHS.

For marketable securities, such as foreign corporation and U.S. government debt securities, government and commercial mortgage-backed securities, TBA mortgage-backed securities, corporate U.S. debt securities, index funds, and beneficial interest held in trust accounts, wherein identical quoted market prices are not readily available, the fair value of such investments is determined based on market participant pricing or other available market data for comparable instruments and transactions at the measurement date. DCHS, therefore, incorporates industry-standard valuation techniques as inputs to fair valuation of its investments designated as Level 2.

DCHS's rationale for the assignment of levels is based on types or classes of financial assets, rather than an analysis of each individual asset. Key consideration in the assignment of levels was given to the determination of a security's fair valuation measurement if obtained from an active market, and then further consideration was given for the types of inputs used to evaluate the fair value price. This approach has been supported by management's analysis of the methodology, the evaluated pricing models, and inputs used by its pricing vendors. It is also consistent with industry practice.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 4. Fair Value Measurements (continued)

Where quoted prices are available in an active market (exchange-traded), the securities are classified as Level 1. It is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. If quoted market prices are not readily available for a specific financial asset, then value is determined using quoted prices of assets with similar characteristics and is classified as Level 2. Examples of these categories are DCHS's investment in high-yield debt securities, collateralized mortgage obligations, and fixed-income prices provided by a broker-dealer. In cases where there is limited activity and less transparency associated with inputs to the valuation, DCHS will designate the investments as Level 3.

Included within the assets above are investments in certain securities that report fair value, using a calculated Net Asset Value (NAV) or its equivalent. The following table and explanations identify attributes relating to the nature and risk of such investments (in thousands):

	June 30, 2014		
	Fair Value	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
<b>Level 2</b>			
Pooled funds – short-term (1)	\$ 921	Daily	1–3 days
Pooled funds – long-term (1)	26,881	Daily	1–3 days
Total pooled funds	<u>\$ 27,802</u>		

- (1) This category includes investments in CHIMCO Alpha Fund and is mainly invested in U.S. government, state, municipal, and agency obligations; corporate- and foreign government-fixed maturities; and U.S. government and corporate asset-backed securities.

The investments included above are not expected to be sold at amounts that are different from their NAV. There were no unfunded commitments at June 30, 2015 and 2014.

#### *Investment Held in Trust Accounts*

DCHS is the beneficiary of a split-interest agreement from a donor. The related assets are controlled and invested by an independent third party. DCHS records the assets for its share when formal written or other verifiable documentation is received. DCHS's share of the assets is based on the present value of the estimated future distributions to be received by DCHS over the term of the agreement. The agreements are carried at fair value based on the underlying assets. DCHS used 2.0% discount rate to value split-interest agreements at June 30, 2015.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 4. Fair Value Measurements (continued)

##### *Receivables Under Repurchase Agreements*

DCHS participates in a repurchase agreement with a custodian, whereby DCHS lends cash from a bond reserve fund to a third party on a short-term basis. The loans are secured by collateral, consisting of various investments that equal the amount of the cash loaned. DCHS is paid a fixed rate of return of 4.6% for the amounts loaned. Interest is accrued monthly and paid semi-annually. The amounts of the receivables under repurchase agreements were \$23,871,000 and \$24,133,000 at June 30, 2015 and 2014, respectively, and are included in assets limited as to use under bond indenture agreements. The loans remained in place until the termination date, which was July 1, 2015, at which time these funds were reinvested in other securities.

#### 5. Property and Equipment

Property and equipment consists of the following (in thousands):

	<b>June 30</b>	
	<b>2015</b>	<b>2014</b>
Land	\$ 29,955	\$ 29,955
Land improvements	20,263	20,244
Buildings and service equipment	710,572	709,161
Equipment	526,830	522,180
Construction in progress	5,312	14,082
Total	<u>1,292,932</u>	<u>1,295,622</u>
Less accumulated depreciation	<u>(1,010,717)</u>	<u>(956,183)</u>
	<u>\$ 282,215</u>	<u>\$ 339,439</u>



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 6. Other Assets

Other current assets consist of the following (in thousands):

	<b>June 30</b>	
	<b>2015</b>	<b>2014</b>
Inventories	\$ 21,594	\$ 21,253
Prepaid expenses	6,932	5,175
Provider fee receivable	74,176	3,881
Other receivable	6,457	4,969
Pledges receivable	3,154	6,669
Deposit	2,682	2,889
Other current assets	6,264	4,882
	<u>\$ 121,259</u>	<u>\$ 49,718</u>

Other long-term assets consist of the following (in thousands):

	<b>June 30</b>	
	<b>2015</b>	<b>2014</b>
Notes receivable – primarily secured	\$ 1,143	\$ 1,546
Ownership interest in health-related activities – net	3,710	4,417
Other	4,537	4,889
	<u>\$ 9,390</u>	<u>\$ 10,852</u>

#### 7. Accrued Liabilities and Other Current Liabilities

Accrued liabilities and other current liabilities consist of the following (in thousands):

	<b>June 30</b>	
	<b>2015</b>	<b>2014</b>
Wages and benefits	\$ 60,751	\$ 62,592
Out-of-network cost and IBNR	35,556	17,324
Provider fee payable	34,192	2,653
Other	34,363	38,063
	<u>\$ 164,862</u>	<u>\$ 120,632</u>



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **8. Pension and Other Postretirement Benefit Plans**

DCHS maintains a single employer defined benefit retirement plan and participates in a multi-employer defined benefit retirement plan. The plans have been frozen for all employees, except members of the California Nurses Association (CNA). Benefits are generally based on age, years of service, and employee compensation. DCHS also offers postretirement health care benefits to a limited number of its employees. The postretirement health care benefits are determined based on age and years of service.

The first retirement plan is a multiemployer defined benefit pension plan called Retirement Plan for Hospital Employees (RPHE). The entities that participate in the RPHE are Seton Medical Center, Seton Medical Center Coastsides, O'Connor Hospital, Saint Louise Regional Hospital, and Caritas Business Services (however, as noted above, only CNA members at these locations earn new benefits under the plan). Benefits are generally based on years of service and the employee's compensation. Contributions to the plan are based on actuarially determined amounts sufficient to meet the benefits to be paid to plan participants and satisfy IRS funding requirements. DCHS contributed cash of \$14,495,000 and \$14,788,000 to the RPHE during the fiscal years ended June 30, 2015 and 2014, respectively.

The second retirement plan is a single-employer defined benefit pension plan (the DCHS Retirement Plan). DCHS associates at St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louise Regional Hospital and the system office are eligible to participate in this plan (however, as noted above, only CNA members continue to earn new benefits under the plan). DCHS contributed \$18,479,000 and \$19,333,000 to the DCHS Retirement Plan during the fiscal years ended June 30, 2015 and 2014, respectively.

DCHS also maintains a retiree health insurance program (the Postretirement Healthcare Plan) which provides medical benefits to retirees from early retirement to age 65 only. DCHS employees at O'Connor Hospital, St. Louise Regional Hospital, Seton Medical Center, and Seton Medical Center Coastsides are eligible to participate in this plan. The Postretirement Healthcare Plan is an unfunded plan. DCHS contributed \$98,000 and \$114,000 to the Postretirement Healthcare Plan during the fiscal years ended June 30, 2015 and 2014, respectively.







## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 8. Pension and Other Postretirement Benefit Plans (continued)

	June 30, 2015		June 30, 2014	
	DCHS Retirement Plan	Postretirement Healthcare Plan	DCHS Retirement Plan	Postretirement Healthcare Plan
Change in plan assets:				
Fair value of plan assets – beginning of year	\$ 275,058	\$ –	\$ 228,920	\$ –
Actual return on plan assets	3,271	–	44,231	–
Employer contribution	18,479	98	19,333	114
Benefits paid	(19,333)	(98)	(15,812)	(114)
Administrative expenses	(1,651)	–	(1,614)	–
Fair value of plan assets – end of year	\$ 275,824	\$ –	\$ 275,058	\$ –
Funded status	\$ (247,611)	\$ (3,656)	\$ (230,465)	\$ (5,002)

Amounts that have not yet been recognized as components of net period benefit cost are as follows (in thousands):

	June 30, 2015		June 30, 2014	
	DCHS Retirement Plan	Postretirement Healthcare Plan	DCHS Retirement Plan	Postretirement Healthcare Plan
Net actuarial loss (gain)	\$ 181,392	\$ (11,043)	\$ 157,007	\$ (10,211)
Prior service costs	–	352	–	424
Total amount not recognized	\$ 181,392	\$ (10,691)	\$ 157,007	\$ (9,787)



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 8. Pension and Other Postretirement Benefit Plans (continued)

The components of net period benefit cost and amounts recognized in the consolidated statements of operations and changes in net assets apart from expenses are as follows (in thousands):

	Year Ended June 30, 2015		Year Ended June 30, 2014	
	DCHS Retirement Plan	Postretirement Healthcare Plan	DCHS Retirement Plan	Postretirement Healthcare Plan
Components of net periodic benefit cost (income):				
Service cost	\$ 2,162	\$ 256	\$ 1,931	\$ 240
Interest cost	23,355	215	23,425	223
Expected return on plan assets	(18,503)	—	(16,209)	—
Net prior service cost amortization	—	72	—	72
Amortization of actuarial (loss) gain	4,226	(887)	3,438	(958)
Net periodic benefit cost (income)	<u>\$ 11,240</u>	<u>\$ (344)</u>	<u>\$ 12,585</u>	<u>\$ (423)</u>
Change in net assets apart from periodic benefit cost:				
Net actuarial loss (gain)	\$ 28,611	\$ (1,719)	\$ 11,255	\$ (25)
Deduct:				
Amortization of prior service cost	—	(72)	—	(72)
Amortization of actuarial (loss) gain	(4,226)	887	(3,438)	958
Total	<u>\$ 24,385</u>	<u>\$ (904)</u>	<u>\$ 7,817</u>	<u>\$ 861</u>

The estimated actuarial loss and prior service cost for the DCHS Retirement Plan that will be amortized into net periodic benefit cost over the next fiscal year is \$4,442,000 and \$42,000, respectively.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 8. Pension and Other Postretirement Benefit Plans (continued)

##### Assumptions

The weighted-average assumptions used to determine benefit obligations and net period benefit costs, are as follows:

	June 30, 2015		June 30, 2014	
	DCHS Retirement Plan	Postretirement Healthcare Plan	DCHS Retirement Plan	Postretirement Healthcare Plan
Weighted-average assumptions used to determine benefit obligations:				
Discount rate	4.80%	4.55%	4.70%	4.40%
Rate of compensation increase	2.50%	N/A	3.50	N/A
Weighted-average assumptions used to determine net periodic benefit costs:				
Discount rate	4.70%	4.40%	5.20%	4.89%
Expected return on plan assets	7.25%	N/A	7.25	N/A
Rate of compensation increase	3.50%	N/A	3.50	N/A

##### Expected Return on Plan Assets

The DCHS Retirement Plan's estimated long-term rate of return on pension assets is driven primarily by historical asset-class returns, an assessment of expected future performance, advice from external actuarial firms, and the incorporation of specific asset-class risk factors. Asset allocations are periodically updated using pension plan asset/liabilities studies, and DCHS's estimated long-term rates of return are consistent with these studies. The DCHS Retirement Plan portfolio return assumption is 7.00% and 7.25% at June 30, 2015 and 2014, respectively.

##### Discount Rate

The discount rate assumptions used to determine the postretirement benefit plan obligations and expenses reflect the prevailing rate available on high-quality, fixed-income debt instruments. The rate was based on cash flow analysis that matched estimated future benefit payments to the bond discount yield curve as of June 30, 2015 and 2014.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 8. Pension and Other Postretirement Benefit Plans (continued)

##### Other Benefit Assumptions

For the measurement of accumulated postretirement benefit obligations at June 30, 2015, the Postretirement Healthcare Plan assumed health care cost trend rates start at 8.00% in 2015 and decrease by 0.25-0.50% annually, reaching an ultimate rate of 5.50% in fiscal year 2023.

##### Plan Assets and Investment Strategy

The following information represents DCHS's pension plan assets measured at fair value and indicate the fair value hierarchy and valuation techniques utilized to determine such fair value (in thousands):

	June 30, 2015		
	Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)
	Total Balance		
Cash equivalents	\$ 1,637	\$ 1,637	\$ –
Common collective trust funds	81,255	–	81,255
Fixed-income funds	95,983	–	95,983
Domestic stocks	24,670	24,670	–
Real estate equity investments	19,379	19,379	–
Foreign stock funds	52,900	–	52,900
Total plan assets	<u>\$ 275,824</u>	<u>\$ 45,686</u>	<u>\$ 230,138</u>



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 8. Pension and Other Postretirement Benefit Plans (continued)

	<b>June 30, 2014</b>		
	<b>Total Balance</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>
Cash equivalents	\$ 3,770	\$ 3,770	\$ –
Common collective trust funds	78,701	–	78,701
Fixed-income funds	96,353	–	96,353
Domestic stocks	21,839	21,839	–
Real estate equity investments	19,330	19,330	–
Foreign stock funds	55,065	–	55,065
Total plan assets	<u>\$ 275,058</u>	<u>\$ 44,939</u>	<u>\$ 230,119</u>

As of June 30, 2015, \$1,587,000 of the plan's cash balance was held in a separate non-interest-bearing cash account for the purpose of claims disbursement by the plan's administrator.

DCHS's investment strategy for the assets of the DCHS Retirement Plan is designed to preserve principal while earning returns relative to the overall market consistent with a prudent level of risk. The strategy balances the liquidity needs of the DCHS Retirement Plan with the long-term return goals necessary to satisfy future obligations. The target asset allocation is diversified across traditional asset classes. Diversification is also achieved through participation in U.S. and non-U.S. markets, investment manager style, philosophy, and capitalization. The complementary investment styles and approaches used by investment managers are aimed at reducing volatility while capturing the equity premium from the capital markets over the long-term. Risk tolerance is established through consideration of plan liabilities, plan funded status, and DCHS's consolidated financial condition. Consistent with DCHS's fiduciary responsibilities, the fixed-income allocation generally provides for security of principal to meet near-term expenses and obligations. Periodic reviews of the market values and corresponding asset allocation percentages are performed to determine whether a rebalancing of the portfolio is necessary.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 8. Pension and Other Postretirement Benefit Plans (continued)

The following were the target asset allocations as of June 30, 2015, by major asset classification:

Common collective trust funds	5%
Fixed-income funds	38
Domestic stocks	30
Real estate equity investments	7
Foreign stock funds	20
Total plan assets	<u>100%</u>

#### Cash Contributions and Benefit Payments

DCHS expects to contribute \$12,467,000 to the DCHS Retirement Plan and \$172,000 to the Postretirement Healthcare Plan in 2016.

The benefit payments, which reflect expected future service, as appropriate, expected to be paid in each of the next five years, and in aggregate for the next five years are as follows (in thousands):

	<b>DCHS Retirement Plan Benefits</b>	<b>Postretirement Healthcare Benefits</b>
2016	\$ 18,672	\$ 172
2017	20,435	174
2018	22,300	209
2019	24,462	244
2020	26,425	290
Next five years	154,706	1,606



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 8. Pension and Other Postretirement Benefit Plans (continued)

##### Multiemployer Plan

Certain affiliated entities in Northern California participate in multiemployer defined benefit retirement plans as described below (in thousands):

Plan	Pension Plan Employer Identification Number/Plan Number	Pension Protection Act Zone Status		Funding Improvement/ Rehabilitation Plan Status June 30, 2015
		June 30		
		2015	2014	
Retirement Plan for Hospital Employees	94-2995676/001	Green	Green	No

##### Pension Protection Act Zone Status (from worst to best):

Critical Status	Red
Seriously Endangered	Orange
Endangered	Yellow
None of the above	Green



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 8. Pension and Other Postretirement Benefit Plans (continued)

Plan	Pension Plan Employer Identification Number/Plan Number	Contributions			Surcharge Imposed (during 2013)	Collective Bargaining Agreement Expiration Date
		2016 (Expected)	2015	2014		
Retirement Plan for Hospital Employees	94-2995676/001	\$18,068	\$ 14,588	\$ 14,788	No	November 30, 2015

Since March 1, 2011, participant benefits were frozen for the non-contractual employees of the two participating affiliates in the Retirement Plan for Hospital Employees. Beginning January 1, 2013 participant benefits were frozen for all Service Employees International Union (SEIU) employees. Certain affiliates will continue to make periodic contributions as needed for eligible participants.

The contributions for the multiemployer plan were approximately 45% and 43% of the total contributions to the plans for June 30, 2015 and 2014, respectively. There are no minimum contributions required for future periods by the collective-bargaining agreements, statutory obligations, or other contractual obligations for both plans.

The risks of participating in multiemployer plans are different from single-employer plans in the following aspects: (i) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers; (ii) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (iii) if the affiliates choose to stop participating in the multiemployer plan, the affiliates may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 9. Debt

Long-term debt consists of the following (in thousands):

	<b>June 30</b>	
	<b>2015</b>	<b>2014</b>
California Statewide Communities Development Authority Revenue \$259 million Bonds Series 2005A, payable in varying installments through 2040, fixed interest rates ranging from 5.00% to 5.25%	<b>\$ 253,150</b>	\$ 256,170
California Statewide Communities Development Authority Revenue \$106 million Bonds Series 2005F, G, and H (St. Francis Medical Center), payable in varying annual installments through 2026, fixed interest rates ranging from 5.00% to 5.25%	<b>25,530</b>	28,305
Notes payable for Health Center One Mortgage, \$6.5 million face value, payable in monthly installments with a lump-sum payment in May 2018, fixed interest rate of 5.85%	<b>5,506</b>	5,674
Other	<b>564</b>	1,135
	<b>284,750</b>	291,284
Less current portion	<b>6,833</b>	6,607
	<b>277,917</b>	284,677
Plus bond premium	<b>4,391</b>	4,750
	<b>\$ 282,308</b>	\$ 289,427

Scheduled long-term principal debt payments as of June 30, 2015, are as follows (in thousands):

2016	\$ 6,833
2017	6,594
2018	11,879
2019	7,089
2020	7,455
Thereafter	244,900
	<b>\$ 284,750</b>



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **9. Debt (continued)**

##### **Obligated Group**

DCHS and the local health ministries identified in Note 1 are the members of the Obligated Group established pursuant to a Master Trust Indenture dated December 1, 2001 (the Master Indenture), with U.S. Bank, National Association, as master trustee (the Master Trustee). DCHS and such local health ministries collectively are referred to as the Obligated Group or as “Members,” and each individually is sometimes referred to herein as a “Member.” The Obligated Group is jointly and severally liable for the debt outstanding under the Master Indenture.

The Series 2005 Bonds (the Revenue Bonds) are a limited obligation of California Statewide Communities Development Authority and are payable solely from payments made by the Obligated Group. Payment of principal and interest on the Revenue Bonds is secured by the property and equipment of each Member of the Obligated Group. Each of the Obligated Group Members has executed one or more deeds of trust pursuant to which the respective Obligated Group Member has granted to the trustee hereunder, as trustee for the benefit of the Master Trustee, a first lien on, and security interest in, the Hospitals and other parcels of property owned by such Obligated Group Members, subject to permitted liens, as security for the performance of the Obligated Group Members’ obligations under the Master Indenture. Additionally, each of the Obligated Group Members has created a gross revenue fund with its depository bank to further secure its gross revenues for the benefit of the Master Trustee.

The Obligated Group’s financing agreements contain restrictive covenants, including maintenance of a debt ratio, limitations on the amount of any additional borrowings, and limitations on the disposal or transfer of assets to nonobligated group members. Additionally, the financing agreements require that funds are established with, and controlled by, a trustee during the period the bonds remain outstanding. The Obligated Group has complied with such financial covenants and restrictions at June 30, 2015.

##### **Loan Forgiveness and Contributions To Pay Off Debts**

On September 12, 2013, The Daughters of Charity Foundation (DOCF), an organization separate and independent from DCHS, unconditionally forgave the line of credit that was owed by DCHS to DOCF, amounting to \$12,408,000 as of that date. This balance was part of DCHS’ notes payable to DOCF payable in monthly installments through 2032.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **9. Debt (continued)**

In October 2013, DOCF made a restricted donation of \$130,000,000 for the benefit of DCHS by depositing sufficient funds with the bond trustee to redeem the \$143,655,000 principal amount of the California Statewide Development Authority Revenue Bonds Series 2008A Bonds. The Series 2008A Bonds were redeemed at par on October 25, 2013. The Series 2008A Bonds included a debt service reserve fund of \$13,655,000, which was released as part of the redemption.

DCHS recognized the contributions made by DOCF aggregating \$130,000,000 as contribution revenue on the consolidated statement of operations and changes in net assets for the year ended June 30, 2014.

#### **Short-Term Debt**

On July 30, 2014, DCHS borrowed \$110,000,000 from the California Statewide Communication Development Authority (CSCDA) in two series of bonds: the \$100,000,000 CSCDA Revenue Bonds (Daughters of Charity Health System) Series 2014A (the “2014 Series A Bonds”) and the \$10,000,000 CSCDA Revenue Bonds (Daughters of Charity Health System) Series 2014 B (the “2014 Series B Bonds”). On August 28, 2014, DCHS borrowed an additional \$15,000,000 from the CSCDA pursuant to the \$15,000,000 CSCDA Revenue Bonds (Daughters of Charity Health System) Series 2014C (the “2014 Series C Bonds”) (collectively, the “Series 2014 Bonds”). The Series 2014 Bonds are supported by obligations issued pursuant to the DCHS Master Trust Indenture dated as of December 1, 2001.

The Series 2014 Bonds are secured by: (1) a first priority lien on the accounts receivable of St. Francis Medical Center, St. Vincent Medical Center, O’Connor Hospital, Saint Louise Regional Hospital, Seton Medical Center and Seton Coastside as a division of Seton Medical Center; and (2) first priority Deeds of Trust and related subordination agreements with the master trustee on certain property of St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the 2014 Priority Assets). The Master Trustee has subordinated its interest in the 2014 Priority Assets to the Series 2014 Bond trustee. The Series 2014 Bonds are also secured by a parity lien under the master indenture.

The Series 2014 Bonds had an initial maturity date of July 10, 2015. That maturity date has been extended to December 15, 2015, and the Series 2014 Bonds are recorded as short-term debt on the DCHS consolidated balance sheets. Interest accrues at the rate of 6% and is paid on a monthly basis. The total proceeds of the Series 2014 Bonds have been deposited with the trustee,



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 9. Debt (continued)

with funds made available to DCHS subject to the satisfaction of certain conditions. On June 29, 2015, debt redemption was made in the amount of \$1,145,000 which reduced the outstanding principal balance to \$123,855,000 as of June 30, 2015. DCHS has drawn down \$47,600,000 of funds from the Series 2014 Bonds, excluding the debt redemption of \$1,145,000 as of June 30, 2015.

#### Fair Values

The fair value of debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered for debt of the same remaining maturities. The estimated fair values of the DCHS's debt instruments as of June 30, 2015 and 2014, are \$393,704,000 and \$277,294,000, respectively, and are valued using Level 2 inputs. The reported fair value of DCHS's debt instrument excludes the full value of an irrevocable principal pre-payment of \$5,795,000 and \$5,510,000 made as of June 30, 2015 and 2014, respectively. The fair value amounts do not represent the amount that would be required to expend to retire the indebtedness.

#### 10. Temporarily and Permanently Restricted Net Assets

Temporarily and permanently restricted net assets are available for the following purposes (in thousands):

	<b>June 30</b>	
	<b>2015</b>	<b>2014</b>
Equipment and expansion	\$ 4,823	\$ 9,322
Research and education	2,965	3,033
Charity and other	7,665	15,709
Total temporarily restricted net assets	<u>15,453</u>	<u>28,064</u>
Permanently restricted net assets	8,207	9,154
Total restricted net assets	<u>\$ 23,660</u>	<u>\$ 37,218</u>

Equipment and expansion relate to assets held by DCHS, which are restricted by donors or grantors to be used specifically for equipment, capital projects, or other capital needs.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **10. Temporarily and Permanently Restricted Net Assets (continued)**

Research and education relate to assets held by DCHS, which are restricted by donors or grantors to be used in specific research or education programs.

Charity and other relate mainly to assets held by DCHS, which are restricted by donors or grantors to be used in specific health care programs for charity care and other medical and patient services.

Permanently restricted net assets of \$8,207,000 and \$9,154,000 at June 30, 2015 and 2014, respectively, are restricted to investments to be held in perpetuity, with the income expendable to support DCHS's mission.

#### **Endowments**

DCHS and five of its consolidated charitable foundations follow the Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA eliminates the concept of "historic dollar value" and allows an institution to spend or accumulate as the board determines is prudent for the uses, benefits, purposes, and duration of the endowment fund unless the gift instrument states a particular spending rate or formula. California's version of UPMIFA also includes a rebuttable provision that spending greater than 7% of the average fair market value (calculated at least quarterly over a minimal period of three years) is presumed to be imprudent.

In accordance with UPMIFA, DCHS considers the following factors when appropriating or accumulating an endowment fund: (i) general economic conditions, (ii) effects of inflation and deflation, (iii) the purposes of the institution and the endowment fund, (iv) expected total return from income and appreciation of investments, (v) DCHS's other resources, (vi) the duration and preservation of the endowment fund, and (vii) DCHS's investment policies.

From time to time, the fair value of assets associated with individual endowment funds may fall below the level that the donor or UPMIFA requires DCHS to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets were not material as of June 30, 2015 and 2014. These deficiencies resulted from unfavorable investment market fluctuations.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 10. Temporarily and Permanently Restricted Net Assets (continued)

DCHS has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under these policies, as approved by the boards of trustees of the charitable foundations, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results while assuming a moderate level of investment risk.

To satisfy its long-term rate-of-return objectives, DCHS relies on a balanced investment strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). DCHS targets a diversified asset allocation that places a great emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The endowment net asset composition by type of fund consists of the following (in thousands):

<b>June 30, 2015</b>				
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
Donor-restricted endowment funds	\$ 596	\$ 778	\$ 8,207	\$ 9,581
Total funds	\$ 596	\$ 778	\$ 8,207	\$ 9,581

<b>June 30, 2014</b>				
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
Donor-restricted endowment funds	\$ 1,259	\$ 1,013	\$ 9,154	\$ 11,426
Total funds	\$ 1,259	\$ 1,013	\$ 9,154	\$ 11,426



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 10. Temporarily and Permanently Restricted Net Assets (continued)

The changes in endowment net assets are as follows (in thousands):

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at June 30, 2013	\$ 496	\$ 781	\$ 9,280	\$ 10,557
Net gains – realized and unrealized	763	232	354	1,349
Other	–	–	(480)	(480)
Balance at June 30, 2014	1,259	1,013	9,154	11,426
Net losses – realized and unrealized	(663)	(235)	(562)	(1,460)
Other	–	–	(385)	(385)
Balance at June 30, 2015	<u>\$ 596</u>	<u>\$ 778</u>	<u>\$ 8,207</u>	<u>\$ 9,581</u>

#### 11. Commitments and Contingent Liabilities

##### Standby Letter of Credit

Marillac, a subsidiary of DCHS, pledged \$25,850,000 of its assets as of June 30, 2015 and 2014, to support a standby letter of credit in favor of Old Republic Insurance Company (ORIC), one of the parent’s insurers.

##### Litigation

Certain entities of DCHS are defendants in various actions arising from their health care service activities. It is the opinion of management, after consulting with legal counsel, that such actions will not have a material adverse effect on DCHS’s consolidated financial position or results of operations as of June 30, 2015. Therefore, based on the information provided by its legal counsel, DCHS has accrued \$1,369,000 and \$1,515,000 as of June 30, 2015 and 2014, respectively, which were related to certain of these actions. DCHS evaluates recoveries from insurance coverage separately from its liability, and when appropriate, an asset is recorded separately from the associated liability.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **11. Commitments and Contingent Liabilities (continued)**

As part of its ongoing compliance program, DCHS routinely reviews arrangements between physicians and its hospitals. In September and October 2013, DCHS made a voluntary self-disclosure to the federal government (in accordance with federal self-disclosure guidelines) related to certain financial arrangements between physicians and one of its hospitals, Seton Medical Center (SMC), that might constitute potential violations of federal regulatory standards. Pursuant to a settlement agreement entered into by SMC with CMS, effective as of November 6, 2015, SMC paid to CMS the sum of \$815,000, and CMS agreed to release SMC from administrative liabilities and claims under section 1877(g)(1) of the Social Security Act relating to the matters addressed in the voluntary self-disclosure.

DCHS and certain other entities and individuals have been named as defendants in a punitive class action complaint under ERISA. The complaint alleges that DCHS's Retirement plan, a defined benefit "church plan" exempt from ERISA, is not a "church plan" and seeks orders, among other relief, requiring the plan to be brought into compliance with ERISA's minimum funding, reporting, and other administrative requirements. The proceeding is in its initial stage and is stayed through December 15, 2015. At this time, management cannot accurately estimate the amounts of any payments or settlements that might result, or if additional related issues will arise. There can be no guarantee that any resulting payments or settlements will not have a material adverse impact on DCHS's consolidated financial position or results of operations.

DCHS is a named defendant in a breach of contract, unjust enrichment, and declaratory relief complaint filed by Prime Healthcare Services, Inc. and Prime Healthcare Foundation, Inc. and captioned Prime Healthcare Services, Inc., et al., vs. Blue Mountain Management Capital, et al., in the Superior Court of California, County of San Bernardino, San Bernardino Justice Center. The complaint alleges that DCHS and the other defendants materially breached the Definitive Agreement entered into between Prime Healthcare Services, Inc., Prime Healthcare Foundation, Inc. and DCHS in October 2014 and that the defendants also unjustly enriched themselves at the Plaintiff's expense and seeks, among other relief, \$135 million in damages. At this time, management cannot accurately estimate the amounts of any payments or settlements that might result, or if additional related issues will arise. There can be no guarantee that any resulting payments or settlements will not have a material adverse impact on DCHS's consolidated financial position or results of operations.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **11. Commitments and Contingent Liabilities (continued)**

##### **Laws and Regulations**

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not necessarily limited to, matters, such as licensure, accreditation, government health care program participation requirements, reimbursement laws and regulations, anti-referral laws, and false claims prohibitions. In recent years, government activity has increased with respect to investigations and allegations concerning possible violations of reimbursement, false claims, and anti-referral statutes and regulations by health care providers. Certain entities of DCHS are subject to such laws and regulations and to governmental investigations, whistle-blower lawsuits, and other legal proceedings concerning such laws and regulations. Violations of these laws and regulations could result in expulsion from government health care programs, as well as imposition of significant fines and penalties and significant repayments for patient services previously reimbursed.

DCHS had 6,937 employees as of June 30, 2015, of whom just over 5,569 are full-time employees. Approximately 72% of these employees are employed by DCHS entities and are represented by collective bargaining units. Majority of the employees are represented by collective bargaining agreements with Service Employees International Union (SEIU) and California Nurses Association (CNA). The agreement with SEIU, representing 37% of these employees, will expire on November 30, 2015, and the agreement with CNA, representing 22% of these employees, will expire on April 30, 2016. These contracts are currently in the process of being negotiated. Employee strikes or other adverse labor actions may have a material adverse impact on DCHS's consolidated financial position or results of operations.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### 11. Commitments and Contingent Liabilities (continued)

##### Lease Commitments

Future minimum lease payments under DCHS's significant non-cancelable operating leases (with initial or remaining lease terms in excess of one year) as of June 30, 2015, are as follows (in thousands):

	<b>Operating Leases</b>
2016	\$ 11,030
2017	7,060
2018	4,135
2019	2,450
2020	2,134
Thereafter	5,415
	<u>\$ 32,224</u>

Rent expense was \$22,318,000 and \$22,042,000 for the years ended June 30, 2015 and 2014, respectively.

##### Seismic Standards

DCHS assessed its earthquake retrofit requirements for health care facilities under a state of California law (SB90) that can allow a delay of up to seven years from the January 1, 2013, deadline for Structural Performance Category 1 (SPC-1) retrofits. This affects six buildings at three of DCHS's hospitals. The previously reported seventh building, the St. Vincent Medical Center Central Plant, has been upgraded to SPC-2 status. Extensions have been approved by the Office of Statewide Health Planning and Development as follows:

St. Vincent Medical Center Main Hospital must meet SP-2 standards by January 1, 2019. St. Vincent Medical Center Doheny Wing must meet SP-2 standards by July 1, 2019.

O'Connor Hospital 1953 Building must meet SPC-2 standards by July 1, 2019. O'Connor Hospital 1953 Boiler Plant/Laundry must meet SPC-2 standards by January 1, 2019.

Seton Medical Center Main Tower and Seton Medical Center Front Wing must meet SP-2 standards by July 1, 2019.



## Daughters of Charity Health System

### Notes to Consolidated Financial Statements (continued)

#### **12. Subsequent Events**

DCHS has evaluated subsequent events and disclosed all material events through November 16, 2015, which is the date these consolidated financial statements of DCHS were issued.

#### **Sale Announcement**

On July 17, 2015, Parent and Ministry Services executed the System Restructuring and Support Agreement (System Agreement) to change the governance of and recapitalize Parent and the other entities comprising DCHS in partnership with certain funds managed by Blue Mountain Capital Management LLC (with its affiliates, “Blue Mountain”) and Blue Mountain’s subsidiary, Integrity Healthcare, Inc. (Integrity) (collectively, the “Transaction”). Under the System Agreement, a new, independent board will replace the existing members of the board of directors of Parent. Parent and its subsidiaries will be converted from religious corporations to public benefit corporations, the name of Parent will be changed to Verity Health System, and the Daughters of Charity will cease to sponsor DCHS. It is expected that Parent and its nonprofit subsidiaries will continue to be organizations described in Section 501(c) (3) of the Internal Revenue Code, based on a determination by the Internal Revenue Service and a group ruling, applications for which are pending. Blue Mountain will provide DCHS with \$100,000,000 of funding in exchange for the lease of IT assets and purchase options to acquire the assets of DCHS exercisable between the third and fifteenth years after the closing of the Transaction. In addition, Blue Mountain and certain affiliated lenders have committed to provide DCHS with a senior secured line of credit of not less than \$150,000,000 and not exceeding \$160,000,000. DCHS intends to apply a portion of the proceeds of the line of credit at closing to, among other uses, repay in full the Series 2014 Bonds. The balance of the funds available under the line of credit and the proceeds of the acquisition price of the purchase options and IT assets lease are intended to provide DCHS with substantial new operating liquidity. At closing of the Transaction, Integrity and the Verity Health System will enter into an agreement under which Integrity will provide executive management services to Verity Health System under the direction of Verity Health System’s independent board. After closing of the Transaction, Verity Health System and the other entities comprising the health system will be non-profit, tax-exempt California public benefit corporations. Verity Health System shall continue to hold all of DCHS’s existing liabilities, including pensions and the Series 2005 Bonds, which will remain outstanding and payable in accordance with their terms. There will be no change in the composition of the Obligated Group. The Transaction is subject to regulatory approval and, accordingly, there can be no assurance that the Transaction will be consummated.



Daughters of Charity Health System

Notes to Consolidated Financial Statements (continued)

**12. Subsequent Events (continued)**

In the event that the Transaction does not close, the Board of DCHS will consider all alternatives, which may include seeking alternative transactions, closure of facilities, and use of bankruptcy proceedings to accomplish alternatives.



## Supplementary Schedules





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## Report of Independent Auditors on Supplementary Information

The Board of Directors  
Daughters of Charity Health System

We have audited, in accordance with auditing standards generally accepted in the United States, the consolidated financial statements of Daughters of Charity Health System as of and for the year ended June 30, 2015, and have issued an unmodified opinion report thereon dated November 16, 2015. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating financial statement schedules for Daughters of Charity Health System are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Ernst & Young LLP*

November 16, 2015



## Daughters of Charity Health System

### Consolidating Balance Sheet

As of June 30, 2015

(In Thousands)

	O'Connor Hospital	Seton Medical Center	Seton Medical Center Coastside	St. Francis Medical Center	Saint Louise Hospital	St. Vincent Medical Center	DCHS System Office	Eliminations	Obligated Group Subtotal
<b>Assets</b>									
Current assets:									
Cash and cash equivalents	\$ 13,758	\$ 11,682	\$ 255	\$ 36,463	\$ 11,485	\$ 8,908	\$ 12,891	\$ –	\$ 95,442
Subtotal	13,758	11,682	255	36,463	11,485	8,908	12,891	–	95,442
Patient accounts receivable, net of allowance for doubtful accounts of \$30,678	28,752	27,371	2,485	56,191	10,301	25,966	–	–	151,066
Due from government agencies	2,239	1,761	–	10,455	141	8,025	–	–	22,621
Due from related organizations	7,857	20,715	163	218,660	5,852	13,937	24,280	(261,149)	30,315
Other current assets	16,300	18,192	128	51,345	5,404	13,299	7,744	–	112,412
Other restricted assets	15,997	9,382	274	–	14,160	36,399	–	–	76,212
Total current assets	84,903	89,103	3,305	373,114	47,343	106,534	44,915	(261,149)	488,068
Assets limited as to use:									
Other investments	–	–	–	–	–	3,030	–	–	3,030
Under bond indenture agreements	–	–	–	–	–	–	25,871	–	25,871
Total assets limited as to use	–	–	–	–	–	3,030	25,871	–	28,901
Property and equipment – net	46,110	37,593	1,511	111,174	19,150	61,735	46	–	277,319
Other long-term assets	88	35	2	523	149	732	4,703	–	6,232
Total	\$ 131,101	\$ 126,731	\$ 4,818	\$ 484,811	\$ 66,642	\$ 172,031	\$ 75,535	\$ (261,149)	\$ 800,520



## Daughters of Charity Health System

### Consolidating Balance Sheet (continued)

As of June 30, 2015

*(In Thousands)*

	<b>Obligated Group Subtotal</b>	<b>Marillac Insurance Company Ltd</b>	<b>DCHS Medical Foundation</b>	<b>Caritas Business Services</b>	<b>All Other Entities</b>	<b>Eliminations</b>	<b>DCHS</b>
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 95,442	\$ 5,372	\$ 1,290	\$ 2,341	\$ 3,985	\$ –	\$ 108,430
Subtotal	95,442	5,372	1,290	2,341	3,985	–	108,430
 Patient accounts receivable, net of allowance for doubtful accounts of \$30,678	151,066	–	4,890	–	793	–	156,749
Due from government agencies	22,621	–	–	–	–	–	22,621
Due from related organizations	30,315	–	3,149	1,414	1	(34,879)	–
Other current assets	112,412	7,024	1,941	151	3,837	(4,106)	121,259
Other restricted assets	76,212	–	–	–	–	–	76,212
Total current assets	488,068	12,396	11,270	3,906	8,616	(38,985)	485,271
 Assets limited as to use:							
Other investments	3,030	46,722	–	–	15,063	–	64,815
Under bond indenture agreements	25,871	–	–	–	–	–	25,871
Total assets limited as to use	28,901	46,722	–	–	15,063	–	90,686
 Property and equipment – net	277,319	–	4,264	324	308	–	282,215
Other long-term assets	6,232	–	606	120	2,489	(57)	9,390
Total	<u>\$ 800,520</u>	<u>\$ 59,118</u>	<u>\$ 16,140</u>	<u>\$ 4,350</u>	<u>\$ 26,476</u>	<u>\$ (39,042)</u>	<u>\$ 867,562</u>



Daughters of Charity Health System

Consolidating Balance Sheet (continued)

As of June 30, 2015

(In Thousands)

	O'Connor Hospital	Seton Medical Center	Seton Medical Center Coastside	St. Francis Medical Center	Saint Louise Hospital	St. Vincent Medical Center	DCHS System Office	Eliminations	Obligated Group Subtotal
<b>Liabilities and net (deficit) assets</b>									
Current liabilities:									
Accounts payable	\$ 9,032	\$ 7,212	\$ 308	\$ 9,058	\$ 2,371	\$ 7,453	\$ 7,152	\$ –	\$ 42,586
Accrued liabilities and other current liabilities	28,023	26,987	1,373	62,948	7,936	23,675	1,993	–	152,935
Current portion of long-term debt	836	807	–	3,489	399	737	–	–	6,268
Short-term debt	25,998	15,247	446	–	23,012	59,153	–	–	123,856
Due to government agencies	337	305	597	3,475	–	673	–	–	5,387
Due to related organizations	75,198	37,463	16,698	151	40,614	95,589	–	(261,149)	4,564
Total current liabilities	139,424	88,021	19,422	79,121	74,332	187,280	9,145	(261,149)	335,596
Pension obligations	56,163	1,390	127	95,173	5,570	73,964	18,880	–	251,267
Workers comp & HPL/GL	–	–	–	–	–	–	5,594	–	5,594
Other liabilities	291	1,149	1	167	–	2,147	(1)	–	3,754
Long-term debt – net of current portion	55,182	61,105	–	75,626	30,197	55,808	4,391	–	282,309
Total liabilities	251,060	151,665	19,550	250,087	110,099	319,199	38,009	(261,149)	878,520
Net (deficit) assets:									
Unrestricted	(119,959)	(24,934)	(14,732)	234,636	(43,457)	(150,522)	37,526	–	(81,442)
Temporarily restricted	–	–	–	88	–	620	–	–	708
Permanently restricted	–	–	–	–	–	2,734	–	–	2,734
Total net (deficit) assets	(119,959)	(24,934)	(14,732)	234,724	(43,457)	(147,168)	37,526	–	(78,000)
Total liabilities and net (deficit) assets	\$ 131,101	\$ 126,731	\$ 4,818	\$ 484,811	\$ 66,642	\$ 172,031	\$ 75,535	\$ (261,149)	\$ 800,520



Daughters of Charity Health System

Consolidating Balance Sheet (continued)

As of June 30, 2015

(In Thousands)

	Obligated Group Subtotal	Marillac Insurance Company	DCHS Medical Foundation	Caritas Business Services	All Other Entities	Eliminations	DCHS Total
<b>Liabilities and net (deficit) assets</b>							
Current liabilities:							
Accounts payable	\$ 42,586	\$ —	\$ 3,344	\$ 174	\$ 92	\$ 1	\$ 46,197
Accrued liabilities and other current liabilities	152,935	2,737	7,172	1,817	212	(11)	164,862
Current portion of long-term debt	6,268	—	565	—	—	—	6,833
Short-term debt	123,856	—	—	—	—	(1)	123,855
Due to government agencies	5,387	—	—	—	—	—	5,387
Due to related organizations	4,564	—	176	235	29,905	(34,880)	—
Total current liabilities	335,596	2,737	11,257	2,226	30,209	(34,891)	347,134
Pension obligations	251,267	—	—	—	—	—	251,267
Workers comp & HPL/GL	5,594	44,148	—	—	—	(4,148)	45,594
Other liabilities	3,754	1	(1)	—	256	(2)	4,008
Long-term debt – net of current portion	282,309	—	—	—	—	(1)	282,308
Total liabilities	878,520	46,886	11,256	2,226	30,465	(39,042)	930,311
Net (deficit) assets:							
Unrestricted	(81,442)	12,232	4,884	2,124	(24,207)	—	(86,409)
Temporarily restricted	708	—	—	—	14,745	—	15,453
Permanently restricted	2,734	—	—	—	5,473	—	8,207
Total net (deficit) assets	(78,000)	12,232	4,884	2,124	(3,989)	—	(62,749)
Total liabilities and net (deficit) assets	\$ 800,520	\$ 59,118	\$ 16,140	\$ 4,350	\$ 26,476	\$ (39,042)	\$ 867,562



# Daughters of Charity Health System

## Consolidating Statement of Operations

For the Year Ended June 30, 2015

(In Thousands)

	O'Connor Hospital	Seton Medical Center	Seton Medical Center Coastside	St. Francis Medical Center	Saint Louise Hospital	St. Vincent Medical Center	DCHS System Office	Eliminations	Obligated Group Subtotal
Unrestricted revenues and other support:									
Net patient service revenue	\$ 291,015	\$ 234,141	\$ 19,252	\$ 434,247	\$ 88,173	\$ 197,503	\$ –	\$ –	\$ 1,264,331
Provision for doubtful accounts	(7,822)	(5,853)	(992)	(9,903)	(2,469)	(5,012)	–	–	(32,051)
Net patient service revenue less provision for doubtful accounts	283,193	228,288	18,260	424,344	85,704	192,491	–	–	1,232,280
Premium revenue	–	–	–	77,330	–	16,205	–	–	93,535
Other revenue	9,227	20,636	478	6,371	1,879	5,779	76,417	(73,888)	46,899
Contributions	125	357	–	5,620	135	1,835	–	–	8,072
Total unrestricted revenues and other support	292,545	249,281	18,738	513,665	87,718	216,310	76,417	(73,888)	1,380,786
Expenses:									
Salaries and benefits	186,369	153,249	16,180	197,751	56,359	99,964	15,636	–	725,508
Supplies	43,779	32,163	1,769	34,873	7,900	40,031	(3,549)	–	156,966
Purchased services and other	81,347	70,476	3,174	188,501	24,531	94,456	61,727	(73,888)	450,324
Depreciation and amortization	11,178	10,008	328	17,344	5,628	12,609	25	–	57,120
Interest, net	4,505	3,743	19	3,882	3,137	6,943	35	–	22,264
Long-lived asset impairment	–	–	–	–	–	10,000	–	–	10,000
Total expenses	327,178	269,639	21,470	442,351	97,555	264,003	73,874	(73,888)	1,422,182
Operating (loss) income	(34,633)	(20,358)	(2,732)	71,314	(9,837)	(47,693)	2,543	–	(41,396)
Investment income	(1)	(1)	–	683	(1)	(25)	7,030	–	7,685
(Deficiency) excess of revenues over expenses	(34,634)	(20,359)	(2,732)	71,997	(9,838)	(47,718)	9,573	–	(33,711)



Daughters of Charity Health System

Consolidating Statement of Operations (continued)

For the Year Ended June 30, 2015  
*(In Thousands)*

	<b>O'Connor Hospital</b>	<b>Seton Medical Center</b>	<b>Seton Medical Center Coastside</b>	<b>St. Francis Medical Center</b>	<b>Saint Louise Hospital</b>	<b>St. Vincent Medical Center</b>	<b>DCHS System Office</b>	<b>Eliminations</b>	<b>Obligated Group Subtotal</b>
Change in funded status of pension plans	\$ (2,398)	\$ 314	\$ 67	\$ (12,393)	\$ 855	\$ (7,968)	\$ (1,860)	\$ –	\$ (23,383)
Other	(15,365)	504	(30)	(2,164)	(361)	371	(1,769)	–	(18,814)
Net assets released from restrictions used for for purchase of property and equipment	1,481	354	–	648	491	1,711	–	–	4,685
(Decrease) increase in unrestricted net assets	<u>\$ (50,916)</u>	<u>\$ (19,187)</u>	<u>\$ (2,695)</u>	<u>\$ 58,088</u>	<u>\$ (8,853)</u>	<u>\$ (53,604)</u>	<u>\$ 5,944</u>	<u>\$ –</u>	<u>\$ (71,223)</u>



Daughters of Charity Health System

Consolidating Statement of Operations (continued)

For the Year Ended June 30, 2015

(In Thousands)

	Obligated Group Subtotal	Marillac Insurance Company	Caritas Business Services	DCHS Medical Foundation	All Other Entities	Eliminations	DCHS Total
Unrestricted revenues and other support:							
Net patient service revenue	\$ 1,264,331	\$ —	\$ —	\$ 46,487	\$ 4,332	\$ —	\$ 1,315,150
Provision for doubtful accounts	(32,051)	—	—	—	148	—	(31,903)
Net patient service revenue less provision for doubtful accounts	1,232,280	—	—	46,487	4,480	—	1,283,247
Premium revenue	93,535	—	—	34,414	—	367	128,316
Other revenue	46,899	12,679	17,000	4,101	47	(36,420)	44,306
Contributions	8,072	—	—	—	249	—	8,321
Total unrestricted revenues and other support	1,380,786	12,679	17,000	85,002	4,776	(36,053)	1,464,190
Expenses:							
Salaries and benefits	725,508	—	13,781	28,880	5,120	(13,781)	759,508
Supplies	156,966	—	91	8,121	1,194	(91)	166,281
Purchased services and other	450,324	13,396	2,990	73,197	1,354	(22,043)	519,218
Depreciation and amortization	57,120	—	138	3,304	33	(138)	60,457
Interest, net	22,264	—	—	286	—	—	22,550
Long-lived asset impairment	10,000	—	—	—	—	—	10,000
Total expenses	1,422,182	13,396	17,000	113,788	7,701	(36,053)	1,538,014
Operating (loss) income	(41,396)	(717)	—	(28,786)	(2,925)	—	(73,824)
Investment income	7,685	246	—	(9)	(46)	(4,000)	3,876
(Deficiency) excess of revenues over expenses	(33,711)	(471)	—	(28,795)	(2,971)	(4,000)	(69,948)



Daughters of Charity Health System

Consolidating Statement of Operations (continued)

For the Year Ended June 30, 2015  
*(In Thousands)*

	<b>Obligated Group Subtotal</b>	<b>Marillac Insurance Company</b>	<b>Caritas Business Services</b>	<b>DCHS Medical Foundation</b>	<b>All Other Entities</b>	<b>Eliminations</b>	<b>DCHS Total</b>
Change in funded status of pension plans	\$ (23,383)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (23,383)
Other	(18,814)	(4,000)	—	21,426	(2,036)	4,000	576
Net assets released from restrictions used for for purchase of property and equipment	4,685	—	—	—	—	—	4,685
(Decrease) increase in unrestricted net assets	<u>\$ (71,223)</u>	<u>\$ (4,471)</u>	<u>\$ —</u>	<u>\$ (7,369)</u>	<u>\$ (5,007)</u>	<u>\$ —</u>	<u>\$ (88,070)</u>



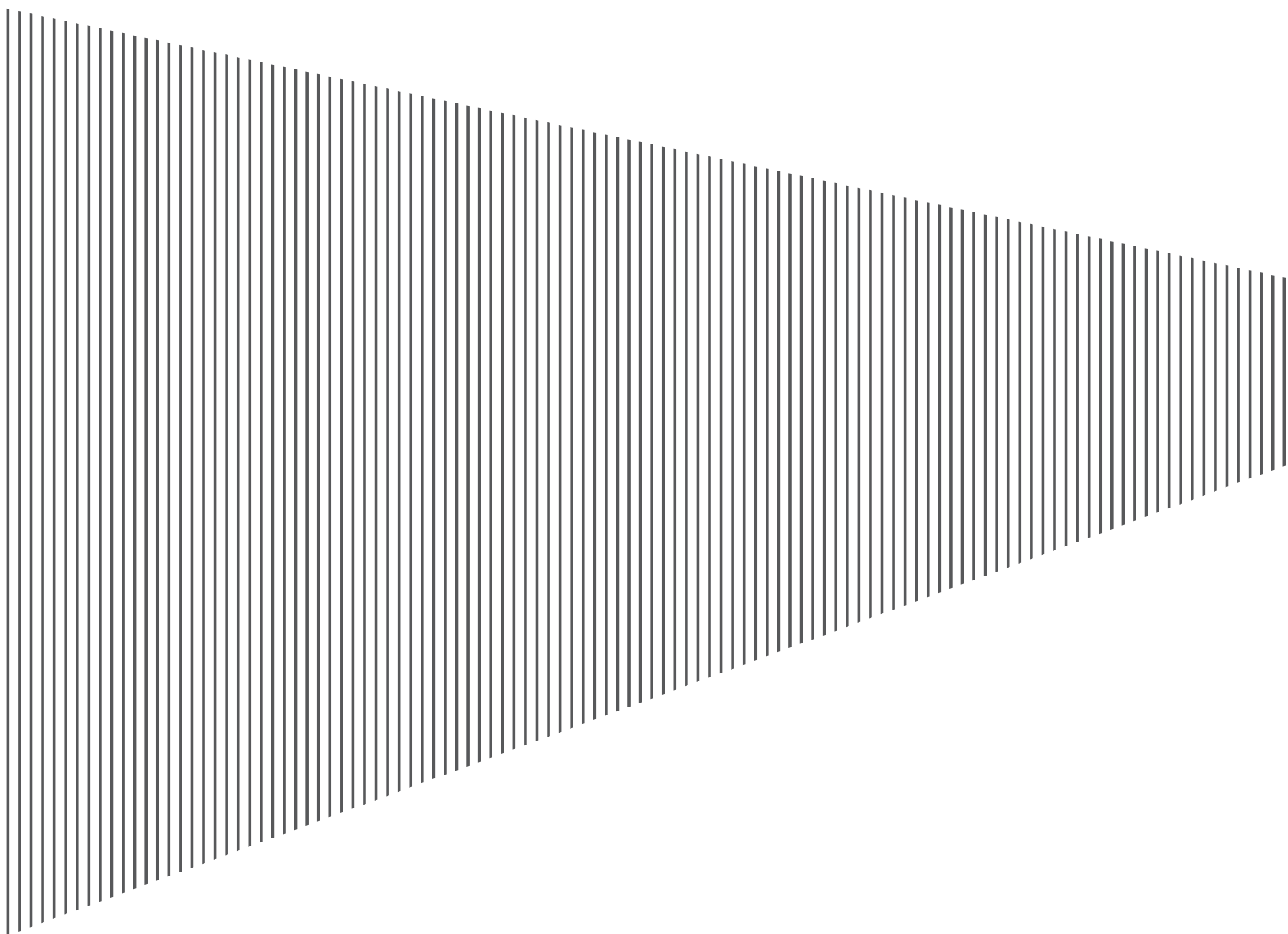
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CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES

Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)  
As of and for the Years Ended June 30, 2016 and 2015  
With Report of Independent Auditors

Ernst & Young LLP





Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidated Financial Statements and Supplementary Schedules

As of and for the Years Ended June 30, 2016 and 2015

**Contents**

Report of Independent Auditors.....	1
Consolidated Financial Statements	
Consolidated Balance Sheets .....	3
Consolidated Statements of Operations and Changes in Net (Deficit) Assets .....	4
Consolidated Statements of Cash Flows.....	6
Notes to Consolidated Financial Statements.....	8
Supplementary Schedules	
Report of Independent Auditors on Supplementary Information .....	50
Consolidating Balance Sheet .....	51
Consolidating Statement of Operations .....	55



## Report of Independent Auditors

The Board of Directors  
Verity Health System of California, Inc.

We have audited the accompanying consolidated financial statements of Verity Health System of California, Inc., which comprise the consolidated balance sheets as of June 30, 2016 and 2015, and the related consolidated statements of operations and changes in net (deficit) assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Marillac Insurance Company, Ltd. (Marillac), a wholly-owned subsidiary, which statements reflect total assets constituting 7.40% as of June 30, 2016, and 6.81% as of June 30, 2015, and total revenues constituting 1.00% in 2016 and 0.88% in 2015 of the related consolidated totals. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Marillac, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not





for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, based on our audits and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Verity Health System of California, Inc. at June 30, 2016 and 2015, and the consolidated results of its operations and changes in net (deficit) assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

*Ernst & Young LLP*

December 8, 2016



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidated Balance Sheets  
*(In Thousands)*

	June 30	
	2016	2015
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 66,357	\$ 108,430
Patient accounts receivable, net of allowance for doubtful accounts of \$32 million and \$31 million in 2016 and 2015, respectively	160,324	156,749
Due from government agencies	20,137	22,621
Other current assets	106,273	121,259
Other restricted assets	12,074	76,212
Total current assets	365,165	485,271
Assets limited as to use:		
Other investments	112,243	64,815
Under bond indenture agreements	25,154	25,871
Total assets limited as to use	137,397	90,686
Property and equipment, net	244,912	282,215
Other long-term assets	10,361	9,390
Total assets	<u>\$ 757,835</u>	<u>\$ 867,562</u>
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable	\$ 36,362	\$ 46,197
Accrued liabilities and other current liabilities	217,403	164,862
Current portion of long-term debt	6,647	6,833
Short-term debt	–	123,855
Due to government agencies	1,155	5,387
Total current liabilities	261,567	347,134
Pension obligations	301,527	251,267
Workers' compensation and hospital professional and general liability	33,547	45,594
Other liabilities	33,366	4,008
Long-term debt – net of current portion	380,356	282,308
Total liabilities	1,010,363	930,311
Net (deficit) assets:		
Unrestricted	(333,995)	(86,409)
Temporarily restricted	73,330	15,453
Permanently restricted	8,137	8,207
Total net deficit	(252,528)	(62,749)
Total liabilities and net assets	<u>\$ 757,835</u>	<u>\$ 867,562</u>

See accompanying notes.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidated Statements of Operations and  
Changes in Net (Deficit) Assets  
(In Thousands)

	<b>Year Ended June 30</b>	
	<b>2016</b>	<b>2015</b>
<b>Unrestricted revenues and other support</b>		
Net patient service revenue	\$ 1,161,679	\$ 1,315,150
Provision for doubtful accounts	(26,734)	(31,903)
Net patient service revenue less provision for doubtful accounts	1,134,945	1,283,247
Premium revenue	122,849	128,316
Other operating revenue	22,962	44,306
Contributions	16,645	8,321
Total unrestricted revenues and other support	1,297,401	1,464,190
Expenses:		
Salaries and benefits	723,281	759,508
Supplies	165,417	166,281
Purchased services and other	537,281	519,218
Depreciation and amortization	48,308	60,457
Interest – net	20,593	22,550
Long-lived assets impairment loss	–	10,000
Total expenses	1,494,880	1,538,014
Operating loss	(197,479)	(73,824)
Investment income	2,050	3,876
Deficiency of revenues over expenses	(195,429)	(69,948)
Change in pension liability	(53,981)	(23,383)
Other	(58)	576
Net assets released from restrictions used for purchase of property and equipment	1,882	4,685
Decrease in unrestricted net assets	(247,586)	(88,070)
<b>Temporarily restricted net assets</b>		
Contributions	76,152	2,464
Net realized and unrealized gains on investments	12	(3)
Net assets released from restrictions:		
Operations	(16,275)	(7,872)
Property, plant, and equipment	(1,780)	(4,685)
Other	(232)	(2,515)
Increase (decrease) in temporarily restricted net assets	57,877	(12,611)



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidated Statements of Operations and  
Changes in Net (Deficit) Assets (continued)  
(In Thousands)

	<b>Year Ended June 30</b>	
	<b>2016</b>	<b>2015</b>
<b>Permanently restricted net assets</b>		
Net realized and unrealized losses on investments	\$ (73)	\$ (562)
Contributions	107	—
Other	(104)	(385)
Decrease in permanently restricted net assets	(70)	(947)
Decrease in net assets	(189,779)	(101,628)
Net (deficit) assets, beginning of year	(62,749)	38,879
Net deficit, end of year	<u>\$ (252,528)</u>	<u>\$ (62,749)</u>

*See accompanying notes.*



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidated Statements of Cash Flows  
*(In Thousands)*

	<b>Year Ended June 30</b>	
	<b>2016</b>	<b>2015</b>
<b>Operating activities</b>		
Decrease in net assets	\$ (189,779)	(101,628)
Adjustments to reconcile decrease in net (deficit) assets to net cash used in operating activities:		
Depreciation and amortization	48,397	60,457
Provision for doubtful accounts	26,734	31,903
Changes in fair value and unrealized and realized losses (gains) on investment, net	(694)	(2,920)
Amortization of bond premium	(359)	(359)
Amortization of deferred debt issuance cost	270	394
Pension related changes	52,326	23,383
Long-lived asset impairment	–	10,000
Gain on disposal of property and equipment	(2,584)	(253)
Loss on sale of physician practice	–	27
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(30,310)	(25,083)
Due to/from government agencies	(1,748)	(7,188)
Other current assets	77,983	(71,751)
Other long-term assets	(47,935)	1,205
Accounts payable and other accrued liabilities	(25,968)	36,120
Non-current liabilities	8,292	759
Net cash used in operating activities	(85,375)	(44,934)
<b>Investing activities</b>		
Purchases of investments	(250,547)	(224,111)
Proceeds from disposal of property and equipment	4,388	1,638
Proceeds from sales of investments	251,518	247,682
Changes in interest in pooled investment fund – short-term	216	921
Changes in assets under bond indenture agreements	718	262
Purchases of property and equipment	(12,357)	(14,607)
Net cash (used in) provided by investing activities	(6,064)	11,785



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidated Statements of Cash Flows (continued)  
*(In Thousands)*

	Year Ended June 30	
	2016	2015
<b>Financing activities</b>		
Retirement of debt	\$ (47,643)	\$ —
Repayment of debt	(6,779)	(6,606)
Issuance of debt	105,000	47,643
Bond issuance costs	(1,212)	—
Cash contributions received for the purchase of property and equipment	—	187
Net cash provided by financing activities	<u>49,366</u>	<u>41,224</u>
Net (decrease) increase in cash and cash equivalents	(42,073)	8,075
Cash and cash equivalents at beginning of year	108,430	100,355
Cash and cash equivalents at end of year	<u>\$ 66,357</u>	<u>\$ 108,430</u>
<b>Supplemental disclosures of cash flow information</b>		
Cash paid for interest – net of capitalized interest	<u>\$ 20,593</u>	<u>\$ 22,229</u>
<b>Supplemental disclosures of noncash items</b>		
Capitalized interest	<u>\$ 350</u>	<u>\$ 665</u>
Accrued purchases of property and equipment	<u>\$ 555</u>	<u>\$ 270</u>

*See accompanying notes.*



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements

June 30, 2016

**1. Organization**

Verity Health System of California, Inc., a California nonprofit public benefit corporation (Parent) (formerly named Daughters of Charity Health System) is the sole corporate member of five California nonprofit public benefit corporations that operate five acute care hospitals and other facilities (the Hospitals, see list below) in the state of California. The Parent and the following affiliated entities (collectively, Verity Health System or VHS) operate as a nonprofit health care system in the state of California, with approximately 1,680 licensed acute care and skilled nursing beds.

Verity Health System consists of Parent\* and the following:

- O'Connor Hospital\*
- Saint Louise Regional Hospital\*
- St. Francis Medical Center\*
- St. Vincent Medical Center\*
- Seton Medical Center (including its unincorporated division, Seton Medical Center Coastsides)\*
- Verity Business Services
- Marillac Insurance Company, Ltd.
- O'Connor Hospital Foundation
- Saint Louise Regional Hospital Foundation
- St. Francis Medical Center Foundation
- St. Vincent Medical Center Foundation
- Seton Medical Center Foundation
- St. Vincent de Paul Ethics Corporation
- St. Vincent Dialysis Center
- De Paul Ventures, LLC
- Verity Medical Foundation
- Verity Holdings, LLC

\* Member of the Obligated Group

With the exceptions of De Paul Ventures, LLC and Marillac Insurance Company, Ltd., each Verity Health System entity named above is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (IRC).



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**1. Organization (continued)**

On July 17, 2015, Daughters of Charity Ministry Services Corporation, the Parent managed by Blue Mountain Capital Management, LLC (Blue Mountain), and Integrity Healthcare, LLC entered into a System Restructuring and Support Agreement (the Restructuring Agreement) to change the governance of and recapitalize the Parent and certain of its subsidiaries. Under the Restructuring Agreement, the Parent and other members of the Obligated Group were converted from religious corporations to public benefit corporations. In exchange for options to acquire the assets of Verity Health System, Blue Mountain agreed to provide \$100,000,000 in funding to the Parent and a commitment to provide additional debt financing at the option of the Corporation. Of the \$100,000,000, \$27,559,000 was recorded as deferred revenue for the value of the option to purchase the real estate and operating assets of VHS and \$72,441,000 was recorded as a restricted contribution to be released pursuant to the terms of the Restructuring Agreement. After approval was obtained from the California Attorney General's office, the transactions contemplated by the Restructuring Agreement closed on December 14, 2015. Effective upon the closing of the transaction, the Parent's board of directors resigned and Daughters of Charity Ministry Services Corporation, acting as sole corporate member of the Parent, appointed an independent board of the Parent and amended the bylaws of the Parent to eliminate the corporate membership rights of Daughters of Charity Ministry Services Corporation as sole corporate member of the Parent and to convert the Parent into a nonprofit corporation without members. The name of the Parent has been amended to be Verity Health System of California, Inc. The Parent and all of its nonprofit corporate affiliates that were not previously public benefit corporations changed status from religious corporations to public benefit corporations under the California Nonprofit Corporation Law.

Verity Health System established an Obligated Group (see listing of entities included in the Obligated Group above) to access the capital markets. Obligated Group members are jointly and severally liable for the long-term debt outstanding under the Bond Master Indenture.

**2. Summary of Significant Accounting Policies**

**Consolidation**

The accompanying consolidated financial statements include the accounts of VHS after elimination of intercompany transactions.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Use of Estimates**

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. VHS considers critical accounting policies to be those that require more significant judgments and estimates in the preparation of its consolidated financial statements, including the following: recognition of net patient service revenue, which includes contractual allowances and discounts; provisions for doubtful accounts and charity care; and assumptions for measurement of pension and other postretirement liabilities. Management bases its estimates on historical experience and various other assumptions that it believes are reasonable under the particular facts and circumstances. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents consist primarily of cash and highly liquid marketable securities with original maturities, at the time of purchase, of three months or less.

**Patient Accounts Receivable, Allowance for Doubtful Accounts, and Net Patient Service Revenue**

Patient accounts receivable and net patient service revenue are reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated settlements under reimbursement agreements with third-party payers. Settlements with third-party payers are accrued on an estimated basis in the period in which the related services are rendered and are adjusted in future periods as final settlements are determined.

VHS manages the receivables by regularly reviewing its patient accounts and contracts and by providing appropriate allowances for uncollectible amounts. These allowances are estimated based upon an evaluation of historical payments, negotiated contracts, and governmental reimbursements. Adjustments and changes in estimates are recorded in the period in which they are determined. The allowance for doubtful accounts for self-pay patients was 49% and 46% of self-pay accounts receivable at June 30, 2016 and 2015, respectively. This percentage does not include the portion of self-pay that is reserved in contractual allowance as self-pay accounts receivable are reserved between allowance for doubtful accounts and contractual allowance.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

Patient service revenues, net of contractual allowances and discounts, are as follows (in thousands):

	<b>Year Ended June 30</b>	
	<b>2016</b>	<b>2015</b>
Government	\$ 780,884	\$ 881,274
Contracted	332,686	380,068
Self-pay and others	48,109	53,808
Net patient service revenue	1,161,679	1,315,150
Less: Provision for doubtful accounts	(26,734)	(31,903)
Net patient service revenue less provision for doubtful accounts	<u>\$ 1,134,945</u>	<u>\$ 1,283,247</u>

Significant concentrations of net patient accounts receivable are as follows:

	<b>June 30</b>	
	<b>2016</b>	<b>2015</b>
HMO/PPO/Commercial	42%	36%
Medicare	29	32
Medi-Cal	28	29
Other	1	3
Total	<u>100%</u>	<u>100%</u>

Inpatient acute care services, outpatient services, and skilled nursing services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain inpatient non-acute services and defined capital and medical education costs related to Medicare beneficiaries are paid using a cost reimbursement methodology.

Health care services are provided free of charge or at a significant discount based on a sliding scale to individuals who meet certain financial criteria. VHS makes every effort to determine if a patient qualifies for charity care upon admission. If a patient is determined to qualify for charity



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

care, services are rendered to the patient free of cost. The costs of providing these services are included in unsponsored community benefit expense and included in net patient service revenue in the consolidated statement of operations. The amount of charity care at cost was \$13,981,000 and \$13,226,000 for the years ended June 30, 2016 and 2015, respectively.

After satisfaction of amounts due from insurance and the application of financial discounts to patients' balances, and after exhausting all reasonable efforts to collect from the patients, a significant portion of VHS's uninsured and self-pay patient accounts are referred to the third-party agencies based on VHS's established guidelines for further collection activities. As a result, VHS records a significant provision for doubtful accounts related to these uninsured patients in the period the services are rendered.

Payments from Medi-Cal and contracted-rate payers are based on a per-diem, per-discharge, modified cost, or capitated basis or a combination of these.

Adjustments for the finalization of prior year cost reports from both Medicare and Medi-Cal resulted in an increase to patient service revenues of \$5,613,000 and \$5,176,000, for the years ended June 30, 2016 and 2015, respectively. Additionally, as a result of recent finalized cost reports, management determined that certain allocated reserves related to open prior year Medicare cost reports were no longer necessary, which resulted in a gain of \$15,069,000 for the year ended June 30, 2015. St. Francis Medical Center qualified for and received Medi-Cal funding as a disproportionate-share hospital from the state of California under Senate Bill (SB) 855. Related revenues were \$27,029,000 and \$27,143,000, for the years ended June 30, 2016 and 2015, respectively, and are included in net patient service revenue. Amounts to be received in future years, if any, are subject to annual determination.

The St. Francis Medical Center also received funding for Medi-Cal disproportionate-share hospitals under SB 1255. These SB 1255 funds are paid from the Emergency Services and Supplemental Payments Fund. Related revenues were \$7,908,000 and \$8,413,000, for the years ended June 30, 2016 and 2015, respectively, and are included in net patient service revenue. This funding must be applied for and approved each year.

The St. Francis Medical Center also qualifies for Medi-Cal funding as a disproportionate-share hospital from the state of California under SB 1732. This SB 1732 program permits health care facilities servicing a disproportionate share of Medi-Cal patients to receive supplemental



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

reimbursement for a portion of their debt service for qualified capital projects. St. Francis Medical Center has an amendment to its Medi-Cal contract, which was executed on June 19, 1993, for reimbursement related to the St. Francis Medical Center Health Services Pavilion, which was completed in 1991. Related revenues were \$2,220,000 and \$2,570,000, for the years ended June 30, 2016 and 2015, respectively, and are included in net patient service revenue.

As part of VHS's mission to serve the community, VHS provides care to patients even though they may lack adequate insurance or may participate in programs that do not pay full charges. Reserves for charity care and uncollectible amounts have been established and are netted against patient accounts receivable in the consolidated balance sheets.

**Industry Concentration**

The receipt of future revenues by VHS is subject to, among other factors, federal and state policies affecting the health care industry. There are future revenue uncertainties that may require that costs be controlled, which will be subject to the capability of management; future economic conditions, which may include an inability to control expenses in periods of inflation; increased competition; and other conditions, which are impossible to predict.

**Inventories**

Inventories consist of supplies and are stated at the lower of cost or market value, which is determined using the first-in, first-out method. Inventories are reviewed for obsolescence on a periodic basis. Amounts are included in other current assets.

**Assets Limited as to Use**

Assets limited as to use represent assets designated by the board of directors for future capital improvements, other specific purposes for Marillac over which the board of directors retains control, assets held by trustees under bond indenture agreements, and investments restricted by donors. The board of directors has the full ability to utilize the Marillac assets limited as to use to satisfy the needs of on-going operations, as necessary. Investment income or loss is included in deficiency of revenues over expenses, unless the income or loss is restricted by donor or law. The assets are reflected in the assets limited as to use line item in the consolidated balance sheets.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Investments**

Investments received through gifts are recorded at estimated fair value at the date of donation. Gains and losses that result from market fluctuations are recognized in the period that such fluctuations occur. Realized gains or losses resulting from sales or maturities are calculated on an adjusted-cost basis. Adjusted-cost is the original cost of the security adjusted for any purchases or sales during the year. Dividend and interest income are accrued when earned.

Investment income includes the following (in thousands):

	<b>Year Ended June 30</b>	
	<b>2016</b>	<b>2015</b>
Interest and dividends	\$ 867	\$ 3,362
Investment fees	(208)	(213)
Unrealized gain (loss) on investments – net	848	(936)
Net realized gain on sales of securities	555	1,660
	<b>2,062</b>	<b>3,873</b>
Amounts included in changes in restricted net assets	(12)	3
Investment income	<b>\$ 2,050</b>	<b>\$ 3,876</b>

**Property and Equipment**

Property and equipment are stated at cost if purchased, and at fair market value if donated. Depreciation of property and equipment is calculated using a half-year convention and the straight-line method for financial statement purposes. Estimated useful lives by classification are as follows:

Land improvements	5–25 years
Buildings	10–40 years
Building service equipment	5–25 years
Equipment	4–20 years



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Long-Lived Asset Impairment**

VHS routinely evaluates the carrying value of its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset, or related group of assets, may not be recoverable from estimated future undiscounted cash flows generated by the underlying tangible assets. When the carrying value of an asset exceeds the estimated recoverability, an asset impairment charge is recognized. The impairment tests are based on financial projections prepared by management that incorporate anticipated results from programs and initiatives being implemented and market value assessments of the assets. If the projections are not met, or if negative trends occur that impact the future outlook, the value of the long-lived assets may be impaired, which could be material.

In fiscal year 2015, VHS recorded \$10,000,000 of impairment for the estimated non-recoverability of the building and select equipment at St. Vincent Medical Center. The amount of impairment was determined using a distressed revenue multiple, and was allocated using comparable prices for similar assets. There is no long-lived asset impairment recorded for the year ended June 30, 2016.

**Fair Value of Financial Instruments**

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, and due to/from government agencies approximate fair value. The fair value of investments is disclosed in Notes 3 and 7, and the fair value of debt is disclosed in Note 8.

**Medical Foundation**

The VHS Medical Foundation was established in December 2011 and incorporated under the California Nonprofit Religious Corporation regulations as a not-for-profit corporation exempted from IRC Section 501(c)(3). The sole member of this corporation is VHS, acting through its board of directors.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Self Insurance**

VHS is self-insured for hospital professional and general liabilities by a wholly-owned self-insured captive insurance company. The provisions for estimated hospital professional and general liability claims include estimates of the ultimate costs for both uninsured reported claims and claims incurred-but-not-reported (IBNR), in accordance with actuarial projections or paid claims lag models based on past experience. Such claim reserves are based on the best data available to VHS; however, these estimates are subject to a significant degree of inherent variability. There is at least a reasonable possibility that a material change to the estimated reserves will occur in the near term. Such estimates are continually monitored and reviewed, and as reserves are adjusted, the differences are reflected in current operations. Management is of the opinion that the associated liabilities recognized in the accompanying consolidated financial statements are adequate to cover such claims.

VHS has entered into reinsurance, stop loss, and excess policy agreements with independent insurance companies to limit its losses on hospital professional and general liability claims.

Hospital professional and general liabilities (HPL/GL) were \$16,802,000 and \$13,161,000, discounted at a rate of 4% as of June 30, 2016 and 2015, respectively. Management is not aware of any potential hospital professional and general liability claims whose settlement would have a material adverse effect on VHS's consolidated financial position.

**Workers' Compensation Insurance**

VHS is insured for workers' compensation claims with major independent insurance companies, subject to certain deductibles of \$500,000 per occurrence as of June 30, 2016 and 2015. Based on actuarially determined estimates, provisions have been made in the consolidated financial statements, with the current portion included within accrued liabilities and the non-current portion within workers' compensation and hospital professional and general liabilities, for all known claims and IBNR claims as of June 30, 2016 and 2015. Workers' compensation liabilities were \$24,751,968 and \$24,278,000, discounted using a rate of 4%, as of June 30, 2016 and 2015, respectively. Estimation differences between actual payments and amounts recorded in previous years are recognized as expense in the year such amounts become determinable.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are those for which use by VHS has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by VHS in perpetuity.

**California Hospital Fee Program**

California legislation established a program in 2009 that imposes a Quality Assurance Fee (QA Fee) on certain general acute-care hospitals in order to make supplemental and grant payments and increased capitation payments (Supplemental Payments) to hospitals up to the aggregate upper payment limit for various periods. There have been four such programs (the Programs) since inception.

The Programs are designed to make supplemental inpatient and outpatient Medi-Cal payments to private hospitals, including additional payments for certain facilities that provide high-acuity care and trauma services to the Medi-Cal population. This hospital QA Fee program provides a mechanism for increasing payments to hospitals that serve Medi-Cal patients, with no impact on the state's General Fund. Payments are made directly by the state or Medi-Cal managed care plans, which will receive increased capitation rates from the state in amounts equal to the Supplemental Payments. Outside of the legislation, the California Hospital Association has created a private program, operated by the California Health Foundation and Trust (CHFT), which was established to alleviate disparities potentially resulting from the implementation of the Programs.

The Programs require full federal approval (i.e., by the Centers for Medicare and Medicaid Services (CMS)) in order for them to be fully enacted. If final federal approval is not ultimately obtained, provisions in the underlying legislation allowed for the QA Fee, previously assessed, and Supplemental Payments, previously received, to be returned and recouped, respectively. As such, revenue and expense recognition is not allowed until full CMS approval was obtained.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

In June 2012, the third program (30-Month Program), covering the period from July 2011 to December 2013, was amended to allow for the fee-for-service portion to be administered separately from the managed care portion. The fee-for-service portion of the 30-Month Program was approved in June 2012. In May and June 2013, 24 months of managed care payments were approved by CMS. In December 2014, the final six months of managed care payments were approved by CMS.

In October 2013, the fourth program (36-Month Program), covering the period from January 2014 to December 2016, was signed into law by the governor of California. The fee-for-service payments of the 36-Month Program were approved in December 2014 by CMS. The first six months of expansion managed care payments were approved by CMS in June 2016. The first six months of non-expansion managed care payments were approved by CMS in June 2015. The first six months of expansion managed care payments were approved by CMS in March 2016.

VHS recognized payments to the California Department of Health Care Services for the QA Fee in the amount of \$84,221,000 and \$134,198,000 and pledge payments to CHFT of \$1,228,000 and \$2,282,000 within purchased services and other expenses for the years ended June 30, 2016 and 2015, respectively. VHS also recognized Supplemental Payment revenue in the amount of \$134,061,000 and \$222,467,000 pertaining to the 30-Month and 36-Month Programs within the net patient service revenues for the years ended June 30, 2016 and 2015, respectively.

**Meaningful Use Incentives**

The American Recovery and Reinvestment Act of 2009 established payments under the Medicare and Medi-Cal programs for certain professionals and hospitals that meaningfully use certified electronic health record (EHR) technology. The Medicare incentive payments are paid out to qualifying hospitals over four consecutive years on a transitional schedule. To qualify for Medi-Cal incentives, hospitals and physicians must annually meet EHR “meaningful use” criteria that become more stringent over three stages as determined by CMS. For the years ended June 30, 2016 and 2015, VHS has recorded meaningful use incentive payments of \$507,334 and \$7,947,000, respectively. These incentive payments have been recorded as other operating revenue in the VHS consolidated financial statements.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Premium Revenue**

Certain entities of VHS have at-risk agreements with various payers to provide medical services to enrollees. Under these agreements, VHS receives monthly payments based on the number of enrollees, regardless of services actually performed by VHS. VHS accrues costs when services are rendered under these contracts, including estimates of IBNR claims and amounts receivable/payable under risk-sharing arrangements.

The IBNR accrual includes an estimate of the costs of services for which VHS is responsible, including out-of-network services.

**Other Operating Revenue**

Included in other operating revenue are amounts from investments in health-related activities, rental income, cafeteria, and other non-patient care revenue.

**Contributions**

Unconditional promises to give cash and other assets to VHS are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets. Net assets released from restrictions used for operations are also included in other operating revenue as contribution revenue to the Hospitals.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Interest Expense**

Interest expense on debt issued for construction projects, net of income earned on the funds held pending use, is capitalized from the date of the borrowing until the projects are placed in service. Interest components include the following (in thousands):

	<b>Year Ended June 30</b>	
	<b>2016</b>	<b>2015</b>
Total interest expense	\$ 20,943	\$ 23,215
Less: capitalized interest expense	(350)	(665)
Net interest expense	<u>\$ 20,593</u>	<u>\$ 22,550</u>

**Income Taxes**

VHS has established its status as an organization exempt from income taxes under IRC Section 501(c)(3) and the laws of California. Certain activities of the operating entities of VHS may be subject to income taxes; however, such activities are not significant to the consolidated financial statements.

**Performance Indicator**

Management considers the deficiency of revenues over expenses to be VHS's performance indicator. Deficiency of revenues over expenses includes all changes in unrestricted net assets, except net assets released from restrictions used for purchase of property and equipment, the change in funded status of pension plans, and other.

Certain Obligated Group members have a policy whereby assets are periodically transferred as charitable distributions to subsidiaries of VHS that are not members of the Obligated Group. These transfers are accounted for as direct charges to the Obligated Group members' unrestricted net assets. It is anticipated that Obligated Group members will continue to make asset transfers to the subsidiaries. These transfers are eliminated upon consolidation.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Asset Retirement Obligations (AROs)**

AROs are legal obligations associated with the retirement of long-lived assets. These liabilities are initially recorded at fair value, and the related asset retirement costs are capitalized by increasing the carrying amount of the related assets by the same amount as the liability. Asset retirement costs are subsequently depreciated over the useful lives of the related assets. Subsequent to initial recognition, VHS records period-to-period changes in the ARO liability resulting from the passage of time. VHS's ARO liabilities recorded in the consolidated financial statements at June 30, 2016 and 2015, were \$3,627,000 and \$3,421,000, respectively.

**Revenue Guarantees**

VHS has agreements with physicians whereby minimum revenues are guaranteed by VHS for stipulated dollar amounts over specified periods, as defined in the contracts. VHS records a liability for the amount of the guaranteed revenue at the time the contract is entered into and adjusts the liability as it is expended. VHS has recorded liabilities of \$921,506 and \$746,000 as of June 30, 2016 and 2015, respectively.

**Recent Accounting Pronouncements**

In August 2016, the Financial Accounting Standard Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-For-Profit Entities*, which will require not-for-profit entities to revise financial presentation to include: net asset classifications, provide quantitative and qualitative information as to available resources and management of liquidity and liquidity risk, information on investment expenses and returns, and the presentation of operating cash flows. The standard aims to help the reader of the financial statements to better understand the financial position of the organization and enhance consistency among similar organizations. ASU 2016-02 is effective for annual periods beginning after December 15, 2017. Early adoption is permitted. VHS is currently evaluating the impact of this new standard on the consolidated financial statements.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

In February 2016, the FASB issued ASU No. 2016-02, *Leases, (Topic 842): Amendments to the FASB ASC*. ASU 2016-02 amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. The new standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. The amendments in this update are effective for fiscal years (and interim reporting periods within fiscal years) beginning after December 15, 2018. Early adoption of the amendments is permitted for all entities. VHS is currently evaluating the impact of this new standard on the consolidated financial statements.

In May 2015, the FASB issued ASU 2015-07, *Fair Value Measurement (Topic 820)*, which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient and limits the disclosure requirement. ASU 2015-07 is effective for annual and interim periods beginning after December 15, 2015. VHS does not believe this standard will have an impact on the consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, *Interest-Imputation of Interest (Subtopic 835-30)*, which changes the presentation of debt issuance costs in the financial statements. Under ASU 2015-03, an entity presents such costs in the balance sheet as a direct deduction from the related debt liability rather than as an asset, and amortization of the costs is reported as interest expense. The guidance is effective for VHS as of July 1, 2016. The adoption of ASU 2015-03 is not expected to have a material impact on the consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, and in August 2015, the FASB issued ASU 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, which defers the effective date of ASU 2014-09 by one year. ASU 2014-09 requires the entity to recognize revenue for the transfer of goods or services equal to the amount that it expects to be entitled to receive for those goods or services, effective for periods beginning after December 15, 2017. VHS is currently evaluating the impact of this new standard on the consolidated financial statements.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**3. Fair Value Measurements**

VHS accounts for certain assets at fair value or on a basis that approximates fair value. A fair value hierarchy for valuation inputs has been established to prioritize the valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels, which is determined by the lowest-level input that is significant to the fair value measurement in its entirety. These levels are as follows:

- *Level 1* – Quoted prices are available in active markets for identical assets as of the measurement date. Financial assets in Level 1 include listed equities and money market balances.
- *Level 2* – Pricing inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Financial assets in this category generally include asset-backed securities, corporate bonds, municipal bonds, and commingled investment funds.
- *Level 3* – Pricing inputs are generally unobservable for the assets and include situations where there is little, if any, market activity for the investment. The inputs used in determination of fair value require management’s judgment or estimation of assumptions that market participants would use in pricing the assets. Therefore, the fair values are determined using factors that involve judgment and interpretations, including discounted cash flow models and similar techniques. There were no Level 3 investments at June 30, 2016 and 2015.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**3. Fair Value Measurements (continued)**

The following represents assets measured at fair value on a recurring basis (in thousands):

	<b>June 30, 2016</b>		
	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>		<b>Significant Other Observable Inputs (Level 2)</b>
	<b>Total</b>		
Other investments – assets limited as to use:			
Cash equivalents	\$ 60,264	\$ 60,264	\$ –
Debt securities issued by foreign corporations	2,063	–	2,063
Debt securities issued by the U.S. Treasury and other U.S. government corporations	13,919	–	13,919
Government mortgage-backed securities	1,096	–	1,096
Commercial mortgage-backed securities	5,111	–	5,111
Corporate U.S. debt securities	13,450	–	13,450
Index funds	10,416	–	10,416
Investment held in trust account	5,924	–	5,924
	<u>112,243</u>	<u>60,264</u>	<u>51,979</u>
Under bond indenture agreements – assets limited as to use:			
Cash equivalents	25,154	25,154	–
	<u>\$ 137,397</u>	<u>\$ 85,418</u>	<u>\$ 51,979</u>



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

3. Fair Value Measurements (continued)

	June 30, 2015		
	Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)
	Total		
Other investments – assets limited as to use:			
Cash equivalents	\$ 12,737	\$ 12,737	\$ –
Debt securities issued by foreign corporations	1,961	–	1,961
Debt securities issued by the U.S. Treasury and other U.S. government corporations	14,806	–	14,806
Government mortgage-backed securities	1,575	–	1,575
Commercial mortgage-backed securities	4,094	–	4,094
Corporate U.S. debt securities	14,017	–	14,017
Index funds	10,311	–	10,311
Convertible equity	32	–	32
Investment held in trust account	5,282	–	5,282
	64,815	12,737	52,078
Under bond indenture agreements – assets limited as to use:			
Cash equivalents	2,000	2,000	–
Receivables under repurchase agreement	23,871	–	23,871
	\$ 90,686	\$ 14,737	\$ 75,949

There were no transfers to or from Levels 1, 2, or 3 during the years presented. The Level 2 financial assets listed in fair value hierarchy tables above use the following valuation techniques and inputs:

VHS participated in Ascension Health’s pooled Catholic Healthcare Investment Management Company (CHIMCO) Alpha Fund, LLC, which is carried at fair value based on quoted market prices, quoted market prices for similar instruments, and observable and unobservable inputs. The pooled fund is composed of cash, equity securities (domestic and foreign), U.S. federal and corporate obligations, to be announced (TBA) mortgage-backed securities, asset-backed securities, and fixed-income securities and is designated as Level 2. Beginning January 1, 2014, VHS moved all of its investments in the Alpha Fund to short-term liquid funds, such as cash and cash equivalents. As of September 2014, VHS sold its investment in the Fund, and Ascension Investment Management no longer manages any funds on behalf of VHS.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**3. Fair Value Measurements (continued)**

For marketable securities, such as foreign corporation and U.S. government debt securities, government and commercial mortgage-backed securities, TBA mortgaged-backed securities, corporate U.S. debt securities, index funds, and beneficial interest held in trust accounts, wherein identical quoted market prices are not readily available, the fair value of such investments is determined based on market participant pricing or other available market data for comparable instruments and transactions at the measurement date. VHS, therefore, incorporates industry-standard valuation techniques as inputs to fair valuation of its investments designated as Level 2.

VHS's rationale for the assignment of levels is based on types or classes of financial assets, rather than an analysis of each individual asset. Key consideration in the assignment of levels was given to the determination of a security's fair valuation measurement if obtained from an active market, and then further consideration was given for the types of inputs used to evaluate the fair value price. This approach has been supported by management's analysis of the methodology, the evaluated pricing models, and inputs used by its pricing vendors. It is also consistent with industry practice.

Where quoted prices are available in an active market (exchange-traded), the securities are classified as Level 1. It is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. If quoted market prices are not readily available for a specific financial asset, then value is determined using quoted prices of assets with similar characteristics and is classified as Level 2. Examples of these categories are VHS's investment in high-yield debt securities, collateralized mortgage obligations, and fixed-income prices provided by a broker-dealer. In cases where there is limited activity and less transparency associated with inputs to the valuation, VHS will designate the investments as Level 3.

*Investment Held in Trust Accounts*

VHS is the beneficiary of a split-interest agreement from a donor. The related assets are controlled and invested by an independent third party. VHS records the assets for its share when formal written or other verifiable documentation is received. VHS's share of the assets is based on the present value of the estimated future distributions to be received by VHS over the term of the agreement. The agreements are carried at fair value based on the underlying assets. VHS used 2% discount rate to value split-interest agreements at June 30, 2016.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**3. Fair Value Measurements (continued)**

*Receivables Under Repurchase Agreements*

VHS participated in a repurchase agreement with a custodian, whereby VHS loaned cash from a bond reserve fund to a third party on a short-term basis. The loans were secured by collateral, consisting of various investments that equal the amount of the cash loaned. VHS was paid a fixed rate of return of 4.6% for the amounts loaned. Interest is accrued monthly and paid semi-annually. The amounts of the receivables under repurchase agreements were \$0 and \$23,871,000 at June 30, 2016 and 2015, respectively, and are included in assets limited as to use under bond indenture agreements. The loans remained in place until the termination date, which was July 1, 2015, at which time these funds were held in cash by the trustee.

**4. Property and Equipment**

Property and equipment consists of the following (in thousands):

	<b>June 30</b>	
	<b>2016</b>	<b>2015</b>
Land	\$ 28,970	\$ 29,955
Land improvements	20,252	20,263
Buildings and service equipment	705,025	710,572
Equipment	524,828	526,830
Construction in progress	8,139	5,312
Total	1,287,214	1,292,932
Less accumulated depreciation	(1,042,302)	(1,010,717)
	<u>\$ 244,912</u>	<u>\$ 282,215</u>



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**5. Other Assets**

Other current assets consist of the following (in thousands):

	<b>June 30</b>	
	<b>2016</b>	<b>2015</b>
Inventories	\$ 21,501	\$ 21,594
Prepaid expenses	13,129	6,932
Provider fee receivable	51,761	74,176
Other receivable	5,343	6,457
Pledges receivable	2,968	3,154
Deposit	5,108	2,682
Other current assets	6,463	6,264
	<u>\$ 106,273</u>	<u>\$ 121,259</u>

Other long-term assets consist of the following (in thousands):

	<b>June 30</b>	
	<b>2016</b>	<b>2015</b>
Notes receivable – primarily secured	\$ 646	\$ 1,143
Ownership interest in health-related activities – net	3,368	3,710
Other	6,347	4,537
	<u>\$ 10,361</u>	<u>\$ 9,390</u>



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**6. Accrued Liabilities and Other Current Liabilities**

Accrued liabilities and other current liabilities consist of the following (in thousands):

	<b>June 30</b>	
	<b>2016</b>	<b>2015</b>
Wages and benefits	\$ 66,803	\$ 61,406
Out-of-network cost and IBNR	30,145	35,556
Management and consulting fee	30,193	—
Purchased services	17,170	11,019
Provider fee payable	29,361	34,192
Other	43,731	22,689
Total accrued liabilities	<u>\$ 217,403</u>	<u>\$ 164,862</u>

**7. Pension and Other Postretirement Benefit Plans**

VHS maintains a single employer defined benefit retirement plan and participates in a multi-employer defined benefit retirement plan. The plans have been frozen for all employees, except members of the California Nurses Association (CNA). Benefits are generally based on age, years of service, and employee compensation. VHS also offers postretirement health care benefits to a limited number of its employees. The postretirement health care benefits are determined based on age and years of service.

The first retirement plan is a multiemployer defined benefit pension plan called Retirement Plan for Hospital Employees (RPHE). The entities that participate in the RPHE are Seton Medical Center, Seton Medical Center Coastside, O'Connor Hospital, Saint Louise Regional Hospital, and Caritas Business Services (however, as noted above, only CNA members at these locations earn new benefits under the plan). Benefits are generally based on years of service and the employee's compensation. Contributions to the plan are based on actuarially determined amounts sufficient to meet the benefits to be paid to plan participants and satisfy IRS funding requirements. VHS contributed cash of \$17,223,000 and \$14,495,000 to the RPHE during the fiscal years ended June 30, 2016 and 2015, respectively.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**7. Pension and Other Postretirement Benefit Plans (continued)**

The second retirement plan is a single-employer defined benefit pension plan (the Retirement Plan). VHS associates at St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louise Regional Hospital, and the system office are eligible to participate in this plan (however, as noted above, only CNA members continue to earn new benefits under the plan). VHS contributed \$12,915,000 and \$18,479,000 to the Retirement Plan during the fiscal years ended June 30, 2016 and 2015, respectively.

VHS also maintains a retiree health insurance program (the Postretirement Healthcare Plan), which provides medical benefits to retirees from early retirement to age 65 only. VHS employees at O'Connor Hospital, St. Louise Regional Hospital, Seton Medical Center, and Seton Medical Center Coastsides are eligible to participate in this plan. The Postretirement Healthcare Plan is an unfunded plan. VHS contributed \$58,000 and \$98,000 to the Postretirement Healthcare Plan during the fiscal years ended June 30, 2016 and 2015, respectively.

**Defined Contribution Retirement Plans**

In addition to the above pension plans, VHS maintains three different defined contribution retirement plans for its employees. One of these defined contribution plans (TSA/403(b)) includes employee voluntary contributions only. A second defined contribution plan (Match Benefit) requires employer contributions and the benefits are based on a percentage of the employees' contributions to the TSA/403(b). A third plan covers all employee groups except members of the CNA and is a fully employer-paid defined contribution plan with benefits based on a percentage of compensation. During the fiscal years ended June 30, 2016 and 2015, the employer's contribution for these three defined contribution plans was \$21,749,023 and \$24,472,000, respectively.











Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**7. Pension and Other Postretirement Benefit Plans (continued)**

The estimated actuarial loss and prior service cost for the Retirement Plan that will be amortized into net periodic benefit cost over the next fiscal year is \$6,157,000 and \$0, respectively.

The estimated actuarial gain and prior service cost for the Postretirement Healthcare Plan that will be amortized into net periodic benefit cost over the next fiscal year is \$(1,193,000) and \$72,000, respectively.

**Assumptions**

The weighted-average assumptions used to determine benefit obligations and net period benefit costs, are as follows:

	June 30, 2016		June 30, 2015	
	Retirement Plan	Postretirement Healthcare Plan	Retirement Plan	Postretirement Healthcare Plan
Weighted-average assumptions used to determine benefit obligations:				
Discount rate	4.05%	3.85%	4.80%	4.55%
Rate of compensation increase	2.50%	N/A	2.50%	N/A
Weighted-average assumptions used to determine net periodic benefit costs:				
Discount rate	4.80%	4.55%	4.70%	4.40%
Expected return on plan assets	7.00%	N/A	7.25%	N/A
Rate of compensation increase	2.50%	N/A	3.50%	N/A

**Expected Return on Plan Assets**

The Retirement Plan's estimated long-term rate of return on pension assets is driven primarily by historical asset-class returns, an assessment of expected future performance, advice from external actuarial firms, and the incorporation of specific asset-class risk factors. Asset allocations are periodically updated using pension plan asset/liabilities studies, and VHS's estimated long-term rates of return are consistent with these studies. The Retirement Plan portfolio return assumption is 6.75% and 7.00% at June 30, 2016 and 2015, respectively.







Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**7. Pension and Other Postretirement Benefit Plans (continued)**

	<b>June 30, 2015</b>		
	<b>Total Balance</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>
Cash equivalents	\$ 1,637	\$ 1,637	\$ —
Common collective trust funds	81,255	—	81,255
Fixed-income funds	95,983	—	95,983
Domestic stocks	24,670	24,670	—
Real estate equity investments	19,379	19,379	—
Foreign stock funds	52,900	—	52,900
Total plan assets	<u>\$ 275,824</u>	<u>\$ 45,686</u>	<u>\$ 230,138</u>

As of June 30, 2016, \$2,806,336 of the plan's cash balance was held in a separate non-interest-bearing cash account for the purpose of claims disbursement by the plan's administrator.

VHS's investment strategy for the assets of the Retirement Plan is designed to preserve principal while earning returns relative to the overall market consistent with a prudent level of risk. The strategy balances the liquidity needs of the Retirement Plan with the long-term return goals necessary to satisfy future obligations. The target asset allocation is diversified across traditional asset classes. Diversification is also achieved through participation in U.S. and non-U.S. markets, investment manager style, philosophy, and capitalization. The complementary investment styles and approaches used by investment managers are aimed at reducing volatility while capturing the equity premium from the capital markets over the long term. Risk tolerance is established through consideration of plan liabilities, plan funded status, and VHS's consolidated financial condition. Consistent with VHS's fiduciary responsibilities, the fixed-income allocation generally provides for security of principal to meet near-term expenses and obligations. Periodic reviews of the market values and corresponding asset allocation percentages are performed to determine whether a rebalancing of the portfolio is necessary.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**7. Pension and Other Postretirement Benefit Plans (continued)**

The following were the target asset allocations as of June 30, 2016, by major asset classification:

Fixed-income funds	33%
Domestic stocks	30
Foreign stock funds	20
Inflation linked	17
Total plan assets	<u>100%</u>

**Cash Contributions and Benefit Payments**

VHS expects to contribute \$28,501,000 to the Retirement Plan and \$67,000 to the Postretirement Healthcare Plan the fiscal year ending in 2017.

The benefit payments, which reflect expected future service, as appropriate, expected to be paid in each of the next five years, and in aggregate for the next five years, are as follows (in thousands):

	<b>Retirement Plan Benefits</b>	<b>Postretirement Healthcare Benefits</b>
2017	\$ 21,563	\$ 67
2018	22,949	89
2019	24,628	112
2020	26,295	129
2021	28,718	141
Next five years	159,524	793



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**7. Pension and Other Postretirement Benefit Plans (continued)**

**Multiemployer Plan**

Certain affiliated entities in Northern California participate in multiemployer defined benefit retirement plans as described below (in thousands):

Plan	Pension Plan Employer Identification Number/Plan Number	Pension Protection Act Zone Status		Funding Improvement/ Rehabilitation Plan Status June 30, 2016
		June 30 2016	2015	

Retirement Plan for Hospital Employees	94-2995676/001	Green	Green	No
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**Pension Protection Act Zone Status (from worst to best):**

Critical Status	Red
Seriously Endangered	Orange
Endangered	Yellow
None of the above	Green

Plan	Pension Plan Employer Identification Number/Plan Number	Contributions			Surcharge Imposed (during 2013)	Collective Bargaining Agreement Expiration Date
		2017 (Expected)	2016	2015		

Retirement Plan for Hospital Employees	94-2995676/001	\$ 19,330	\$ 17,223	\$ 14,588	No	October 31, 2018
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Since March 1, 2011, participant benefits were frozen for the non-contractual employees of the two participating affiliates in the Retirement Plan for Hospital Employees. Beginning January 1, 2013, participant benefits were frozen for all Service Employees International Union (SEIU) employees. Certain affiliates will continue to make periodic contributions as needed for eligible participants.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**7. Pension and Other Postretirement Benefit Plans (continued)**

The contributions for the multiemployer plan were approximately 38% and 45% of the total contributions to the plan for June 30, 2016 and 2015, respectively. There are no minimum contributions required for future periods by the collective-bargaining agreements, statutory obligations, or other contractual obligations for both plans.

The risks of participating in multiemployer plans are different from single-employer plans in the following aspects: (i) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers; (ii) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (iii) if the affiliates choose to stop participating in the multiemployer plan, the affiliates may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.







Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**8. Debt (continued)**

Scheduled long-term principal debt payments as of June 30, 2016, are as follows (in thousands):

2017	\$ 6,647
2018	11,880
2019	112,090
2020	7,455
2021	7,840
Thereafter	237,060
	<u>\$ 382,972</u>

**Obligated Group**

Verity Health System of California, Inc. and its five hospitals are collectively referred to as the “Obligated Group” or as “Members,” and each individually is sometimes referred to herein as a “Member.” The Obligated Group is established pursuant to a Master Indenture of Trust, dated December 1, 2001, as supplemented to date (the Master Indenture), between the Obligated Group and U.S. Bank National Association, as successor master trustee (the Master Trustee). The Obligated Group is jointly and severally liable for obligations issued pursuant to and outstanding under the Master Indenture (Obligations).

Each of the Obligated Group Members has executed one or more deeds of trust pursuant to which the respective Obligated Group Member has granted for the benefit of the Master Trustee, a first lien on, and security interest in, the hospitals and certain other parcels of property owned by such Obligated Group Members, subject to permitted liens, as security for the performance of the Obligated Group Members’ obligations under the Master Indenture. Additionally, each of the Obligated Group Members has created a gross revenue fund with its depository bank to further secure its gross revenues for the benefit of the Master Trustee.

The Master Indenture and certain other Obligated Group’s financing agreements contain restrictive covenants, including maintenance of a debt ratio, limitations on the amount of any additional borrowings, and limitations on the disposal or transfer of assets to non-obligated group members. Additionally, the financing agreements require that funds are established with, and controlled by, a trustee during the period the bonds remain outstanding. The Obligated Group has complied with such financial covenants and restrictions at June 30, 2016.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**8. Debt (continued)**

**Long-Term Debt**

***Series 2005 Bonds.***

In March 2005, the California Statewide Communities Development Authority (CSCDA), on behalf of Daughters of Charity Health System (now known as VHS), issued four series of revenue bonds in the aggregate principal amount of \$364,655,000 (the 2005 Bonds). The 2005 Bonds were comprised of \$259,125,000 of 2005 Series A bonds, \$39,715,000 of Series F bonds, \$48,245,000 of Series H bonds, and \$17,570,000 of Series H bonds. The issuance of the 2005 Bonds generated original issue premiums of \$12,929,196. A portion of the proceeds of the 2005 was used to refinance prior bonds and finance the costs of constructing, improving, renovating, and equipping certain improvements to the facilities of the Obligated Group. The 2005 Series F bonds matured and were paid pursuant to their terms on July 1, 2010.

The Series 2005 Bonds are a limited obligation of CSCDA and are payable solely from payments made by the Obligated Group. Payment of principal and interest on the Series 2005 Bonds is secured by Obligations issued pursuant to the Master Indenture.

***Series 2015 Notes.***

On December 14, 2015, the California Public Finance Authority issued an aggregate of \$160,000,000 of Revenue Notes (Verity Health System) Series 2015A, B, C, and D (collectively, the 2015 Notes) for the benefit of VHS. There are four series of 2015 Notes. The Series 2015A, B, and D Notes are tax exempt, and the Series 2015C Notes are taxable. While all of the 2015 Notes were authorized and issued, only the Series 2015A Notes (\$60,000,000) and the 2015B Notes (\$45,000,000) were funded as of June 30, 2016. The Series 2015C Notes (\$10,000,000) and the Series 2015D Notes (\$45,000,000) were funded on September 19 and October 31, 2016, respectively. A portion of the proceeds of the 2015 Notes was used, together with other funds, to pay the principal of and accrued and unpaid interest on the 2014 Bonds that matured on December 15, 2015.

The 2015 Notes are secured by an Obligation (as defined in the Master Indenture) on parity with other Obligations issued pursuant to the Master Indenture. In addition to their parity lien under the Master Indenture, the 2015 Notes have additional lien rights on the Obligated Group's accounts receivable and in certain properties owned by St. Francis Medical Center and Saint Louise Regional Hospital.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**8. Debt (continued)**

**Short-Term Debt**

***Series 2014 Bonds.***

On July 30, 2014, the CSCDA issued an aggregate of \$110,000,000 of Revenue Bonds (Daughters of Charity Health System), Series 2014 A and B (the Series 2014 A and B Bonds) on behalf of Daughters of Charity Health System (now known as VHS). On August 28, 2014, CSCDA issued an additional \$15,000,000 of Revenue Bonds (Daughters of Charity Health System), Series 2014 C (together with the Series 2014 A and B Bonds, the “Series 2014 Bonds”). The Series 2014 Bonds were secured by Obligations issued pursuant to the Master Indenture and (1) a first priority lien on the accounts receivable of St. Francis Medical Center, St. Vincent Medical Center, O’Connor Hospital, Saint Louise Regional Hospital, Seton Medical Center, and Seton Coastside as a division of Seton Medical Center; and (2) first priority Deeds of Trust and related subordination agreements with the Master Trustee on certain property of St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the 2014 Priority Assets). The Master Trustee subordinated its interest in the 2014 Priority Assets to the Series 2014 Bond trustee. The Series 2014 Bonds were also secured by a parity lien under the Master Indenture.

Interest accrued at the rate of 6% and was paid on a monthly basis. The Series 2014 Bonds had an initial maturity date of July 10, 2015, and the Series 2014 Bonds were recorded as short-term debt on the VHS consolidated balance sheets as of June 30, 2015. That maturity date was extended to December 15, 2015. On December 15, 2015, VHS paid the full redemption price of the Series 2014 Bonds, which included principal (inclusive of undrawn proceeds of \$76,212,000 recorded as other restricted assets as of June 30, 2015), and all accrued and unpaid interest thereon.

**Fair Values**

The fair value of VHS’s bond indebtedness is estimated based on the quoted market prices for the same or similar issues or on the current rates offered for debt of the same remaining maturities. The estimated fair values of the VHS’s debt instruments as of June 30, 2016 and 2015, are \$336,803,500 and \$393,704,000, respectively, and are valued using Level 2 inputs. The reported fair value of VHS’s bond indebtedness instruments excludes the full value of an irrevocable principal pre-payment of \$6,090,000 and \$5,795,000 made as of June 30, 2016 and June 30, 2015, respectively. The fair value amounts do not represent the amount that would be required to expend to retire the indebtedness.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**9. Functional Classification of Expense**

The following is a functional classification of Verity's expenses:

	<b>Year Ended June 30</b>	
	<b>2016</b>	<b>2015</b>
Health services	\$ 1,193,112	\$ 1,227,560
General and administrative	301,768	310,454
	<u>\$ 1,494,880</u>	<u>\$ 1,538,014</u>

**10. Temporarily and Permanently Restricted Net Assets**

Temporarily and permanently restricted net assets are available for the following purposes (in thousands):

	<b>June 30</b>	
	<b>2016</b>	<b>2015</b>
Equipment and expansion	\$ 3,522	\$ 4,823
Research and education	2,848	2,965
Restricted contribution	60,367	—
Charity and other	6,593	7,665
Total temporarily restricted net assets	<u>73,330</u>	<u>15,453</u>
Permanently restricted net assets	8,137	8,207
Total restricted net assets	<u>\$ 81,467</u>	<u>\$ 23,660</u>

Equipment and expansion relate to assets held by VHS, which are restricted by donors or grantors to be used specifically for equipment, capital projects, or other capital needs.

Research and education relate to assets held by VHS, which are restricted by donors or grantors to be used in specific research or education programs.

Restricted contribution is the remaining portion of the contribution recognized at the time of the transaction contemplated by the Restructuring Agreement (see Note 1 "Organization"). The restriction of this contribution will be lifted pursuant to the terms of the Restructuring Agreement.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**10. Temporarily and Permanently Restricted Net Assets (continued)**

Charity and other relate mainly to assets held by VHS, which are restricted by donors or grantors to be used in specific health care programs for charity care and other medical and patient services.

Permanently restricted net assets of \$8,137,000 and \$8,207,000 at June 30, 2016 and 2015, respectively, are restricted to investments to be held in perpetuity, with the income expendable to support VHS's mission.

**Endowments**

VHS and five of its consolidated charitable foundations follow the Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA eliminates the concept of "historic dollar value" and allows an institution to spend or accumulate as the board determines is prudent for the uses, benefits, purposes, and duration of the endowment fund unless the gift instrument states a particular spending rate or formula. California's version of UPMIFA also includes a rebuttable provision that spending greater than 7% of the average fair market value (calculated at least quarterly over a minimal period of three years) is presumed to be imprudent.

In accordance with UPMIFA, VHS considers the following factors when appropriating or accumulating an endowment fund: (i) general economic conditions, (ii) effects of inflation and deflation, (iii) the purposes of the institution and the endowment fund, (iv) expected total return from income and appreciation of investments, (v) VHS's other resources, (vi) the duration and preservation of the endowment fund, and (vii) VHS's investment policies.

From time to time, the fair value of assets associated with individual endowment funds may fall below the level that the donor or UPMIFA requires VHS to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets were not material as of June 30, 2016 and 2015. These deficiencies resulted from unfavorable investment market fluctuations.

VHS has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under these policies, as approved by the boards of trustees of the charitable foundations, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results while assuming a moderate level of investment risk.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**10. Temporarily and Permanently Restricted Net Assets (continued)**

To satisfy its long-term rate-of-return objectives, VHS relies on a balanced investment strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). VHS targets a diversified asset allocation that places a great emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The endowment net asset composition by type of fund consists of the following (in thousands):

<b>June 30, 2016</b>				
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
Donor-restricted endowment funds	\$ 606	\$ 789	\$ 8,137	\$ 9,532
Total funds	\$ 606	\$ 789	\$ 8,137	\$ 9,532

<b>June 30, 2015</b>				
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
Donor-restricted endowment funds	\$ 596	\$ 778	\$ 8,207	\$ 9,581
Total funds	\$ 596	\$ 778	\$ 8,207	\$ 9,581

The changes in endowment net assets are as follows (in thousands):

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
Balance at June 30, 2014	\$ 1,259	\$ 1,013	\$ 9,154	\$ 11,426
Net losses – realized and unrealized	(663)	(235)	(562)	(1,460)
Other	–	–	(385)	(385)
Balance at June 30, 2015	596	778	8,207	9,581
Net gains (losses) – realized and unrealized	10	11	(73)	(52)
Other	–	–	3	3
Balance at June 30, 2016	\$ 606	\$ 789	\$ 8,137	\$ 9,532



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**11. Commitments and Contingent Liabilities**

**Standby Letter of Credit**

Marillac, a subsidiary of VHS, pledged \$36,939,150 of its investments to support a standby letter of credit issued in favor of Old Republic Insurance Company, one of the Parent's insurers, at June 30, 2016.

**Litigation**

Certain entities of VHS are defendants in various actions arising from their health care service activities. It is the opinion of management, after consulting with legal counsel, that such actions will not have a material adverse effect on VHS's consolidated financial position or results of operations as of June 30, 2016. Therefore, based on the information provided by its legal counsel, VHS has accrued \$1,240,000 and \$1,369,000 as of June 30, 2016 and 2015, respectively, which were related to certain of these actions. VHS evaluates recoveries from insurance coverage separately from its liability, and when appropriate, an asset is recorded separately from the associated liability.

As part of its ongoing compliance program, VHS routinely reviews arrangements between physicians and its hospitals. In September and October 2013, VHS made a voluntary self-disclosure to the federal government (in accordance with federal self-disclosure guidelines) related to certain financial arrangements between physicians and one of its hospitals, Seton Medical Center (SMC), that might constitute potential violations of federal regulatory standards. Pursuant to a settlement agreement entered into by SMC with CMS, effective as of November 6, 2015, SMC paid to CMS the sum of \$815,000, and CMS agreed to release SMC from administrative liabilities and claims under section 1877(g)(1) of the Social Security Act relating to the matters addressed in the voluntary self-disclosure. VHS filed a self-disclosure with the U.S. Department of Health & Human Services Office of the Inspector General (OIG) indicating possible violations of the Stark Law and the Anti-Kickback Statute by Seton Medical Center. The date of the letter is October 13, 2016. The OIG informed VHS on November 17, 2016, that the disclosure was officially accepted into the Self-Disclosure Protocol. VHS understands that the OIG will next assign the matter to one of its staff attorneys to review. With respect to the facts, VHS continues to investigate to ascertain the amount of potential damages or penalties, and that review is ongoing.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**11. Commitments and Contingent Liabilities (continued)**

VHS and certain other entities and individuals have been named as defendants in a punitive class action complaint under ERISA. The complaint alleges that VHS’s Retirement plan, a defined benefit “church plan” exempt from ERISA, is not a “church plan” and seeks orders, among other relief, requiring the plan to be brought into compliance with ERISA’s minimum funding, reporting, and other administrative requirements. This class action has been settled.

VHS is a named defendant in a breach of contract, unjust enrichment, and declaratory relief complaint filed by Prime Healthcare Services, Inc. and Prime Healthcare Foundation, Inc. and captioned *Prime Healthcare Services, Inc., et al., vs. Blue Mountain Management Capital, et al.*, in the Superior Court of California, County of San Bernardino, and San Bernardino Justice Center. The complaint alleges that VHS and the other defendants materially breached the Definitive Agreement entered into between Prime Healthcare Services, Inc., Prime Healthcare Foundation, Inc. and VHS in October 2014 and that the defendants also unjustly enriched themselves at the plaintiff’s expense and seeks, among other relief, \$135 million in damages. VHS has filed a cross-complaint seeking \$40 million. The parties are engaged in discovery and the case is currently scheduled for trial in June 2017. At this time, management cannot accurately estimate the amounts of any payments or settlements that might result, or if additional related issues will arise. There can be no guarantee that any resulting payments or settlements will not have a material adverse impact on VHS’s consolidated financial position or results of operations.

**Laws and Regulations**

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not necessarily limited to, matters, such as licensure, accreditation, government health care program participation requirements, reimbursement laws and regulations, anti-referral laws, and false claims prohibitions. In recent years, government activity has increased with respect to investigations and allegations concerning possible violations of reimbursement, false claims, and anti-referral statutes and regulations by health care providers. Certain entities of VHS are subject to such laws and regulations and to governmental investigations, whistle-blower lawsuits, and other legal proceedings concerning such laws and regulations. Violations of these laws and regulations could result in expulsion from government health care programs, as well as imposition of significant fines and penalties and significant repayments for patient services previously reimbursed.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**11. Commitments and Contingent Liabilities (continued)**

VHS has 6,682 employees as of June 30, 2016, of whom just over 3,954 are full-time employees. Approximately 76% of these employees are employed by VHS entities and are represented by collective bargaining units. Majority of the employees are represented by collective bargaining agreements with Service Employees International Union (SEIU) and California Nurses Association (CNA). The agreement with SEIU, representing 41% of these employees, will expire on October 31, 2018, and the agreement with CNA, representing 22% of these employees, expired on April 30, 2016, and is currently in the process of being negotiated. Employee strikes or other adverse labor actions may have a material adverse impact on VHS's consolidated financial position or results of operations.

**Lease Commitments**

Future minimum lease payments under VHS's significant non-cancelable operating leases (with initial or remaining lease terms in excess of one year) as of June 30, 2016, are as follows (in thousands):

	<b>Operating Leases</b>
2017	\$ 9,521
2018	5,791
2019	3,830
2020	3,871
2021	3,235
Thereafter	2,970
	<u>\$ 29,218</u>

Rent expense was \$19,501,000 and \$22,318,000 for the years ended June 30, 2016 and 2015, respectively.



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Notes to Consolidated Financial Statements (continued)

**11. Commitments and Contingent Liabilities (continued)**

**Seismic Standards**

VHS assessed its earthquake retrofit requirements for health care facilities under a state of California law SB 90 that can allow a delay of up to seven years from the January 1, 2013, deadline for Structural Performance Category 1 (SPC-1) retrofits. This affects six buildings at three of VHS's hospitals. The previously reported seventh building, the St. Vincent Medical Center Central Plant, has been upgraded to SPC-2 status. Extensions have been approved by the Office of Statewide Health Planning and Development as follows:

St. Vincent Medical Center Main Hospital must meet SP-2 standards by January 1, 2019.  
St. Vincent Medical Center Doheny Wing must meet SP-2 standards by July 1, 2019.

O'Connor Hospital 1953 Building must meet SPC-2 standards by July 1, 2019. O'Connor Hospital 1953 Boiler Plant/Laundry must meet SPC-2 standards by January 1, 2019.

Seton Medical Center Main Tower and Seton Medical Center Front Wing must meet SP-2 standards by July 1, 2019.

**12. Subsequent Events**

VHS has evaluated subsequent events and disclosed all material events through December 8, 2016, which is the date these consolidated financial statements of VHS were issued.

VHS entered into an extended supply support agreement with Premier Healthcare Solutions to redesign the supply chain infrastructure and operations over a three-year period beginning September 1, 2016, to improve resource utilization.

In October 2016, VHS engaged Conifer Health Solutions for its expertise as a single-source revenue cycle management provider. The multi-year agreement will yield optimized revenue cycle operations for the health system's six facilities, enhanced operating efficiency and reduced administrative expenses.



## Supplementary Schedules





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## Report of Independent Auditors on Supplementary Information

The Board of Directors  
Verity Health System of California, Inc.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating financial statement schedules for Verity Health System of California, Inc. are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Ernst & Young LLP*

December 8, 2016



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Balance Sheet

As of June 30, 2016  
(In Thousands)

	O'Connor Hospital	Seton Medical Center	Seton Medical Center Coastside	St. Francis Medical Center	Saint Louise Regional Hospital	St. Vincent Medical Center	System Office	Eliminations	Obligated Group Subtotal
<b>Assets</b>									
Current assets:									
Cash and cash equivalents	\$ 2,663	\$ 4,875	\$ 256	\$ 21,598	\$ 3,934	\$ 7,153	\$ 3,467	\$ —	\$ 43,946
Patient accounts receivable	31,505	23,933	4,695	58,838	10,631	25,632	—	—	155,234
Due from government agencies	2,307	1,795	—	10,444	219	5,372	—	—	20,137
Due from related organizations	8,000	24,682	—	262,631	5,855	13,948	202,540	(477,535)	40,121
Other current assets	15,360	8,696	261	42,648	4,887	16,875	9,301	—	98,029
Other restricted assets	—	—	—	—	—	—	—	—	—
Total current assets	59,835	63,981	5,212	396,159	25,526	68,980	215,308	(477,535)	357,467
Assets limited as to use:									
Other investments	—	—	—	—	—	2,967	—	—	2,967
Under bond indenture agreements	—	—	—	—	—	—	25,154	—	25,154
Total assets limited as to use	—	—	—	—	—	2,967	25,154	—	28,121
Property and equipment, net	32,875	27,210	386	98,233	12,099	44,755	293	—	215,851
Other long-term assets	18	86	2	329	5	139	6,981	—	7,560
Total assets	\$ 92,728	\$ 91,277	\$ 5,600	\$ 494,721	\$ 37,630	\$ 116,841	\$ 247,736	\$ (477,535)	\$ 608,999



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Balance Sheet (continued)

As of June 30, 2016  
(In Thousands)

	Obligated Group Subtotal	Marillac Insurance Company, Ltd.	Verity Medical Foundation	Verity Business Services	Verity Holdings, LLC	All Other Entities	Eliminations	VHS Total
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ 43,946	\$ 2,707	\$ 2,881	\$ 53	\$ 13,041	\$ 3,729	\$ —	\$ 66,357
Patient accounts receivable	155,234	—	4,413	—	—	677	—	160,324
Due from government agencies	20,137	—	—	—	—	—	—	20,137
Due from related organizations	40,121	—	5,496	9,387	—	933	(55,937)	—
Other current assets	98,029	5,464	2,209	429	539	4,031	(4,428)	106,273
Other restricted assets	—	—	—	—	12,074	—	—	12,074
Total current assets	357,467	8,171	14,999	9,869	25,654	9,370	(60,365)	365,165
Assets limited as to use:								
Other investments	2,967	47,895	—	—	48,294	13,087	—	112,243
Under bond indenture agreements	25,154	—	—	—	—	—	—	25,154
Total assets limited as to use	28,121	47,895	—	—	48,294	13,087	—	137,397
Property and equipment, net	215,851	—	1,798	295	26,692	276	—	244,912
Other long-term assets	7,560	—	519	117	55	2,110	—	10,361
Total assets	\$ 608,999	\$ 56,066	\$ 17,316	\$ 10,281	\$ 100,695	\$ 24,843	\$ (60,365)	\$ 757,835



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Balance Sheet (continued)

As of June 30, 2016  
(In Thousands)

	O'Connor Hospital	Seton Medical Center	Seton Medical Center Coastside	St. Francis Medical Center	Saint Louise Regional Hospital	St. Vincent Medical Center	System Office	Eliminations	Obligated Group Subtotal
<b>Liabilities and net assets</b>									
Current liabilities:									
Accounts payable	\$ 8,968	\$ 5,490	\$ 102	\$ 4,337	\$ 1,877	\$ 6,782	\$ 4,582	\$ —	\$ 32,138
Accrued liabilities and other current liabilities	27,286	32,469	1,639	59,627	9,380	25,486	38,678	—	194,565
Current portion of long-term debt	699	857	—	3,642	424	783	—	—	6,405
Due to government agencies	—	—	—	—	—	1,155	—	—	1,155
Due to related organizations	148,039	82,663	19,694	92	52,875	156,061	33,928	(477,535)	15,817
Total current liabilities	184,992	121,479	21,435	67,698	64,556	190,267	77,188	(477,535)	250,080
Pension obligations	62,132	486	64	117,726	6,959	94,797	19,363	—	301,527
Workers' compensation & HPL/GL	—	—	—	—	—	—	5,199	—	5,199
Other long-term liabilities	179	2,773	—	173	—	2,215	27,559	—	32,899
Long-term debt – net of current portion	49,154	60,248	—	71,984	29,774	55,025	109,031	—	375,216
Total liabilities	296,457	184,986	21,499	257,581	101,289	342,304	238,341	(477,535)	964,921
Net (deficit) assets:									
Unrestricted	(203,729)	(93,709)	(15,899)	237,088	(63,659)	(228,756)	9,396	—	(359,267)
Temporarily restricted	—	—	—	52	—	622	—	—	674
Permanently restricted	—	—	—	—	—	2,671	—	—	2,671
Total net (deficit) assets	(203,729)	(93,709)	(15,899)	237,140	(63,659)	(225,463)	9,396	—	(355,922)
Total liabilities and net assets	\$ 92,728	\$ 91,277	\$ 5,600	\$ 494,721	\$ 37,630	\$ 116,841	\$ 247,736	\$ (477,535)	\$ 608,999



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Balance Sheet (continued)

As of June 30, 2016  
(In Thousands)

	Obligated Group Subtotal	Marillac Insurance Company, Ltd.	Verity Medical Foundation	Verity Business Services	Verity Holdings, LLC	All Other Entities	Eliminations	VHS Total
<b>Liabilities and net assets</b>								
Current liabilities:								
Accounts payable	\$ 32,138	\$ 178	\$ 3,767	\$ 54	\$ 225	\$ –	\$ –	\$ 36,362
Accrued liabilities and other current liabilities	194,565	15,317	6,112	1,793	499	143	(1,026)	217,403
Current portion of long-term debt	6,405	–	54	–	188	–	–	6,647
Due to government agencies	1,155	–	–	–	–	–	–	1,155
Due to related organizations	15,817	–	2,990	6,310	–	30,821	(55,938)	–
Total current liabilities	250,080	15,495	12,923	8,157	912	30,964	(56,964)	261,567
Pension obligations	301,527	–	–	–	–	–	–	301,527
Workers' compensation & HPL/GL	5,199	31,749	–	–	–	–	(3,401)	33,547
Other long-term liabilities	32,899	–	–	–	253	214	–	33,366
Long-term debt – net of current portion	375,216	–	–	–	5,140	–	–	380,356
Total liabilities	964,921	47,244	12,923	8,157	6,305	31,178	(60,365)	1,010,363
Net (deficit) assets:								
Unrestricted	(359,267)	8,822	4,393	2,124	34,022	(24,089)	–	(333,995)
Temporarily restricted	674	–	–	–	60,368	12,288	–	73,330
Permanently restricted	2,671	–	–	–	–	5,466	–	8,137
Total net (deficit) assets	(355,922)	8,822	4,393	2,124	94,390	(6,335)	–	(252,528)
Total liabilities and net assets	\$ 608,999	\$ 56,066	\$ 17,316	\$ 10,281	\$ 100,695	\$ 24,843	\$ (60,365)	\$ 757,835



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Statement of Operations

For the Year Ended June 30, 2016  
*(In Thousands)*

	O'Connor Hospital	Seton Medical Center	Seton Medical Center Coastside	St. Francis Medical Center	Saint Louise Regional Hospital	St. Vincent Medical Center	System Office	Eliminations	Obligated Group Subtotal
<b>Unrestricted revenues and other support:</b>									
Net patient service revenue	\$ 241,063	\$ 198,552	\$ 19,743	\$ 381,146	\$ 82,898	\$ 198,029	\$ –	\$ –	\$ 1,121,431
Provision for doubtful accounts	(3,651)	(5,041)	118	(9,210)	(2,088)	(6,323)	–	–	(26,195)
Net patient service revenue less provision for doubtful accounts	237,412	193,511	19,861	371,936	80,810	191,706	–	–	1,095,236
Premium revenue	625	–	–	79,191	–	16,596	–	(246)	96,166
Other operating revenue	7,324	888	570	3,456	153	1,131	129,109	(128,865)	13,766
Contributions	91	123	15	3,901	24	95	–	–	4,249
Total unrestricted revenues and other support	245,452	194,522	20,446	458,484	80,987	209,528	129,109	(129,111)	1,209,417
<b>Expenses:</b>									
Salaries and benefits	168,114	143,527	15,639	194,710	54,557	102,451	18,958	–	697,956
Supplies	37,962	29,993	1,690	37,239	7,548	46,435	(2,111)	–	158,756
Purchased services and other	85,872	72,577	3,112	179,770	27,193	95,464	136,987	(129,111)	471,864
Depreciation and amortization	9,836	7,976	184	13,957	2,659	9,832	493	–	44,937
Interest – net	3,184	3,385	13	4,022	2,178	4,485	3,034	–	20,301
Total expenses	304,968	257,458	20,638	429,698	94,135	258,667	157,361	(129,111)	1,393,814
Operating (loss) income	(59,516)	(62,936)	(192)	28,786	(13,148)	(49,139)	(28,252)	–	(184,397)
Investment income	–	–	–	–	–	–	693	–	693
(Deficiency) excess of revenues over expenses	(59,516)	(62,936)	(192)	28,786	(13,148)	(49,139)	(27,559)	–	(183,704)



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Statement of Operations (continued)

For the Year Ended June 30, 2016  
*(In Thousands)*

	O'Connor Hospital	Seton Medical Center	Seton Medical Center Coastside	St. Francis Medical Center	Saint Louise Regional Hospital	St. Vincent Medical Center	System Office	Eliminations	Obligated Group Subtotal
Change in pension liability	\$ (7,886)	\$ 410	\$ 54	\$ (23,590)	\$ (1,817)	\$ (20,157)	\$ (995)	\$ –	\$ (53,981)
Other	(17,105)	(7,168)	(1,031)	(2,892)	(5,272)	(9,001)	423	–	(42,046)
Net assets released from restrictions used for purchase of property and equipment	736	920	–	148	36	63	–	–	1,903
(Decrease) increase in unrestricted net assets	<u>\$ (83,771)</u>	<u>\$ (68,774)</u>	<u>\$ (1,169)</u>	<u>\$ 2,452</u>	<u>\$ (20,201)</u>	<u>\$ (78,234)</u>	<u>\$ (28,131)</u>	<u>\$ –</u>	<u>\$ (277,828)</u>



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Statement of Operations (continued)

For the Year Ended June 30, 2016  
*(In Thousands)*

	Obligated Group Subtotal	Marillac Insurance Company, Ltd.	Verity Medical Foundation	Verity Business Services	Verity Holdings, LLC	All Other Entities	Eliminations	VHS Total
<b>Unrestricted revenues and other support:</b>								
Net patient service revenue	\$ 1,121,431	\$ —	\$ 35,369	\$ —	\$ —	\$ 4,879	\$ —	\$ 1,161,679
Provision for doubtful accounts	(26,195)	—	(506)	—	—	(33)	—	(26,734)
Net patient service revenue less provision for doubtful accounts	1,095,236	—	34,863	—	—	4,846	—	1,134,945
Premium revenue	96,166	—	26,682	—	—	1	—	122,849
Other operating revenue	13,766	12,943	6,465	17,019	8,643	(24)	(35,850)	22,962
Contributions	4,249	—	—	—	12,074	322	—	16,645
Total unrestricted revenues and other support	1,209,417	12,943	68,010	17,019	20,717	5,145	(35,850)	1,297,401
<b>Expenses:</b>								
Salaries and benefits	697,956	—	21,799	12,612	145	3,381	(12,612)	723,281
Supplies	158,756	—	5,310	127	110	1,241	(127)	165,417
Purchased services and other	471,864	17,693	58,846	4,175	6,544	1,165	(23,006)	537,281
Depreciation and amortization	44,937	—	1,952	105	1,384	35	(105)	48,308
Interest – net	20,301	—	(25)	—	317	—	—	20,593
Total expenses	1,393,814	17,693	87,882	17,019	8,500	5,822	(35,850)	1,494,880
Operating (loss) income	(184,397)	(4,750)	(19,872)	—	12,217	(677)	—	(197,479)
Investment income	693	1,340	—	—	—	17	—	2,050
(Deficiency) excess of revenues over expenses	(183,704)	(3,410)	(19,872)	—	12,217	(660)	—	(195,429)



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Statement of Operations (continued)

For the Year Ended June 30, 2016  
*(In Thousands)*

	<b>Obligated Group Subtotal</b>	<b>Marillac Insurance Company, Ltd.</b>	<b>Verity Medical Foundation</b>	<b>Verity Business Services</b>	<b>Verity Holdings, LLC</b>	<b>All Other Entities</b>	<b>Eliminations</b>	<b>VHS Total</b>
Change in pension liability	\$ (53,981)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (53,981)
Other	(42,046)	—	19,382	—	21,807	799	—	(58)
Net assets released from restrictions used for purchase of property and equipment	1,903	—	—	—	—	(21)	—	1,882
(Decrease) increase in unrestricted net assets	<u>\$ (277,828)</u>	<u>\$ (3,410)</u>	<u>\$ (490)</u>	<u>\$ —</u>	<u>\$ 34,024</u>	<u>\$ 118</u>	<u>\$ —</u>	<u>\$ (247,586)</u>



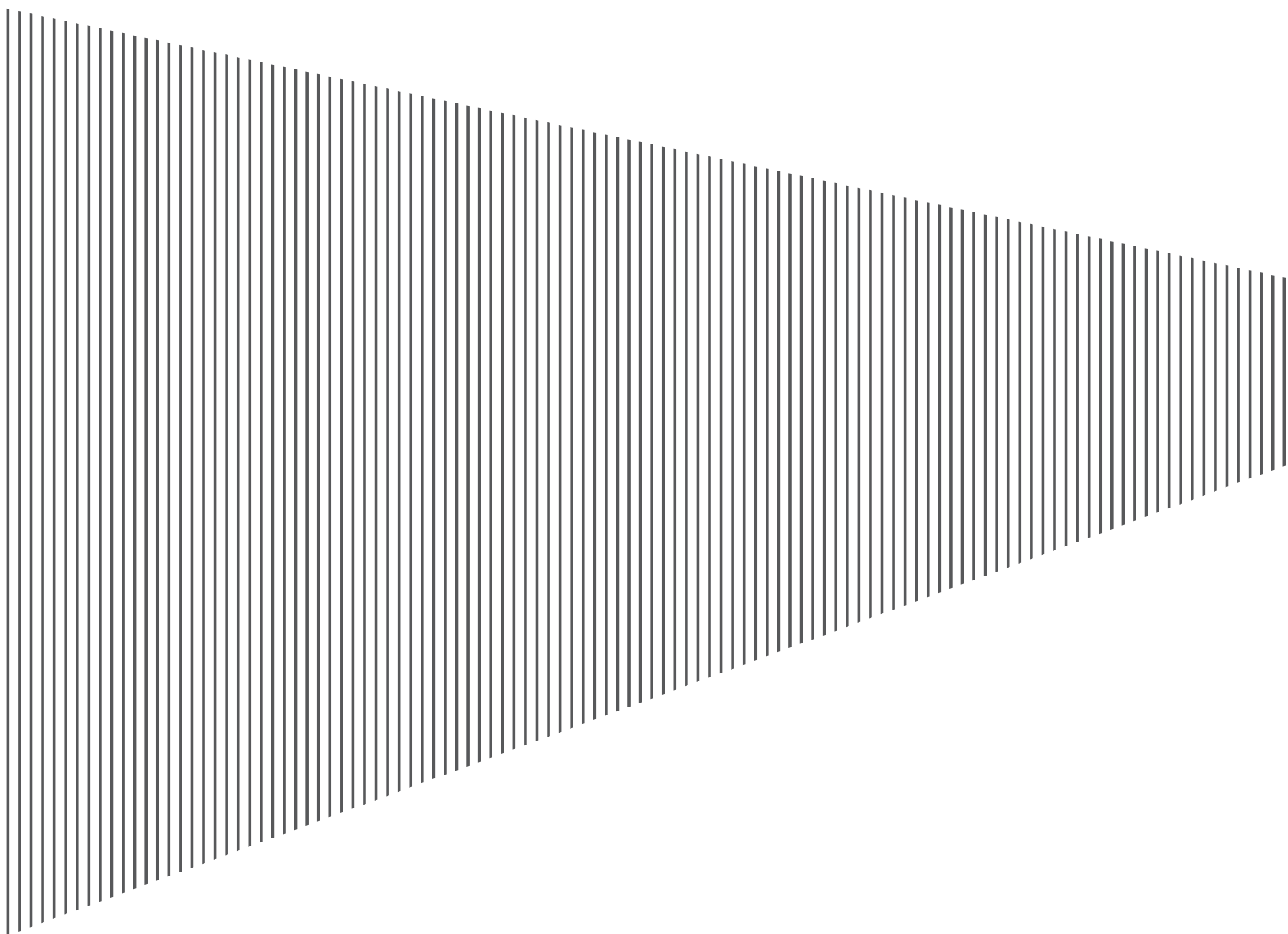
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**Verity Health System of  
California, Inc.**  
(Formerly Daughters of Country Health  
System)

**Consolidated Financial Statements**  
As of and for the Years Ended June 30, 2017,  
and 2016 and Supplementary Information as  
of and for the Year Ended June 30, 2017



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

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**Consolidated Financial Statements**

**As of and for the Years Ended June 30, 2017 and 2016 and  
Supplementary Information as of and for the Year Ended June 30, 2015**



**Verity Health System of California, Inc.**  
**Formerly known as Charity Health System**

**Contents**

**Independent Auditor's Report**

**Consolidated Financial Statements**

Consolidated Balance Sheets	6
Consolidated Statements of Operations and Changes in Net Assets (Deficit) Assets	7-8
Consolidated Statements of Cash Flows	9
Notes to Consolidated Financial Statements	10-15

**Supplementary Information**

Reconciling Balance Sheet	16-19
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300 Park Avenue, Suite 900  
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## Independent Auditor's Report

Respected Directors  
Verity Health System  
Redwood City, California

We have audited the accompanying consolidated financial statements of Verity Health System of California, Inc., which comprise the consolidated balance sheet as of June 30, 2017, and the related consolidated statements of operations and changes in net (deficit) assets and cash flows for the year then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and the presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of Maritan Insurance Company, Ltd. (Maritan), a wholly-owned subsidiary, which statements reflect total assets of \$52,833,262 at June 30, 2017 and total revenues of \$12,635,812 for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for such subsidiary, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





### *Opinion*

In our opinion, based on our audit and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Verity Health System of California, Inc. as of June 30, 2017, and the consolidated results of its operations, and the changes in its net identifiable assets and its cash flows for the year terminated in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

The consolidated financial statements of Verity Health System of California, Inc. for the year ended June 30, 2016 were audited by other auditors, whose report dated December 31, 2016 expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating financial statement schedules for Verity Health System of California, Inc., are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BDO USA, LLP

November 8, 2017







**Verity Health System of California, Inc.**  
**Formerly Daughters of Charity Health System**

**Condensed Balance Sheet**  
**(in thousands)**

	2017		2016	
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	\$	60,647	\$	66,807
Patient accounts receivable, net of allowance for doubtful accounts of \$47,000 and \$16,750 as of June 30, 2017 and 2016, respectively		236,767		182,524
Due from government agencies		15,416		29,117
Other current assets		95,191		106,373
Other restricted assets		-		12,874
<b>Total current assets</b>		<b>407,921</b>		<b>397,695</b>
<b>Assets limited as to use:</b>				
Other investments		47,161		17,361
Under loan indenture agreements		58,493		18,146
<b>Total assets limited as to use</b>		<b>124,654</b>		<b>35,507</b>
<b>Property and equipment, net</b>		<b>247,041</b>		<b>248,812</b>
<b>Other long-term assets</b>		<b>73,065</b>		<b>5,879</b>
<b>Total Assets</b>	\$	<b>804,146</b>	\$	<b>757,552</b>
<b>Liabilities and Net (Deficit) Assets</b>				
<b>Current Liabilities:</b>				
Accounts payable	\$	74,377	\$	36,362
Accrued expenses and other current liabilities		283,129		177,808
Current portion of long-term debt, net of debt issuance costs		12,480		4,345
Due to government agencies		5,299		5,156
<b>Total current liabilities</b>		<b>346,185</b>		<b>291,671</b>
<b>Provision obligations</b>		<b>254,082</b>		<b>301,517</b>
<b>Long-term portion of workers' compensation and hospital professional and general liability</b>		<b>36,142</b>		<b>17,647</b>
<b>Other long-term liabilities</b>		<b>42,692</b>		<b>11,944</b>
<b>Long-term debt, net of current portion and debt issuance costs</b>		<b>459,156</b>		<b>379,673</b>
<b>Total liabilities</b>		<b>1,308,477</b>		<b>1,062,652</b>
<b>Net (Deficit) Assets:</b>				
Donated (to) - Verity Health System		(150,144)		(111,485)
Unexpended - noncontracting		2,366		-
Temporarily restricted		75,044		77,141
Permanently restricted		5,200		5,200
<b>Trustee deficit</b>		<b>(54,151)</b>		<b>(52,868)</b>
<b>Total Liabilities and Net (Deficit) Assets</b>		<b>804,146</b>		<b>757,552</b>

See accompanying notes to condensed financial statements.



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**  
**Consolidated Statements of Operations and**  
**Changes in Net (Deficit) Assets**  
**(In Thousands)**

Period Ended June 30	2017	2016
<b>Unrestricted Revenues and Other Support:</b>		
Net patient service revenue	\$ 1,301,008	\$ 1,151,579
Provision for doubtful accounts	(33,770)	(35,734)
Net patient service revenue less provision for doubtful accounts	1,267,238	1,115,845
Premium revenue	128,193	127,349
Other operating revenue	28,304	27,460
Contributions	63,717	15,695
<b>Total unrestricted revenues and other support</b>	<b>1,487,452</b>	<b>1,286,350</b>
<b>Expenses:</b>		
Salaries and benefits	730,299	723,021
Purchased services and other support	475,892	477,381
Medical claims	172,192	165,117
Medical claims	61,359	65,080
Depreciation and amortization	34,918	43,086
Interest - net	28,134	8,593
Goodwill and intangible asset impairment loss	10,233	-
<b>Total expenses</b>	<b>1,514,026</b>	<b>1,484,588</b>
Nonrecurring loss	(35,277)	(107,471)
Investment (loss) income	(2,573)	1,790
<b>(Deficit) excess of revenues over expenses</b>	<b>(32,850)</b>	<b>(155,429)</b>
<b>Less: (a) excess of revenues over expenses attributable to discontinued operations</b>	<b>(3,082)</b>	
<b>(Deficit) excess of revenues over expenses, net of discontinued operations</b>	<b>\$ (32,763)</b>	<b>\$ (155,429)</b>

(Continued)

See accompanying notes to consolidated financial statements.



**Verity Health System of California, Inc.**  
**(Formerly) Daughters of Charity Health System**  
**Consolidated Statements of Operations and**  
**Change in Net (Deficit) Asset**  
**(in Thousands)**

For the Year Ended June 30	2017	2016
<b>Unrestricted Net (Deficit) Assets</b>		
Unrestricted Net (Deficit) Assets attributable to Verity Health System:		
(Deficit) excess of revenues over expenses attributable to Verity Health System	\$ (32,763)	\$ (193,413)
Change in funded status of pension and other postretirement benefit plans	7,667	(51,951)
Net assets released from restrictions used for purchase of property and equipment	610	1,661
Other	337	154
Decrease in unrestricted net (deficit) assets attributable to Verity Health System	(24,149)	(142,549)
<b>Unrestricted Net Assets attributable to noncontrolling interests</b>		
(Deficit) excess of revenues over expenses attributable to noncontrolling interests	(5,087)	-
Noncontrolling interest related to acquisitions and other	7,953	-
Increase in unrestricted net assets attributable to noncontrolling interest	2,866	-
<b>Temporarily Restricted Net (Deficit) Assets</b>		
Contributions	1,309	79,132
Net realized and unrealized gains (losses) on investments	173	17
Net assets released from restriction for:		
Operations	(64,553)	(16,275)
Property, plant, and equipment	(819)	(1,784)
Other	(207)	(21)
(Decrease) increase in temporarily restricted net (deficit) assets	(63,888)	51,859
<b>Permanently Restricted Net Assets</b>		
Net realized and unrealized gains (losses) on investments	45	(73)
Contributions	-	10
Other	-	(64)
Increase (decrease) in permanently restricted net assets	45	(127)
Decrease in net (deficit) assets	(81,892)	(197,279)
Net (deficit) assets, beginning of year	(252,528)	(60,709)
<b>Net (Deficit) Assets, End of Year</b>	<b>\$ (334,420)</b>	<b>\$ (257,988)</b>

(continued)

See accompanying notes to consolidated financial statements



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

**(Consolidated Statements of Cash Flows)**  
**(in thousands)**

	2017	2016
<b>Operating Activities:</b>		
Net income (loss) before income taxes	\$ (1,844)	\$ 1,007
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	14,918	98,497
Provision for doubtful accounts	13,270	76,714
Changes in fair value and capitalized and realized losses (gains) on investments, net	(8,896)	(1,110)
Gains (losses) on equity method investments	7,016	—
Amortization of fixed premium and debt discount costs	692	(882)
Pension related charges	(2,667)	51,983
Gain on disposal of property and equipment	76,603	(1,000)
Goodwill and intangible asset impairment	10,222	—
Changes in operating assets and liabilities:		
Accounts receivable	(100,213)	(20,100)
Due to/from government agencies	8,344	(5,710)
Other current assets	26,093	77,981
Other long-term assets	16,525	(17,080)
Accounts payable and other accrued expenses	23,091	(20,400)
Deferred contributions	(35,575)	6,877
Net cash used in operating activities	\$ (12,181)	\$ (6,375)
<b>Investing Activities:</b>		
Purchase of investments	(78,254)	(203,610)
Acquisition of controlled entities	(5,205)	—
Purchase of equity method investments	(2,297)	—
Income from disposal of property and equipment	4,778	4,408
Proceeds from sales of investments	66,719	260,740
Dividends received from limited partners	(2,532)	916
Changes in assets under loan investment agreements	(15,109)	716
Changes in loan and receivables	(2,161)	—
Purchase of property and equipment	(14,194)	(12,007)
Net cash used in investing activities	\$ (48,090)	\$ (53,453)
<b>Financing Activities:</b>		
Issuance of debt	—	—
Repayment of debt	(7,197)	—
Dividend paid	55,000	—
Repayment of debt	(1,340)	—
Net cash provided by financing activities	\$ 46,563	\$ —
Net increase (decrease) in cash and cash equivalents	\$ (13,708)	\$ (59,828)
Cash and cash equivalents at beginning of year	\$ 6,357	\$ 66,185
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ (7,345)</b>	<b>\$ 6,357</b>
<b>Supplemental disclosures of Cash Flow Information:</b>		
Cash paid for interest on debt of consolidated entities	\$ 7,408	\$ —
<b>Supplemental disclosures of Noncash Items:</b>		
Acquisition of property	\$ 901	\$ —
Acquisition of property and equipment in exchange for debt	\$ 2,862	\$ —
Acquisition of property and equipment in exchange for debt	\$ 1,428	\$ —

See accompanying notes to consolidated financial statements.



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
 (All amounts in thousands)

**I Organization and Business of the Company**

Verity Health System of California, Inc., a California nonprofit public benefit corporation (formerly formerly named Daughters of Charity Health System) is the sole corporate member of five California nonprofit public benefit corporations that operate five acute care hospitals and other facilities (the Hospitals), see list below in the state of California. The Parent and the following affiliated entities (collectively, Verity Health System or VHS) operate as a nonprofit health care system in the state of California, with approximately 1,680 licensed acute care and skilled nursing beds.

Verity Health System consists of Parent\* and the following:

- O'Connor Hospital \*
- Saint Louis Regional Hospital \*
- St. Francis Medical Center \*
- St. Vincent Medical Center \*
- Seton Medical Center (including its unincorporated division, Seton Medical Center Coastside) \*
- Verity Business Services
- MariLac Insurance Company, Ltd.
- O'Connor Hospital Foundation
- Saint Louis Regional Hospital Foundation
- St. Francis Medical Center Foundation
- St. Vincent Medical Center Foundation
- Seton Medical Center Foundation
- St. Vincent de Paul Ethics Corporation
- St. Vincent Dialysis Center
- De Paul Ventures, LLC
- Verity Medical Foundation
- Verity Holdings, LLC
- Verity BISM Holdings, LLC

\* Member of the Obligated Group

With the exceptions of De Paul Ventures, LLC, MariLac Insurance Company, Ltd. (MariLac) and Verity BISM Holdings, LLC, each Verity Health System entity named above is exempt from federal income taxation as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 (IRC).

On July 17, 2015, Daughters of Charity Ministry Services Corporation (subsequently renamed Verity Health System of California, Inc.), Blue Mountain Capital Management, LLC (Blue Mountain), and Integrity Healthcare, LLC (Integrity) entered into a System Restructuring and Support Agreement (as subsequently amended, the Restructuring Agreement) to change the governance of and recapitalize the Parent and certain of its subsidiaries. Integrity represents the management company for Verity Health System that was focused to carry out the management services under the Restructuring Agreement, which is part of the overall Restructuring Agreement. Through June 30, 2017, Integrity was wholly owned by Blue Mountain. On July 2017, HartWorks LLC, the parent



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
 (All amounts in Thousands)

organization for health technology and clinical programs, founded by Dr. Patrick Smithson, assumed a majority stake in Integrity from Blue Mountain. Refer to subsequent notes of notes 13 for additional details.

Under the Restructuring Agreement, the Parent and other members of the Obligated Group were converted from religious corporations to public benefit corporations. In exchange for options to acquire the assets of Verity Health System at a purchase price to be determined based on a specified percentage of outstanding liabilities of Verity Health System at the time of closing, Blue Mountain agreed to provide \$100,000 in funding to the Parent and a commitment to provide additional debt financing at the option of the Parent. To fulfill this commitment, Blue Mountain arranged for an additional \$180,000 in working capital financing that was privately placed with third parties (the "2015 Notes" - see Note 9 for additional details). After approval was obtained from the California Attorney General's office, the transactions contemplated by the Restructuring Agreement closed on December 19, 2015. Effective upon the closing of the transaction, the Parent's board of directors resigned and Daughters of Charity Ministry Services Corporation, acting as sole corporate member of the Parent, appointed an independent board of the Parent and amended the bylaws of the Parent to eliminate the corporate membership rights of Daughters of Charity Ministry Services Corporation as sole corporate member of the Parent and to convert the Parent into a nonprofit corporation without members. The Parent and all of its nonprofit corporate affiliates that were not previously public benefit corporations changed status from religious corporations to public benefit corporations under the California Nonprofit Corporation Law.

In connection with the initial accounting for the \$100,000 Blue Mountain contribution received during the fiscal year ended June 30, 2016, \$27,559 was recorded as deferred revenue for the value of the option to purchase the real estate and operating assets of VHS and \$72,441 was recorded as a restricted asset for contributions to be released pursuant to the terms of the Restructuring Agreement. For the years ended June 30, 2017 and 2016, VHS recorded approximately \$60,387 and \$12,079 of contribution revenue, respectively, associated with the release of these funds from restrictions. \$27,559 is recorded as deferred revenue in other long-term liabilities as of June 30, 2017. As such amount will be recognized upon exercise or expiration of the option.

On a monthly basis, VHS records management fee expense and makes payments to Integrity associated with the management services received under the Management Agreement. During the initial fiscal year which ended June 30, 2016, the monthly management fee was determined based on a specified percentage of trailing 12 month operating revenues for VHS. Such management fees are adjusted each succeeding fiscal year based on changes in the consumer price index. VHS defers payment for a portion of management fees based on its days' cash on hand over the most recent 90 day period. All deferred management fees accrue interest at 2.87% per annum in the extent such amounts are not paid in the fiscal year that services are received. Such deferred management fees are contingently payable based on the terms of the Management Agreement, which include annual calculations of excess cash on hand.

For the years ended June 30, 2017 and 2016, VHS recorded approximately \$59,821 and \$32,476 of management fee expense within the purchased services and other expense line, respectively. As of June 30, 2017 and 2016, VHS had a liability of \$66,228 and \$76,108 within accrued expenses and other current liabilities, respectively, representing deferred management fees.



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
 (All amounts in Thousands)

Provided to the Master Indenture of 2017, dated as of December 1, 2017 (as amended and supplemented, the Master Indenture) among the Members of the Obligated Group and U.S. Bank National Association (Master Trustee), an Obligated Group (as defined) of entities included in the Obligated Group (as defined) was established to access the capital markets. Obligated Group members are jointly and severally liable for the long-term debt outstanding secured by an Obligation (as defined) under the Master Indenture.

### **Liquidity**

VHS had working capital of \$61,059 and \$103,548 as of June 30, 2017 and 2016, respectively. VHS had a deficit of revenues over expenses of \$37,850 and cash used in operations of 212,181 for the year ended June 30, 2017 compared to a deficit of revenues over expenses of \$195,429 and cash used in operations of \$85,377 for the year ended June 30, 2016. The current year deficit of revenues over expenses and cash used in operations represented an improvement of \$157,579 and \$74,194, respectively, from the prior year. Such improvements have been largely driven by increases in patient volumes, additional reimbursement under the California Hospital Fee Program (see Note 2 for details), and overall cost-cutting initiatives that have been implemented. Additionally, VHS has been successful in raising additional financing, which includes issuance of the 2017 Notes for \$71,000 in September 2017 and the MFB Loan for \$46,228 in October 2017 (see subsequent events at Note 15 for additional details). Management believes that cash flows from operations and financing activities will provide sufficient capital resources to sustain operations through at least the next twelve months from the date the financial statements were issued.

### **X. Summary of Significant Accounting Policies**

#### **Basis for Presentation**

The accompanying consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles and include the accounts of VHS plus elimination of intercompany transactions. Certain reclassifications and changes in presentation were made in the 2016 consolidated financial statements to conform to the 2017 presentation. See the recent accounting pronouncements section below for additional details. All amounts in the consolidated financial statements and footnotes are presented in thousands.

#### **Use of Estimates**

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. VHS considers critical accounting policies to be those that require more significant judgments and estimates in the preparation of its consolidated financial statements, including the following: recognition of net patient service revenue, which includes contractual allowances and discounts, provisions for doubtful accounts and charity care, assumptions for measurement of pension and other postretirement liabilities, and reserves for losses are related to (covered) professional and general liability coverage. Management's accounting policies are



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

**Notes to Consolidated Financial Statements**  
**(All amounts in Thousands)**

involves some or associated with certain or other regulatory arrangements. Management issues its estimates on historical experience and various other assumptions that it believes are reasonable under the particular facts and circumstances. Actual results could differ materially from these estimates.

**Medical Foundation**

The VHS Medical Foundation was established in December 2011 and incorporated under the California regulations as a not-for-profit corporation exempted from income taxes under IRS Section 501(c)(3). The sole member of this corporation is VHS, acting through its Board of Directors.

**Cash and Cash Equivalents**

Cash equivalents consist primarily of highly liquid marketable securities with original maturities at the time of purchase, of three months or less.

**Patient Accounts Receivable, Allowance for Doubtful Accounts, and Net Patient Service Revenue**

Patient accounts receivable and net patient service revenue are reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated settlements under reimbursement agreements with third-party payers. Settlements with third-party payers are accrued on an estimated basis in the period in which the related services are rendered and are adjusted in future periods as final settlements are determined.

VHS manages the receivables by regularly reviewing its patient accounts and contracts and by providing appropriate contractual allowances and allowances for doubtful accounts. These allowances are estimated based upon an evaluation of historical payments, negotiated contracts, and governmental reimbursements. Adjustments and changes in estimates are recorded in the period in which they are determined. The gross self-pay accounts receivable was reserved at 9% and 9% at June 30, 2017 and 2016, respectively, in total between the allowance for doubtful accounts and contractual allowances.

Patient service revenues, net of contractual allowances and discounts, are as follows:

Year Ended June 30	2017	2016
Governmental	\$ 913,181	\$ 740,380
Contracted	333,258	130,684
Self-pay and others	54,267	46,109
Net patient service revenue	1,300,706	917,173
Less provision for doubtful accounts	(13,770)	(18,731)
Net patient service revenue less provision for doubtful accounts	\$ 1,286,936	\$ 898,442

Net patient service revenue includes contractual and other allowances (excluding charity patients) of \$6,268,927 and \$6,416,487 for the same periods from 30, 2017 and 2016, respectively.



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
 (All amounts in thousands)

Standard concentrations of risk, patient acuity, and service lines are as follows:

As of June 30,	2017	2016
HMO/PPV/Commercial	40%	39%
Medicare	25	25
Medi-Cal	32	32
Other	3	4
Total	100%	100%

Inpatient acute care services, outpatient services, and skilled nursing services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates are determined according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain inpatient, non-acute services and department capital and medical equipment costs related to Medicare beneficiaries are paid using a cost reimbursement methodology.

Health care services are provided free of charge or at a significant discount based on a sliding scale to individuals who meet certain financial criteria. VHS makes an effort to determine if a patient qualifies for charity care upon admission. If a patient is determined to qualify for charity care, services are rendered to the patient free of cost. The costs of providing these services are included in unremunerated community benefit expense and included as a deduction to net patient service revenue in the consolidated statement of operations. VHS estimates the cost of charity care by calculating a ratio of cost to usual and customary charges and applying that ratio to the usual and customary uncompensated charges associated with providing care to patients that qualify for charity care. The amount of charity care at cost was \$10,444 and \$17,981 for the years ended June 30, 2017 and 2016, respectively.

After collection of amounts due from insurance and the application of financial discounts to patients' balances, and after exhausting all reasonable efforts to collect from the patients, a significant portion of VHS's uninsured and self-pay patient accounts are referred to third-party agencies based on VHS's established guidelines for further collection activities. As a result, VHS records a significant provision for doubtful accounts related to these uninsured patients in the period the services are rendered based on historical collection experience.

As part of VHS's mission to serve the community, VHS provides care to patients even though they may lack adequate insurance or may participate in programs that do not pay full charges. Reserves for charity care and uncollectible amounts have been established and are netted against patient accounts receivable in the consolidated balance sheet.

Revenues from Medi-Cal and long-term care payers are based on a per-diem, per-discharge, modification, or capitated basis or a combination of these.



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
**(All amounts in Thousands)**

adjustments to the financials of prior year cost reports from both Medicare and Medi-Cal resulted in net increase in patient service revenues of \$1,402 and \$7,613, for the years ended June 30, 2017 and 2016, respectively. St. Francis Medical Center qualified for and received Medi-Cal funding as a disproportionate-share hospital from the state of California under Senate Bill (SB) 859. Related revenues were \$30,542 and \$27,079, for the years ended June 30, 2017 and 2016, respectively, and are included in net patient service revenue. Amounts to be received in future years, if any, are subject to annual determination.

The St. Francis Medical Center also received funding for Medi-Cal disproportionate-share payments under SB 1255. These SB 1255 funds are paid from the Emergency Services and Supplemental Payments Fund. Related revenues were \$8,040 and \$7,908, for the years ended June 30, 2017 and 2016, respectively, and are included in net patient service revenue. This funding must be applied for and approved each year.

The St. Francis Medical Center also qualifies for Medi-Cal funding as a disproportionate-share hospital from the state of California under SB 1732. This SB 1732 program permits health care facilities serving a disproportionate share of Medi-Cal patients to receive supplemental reimbursement for a portion of their debt service for qualified capital projects. St. Francis Medical Center has an amendment to its Medi-Cal contract, which was executed on June 19, 1993, for reimbursement related to the St. Francis Medical Center Health Services Pavilion, which was completed in 1991. Related revenues were \$2,213 and \$2,220, for the years ended June 30, 2017 and 2016, respectively, and are included in net patient service revenue.

Other than St. Francis Medical Center, neither VHS entities received funding under SB 859, SB 1255 or SB 1732 for the years ended June 30, 2017 and 2016.

#### **Inventories**

Inventories consist of supplies and are stated at the lower of cost or market value, which is determined using the first in, first out method. Inventories are reviewed for obsolescence on a periodic basis. Amounts are included in other current assets.

#### **Assets Limited as to Use**

Assets limited as to use represent assets designated by the board of directors for future capital improvements, assets at Marillac designated by the board of directors for payment of workers' compensation and hospital professional and general liability claims, assets held by trustees under bond indenture agreements (refer the Series 2005 Bonds, Series 2015 Notes, and 2017 Agreement C-PAGE Bonds at Note 9), and investments restricted by donors. Investment income or loss is included in deficiency of revenues over expenses, unless the income or loss is restricted by donor or law. The assets are reflected in the assets limited as to use line item in the consolidated balance sheets.

#### **Investments**

Investments received through gifts are recorded at estimated fair value at the date of donation. Gains and losses from assets from market fluctuations are recognized in the period that such fluctuations occur. Realized gains or losses resulting from sales or maturities are calculated on an adjusted cost basis. Adjusted cost is the original cost of the security adjusted for any purchase or sales during the year. Dividend and interest income are accrued when earned.



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Interim Consolidated Financial Statements**  
 (All amounts in Thousands)

VHS also maintains ownership interests in certain entities that are recorded under the equity method of accounting as VHS has the ability to exercise significant influence over the operating and financial policies of the investee. Equity method investments are recorded as other long-term assets in the consolidated balance sheet and earnings or losses associated with equity method investments are reported as investment income (loss) in the consolidated statement of operations and changes in net assets.

Investment (loss) income includes the following:

Years Ended June 30,	2017	2016
Interest and dividends	\$ 954	\$ 367
Investment fees	(168)	(208)
Change in unrealized gains (losses) on investments - net	(1,499)	77
net realized gains on sales of investments	9,185	-
Equity method investments - other-than-temporary impairment losses	(8,378)	-
Equity method investments - guarantee losses	(3,588)	-
Equity method investments - share of earnings (losses)	(118)	-
	<u>12,335</u>	<u>1,986</u>
Amounts included in changes in temporarily restricted net assets	(173)	(171)
Amounts included in changes in permanently restricted net assets	(65)	78
Investment (loss) income	<u>\$ 12,097</u>	<u>\$ 2,000</u>

During the year ended June 30, 2017, VHS recorded other-than-temporary impairment losses of \$3,310 associated with the decline in the fair value of certain surgery center investments that were purchased in January 2017. The decline in fair value resulted from the degradation in future estimated cash flows due to adverse changes in business conditions that occurred subsequent to the acquisition date. See Note 3 for additional details related to the initial purchase of non-controlling ownership interests in the surgery centers and a controlling ownership interest in the management company, Verity BAFM Holdings, LLC. See Note 4 for additional details on the valuation methodology utilized to determine the fair value of the surgery center investments as of June 30, 2017.

During the year ended June 30, 2017, VHS also recorded investment losses of \$3,588 associated with the guarantee of certain outstanding legal obligations on behalf of the surgery center equity method investees. See Note 3 for additional details on the terms of the guarantee. As of June 30, 2017, VHS estimated the fair value of the guarantee obligation to be \$4,750, which resulted in the recording of a guarantee liability within other long-term liabilities. As this guarantee obligation was determined to represent an additional contribution to the investees, \$1,172 was recorded as an increase in carrying value of VHS's equity method investment associated with VHS's portion of the investment and \$3,588 was recorded as an investment loss associated with the non-controlling investors' portion of the investment. See Note 4 for additional details on the valuation methodology



**Vermey Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

**Annual Consolidated Financial Statements**  
**(All amounts in thousands)**

***Fair Value of Financial Instruments***

The carrying amount reported in the consolidated balance sheet for cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, and due to/from government agencies approximate fair value due to their short-term nature. The fair value of investments is disclosed in Notes 4 and 8, and the fair value of debt is disclosed in Note 9.

***Property and Equipment***

Property and equipment are stated at cost if purchased, and at fair market value if donated. Depreciation of property and equipment is calculated using a half-year convention and the straight-line method for financial statement purposes. Estimated useful lives by classification are as follows:

Land improvements	5-25 years
Buildings	10-40 years
Building service equipment	5-25 years
Equipment	3-20 years
Software development	2-5 years

***Long-Lived Asset Impairment***

VHS routinely evaluates the carrying value of its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset, or related group of assets, may not be recoverable from estimated future undiscounted cash flows generated by the underlying tangible assets. When the carrying value of an asset exceeds the estimated recoverability, an asset impairment charge is recognized. The impairment tests are based on financial projections prepared by management that incorporate anticipated results from programs and initiatives being implemented and market value assessments of the assets. If the projections are not met, or if negative trends occur that impact the future outlook, the value of the long-lived assets may be impaired, which could be material. There was no long-lived asset impairment recorded for the years ended June 30, 2017 and 2016 associated with tangible assets.

VHS recorded an impairment loss of \$6.858 associated with long-lived management contract intangible asset for the year ended June 30, 2017, which is included in goodwill and intangible asset impairment loss in the consolidated statement of operations and changes in net assets. See Note 5 for additional details.

***Self-Insurance***

VHS is self-insured for hospital professional and general liabilities by a wholly-owned self-insured captive insurance company (Marillac). The provisions for estimated hospital professional and general liability claims include estimates of the ultimate costs for both uninsured reported claims and claims incurred but not reported (IBNR), in accordance with actuarial projections or paid claims (incurred) minus past expenses. Such claim reserves are based on the best data available to VHS. However, these estimates are subject to a significant degree of inherent variability. There is a risk a reasonable possibility that a material change to the estimated reserves will occur in the near term. Such estimates are continuously monitored and reviewed and as reserves are adjusted, the



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
**(All amounts in thousands)**

Differences are reflected in current operations. Management is of the opinion that the estimated liabilities recorded in the accompanying consolidated financial statements are adequate and reasonable.

VHS has entered into reinsurance, stop loss, and excess policy agreements with independent insurance companies to limit its losses on hospital professional and general liability claims.

Hospital professional and general liabilities (HPL/GLI) were \$18,721 and \$16,082, discounted at a rate of 4% as of June 30, 2017 and 2016, respectively. Management is not aware of any potential hospital professional and general liability claims whose settlement would have a material adverse effect on VHS's consolidated financial position.

**Workers' Compensation Insurance**

VHS is insured for workers' compensation claims with major independent insurance companies, subject to certain deductibles of \$500 per occurrence as of June 30, 2017 and 2016. Based on actuarially determined estimates, provisions have been made in the consolidated financial statements, with the current portion included within accrued liabilities and the non-current portion within workers' compensation and hospital professional and general liabilities, for all known claims and IBNR claims as of June 30, 2017 and 2016. Workers' compensation liabilities were \$26,474 and \$24,797, discounted using a rate of 4% as of June 30, 2017 and 2016, respectively. Minimum differences between actual payments and amounts recorded in previous years are recognized as expense in the year such amounts become determinable.

**IBNR Claims under Premium Revenue Arrangements**

Liabilities of VHS have capitation arrangements with various payers to provide medical services to individuals. VHS accrues costs when services are rendered under these contracts, including estimates of IBNR claims and amounts receivable/payable under risk sharing arrangements. The IBNR actual includes an estimate of the costs for which VHS is responsible, including out-of-network services. The IBNR reserves are reported in accrued expenses and other current liabilities on the consolidated balance sheets (see Note 7 for additional information). Medical claims expense associated with premium revenue arrangements is separately reported in the consolidated statement of operations and changes in net (deficit) assets.

IBNR reserves are estimated based on actuarial studies, historical reporting, and payment trends. Subsequent actual claims experience will differ from the estimated liability due to variation in historical and actual utilization of health care services, the amount of charges, and other factors. As settlement are made and estimates are revised, the differences are reflected in current operations.



**Vermont Health System of California, Inc.**  
*(Formerly Quaternary of Charity Health System)*  
**Item 19 Consolidated Financial Statements**  
**(All amounts in Thousands)**

The following table presents the addition of the medical claims and IBNR (liabilities or amounts) for each of the period years ended June 30, 2017 and 2016:

June 30,	2017	2016
Medical claims and IBNR liabilities as of beginning of year	\$ 31,415	\$ 31,415
Claims expenses incurred during the year	\$1,953	\$1,953
Claims paid during the year	\$1,471	\$1,521
Medical claims and IBNR liabilities as of end of year	\$ 31,897	\$ 31,847

**Asset Retirement Obligations (AROs)**

AROs are legal obligations associated with the retirement of long-lived assets. These liabilities are initially recorded at fair value, and the related asset retirement costs are capitalized by increasing the carrying amount of the related assets by the same amount as the liability. Asset retirement costs are subsequently depreciated over the useful lives of the related assets. Subsequent to initial recognition, VHS records period-to-period changes in the ARO liability resulting from the passage of time. VHS has recorded ARO liabilities of \$3,244 and \$3,627 in other long-term liabilities as of June 30, 2017 and 2016, respectively.

**Revenue Guarantees**

VHS has agreements with physicians whereby minimum revenues are guaranteed by VHS for stipulated dollar amounts over specified periods, as defined in the contracts. VHS records a liability for the amount of the guaranteed revenue at the time the contract is entered into and adjusts the liability as it is expended. VHS has recorded liabilities of \$754 and \$922 in accrued expenses and other current liabilities as of June 30, 2017 and 2016, respectively.

**Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are those for which use by VHS has been limited by donors for a specific time period or purpose. Permanently restricted net assets have been restricted by donors in or maintained by VHS in perpetuity.

**California Hospital Fee Program**

California legislation established a program in 2007 that imposes a Quality Assurance Fee (QA Fee) on certain general acute-care hospitals in order to make supplemental and grant payments and increased capitation payments (Supplemental Payments) to hospitals up to the aggregate upper payment limit for certain periods. There have been two such programs (the Programs) since inception.

The Programs are designed to make supplemental inpatient and outpatient Medi-Cal payments to private hospitals, including additional payments for certain facilities that provide high-acuity care and trauma services to the Medi-Cal population. This hospital QA Fee program provides a mechanism for increasing payments to hospitals that serve Medi-Cal patients, without impact on the state's General Fund. Payments are made directly by the state to Medi-Cal managed care plans, which will receive increased capitation rates from the state or amounts equal to the Supplemental Payments. Outside of the legislation, the California Hospital Association has created a private program.



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

**Notes to Consolidated Financial Statements**  
**(All amounts in Thousands)**

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approved by the California Health Foundation and Trust (CHFT), which was established to distribute payments resulting from the implementation of the Program.

The Program requires full Federal approval by the Centers for Medicare and Medicaid Services (CMS) in order for them to be fully enacted. If final Federal approval is not ultimately obtained, provisions in the underlying legislation allowing for the QA Fee, previously assessed, and Supplemental Payments, previously received, to be returned and repaid, respectively.

In October 2013, the fourth program (36-Month Program), covering the period from January 2014 to December 2016, was signed into law by the governor of California. The fee-for-service payments of the 36-Month Program were approved in December 2014 by CMS. The last six months of non-expansion managed care payments were approved by CMS in June 2015. The first six months of expansion managed care payments were approved by CMS in March 2016. On December 30, 2016, CMS approved the managed care payments spanning July 1, 2014, to December 31, 2014 for the expansion population and July 1, 2014 to June 30, 2015, for the non-expansion population.

VHS recognized payments to the California Department of Health Care Services for the QA fee in the amount of \$70,032 and \$84,221 and pledge payments to CHFT of \$2,428 and \$1,778 within our patient services and other expenses for the years ended June 30, 2017 and 2016, respectively. VHS also recognized Supplemental Payment revenue in the amount of \$169,686 and \$134,061 within the net patient service revenue for the years ended June 30, 2017 and 2016, respectively. For the year ended June 30, 2017, these amounts include the six months of the 36-Month Program related to the fee-for-service portion (July 1, 2015 through December 31, 2016) and the managed care rates approved by CMS on December 30, 2016 noted above.

Refer to Note 6 and Note 7 for additional information on the assets and liabilities recorded at June 30, 2017 and 2016, associated with the provider fee programs.

**Premium Revenue**

Certain entities at VHS have capitation arrangements with various payers to provide medical services to employees. Under these arrangements, VHS receives monthly payments on a per member per month basis (PMPM), regardless of services actually performed by VHS. Premium revenues are recognized during the period in which VHS is obligated to provide services to employees.

**Meaningful Use Incentives**

The American Recovery and Reinvestment Act of 2009 established payments under the Medicare and Medicaid programs for certain professionals and hospitals that meaningfully use certified electronic health record (EHR) technology. The Medicare incentive payments are paid out to qualifying hospitals over four consecutive years on a transitional schedule. To qualify for Medi-Cal incentives, hospitals and physicians must annually meet EHR "meaningful use" criteria that become more stringent over three stages as determined by CMS. For the years ended June 30, 2017 and 2016, VHS has recorded meaningful use incentive payments of \$1,379 and \$507, respectively. These incentive payments have been recorded as other operating revenues in the VHS consolidated statements of operations and are recorded under the other continuing care fund. Such incentives are subject to audit and compliance by the program authorities.



**Vermey Health System of California, Inc.**  
*(Formerly Quorum of Charity Health System)*  
**Consolidated Financial Statements**  
**(All amounts in thousands)**

**Other Operating Revenue**

included in other operating revenues are amounts from rental revenues, medical services, insurance, Medicare/Medicaid incentives, grant revenues, and other non-patient care revenue.

**Contributions**

Unconditional promises to give cash and other assets to VHS are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets. Net assets released from restrictions used for operations are also included in other operating revenue as contribution revenue to the Hospitals.

Refer to Note 1 for additional information on the unrestricted contribution revenue recorded during the years ended June 30, 2017 and 2016, associated with the release of the Blue Mountain restricted contribution.

**Interest Expense**

Interest expense on debt issued for construction projects, net of income earned on the funds held pending use, is capitalized from the date of the borrowing until the projects are placed in service. Interest components include the following:

Year Ended June 30	2017	2016
Fixed interest expense	\$ 29,047	\$ 28,543
Less capitalized interest expense	(907)	(1,211)
Interest expense	\$ 28,140	\$ 27,332

**Income Taxes**

VHS has established its status as an organization exempt from income taxes under IRC Section 501(c)(3) and the laws of California. Certain activities of the operating entities of VHS may be subject to income taxes; however, such activities are not significant to the consolidated financial statements.

**Performance Indicator**

Management considers the (deficit) excess of revenues over expenses to be VHS's performance indicator. (Deficit) excess of revenues over expenses includes all changes in unrestricted net assets, except net assets released from restriction used for purchase of property and equipment, the change in funded status of pension plans, and other.

Certain Obligated Group members have a policy whereby assets are periodically transferred on short-term distributions to subsidiaries of VHS that are not members of the Obligated Group. These transfers are accounted for as direct charges to the Obligated Group members' unrestricted net assets. It is anticipated that Obligated Group members will continue to make asset transfers in the immediate future. These transfers are eliminated upon consolidation.



**Verny Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**  
**Consolidated Financial Statements**  
**(All amounts in Thousands)**

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**Recent Accounting Recommendations:**

In August 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2017-07, *Compensation - Retirement Benefits: Improving the Presentation of Net Periodic Pension Costs and Net Periodic Postretirement Benefit Cost*. This guidance was issued to improve the reporting of net benefit cost in the financial statements to make this information more transparent. Under the guidance, an employer must report the service cost component in the same line item or items as other compensation costs arising from services rendered by performing employees during the period. The other components of net benefit cost are required to be presented in the statement of operations separately from the service cost component and outside the subtotal of income from operations if one is presented. ASU 2017-07 is effective for annual reporting periods beginning after December 15, 2017. Early adoption is permitted. VHS is currently evaluating the impact of this new standard on the consolidated financial statements.

In January 2017, the FASB issued ASU 2017-02, *Not-For-Profit Entities - Consolidation: Clarifying When a Not-For-Profit Entity That is a General Partner or Limited Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity*. The amendments in this ASU refine the consolidation guidance that existed in Subtopic 810-20 by including it in Subtopic 958-810 (not for profit consolidation guidance). ASU 2017-02 is effective for annual periods beginning after December 15, 2016 and early adoption is permitted. VHS early adopted this guidance for the year ended June 30, 2017. Adoption of this guidance did not have a material effect on the consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Payments*. This guidance adds or clarifies guidance on the classification of certain cash receipts and payments in the statement of cash flows. ASU 2016-15 is effective for annual periods beginning after December 15, 2018. VHS is currently evaluating the impact of this new standard on the consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements for Not-For-Profit Entities*, which will require not for profit entities to revise financial presentation to include: net asset classifications, provide quantitative and qualitative information on available resources and management of liquidity and liquidity risk, information on investment expenses and returns, and the presentation of operating cash flows. The standard aims to help the reader of the financial statements to better understand the financial position of the organization and enhance consistency among similar organizations. ASU 2016-14 is effective for annual periods beginning after December 15, 2017. Early adoption is permitted. VHS is currently evaluating the impact of this new standard on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842): Amendments to the FASB ASC*. ASU 2016-02 amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. The new standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option for use certain transition relief. The amendments in this update are effective for fiscal years (and interim reporting periods within fiscal years) beginning after December 15, 2018. Early adoption of the amendments is permitted for all entities. VHS is currently evaluating the impact of this new standard on the consolidated financial statements.



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

**Notes to Consolidated Financial Statements**  
**(All amounts in thousands)**

In July 2017, the FASB issued ASU 2015-11, *Simplifying the Measurement of Inventory*. This standard requires entities to measure most inventories at the lower of cost or net realizable value. ASU 2015-11 is effective for annual periods beginning after December 15, 2016. VHS does not expect this guidance to have a material effect on the consolidated financial statements.

In April 2015, the FASB issued ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The standard removes the requirement to categorize, within the fair value hierarchy, investments for which fair value is measured using the net asset value per share as a practical expedient. VHS adopted ASU 2015-07 retrospectively for the fiscal year ended June 30, 2017. As a result of the retrospective adoption, VHS removed any investments from the fair value hierarchy for which fair value is measured using the NAV per share as a practical expedient. Refer to the fair value disclosures for VHS's pension plan assets in Note 8 for additional details.

In April 2015, the FASB issued ASU 2015-03, *Interest-Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs*. The standard amends existing guidance to require the presentation of debt issuance costs in the balance sheet as a deduction from the carrying amount of the related debt liability instead of as an asset. VHS adopted ASU 2015-03 retrospectively for the fiscal year ended June 30, 2017. As a result of the retrospective adoption, VHS reclassified unamortized debt issuance costs of \$1,483 from other long-term assets to a reduction in long-term debt in the consolidated balance sheet as of June 30, 2016.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. And in August 2015, the FASB issued ASU 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, which defers the effective date of ASU 2014-09 by one year. ASU 2014-09 requires the entity to recognize revenue for the transfer of goods or services equal to the amount that it expects to be entitled to receive for those goods or services, effective for periods beginning after December 15, 2017. VHS is currently evaluating the impact of this new standard on the consolidated financial statements.

### 3. Acquisitions

In January 2017, VHS expanded its ambulatory footprint by obtaining (1) a 51% controlling ownership interest in a newly formed management company, Verity BASM Holdings, LLC (a.k.a. Surgical Partners of California or BASM) which has agreements to manage multiple ambulatory surgery centers in the San Francisco Bay Area and (2) a noncontrolling ownership interest in five of the surgery centers managed by BASM. The partnership is expected to advance VHS's goal of evolving into an integrated healthcare delivery network for the communities served.

VHS determined that the acquisition of BASM should be consolidated in the financial statements of VHS and the 49% noncontrolling ownership interest should be separately presented. Refer below for additional details on the assets, liabilities and net assets recorded in connection with the full fair value allocation for BASM. VHS also determined that its noncontrolling ownership interests reflect (1) the surgery centers managed by BASM, except for the 25% ownership interest held for under the entity network of associates.



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
**(All amounts in thousands)**

The consideration for the above ownership interests included a cash payment to approximately \$15,000 and the assumption of a guarantee associated with an outstanding legal obligation owed to BASM and the five surgery centers for which VHS acquired an ownership interest collectively, the "Defendants"). The \$15,000 purchase price was allocated between BASM and the five surgery centers based on the respective business valuations for VHS's ownership interest in each entity, which were determined using a discounted cash flow approach and appropriate discounts for lack of control and marketability, as required. Discount rates utilized to determine the business valuations ranged from 13% - 17% depending on the level of risk associated with the business operations.

Based on the valuations, approximately \$7,165 was allocated to the five surgery centers and was recorded as equity-method investments and \$7,835 was allocated to BASM, representing VHS's ownership interests in the net assets of BASM. In the opening balance sheet of BASM as of January 2017, VHS recorded: (1) total assets of \$21,799, including \$12,920 of intangible assets, \$3,702 of goodwill and \$5,177 of tangible assets; and (2) total liabilities of \$6,436 associated with the assumed legal obligations. The total net assets of \$15,363 were allocated as \$7,835 for VHS's controlling interest and \$7,528 for the non-controlling interest. The intangible assets are associated with the management contracts assumed and are being amortized over a useful life ranging from 5 to 15 years in accordance with the duration of the contracts.

In connection with the transaction, VHS simultaneously entered into a series of Reimbursement Agreements with the defendants requiring that they reimburse VHS for any payments made under the guarantee agreement. Such reimbursement may either be in the form of cash payments or VHS has the ability to recover such amounts by acquiring additional membership units in the respective entities. The initial amount of the guarantee was \$20,000 plus accrued interest at 6% per annum. As of June 30, 2017, the outstanding obligation at risk under the guarantee is \$15,000 plus interest.

On June 30, 2017, which represents the annual impairment testing date, VHS concluded there were impairment indicators associated with VHS's equity method investments in certain of the surgery centers and the management contract intangible assets and goodwill recorded at BASM. Such impairment indicators resulted from significant adverse trends in the most recent estimates of future cash flows for both the surgery centers and BASM. As a result of the impairment analysis, VHS recorded: (1) \$3,310 of other-than-temporary impairment losses for its equity method investments in investment loss (see Note 2 for additional detail); (2) \$6,858 of impairment losses for the management contract intangible assets at BASM in operating expenses; and (3) \$3,374 of impairment losses for goodwill at BASM in operating expenses. See Note 4 for additional details on the valuation methodology utilized to determine the fair value of the respective assets and record the impairment charges as of June 30, 2017.

As a result of the impairment indicators identified at June 30, 2017, VHS also re-assessed the probability associated with a contingent loss under the guarantee agreement and recorded a guarantee obligation of \$4,760 in other long-term liabilities. As the guarantee obligation was determined to represent an additional contribution to the surgery centers' investees, \$4,172 was recorded as an increase in carrying values of VHS's equity method investment associated with VHS's portion of the investment and \$5,780 was recorded as an investment loss associated with the non-controlling investees' portion of the investment. See Note 4 for additional details on the valuation methodology utilized to determine the fair value of the guarantee as of June 30, 2017.



**Verny Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Consolidated Financial Statements**  
 (All amounts in thousands)

**Fair Value Measurements**

It is our belief that assets at fair value are of a kind that approximates fair value. A valuation hierarchy for valuation inputs has been established to prioritize the valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Our fair value measurement is reported in one of the three levels, which is determined by the lowest-level input that is significant to the fair value measurement in its entirety. These levels are as follows:

- **Level 1** - Quoted prices are available in active markets for identical assets or liabilities. Financial assets in Level 1 include listed equities and money market instruments.
- **Level 2** - Pricing input is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Financial assets in this category generally include asset-backed securities, corporate bonds, municipal bonds, and commingled investment funds.
- **Level 3** - Pricing inputs are generally unobservable for the asset and include valuations where there is little, if any, market activity for the investment. The inputs used in determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets. Therefore, the fair values are determined using ratios that involve judgment and interpretations, including discounted cash flow models and similar techniques.

The following represents assets measured at fair value on a recurring basis:

		June 30, 2017	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
	Total		
Other investments - unrestricted or reserve:			
Cash equivalents	\$ 10,949	\$ 10,949	\$ -
Debt securities issued by foreign corporations	162	-	162
Debt securities issued by the U.S. Treasury and agencies	21,162	-	21,162
U.S. government corporations	7,376	-	7,376
Government mortgage-backed securities	11,194	-	11,194
Corporate U.S. debt securities	4,236	-	4,236
Investment fund - mutual account	11,181	11,181	-
Under bond indenture agreements - assets limited to cash	63,441	63,441	-
Cash equivalents			



**Verny Health System of California, Inc.**  
**(Formerly Veterans of Charity Health System)**  
**2018-2019 Consolidated Financial Statements**  
**(All amounts in Thousands)**

	Fair Value Hierarchy		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)
Other investments – assets limited as to use:			
Cash equivalents	\$ 60,264	\$ 60,264	\$
Debt securities issued by foreign corporations	2,464		2,464
Debt securities issued by the U.S. Treasury and other U.S. government corporations	13,919		13,919
Commercial mortgage-backed securities	1,096		1,096
Fixed-income mutual funds and securities	5,111		5,111
Corporate U.S. debt securities	13,950		13,950
Fixed funds	12,446		12,446
Investment held in trust accounts	5,024		5,024
	<b>142,242</b>	<b>60,264</b>	<b>51,015</b>
Other long-term investments – assets limited as to use:			
Cash equivalents	25,154	25,154	
<b>Total assets limited as to use</b>	<b>\$ 167,397</b>	<b>\$ 85,418</b>	<b>\$ 51,015</b>

There were no transfers in or out from Levels 1, 2, or 3 during the years presented. The Level 2 financial assets listed in the fair value hierarchy tables above use the following valuation techniques and inputs:

For investable securities, such as foreign corporation and U.S. government debt securities, government and commercial mortgage-backed securities, corporate U.S. debt securities, public funds, and beneficial interest held in trust accounts, wherein identical quoted market prices are not readily available, the fair value of such investments is determined based on market participant pricing or other available market data for comparable instruments and transactions at the measurement date. VHS, therefore, incorporates industry-standard valuation techniques as inputs to fair valuation of its investments designated as Level 2.

VHS's rationale for the assignment of levels is based on types or classes of financial assets, rather than an analysis of each individual asset. Key consideration in the assignment of levels was given to the determination of a security's fair valuation measurement if obtained from an active market, and then further consideration was given for the types of inputs used to evaluate the fair value price. This approach has been supported by management's analysis of the methodology, the evaluated pricing models, and inputs used by its pricing vendors. It is also consistent with industry practice.

Where quoted prices are available in an active market (exchange-traded), the securities are classified as Level 1. It is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. If quoted market prices are not readily available for a specific financial asset, then value is determined using quoted prices of assets with similar characteristics and is classified as Level 2. Examples of these categories are VHS's investment in high-yield debt securities, collateralized mortgage obligations, and fixed-income funds provided by



**Verity Health System of California, Inc.**  
*(Formerly Daughters of Charity Health System)*

**Notes to Consolidated Financial Statements**  
**(All amounts in Thousands)**

is considered a Level 1 investment, in cases where there is a limited activity and the fair value is determined by reference to a quoted price in an active market for identical assets or liabilities. VHS will designate the investments as Level 2. There were no Level 3 investments at June 30, 2017 and 2016.

**Impairment Losses**

During the year ended June 30, 2017, VHS recorded (1) \$1,710 of other-than-temporary impairment losses for its equity method investments; (2) \$6,858 of impairment losses for the management contract intangible assets at EASMC; and (3) \$5,374 of impairment losses for goodwill at EASMC. These represent non-recurring fair value measurements as of June 30, 2017. See Notes 2 and 3 for additional details. The fair value of the respective assets was determined using a discounted cash flow approach and appropriate discounts for lack of control and marketability, as required. Discount rates utilized to determine the business valuations ranged from 11% - 15% depending on the level of risk associated with the business operations. Such fair value measurements represent Level 3 fair value measurements as they utilize significant unobservable inputs.

**Guarantee**

During the year ended June 30, 2017, VHS recorded a guarantee liability of \$4,760 associated with the guarantee of certain outstanding legal obligations on behalf of the surgery center equity method investors. This represents a non-recurring fair value measurement as of June 30, 2017. See Note 3 for additional details on the terms of the guarantee. The fair value of the guarantee was estimated based on the contingent loss associated with the estimated payments to be made under the guarantee in the event of a default by the surgery centers.

**Investment Held in Trust Accounts**

VHS is the beneficiary of a split interest agreement from a donor. The related assets are controlled and invested by an independent third party. VHS records the assets based on the fair value of the underlying investments.

**5. Property and Equipment**

Property and equipment consists of the following:

June 30	2017	2016
Land	\$ 24,225	\$ 24,461
Land improvements	28,226	26,232
Buildings and service equipment	703,766	735,023
Equipment	543,947	524,879
Construction in progress	24,207	1,179
Total	1,324,361	1,291,774
Less accumulated depreciation	(1,071,241)	(1,046,302)
Property and equipment, net	\$ 253,120	\$ 245,472

VHS recorded depreciation expense of \$1,155 for the year ended June 30, 2017 and \$1,155 for the year ended June 30, 2016.



**Vermont Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Balance Sheet Consolidated Financial Statements**  
 (All amounts in thousands)

**6 - Other Assets**

Other assets consist of the following:

June 30/	2017	2016
Prepaid expenses	\$ 24,032	\$ 31,300
Prepaid expenses	9,377	17,129
Provider fee receivables	25,960	91,781
Other receivables	14,357	5,343
Pledges receivable	4,523	5,868
Receivables	2,782	5,388
Other	5,151	6,403
<b>Total other assets</b>	<b>\$ 95,182</b>	<b>\$ 108,173</b>

Other long-term assets consist of the following:

June 30/	2017	2016
Land	\$ 9,371	\$ 100
Investments	3,198	-
Goodwill	3,223	-
Assets held for sale	2,469	-
Equipment and investments	3,881	-
Other	3,681	5,300
<b>Total other long-term assets</b>	<b>\$ 25,803</b>	<b>\$ 5,300</b>

**7 - Accrued Expenses and Other Current Liabilities**

Accrued expenses and other current liabilities consist of the following:

June 30/	2017	2016
Wages and benefits	\$ 64,155	\$ 66,061
Medical claims and ORP	31,897	31,415
Deferred management fees	19,246	16,008
Current portion of workers' compensation and hospital professional and general liability	3,255	9,805
Provider fee payables and advances	55,707	24,361
Other	47,367	64,243
<b>Total accrued expenses and other current liabilities</b>	<b>\$ 223,627</b>	<b>\$ 211,893</b>



**Verny Health System of California, Inc.**  
*(Formerly Quinlan of Charity Health System)*

**Notes to Consolidated Financial Statements**  
**(All amounts in thousands)**

**26 Pension and Other Postretirement Benefit Plans**

VHS maintains two employee defined benefit pension plans and participation in a multi-employer defined benefit retirement plan. The plans have been frozen for all employees, except members of the California Nurses Association (CNA). Benefits are generally based on age, years of service, and employee compensation. VHS also offers postretirement health care benefits to a limited number of its employees. The postretirement health care benefits are determined based on age and years of service.

The multiemployer defined benefit pension plan is called the Retirement Plan for Hospital Employees (RPHE). The entities that participate in the RPHE are Seton Medical Center, Seton Medical Center Coastside, O'Connor Hospital, Saint Louis Regional Hospital, and Caritas Business Services (however, as noted above, only CNA members at these locations earn new benefits under the plan). Benefits are generally based on years of service and the employee's compensation. Contributions to the plan are based on actuarially determined amounts sufficient to meet the benefits to be paid to plan participants and satisfy IRS funding requirements. VHS recorded benefits expense of \$21,093 and \$17,223 associated with required cash contributions to the RPHE during the fiscal years ended June 30, 2017 and 2016, respectively.

VHS also maintains single-employer defined benefit pension plans (the Retirement Plans). VHS associates at St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louis Regional Hospital, and the system office are eligible to participate in this plan (however, as noted above, only CNA members continue to earn new benefits under the plan). VHS contributed \$91,678 and \$12,815 to the Retirement Plans during the fiscal years ended June 30, 2017 and 2016, respectively.

VHS also maintains a retiree health insurance program (the Postretirement Healthcare Plan), which provides medical benefits to retirees from early retirement to age 65 only. VHS employees at O'Connor Hospital, St. Louis Regional Hospital, Seton Medical Center, and Seton Medical Center Coastside are eligible to participate in this plan. The Postretirement Healthcare Plan is an unfunded plan. VHS contributed \$59 and \$58 to the Postretirement Healthcare Plan during the fiscal years ended June 30, 2017 and 2016, respectively.

**Defined Contribution Retirement Plans**

In addition to the above pension plans, VHS maintains three different defined contribution retirement plans for its employees. One of these defined contribution plans (TSA/403(a)) includes employee voluntary contributions only. A second defined contribution plan (Match Benefit) requires employee contributions and the benefits are based on a percentage of the employee's contributions to the TSA/403(a). A third plan covers all employee groups except members of the CNA and is a fully employer-paid defined contribution plan with benefits based on a percentage of compensation. During the fiscal years ended June 30, 2017 and 2016, the employer's contribution expense for the defined contribution plans was \$18,481 and \$21,749, respectively.



**Vermont Health System of California, Inc.**  
**(Formerly Subsidiary of Charter Health System)**  
**Consolidated Financial Statements**  
**(All amounts in thousands)**

The Board of Directors of the Retirement Plan and the Postretirement Healthcare Supplemental Plan have approved the following:

	June 30, 2017		June 30, 2016	
	Retirement Plans	Postretirement Healthcare Plan	Retirement Plans	Postretirement Healthcare Plan
Change in benefit obligation:				
Benefit obligation				
Beginning of year	\$ 273,439	\$ 1,796	\$ 323,435	\$ 1,050
Amortization	1,837	98	2,862	181
Service cost	22,029	73	24,614	163
Actuarial (loss) gain	587	(1,200)	17,400	(1,988)
Plan change	1,110	-	-	-
Benefits paid	(23,528)	(50)	(24,381)	(13)
Benefit obligation, end of year	\$ 264,885	\$ 872	\$ 323,435	\$ 1,996
Accumulated benefit obligation	\$ 264,790	\$ 872	\$ 323,319	\$ 1,996

	June 30, 2017		June 30, 2016	
	Retirement Plans	Postretirement Healthcare Plan	Retirement Plans	Postretirement Healthcare Plan
Change in plan assets:				
Fair value of plan assets				
Beginning of year	\$ 200,146	\$ -	\$ 215,824	\$ -
Actual return on investments	6,746	-	8,131	-
Employer contribution	21,029	73	24,614	163
Benefits paid	(23,528)	(50)	(24,381)	(13)
Administrative expenses	(6,088)	-	(7,121)	-
Fair value of plan assets, end of year	\$ 214,705	\$ -	\$ 215,824	\$ -
Funded status	\$ (294,130)	\$ (872)	\$ (500,320)	\$ (1,996)

Amounts paid have not yet been recognized as components of net periodic benefit cost computation.

	June 30, 2017		June 30, 2016	
	Retirement Plans	Postretirement Healthcare Plan	Retirement Plans	Postretirement Healthcare Plan
Unfunded liability	\$ 264,885	\$ -	\$ 323,435	\$ 1,996
Plan assets	(110,323)	-	-	-
Unfunded liability	\$ 154,562	\$ -	\$ 323,435	\$ 1,996



**Verny Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**  
**Items in Consolidated Financial Statements**  
**(All amounts in Thousands)**

The components of net periodic benefit cost and amounts recognized in the consolidated statement of operations and changes in net assets apart from expenses are as follows:

	Year Ended June 30, 2017		Year Ended June 30, 2018	
	Retirement Plans	Postretirement Healthcare Plan	Retirement Plans	Postretirement Healthcare Plan
Components of net periodic benefit cost (income):				
Service cost	\$ 1,037	\$ 97	\$ 1,062	\$ 81
Interest cost	22,929	73	24,314	74
Expected return on plan assets	(18,655)		(18,611)	
Net prior service cost amortization	(180)	\$		\$
Amortization of actuarial loss (gain)	2,000	(1,593)	1,383	(507)
Immediate recognition of previously deferred cost (income)		(11,846)		
Cost of special events	-		1,810	
<b>Total</b>	<b>\$ 11,231</b>	<b>\$ 17,798</b>	<b>\$ 14,138</b>	<b>\$ 231</b>
Components net assets apart from periodic benefit costs:				
Net actuarial loss (gain)	\$ (2,958)	\$ (1,705)	\$ 59,998	\$ (1,508)
Net prior service cost (credit) (debit)	(10,700)			
Amortization of prior service cost	189	(172)		(72)
Amortization of actuarial loss (gain)	(5,918)	1,191	(6,773)	987
Other Adjustments		11,846		
<b>Total</b>	<b>\$ (49,386)</b>	<b>\$ 11,162</b>	<b>\$ 53,325</b>	<b>\$ (1,071)</b>

The estimated actuarial loss (gain) and prior service cost for the Retirement Plans that will be amortized into net periodic benefit cost over the next fiscal year is \$6,213 and (\$368), respectively.

During the fiscal year ended June 30, 2017, \$11,846 remaining in net assets associated with prior service cost and net actuarial gains for the Postretirement Healthcare Plan was immediately recognized into net periodic benefit cost as a reduction of expense. During the next fiscal year any prior service cost (credits) and net actuarial losses (gains) will continue to be recognized



**Verny Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**  
**Annual Consolidated Financial Statements**  
**(All amounts in thousands)**

**Assumptions**

The weighted average assumptions used to determine benefit obligations and net periodic benefit costs are as follows:

	June 30, 2017		June 30, 2016	
	Retirement Plans	Postretirement Healthcare Plan	Retirement Plans	Postretirement Healthcare Plan
Weighted average assumptions used to determine benefit obligations:				
Discount rate	1.74% - 4.10%	3.20%	4.05%	1.88%
Expected compensation to plan assets of 4.00% used for RPP and other	4.00%	1.64%	3.42%	—
Weighted average assumptions used to determine net periodic benefit costs:				
Discount rate	1.11% - 1.99%	4.05%	4.05%	4.15%
Expected return on plan assets	6.79%	1.74%	7.10%	6.74%
Rate of compensation increase	3.00%	1.74%	2.90%	3.74%

**Expected Return on Plan Assets**

The Retirement Plan's estimated long-term rate of return on pension assets is driven primarily by historical asset-class returns, an assessment of expected future performance, advice from external actuarial firms, and the incorporation of specific asset-class risk factors. Asset allocations are periodically updated using pension plan asset/liability studies, and VRS's estimated long-term rate of return are consistent with these studies.

**Discount Rate**

The discount rate assumptions used to determine the retirement and postretirement benefit plan obligations and expenses reflect the prevailing rates available on high-quality, fixed income debt instruments. The rate was based on cash flow analysis that matched estimated future benefit payments to the bond discount yield curve as of June 30, 2017 and 2016. Approximately 98% of VRS's retirement plan liabilities were measured using a discount rate 1.04% as of June 30, 2017.

During the fiscal year ended June 30, 2017, the discount rate was updated from a single equivalent (fluctuating) rate used to determine the projected benefit obligation and net periodic benefit cost to separate discount rates used for determining the projected benefit obligation, interest on the projected benefit obligation, service cost and interest on service cost. The range of discount rates



**Vermey Health System of California, Inc.**  
**(Formerly Quorum of Charity Health System)**

**Notes to Consolidated Financial Statements**  
**(All amounts in thousands)**

**Other Benefit Assumptions**

In the measurement of accumulated postretirement benefit obligations at June 30, 2017, the Trust assumed healthcare plan assumed health care cost trend rates start at 8.00% in 2017 and decrease by 0.25%-0.50% annually, reaching an ultimate rate of 5.50% in fiscal year 2024. A one-percentage-point change in assumed health care cost trend rates would not have a material effect on VHC's consolidated financial statements.

**Plan Assets and Investment Strategy**

The following information represents VHC's pension plan assets measured at fair value and indicate the fair value hierarchy and valuation techniques utilized to determine such fair value:

	June 30, 2017		
	Total Balance	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Inputs (Level 2)
Cash equivalents	\$ 1,094	\$ 1,094	-
Fixed-income securities and funds	82,741	-	82,741
Domestic stocks and funds	39,129	19,134	20,000
Real estate equity fund investments	18,159	-	18,159
Foreign stocks	2,280	(2,090)	-
Subtotal plan assets	\$6,617	15,111	21,488

**Investments measured at net asset value**

Domestic asset funds	\$ 18,744
International stock funds	10,610
Fixed Income Funds	37,681
Investment assets	\$ 67,035

Approved: *[Signature]* Chairman, Board of Directors



**Venty Health System of California, Inc.**  
(Formerly University of California Health System)  
**Consolidated Financial Statements**  
**(All amounts in thousands)**

		June 30, 2016	
	Total Balance	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Cash equivalents	1,657	1,657	-
Common collective trust funds	6,335	-	6,335
Fixed-income funds	79,580	-	79,580
Domestic stocks	46,165	46,165	-
Real estate equity investments	14,200	14,200	-
<b>General plan assets</b>	<b>141,937</b>	<b>108,027</b>	<b>33,910</b>

**Investments measured at net asset value**

Domestic stock funds	\$ 98,476
International stock funds	99,730
Fixed income funds	216,436
<b>Total plan assets</b>	<b>\$ 414,642</b>

As of June 30, 2017, \$1,842 of the plan's cash balance was held in a separate non-interest bearing cash account for the purpose of claims disbursement by the plan's administrator.

VHS's investment strategy for the assets of the Retirement Plan is designed to preserve principal while earning returns relative to the overall market consistent with a prudent level of risk. The strategy balances the liquidity needs of the Retirement Plan with the long-term return goals necessary to satisfy future commitments. The target asset allocation is diversified across traditional asset classes. Diversification is also achieved through participation in U.S. and non-U.S. markets, investment manager style, philosophy, and capitalization. The complementary investment styles and approaches used by investment managers are aimed at reducing volatility while capturing the equity premium from the capital markets over the long term. Risk tolerance is established through consideration of plan liabilities, plan funded status, and VHS's consolidated financial condition. Consistent with VHS's fiduciary responsibilities, the fixed-income allocation generally provides the security of principal to meet near-term expenses and obligations. Periodic reviews of the market value and corresponding asset allocation percentages are performed to determine whether a rebalancing of the portfolio is necessary.

The following were the target asset allocations as of June 30, 2017, by major asset classification:

Fixed-income	45%
Domestic stocks	39%



**Verity Health System of California, Inc.**  
(Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
**(All amounts in Thousands)**

**Cash Contributions and Benefit Payments**

Our expected cash contributions are \$18,048 in the Retirement Plans and \$15 in the Postretirement Healthcare Plan during fiscal year ending June 30, 2018. The expected contributions to the Retirement Plans include an additional expected contribution of approximately \$7,919 resulting from a shortfall in 2017 charity care requirement established by the Attorney General in connection with the Restructuring Agreement.

The benefit payments, which reflect expected future service, as appropriate, expected to be paid in each of the next five years, and in aggregate for the next five years, are as follows:

	Retirement Plan Benefits		Postretirement Healthcare Benefits	
2018	5	23,834	5	58
2019		25,218		57
2020		27,251		56
2021		29,016		55
2022		30,780		54
Next five years		166,799		280

**Multiemployer Plans**

Certain affiliated entities in Northern California participate in multiemployer defined pension retirement plans as described below (in thousands):

Plan	Plan/Plan Employer Identification Number	Pension Protection Act Zone Status		Funding Improvement/Rehabilitation Plan Status
		June 30, 2017	2016	
Alameda County Employees	94-2905036/001	Green	Green	Yes

**Pension Protection Act Zone Status (from most to best)**

Critical Status  
Community Endangered  
Endangered  
Not at Risk

Red  
Orange  
Yellow  
Green



**Verity Health System of California, Inc.**  
*(Formerly Quorum of Charity Health System)*  
**Notes to Consolidated Financial Statements**  
**(All amounts in thousands)**

Plan	Pension Plan Employee Identification Number/Plan Number	Contributions		Surcharge Imposed (during 2013)	Collective- Bargaining Agreement Expiration Date
		2018 (Expected)	2017	2016	
Retirement Plan for Hospital Employees	94-7996676/RR1	\$15,705	\$21,093	\$ 17,773	None

Since March 1, 2011, participant benefits were frozen for the non-contractual employees of the two participating affiliates in the Retirement Plan for Hospital Employees. Beginning January 1, 2013, participant benefits were frozen for all hospital employees, intermediate care (5013) employees. Certain affiliates will continue to make periodic contributions as needed for eligible participants.

The contributions for the multiemployer plan were approximately 46% and 38% of the total contributions to the plan for July 30, 2017 and 2016, respectively. There are no minimum contributions required for future periods by the collective-bargaining agreements, statutory obligations, or other contractual obligations for both plans.

The rules of participating in multiemployer plans are different from single-employer plans in the following respects: (i) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers; (ii) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (iii) if the affiliates choose to stop participating in the multiemployer plan, the affiliates may be required to pay the plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

#### **V. Debt**

Long term debt consists of the following:

June 30,	2017	2016
California Statewide Communities Development Authority Revenue Bonds Series 2005A, payable in varying installments through 2040, fixed interest rates ranging from 5.00% to 5.25% per annum	\$ 246,345	\$ 249,890
California Statewide Communities Development Authority Revenue Bonds Series 2005 G and H (51) - Frorum Medical Center I, payable in varying annual installments through 2024, fixed interest rates ranging from 5.00% to 5.25% per annum	19,040	63,161
California Public Finance Authority Revenue Bonds (Verity Health System) Series 2011 A and B fixed interest only (maturity 11/1/2030) Principal due June 11, 2019	169,880	169,880



**Vermilya Health System of California, Inc.**  
**(Formerly Subsidiary of Charity Health System)**  
**Consolidated Financial Statements**  
**(All amounts in thousands)**

June 30,	2017	2016
California Public Finance Authority Revenue Bonds (Vermilya Health System), Series 2015 C (taxable) and D (tax-exempt) fixed interest only bonds at 9.60% and 8.75% per annum, respectively. Principal due June 10, 2019	\$ 55,000	5
Commercial Property Assessed Clean Energy (C-PACE) Financing payable in semi-annual installments through 2048, fixed interest of 6.40% - 6.45% per annum	40,000	-
Mortgage payable for Health Center One Mortgage, \$6.5 million face value, payable in monthly installments with a lump sum payment in May 2018. Fixed interest rate of 5.85% per annum	5,140	5,329
Other	1,411	73
<b>Total debt obligations</b>	<b>101,551</b>	<b>382,972</b>
Less current portion (including debt issuance costs and bond premiums)	(12,460)	(6,647)
	460,256	276,325
Plus bond premium	3,672	4,011
Less debt issuance costs	(14,772)	(14,011)
<b>Long-term debt, net of current portion and debt issuance costs</b>	<b>\$ 449,156</b>	<b>\$ 266,325</b>

**Obligated Group**

Vermilya Health System of California, Inc. and its five hospitals are collectively referred to as the "Obligated Group" or as "Members," and each individually is sometimes referred to herein as a "Member." The Obligated Group is established pursuant to a Master Indenture of Trust, dated December 1, 2001 (as supplemented to date, the Master Indenture), between the Obligated Group and U.S. Bank National Association, as successor master trustee (the Master Trustee). The Obligated Group is jointly and severally liable for obligations issued pursuant to and outstanding under the Master Indenture (Obligations).

Each of the Obligated Group Members has executed one or more deeds of trust pursuant to which the respective Obligated Group Member has granted for the benefit of the Master Trustee, as first lien, first and security interest in, the property of the hospitals and certain other parcels or property owned by such Obligated Group Members, subject to permitted liens, as security for the performance of the Obligated Group Members' obligations under the Master Indenture. Additionally, each of the Obligated Group Members has created a gross revenue fund with its depository bank to further secure its gross revenues for the benefit of the Master Trustee.

The Master Indenture and certain other Obligated Group's financing agreements contain restrictive covenants, including maintenance of a debt ratio, limitations on the amount of any additional borrowings, and limitations on the disposal or transfer of assets to non-obligated group members. Additionally, the financing agreements require that funds are established with, and committed by, the hospitals during the period the bonds remain outstanding. The Obligated Group has complied with such financial covenants and requirements at June 30, 2017.



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

**Notes to Consolidated Financial Statements**  
**(All amounts in Thousands)**

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For the year ended June 30, 2017, the Obligated Group did not have to comply with a minimum required Annual Debt Service Coverage Ratio per the Master Indenture as there was a waiver on hand. For the year ending June 30, 2018, the statement required Annual Debt Service Coverage Ratio to 0.7. The minimum required Annual Debt Service Coverage Ratio increases to 1.1 for the year ending June 30, 2019.

**Long-Term Debt**

**Series 2005 Bonds**

In March 2005, the California Statewide Communities Development Authority (CSCDA), on behalf of Daughters of Charity Health System (now known as VHS), issued four series of revenue bonds in the aggregate principal amount of \$264,655 (the 2005 Bonds). The 2005 Bonds were comprised of 225,125 of 2005 Series A bonds, 539,715 of Series F bonds, 549,245 of Series G bonds, and 517,570 of Series H bonds. The issuance of the 2005 Bonds generated original issue premiums of \$12,934. A portion of the proceeds of the 2005 Bonds was used to refinance prior bonds and finance the costs of constructing, improving, renovating, and equipping certain improvements to the facilities of the Obligated Group. The 2005 Series F bonds matured and were paid pursuant to their terms in July 1, 2010. Total interest expense related to the Series 2005 Bonds was \$15,801 and \$17,588 for the years ended June 30, 2017 and 2016, respectively.

The Series 2005 Bonds are a bonded obligation of CSCDA and are payable solely from payments made by the Obligated Group. Payment of principal and interest on the Series 2005 Bonds is secured by obligations issued pursuant to the Master Indenture.

**Series 2015 Notes**

On December 14, 2015, the California Public Finance Authority issued an aggregate of \$140,000 of Revenue Notes (Verity Health System Series 2015A, B, C, and D (collectively, the 2015 Notes) for the benefit of VHS. There are four series of 2015 Notes. The Series 2015A, B, and D Notes are tax exempt, and the Series 2015C Notes are taxable. While all of the 2015 Notes were authorized and issued, only the Series 2015A notes (\$60,000) and the 2015B Notes (\$45,000) were funded as of June 30, 2016. The Series 2015C Notes (\$10,000) and the Series 2015D Notes (\$25,000) were funded on September 19 and October 31, 2016, respectively. A portion of the proceeds of the 2015 Notes was used, together with other funds, to pay the principal of and accrued and unpaid interest on the 2014 bonds that matured on December 15, 2015. Total interest expense related to the Series 2015 Notes was \$11,013 and \$2,493 for the years ended June 30, 2017 and 2016, respectively.

The 2015 Notes are secured by an Obligation (as defined in the Master Indenture) on parity with other obligations issued pursuant to the Master Indenture. In addition to their parity lien under the Master Indenture, the 2015 Notes have additional lien rights on the Obligated Group's accounts receivable and in certain properties owned by St. Francis Medical Center and Saint Louis Regional Hospital.



**Verny Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Item 18 Consolidated Financial Statements**  
 (All amounts in Thousands)

**Self-Insured Retention Bonds (C-PACE bonds)**

In August 2017, Verny entered into a Commercial Property Assessed Clean Energy ("C-PACE") financing in the amount of \$40,000 to finance seismic upgrades to the Seton Medical Center campus. CleanFund Commercial PACE Capital, Inc. provided \$20,000 of its own capital and brought in a partner, Petros PACE Finance, to provide an additional \$20,000. The proceeds will be used to make upgrades to the hospital, as required by California's mandatory Hospital Facilities Seismic Safety Act (SB 1953).

C-PACE is long-term, fixed-rate financing, similar to the traditional tax-exempt debt that hospitals utilize for infrastructure investments. The C-PACE bonds are exempt from income taxes imposed by the State of California; however, are not exempt from federal income tax. To repay the C-PACE financing, Seton will pay property tax assessments at a fixed amount until the C-PACE financing matures in 2047. The assessment payments are secured by a lien against the property at the Seton Medical Center campus. Total interest expense related to the C-PACE bonds was \$823 for the year ended June 30, 2017. Refer to Note 12 for additional information on VHS's debt and requirements.

Estimated long-term principal debt payments as of June 30, 2017, are as follows:

Year Ending June 30,	Amount
2018	\$ 11,165
2019	14,751
2020	1,491
2021	1,491
2022	1,892
Thereafter	16,015
	<u>\$ 48,805</u>

**Fair Values**

The fair value of VHS's bond indebtedness is estimated based on the quoted market prices for the same or similar issues or on the current rates offered for debt of the same remaining maturities. The total estimated fair value of VHS's bond and note debt (Series 2009 bonds, Series 2015 Notes and 2017 Assessment Bonds) as of June 30, 2017 and 2016, was \$448,473 and \$336,804, respectively, and such debt was valued using Level 2 inputs. The total carrying value of VHS's bond and note debt as of June 30, 2017 and 2016, was \$456,185 and \$277,590, respectively. The reported fair value of VHS's bond indebtedness instruments excludes the fair value of an irrevocable principal prepayment of \$6,405 and \$6,090 made as of June 30, 2017 and June 30, 2016, respectively. The fair values of the remaining mortgage payable and other debt are not materially different from their carrying values as the majority of such amounts are due within the next 12 months. The fair value amounts do not represent the amount that would be required to expend to retire the indebtedness.



**Vermont Health System of California, Inc.**  
*(Formerly Subsidiary of Charity Health System)*  
**Summarized Consolidated Financial Statements**  
**(All amounts in Thousands)**

**(D) Functional Classification of Expense**

The following is a functional classification of VHS's expenses:

<u>Fiscal Year Ended June 30</u>	<u>2017</u>	<u>2016</u>
Health services	\$ 1,431,264	\$ 1,181,112
General and administrative	866,568	701,758
	<u>\$ 2,297,832</u>	<u>\$ 1,882,870</u>

**(E) Temporarily and Permanently Restricted Net Assets**

Temporarily and permanently restricted net assets are available for the following purposes:

<u>June 30</u>	<u>2017</u>	<u>2016</u>
Equipment and expansion	\$ 2,803	\$ 1,621
Research and education	2,581	2,848
Restricted contribution	-	60,827
Charity and other	3,054	1,591
Total temporarily restricted net assets	<u>(1,444)</u>	<u>71,199</u>
Permanently restricted net assets	<u>9,802</u>	<u>1,137</u>
Total restricted net assets	<u>\$ 8,358</u>	<u>\$ 72,336</u>

Equipment and expansion relate to assets held by VHS, which are restricted by donors or grantees to be used specifically for equipment, capital projects, or other capital needs.

Research and education relate to assets held by VHS, which are restricted by donors or grantees to be used in specific research or education programs.

During the fiscal year ended June 30, 2016, the restricted contribution represented the remaining portion of the contribution recognized at the time of the transaction contemplated by the Restructuring Agreement (see Note I "Organization"). The restriction of this contribution was lifted during the fiscal year ended June 30, 2017, pursuant to the terms of the Restructuring Agreement. The release of the restricted funds was recorded as unrestricted contribution revenue for the year ended June 30, 2017.

Charity and other relate mainly to assets held by VHS, which are restricted by donors or grantees to be used in specific healthcare programs for charity care and other medical and patient services.

Permanently restricted net assets of \$8,702 and \$8,137 at June 30, 2017 and 2016, respectively, are restricted to investments to be held in perpetuity, with the income expendable to support VHS's mission.



**Verny Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**2017-18 Consolidated Financial Statements**  
 (All amounts in thousands)

**Endowments**

VHS and VHS's non-conventional charitable foundation follow the Uniform Prudent Management of Institutional Funds Act (UPMIFA). UPMIFA eliminates the concept of "historic dollar value" and allows an institution to spend or accumulate as the Board determines is prudent for the year, benefits, purposes, and duration of the endowment fund unless the gift instrument states a particular spending rate or formula. California's version of UPMIFA also includes a rebuttable provision that spending greater than 7% of the average fair market value (calculated at least quarterly over a minimal period of three years) is presumed to be prudent.

In accordance with UPMIFA, VHS considers the following factors when appropriating or accumulating an endowment fund: (i) general economic conditions, (ii) effects of inflation and deflation, (iii) the purposes of the institution and the endowment fund, (iv) expected total return from income and appreciation of investments, (v) VHS's other resources, (vi) the duration and preservation of the endowment fund, and (vii) VHS's investment policies.

From time to time, the fair value of assets associated with individual endowment funds may fall below the level that the donor or UPMIFA requires VHS to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in unrestricted net assets were not material as of June 30, 2017 and 2016. These deficiencies resulted from unfavorable investment market fluctuations.

VHS has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs supported by the endowment while seeking to maintain the purchasing power of the endowment assets. Under these policies, as approved by the boards of trustees of the charitable foundations, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results while assuming a moderate level of investment risk.

To achieve its long-term rate of return objectives, VHS relies on a balanced investment strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). VHS targets a diversified asset allocation that seeks a great contrast for equity-based investments to achieve its long-term return objectives with equities (see) conditions.

The endowment net asset composition by type of fund consists of the following:

	June 30, 2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Unrestricted endowment funds	\$19.4	\$0.0	\$0.0	\$19.4
Endowments	\$19.4	\$0.0	\$0.0	\$19.4



**Vermont Health System of California, Inc.**  
**(Formerly University of California Health System)**  
**Health Plan Consolidated Financial Statements**  
**(All amounts in thousands)**

	June 30, 2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Unrestricted endowment funds	\$ 616	\$ 789	\$ 137	\$ 1,542
<b>Total funds</b>	<b>\$ 616</b>	<b>\$ 789</b>	<b>\$ 137</b>	<b>\$ 1,542</b>

The University endowment will assets are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance at June 30, 2015	\$ 500	\$ 789	\$ 137	\$ 1,426
Net gains (losses): realized and unrealized	10		(73)	(63)
Other				
<b>Balance at June 30, 2016</b>	<b>\$ 510</b>	<b>\$ 789</b>	<b>\$ 137</b>	<b>\$ 1,436</b>
Net gains (losses): realized and unrealized	4	173	40	217
Other				
<b>Balance at June 30, 2017</b>	<b>\$ 515</b>	<b>\$ 962</b>	<b>\$ 201</b>	<b>\$ 1,678</b>

## 12. Commitments and Contingent Liabilities

### Standby Letter of Credit

Marillac, a subsidiary of VHC, pledged \$13,408 of its investments to support a standby letter of credit issued to Law of Old Republic Insurance Company, one of the Reimbursementers, at June 30, 2017.

### Litigation, Regulatory and Compliance Matters

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, controlled substances, privacy, government health care program participation requirements, reimbursement laws and regulations, anti-referral laws, false claims prohibitions, and in the case of tax-exempt organizations, the requirements of tax exemption. In recent years, government activity has increased with respect to investigations and allegations concerning possible violations of reimbursement, false claims, and anti-referral statutes and regulations by health care providers. Violations of these laws and regulations could result in exclusion from government health care programs, as well as imposition of significant fines and penalties and significant repayments for patient services previously reimbursed.

The health institutions potentially are accountable for VHC's associated health care work, including, but not limited to, fraud and abuse, guaranties, quality, and privacy of health information, and compliance standards for health information. The health information technology for associated



**Verity Health System of California, Inc.**  
*(Formerly Daughters of Charity Health System)*

**Notes to Consolidated Financial Statements**  
**(All amounts in thousands)**

Control Health) and (HITECH Act) enacted upon HIPAA in a number of ways, including establishing notification requirements for certain breaches of protected health information. In addition to these federal rules, California has also developed strict standards for the privacy and security of health information as well as for reporting certain violations and breaches. The Company may be subject to significant fines and penalties if found not to be compliant with these state or federal provisions.

Management assesses the probable outcome of unresolved litigation and investigations and records contingent liabilities reflecting estimated liability exposure. It is the opinion of management, after consulting with legal counsel, that such actions will not have a material effect on VHS's consolidated financial position or results of operations as of June 30, 2017. Therefore, based on the information provided by its legal counsel, VHS has accrued \$1,100 and \$1,240 as of June 30, 2017 and 2016, respectively, which were related to certain of these actions. VHS evaluates recoveries from insurance coverage separately from its liability, and when appropriate, an asset is recorded separately from the associated liability. Following is a discussion of matters of note.

VHS is a named defendant in two related class actions, *Jarmaine Johns v. Verity Health System of California* and *Iris Lara and Tanya Wera v. Verity Health System of California*. The complaints allege the plaintiffs were the victims of a data breach where their personal information was obtained and their identities were allegedly used. The breach involved approximately 7,500 employees. The complaints allege the plaintiffs have been harmed and have had to spend time and money addressing identity theft. In the Lara action, plaintiffs specifically allege that they have been harmed by false law requests that were filed using information released in the data breach. The Lara action is currently stayed by order of the court. VHS intends to contest these actions. At this time, management cannot accurately estimate the amounts of any payments or settlements that might result from these matters.

VHS was previously a named defendant in a breach of contract, unjust enrichment, and declaratory relief complaint filed by Prime Healthcare Services, Inc. and Prime Healthcare Foundation, Inc., and captioned *Prime Healthcare Services, Inc., et al., vs. Blue Mountain Management Capital, et al.*, in the Superior Court of California, County of San Bernardino, and San Bernardino Justice Center. Subsequent to June 30, 2017, a settlement was reached between the parties, which resulted in no loss for VHS.

#### ***U.S. Department of Justice and OIG Investigations***

VHS and/or its facilities periodically receive notices from governmental agencies such as the U.S. Department of Justice (DOJ) or the Office of Inspector General (OIG), requesting information regarding billing, payment, or other reimbursement matters or initiating investigations, or indicating the existence of whistleblower litigation. VHS does not anticipate such requests to result in a material impact to the consolidated financial statements.

Within this category, VHS received an informal documentation request from the DOJ related to BASM during the current year (see Note 3 for information on the BASM acquisition transaction). Additionally, during the prior year, VHS filed a self-disclosure with the OIG indicating possible violations of the False Law and the Anti-Kickback Statute by Norem Medical Center. The OIG informed VHS that the disclosure was officially accepted into the Self-Disclosure Program. At this time, management cannot accurately estimate the amounts of any potential damages or penalties that might result from these matters.



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
 (All amounts in thousands)

### **Collective Bargaining**

VHS has 6,887 employees as of June 30, 2017, of whom just over 6,000 are full-time employees. Approximately 78% of these employees are represented by collective bargaining units. A majority of the employees are represented by collective bargaining agreements with Service Employees International Union (SEIU) (approximately 40% of employees) and California Nurses Association (CNA) (approximately 23% of employees). Employee strikes or other adverse labor actions may have a material adverse impact on VHS's consolidated financial position or results of operations.

### **Attorney General Requirements**

As part of approving the Restructuring Agreement (see Note 1), the California Attorney General's (AG) office placed certain operational restrictions on VHS and each of its hospitals, which include certain minimum annual targets for charity care, community benefits, and capital expenditures among other requirements. As a result of a shortfall in the fiscal year 2017 charity care requirement for certain hospitals, VHS was required to make an additional contribution to the Retirement Plan of \$7,519 by October 31, 2017 (see Note 8). VHS has complied with such requirements under the AG agreement.

### **Lease Commitments**

Future minimum lease payments under VHS's significant non-cancelable operating leases (with initial or remaining lease term in excess of one year) as of June 30, 2017, are as follows:

Years Ending June 30,	Amount
2018	\$ 11,816
2019	881
2020	553
2021	449
2022	300
Thereafter	88
	<u>\$ 13,987</u>

Rent expense was \$2,603 and \$19,581 for the years ended June 30, 2017 and 2016, respectively.

### **Seismic Standards**

VHS assessed its earthquake retrofit requirements for health care facilities under a series of California law SB 693 that can allow a delay of up to seven years from the January 1, 2019, deadline for Structural Performance Category 1 (SPC-1) retrofit. This affects its buildings at three of our hospitals. The previously reported seventh building, the St. Vincent Medical Center Central Plant, has been upgraded to SPC-2 status. Extensions have been approved by the Office of Statewide Health Planning and Development as follows:

- St. Vincent Medical Center Main Hospital must meet SPC-2 standards by January 1, 2019.
- St. Vincent Medical Center Orange Wing must meet SPC-2 standards by July 1, 2019. Management currently estimates that continuing retrofitting costs required for meeting the standards is approximately \$12,200 based on third party estimates.



**Verity Health System of California, Inc.**  
 (Formerly Daughters of Charity Health System)

**Notes to Consolidated Financial Statements**  
 (All amounts in Thousands)

St. Clare Hospital 1993 Building must meet SPC-2 standards by July 1, 2019. St. Clare Hospital 1993 Modern Plant/Laundry must meet SPC-2 standards by January 1, 2019. Management currently estimates that remaining remediation costs required for meeting the standards is approximately \$13,200 based on third party estimates.

Seton Medical Center Main Tower and Seton Medical Center Front Wing must meet APC-2 standards by July 1, 2019. Management currently estimates that remaining remediation costs required for meeting the standards is approximately \$40,300 based on third party estimates. Seton renovation work will be financed with the funds received from the C-RACE bonds (see Note 9) and grant funds received by the County of San Mateo.

### 13. Subsequent Events

VHS has evaluated subsequent events and disclosed all material events through November 8, 2017, which is the date these consolidated financial statements of VHS were issued.

In July 2017, NantWorks LLC (NantWorks), the parent organization for health technology and business companies founded by Dr. Patrick Nant-Shiong, acquired a majority stake in VHS's management company, Integrity Healthcare, LLC, from Blue Mountain. There were no significant changes to the terms of the Restructuring Agreement or the California Attorney General requirements as a result of this transaction.

In August 2017, St. Vincent Medical Center Foundation received an unrestricted contribution of \$12,000 as part of a settlement.

In August 2017, VHS completed the sale of certain non-core land and real property located in Los Angeles, CA, for a total purchase price of \$17,950. The net book value of the property was classified as assets held for sale (see Note 6) at June 30, 2017, and VHS expects to recognize a gain on the sale of approximately \$15,900 in the fiscal year ending June 30, 2018.

In September 2017, the California Public Finance Authority issued \$21,000 of tax-exempt notes (the "2017 Notes") for the benefit of VHS. All of the 2017 Notes were purchased by NantWorks. The 2017 Notes are secured primarily by a certain master trust indenture among the Obligated Group Members and U.S. Bank National Association. The 2017 Notes bear interest at 7.25% and the principal is due at the maturity date in December 2020.

In October 2017, VHS borrowed \$66,220 (the "MOB Loan") from Verity MOB Financing, LLC. Verity MOB Financing, LLC, is wholly owned by NantWorks. The MOB Loan is secured by Deeds of Trust against four medical office buildings owned by Verity Holdings, LLC. The MOB Loan bears interest at a variable rate that adjusts monthly based on One Month LIBOR plus a spread and the MOB Loan is interest only for the initial term of 36 months. Principal and any unpaid interest is due at the end of the initial term unless extended. After the initial term, VHS has the option to extend the MOB Loan for two additional twelve month terms.







Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Balance Sheet  
As of June 30, 2017  
(in Thousands)

Assets	Alhambra Hospital		Seton Medical Center		St. Francis Medical Center		St. Vincent Medical Center		System Office		Consolidated		
	Medical Center	Coastside Center	Medical Center	Coastside Center	Medical Center	Hospital	Medical Center	Hospital	System Office				
Current Assets:													
Cash and cash equivalents	5,679	5	7,982	5	164	5	27,886	5	3,204	5	663	5	60,000
Seton (2017) receivable net	44,066		16,679		3,917		87,116		17,927				78,541
Due from government agencies	1,786		3,059				2,528						15,430
Due from related organizations	8,306		78,878		46		710,426		7,536		761,376		4,500
Other current assets	11,921		7,456		578		36,589		8,546		5,712		77,400
Total current assets	72,976		79,960		4,560		473,697		76,341		797,561		1,079,951
Assets Limited to include:													
Other investments											3,039		3,039
Unaffiliated independent organizations			36,659								26,834		41,493
Total assets limited to include			36,659								26,834		44,532
Property and equipment net	56,824		15,311		495		96,521		11,866		1,921		121,516
Other long-term assets	306		407		1		89		2		3,675		4,581
Total Assets	5,104,146		5,154,410		5,499		5,667,788		5,19,414		5,1179,951		7,117,882



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

**Consolidating Balance Sheet (continued)**

**As of June 30, 2017**

**(In Thousands)**

Assets	Guaranteed Savings Subtotal	Marillac Insurance Company, Ltd.	Verity Medical Foundation	Verity Business Services	Verity Holdings, LLC	all Other Entities	all Other Entities	Total
<b>Current Assets:</b>								
Cash and cash equivalents	30,097	904	1,767	104	2,745	5,048	7	40,565
Accounts receivable	30,641		1,252			679		32,572
Due from organizations	5,998		104	13,451	5,146	1,317	34,313	35,996
Due from insurance companies	44,508				3,453	2,765	15,000	45,726
Other current assets	79,968	6,567	2,863	417				89,755
Total current assets	191,172	7,471	5,986	13,972	11,751	13,690	39,380	263,062
<b>Assets Limited to Collateral:</b>								
Other investments	3,039	43,051			540	12,519		59,149
Under bonds held in escrow	53,491							53,491
Total assets limited to collateral	56,530	43,051			540	12,519		112,640
<b>Property and equipment, net</b>	21,548		2,750	231	27,875	744		52,348
Other non-current assets	4,542		1,569		18,729	669		25,409
Total Assets	271,240	50,522	10,305	14,203	30,125	26,962	39,380	382,937



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**

**Consolidating Balance Sheet (continued)**  
**As of June 30, 2017**  
**(in thousands)**

		Orion		Seaton		St. Francis		Seaton		St. Vincent		Orion	
		Hospital	Medical Center	Medical Center	Coastside	Medical Center	Medical Center	Regional Hospital	Hospital	Medical Center	Office	Eliminations	Group Subtotal
Liabilities and Net (Deficit) Assets													
Current Liabilities:													
Accounts payable	\$	12,347	\$	8,981	\$	11,235	\$	13,954	\$	21,122	\$		71,347
Accrued expenses and other current liabilities		19,215	51,277	7,888	18,207	18,207	5,994	12,927	64,836				707,506
Current portion of long-term debt, net of debt													
Insurance costs		744	113	7,480	7,480	7,480	481	843	11,901				9,200
Due to government agencies		505	131	549	549	549	27	1,514					9,200
Due to related organizations		270,456	118,533	19,333	1,213	1,213	166,525	718,877	59,193	1679,861			20,072
Total current liabilities		354,314	179,481	11,213	81,181	81,181	25,338	135,475	146,022	1576,951			336,880
Pension obligations		53,007	27	27	27	27	6,442	7,180	17,002	1,330			754,002
Long-term debt, net of current portion and note													
Insurance costs		131	2,932	183	183	183		2,301	3,104				9,404
Total liabilities		460,452	202,543	13,423	104,394	104,394	31,780	145,056	166,126	1,579,281			1,090,572
Net (Deficit) Assets:													
Administration - Verity Health System													
Unrestricted - Noncapitalizing													
Temporarily restricted													
Permanently restricted													
Total net (deficit) assets		357,067	115,937	11,250	18,450	18,450	171,759	129,137	20,000	1,079,221			1,090,572
Total Liabilities and Net (Deficit) Assets		\$	460,452	\$	202,543	\$	13,423	\$	104,394	\$	1,090,572		1,090,572



**Verity Health System of California, Inc.**  
(Formerly Daughters of Charity Health System)

**Consolidating Balance Sheet (continued)**

**As of June 30, 2017**

**(in thousands)**

	Obligated Group	Morillec Insurance Company, Ltd.	Verity Medical Foundation	Verity Business Services	Verity Holdings, LLC	All Other Entities	Total
<b>Liabilities and Net (Deficit) Assets</b>							
<b>Current Liabilities</b>							
Accounts payable	\$ 51,347	\$ 35	\$ (420)	\$ 74	\$ 1,760	\$ 3	\$ 52,559
Accrued expenses and other current liabilities	237,546	1,070	7,035	(570)	574	778	246,153
Current portion of long-term debt, net of value adjustment costs	6,550		750		348		7,648
Due to government agencies	5,299						5,299
Due to related organizations	20,002		100	10,431	897	(3,178)	27,252
Total current liabilities	310,864	14,755	9,351	12,085	2,371	(2,405)	346,615
<b>Noncurrent liabilities</b>							
Pension obligations	254,802						254,802
Long-term portion of workers' compensation and hospital professional and general liability	5,404	3,038					8,442
Other long-term liabilities	70,207				9,708	186	80,101
Long-term debt, net of current portion and value adjustment costs	424,318						424,318
Total liabilities	1,065,577	17,793	9,351	12,085	12,222	(2,405)	1,114,523
<b>Net (Deficit) Assets</b>							
Unrestricted - Verity Health System	(151,585)	7,000	(1,668)	2,124	(5,740)	(24,286)	(184,149)
Unrestricted - government grants					2,306		2,306
Temporarily restricted	579					(2,689)	(2,110)
Restricted (net/pooled)	3,341					5,439	8,780
Total net (deficit) assets	(147,665)	7,000	(1,668)	2,124	(3,434)	(18,847)	(180,186)
<b>Total Liabilities and Net (Deficit) Assets</b>	\$ 917,912	\$ 24,793	\$ 7,683	\$ 14,209	\$ 8,788	\$ (21,252)	\$ 934,147



Verity Health System of California, Inc.  
(Formerly Daughters of Charity Health System)

Consolidating Statement of Operations  
For the Year Ended June 30, 2017  
(In Thousands)

	Hospital	Medical Center	Skilled Nursing Facility	Medical Center	Regional Hospital	Medical Center	Medical Center	Office	Eliminations	Reclassified Group Subtotal
Unaudited Revenues and Other Support										
Net patient service revenue (loss)	\$ 270,077	\$ 230,939	\$ 11,800	\$ 443,825	\$ 89,164	\$ 715,765	\$	\$	\$	\$ 1,269,507
Operating income (loss)	(6,647)	(1,208)	(115)	(1,702)	(1,064)	(7,004)				(12,730)
Net patient service revenue (loss) - operating income (loss)	263,430	229,731	11,685	442,123	88,100	708,761				1,256,777
Premium revenue	325					15,312				15,637
Office operating income	(1,074)	(1,456)	(57)	(1,925)	(10)	(1,962)	(13,072)	(110)	(130)	(2,007)
Contributions	(23)	(77)		(2,735)	(5)	(2,768)			(15)	(2,896)
Total revenues and other support	262,652	228,278	11,628	440,193	87,085	706,043	(13,072)	(110)	(145)	1,258,280
Expenses										
Salaries and benefits	709,144	516,442	15,431	460,889	91,129	405,734	27,088			1,605,377
Purchased services and supplies	69,640	92,003	(1,132)	147,515	40,506	99,643	(101,015)	(101)	(100)	1,000,062
Medical claims	40,781	11,431	1,935	18,617	6,457	16,664	(105)			66,500
Depreciation and amortization	7,002	6,009	161	10,008	1,701	6,007	659			22,487
Interest - net	2,881	3,410	(15)	1,203	1,067	4,072	(1,030)			2,306
Goodwill and intangible asset impairment loss										
Total expenses	799,348	629,895	15,302	637,622	140,852	532,020	(100,473)	(101)	(200)	1,588,291
Operating (loss) income	(136,696)	(401,617)	(3,674)	(93,429)	(53,767)	(26,977)	(87,405)	(111)	(145)	(330,011)
Investment income										
Net patient service revenue (loss) - investment income	(136,696)	(401,617)	(3,674)	(93,429)	(53,767)	(26,977)	(87,405)	(111)	(145)	(330,011)
Loss (income) expense of interest on debt										
Attributable to noncontrolling interest										
Net (loss) income of subsidiaries										
Net of noncontrolling interest	\$ (136,696)	\$ (401,617)	\$ (3,674)	\$ (93,429)	\$ (53,767)	\$ (26,977)	\$ (87,405)	\$ (111)	\$ (145)	\$ (330,011)



## Consolidating Statement of Operations

For the Year Ended June 30, 2017

(In Thousands)

[illegible]



**Verity Health System of California, Inc.**  
(Formerly Daughters of Charity Health System)  
**Consolidating Statement of Operations (Continued)**  
**For the Year Ended June 30, 2017**  
(In Thousands)

	Obligated Group Subtotal	Manitac Insurance Company, Ltd.	Verity Medical Foundation	Verity Business Services	Verity Holdings, LLC	All Other Entities	Eliminations	VHS Total
<b>Invested in revenues and other support:</b>								
Health insurance revenue	(1,589,557)	-	76,834	-	-	6,604	-	(1,506,119)
Provision for doubtful accounts	33,718	-	(366)	-	-	(180)	-	(13,770)
Net patient services revenue less compensation for medical services	(1,226,219)	-	76,468	-	-	4,538	-	(1,145,213)
Premium revenue	92,057	-	21,666	-	-	-	-	113,723
Other operating income	(12,047)	(1,636)	7,700	(3,243)	(1,710)	-	(1,677)	(6,334)
Contributions	(4,348)	-	-	-	68,268	(402)	-	63,518
Total unrestricted revenues and other support	(1,150,791)	(1,636)	50,834	(3,243)	75,576	5,579	(1,637)	(1,025,541)
<b>Expenses:</b>								
Salaries and benefits	761,146	-	21,262	4,999	166	2,527	(3,422)	796,618
Pharmacy services and other	434,462	(4,466)	44,556	8,414	(1,667)	(500)	(352,361)	324,599
Supplies	186,320	-	4,424	19	75	(1,238)	-	190,680
Medical claims	36,334	-	(425)	-	-	-	-	35,909
Depreciation and amortization	34,123	-	821	96	(3,418)	30	-	31,562
Interest paid	27,641	-	-	-	(47)	-	-	27,594
Goodwill and (tangible) asset impairment losses	-	-	-	-	(132)	-	-	(132)
Total expenses	(1,909,470)	(4,466)	56,578	11,419	29,440	(6,204)	(3,422)	(1,846,625)
Operating (loss) income	(75,039)	(11,801)	(37,744)	-	(7,636)	(787)	-	(133,977)
Investment (loss) income	2,185	-	-	-	(6,815)	7,918	-	(11,532)
Net (loss) revenues over expenses	(72,854)	(11,801)	(37,744)	-	(14,451)	(787)	-	(135,638)
Less: interest payable to investment non-affiliated addressees	-	-	-	-	-	-	-	-
add: change in noncontrolling interest	-	-	-	-	15,887	-	-	15,887
Net (loss) revenues over expenses	(72,854)	(11,801)	(37,744)	-	1,436	(787)	-	(119,752)
Less: noncontrolling interest	-	-	-	-	30,816	(1,301)	-	29,515
Net (loss) revenues over expenses	(72,854)	(11,801)	(37,744)	-	32,232	(787)	-	(112,172)



**Verity Health System of California, Inc.**  
**(Formerly Daughters of Charity Health System)**  
**Consolidating Statement of Operations (continued)**  
**For the Year Ended June 30, 2017**  
*(In Thousands)*

	Daughters of Charity Health System	Verity Insurance Company, Ltd.	Verity Medical Foundation	Verity Business Services	Verity Holdings, LLC	All Other Entities	Eliminations
Unrestricted Net Assets attributable to Verity Health System:							
General assets of various over centuries:							
- all income to Verity Health System	\$ (54,114) \$	(1,821) \$	(2,777) \$	\$	\$ (50,910) \$	(1,604) \$	\$
- change in limited state of persons and other commitment beneficiary plans	7,657						
- net assets released from restrictions used for purchase of property and equipment	600						
Other	26,232		2,777		(51,192)	(1,395)	
Decrease in unrestricted net (deficit) assets attributable to Verity Health System	\$ (20,645) \$	(1,821) \$	(1,000) \$	\$	(1,621) \$	(1,994) \$	\$
Unrestricted Net Assets attributable to:							
- Noncontrolling interests:							
(The full terms of provisions given, however, are attributable to noncontrolling interests)							
Noncontrolling interest related to acquisitions and other							
Increase (or immediate net asset) attributable to noncontrolling interest	\$	\$	\$	\$	\$	\$	\$



# EXHIBIT 1

## PART 3

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# EXHIBIT 1

## PART 3





**Verity Health System of California, Inc.  
Unaudited Financial Report and Utilization Statistics  
For the Twelve Months Ended June 30, 2018**



## **Verity Health System of California, Inc.**

	<b>Page Ref</b>
<b>Management's Discussion and Analysis</b>	3-11
<b>Financial Statements</b>	
<b>Balance Sheet (unaudited)</b>	
As of June 30, 2018	12
As of March 31, 2018	13
<b>Statement of Operations and Changes in Net (Deficit) Assets (unaudited)</b>	
For the Twelve Months Ended June 30, 2018	14
For the Quarter Ended June 30, 2018	15
For the Twelve Months Ended June 30, 2017	16
<b>Statement of Cash Flows (unaudited)</b>	
For the Twelve Months Ended June 30, 2018	17
<b>Utilization Statistics</b>	
For the Twelve Months Ended June 30, 2018 and June 30, 2017	18
<b>Supplemental Schedules</b>	
<b>Consolidating Balance Sheet</b>	
As of June 30, 2018	19
<b>Consolidating Statement of Operations</b>	
For the Twelve Months Ended June 30, 2018	20
<b>Consolidating Statement of Cash Flows</b>	
For the Twelve Months Ended June 30, 2018	21
<b>Certification of Permitted Liens</b>	22



**VERITY HEALTH SYSTEM OF CALIFORNIA, INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE TWELVE MONTHS ENDED**  
**June 30, 2018**

Verity Health System of California, Inc., a California nonprofit public benefit corporation (the "Parent") is the sole corporate member of five California nonprofit public benefit corporations that operate five acute care hospitals and other facilities (collectively, the "Hospitals," see list below) in the state of California. The Parent and the following affiliated entities (collectively, "Verity") operate as a nonprofit health care system in the state of California, with approximately 1,680 licensed acute care and skilled nursing beds.

Verity consists of Parent\* and the following:

- O'Connor Hospital\*
- Saint Louise Regional Hospital\*
- St. Francis Medical Center\*
- St. Vincent Medical Center\*
- Seton Medical Center (including its unincorporated division Seton Medical Center Coastside)\*
- Verity Business Services
- Marillac Insurance Company, Ltd.
- O'Connor Hospital Foundation
- Saint Louise Regional Hospital Foundation
- St. Francis Medical Center Foundation
- St. Vincent Medical Center Foundation
- Seton Medical Center Foundation
- St. Vincent de Paul Ethics Corporation
- St. Vincent Dialysis Center
- De Paul Ventures, LLC
- Verity Medical Foundation
- Verity Holdings, LLC
- Verity BASM Holdco, LLC\*\*

\* Member of the Obligated Group, as defined in the Master Indenture of Trust, dated as of December 1, 2001 (as previously amended and supplemented, the "Master Indenture"), among the Parent, the other Initial Members (as defined therein) and U.S. Bank National Association.

\*\* Verity redeemed its investment in Verity BASM Holdco, LLC subsequent to June 30, 2018 (See "Other Events").

The financial information summarized herein represents consolidated financial information for Verity, not financial information solely for the Obligated Group. This summarized financial information includes the operations of all Obligated Group Members, as well as the results of operations of other entities that are not Members of the Obligated Group. For the twelve months ended June 30, 2018, the entities that are not Members of the Obligated Group had revenues and



investment income totaling \$117.9 million (after the elimination of \$59.1 million of inter-company revenues) representing 7.4% of Verity's consolidated revenues and investment income. Additional financial information pertaining to the entities that are not Members of the Obligated Group can be found in the accompanying unaudited financial statements.

The financial information for the twelve months ended June 30, 2018 is unaudited but includes adjustments which Verity management considers necessary to fairly present such information in conformity with United States generally accepted accounting principles. Operating results for the twelve months ended June 30, 2018 are not necessarily indicative of the results that may be expected in future periods.

## **CONSUMMATION OF THE RESTRUCTURING AGREEMENT**

On July 17, 2015, Daughters of Charity Ministry Services Corporation, the Parent, certain funds managed by Blue Mountain Capital Management, LLC, and Integrity Healthcare, LLC entered into a System Restructuring and Support Agreement (the "Restructuring Agreement") to change the governance of and recapitalize the Parent and certain of its subsidiaries. The name of the Parent has been amended to be Verity Health System of California, Inc.

## **CALIFORNIA HOSPITAL FEE PROGRAM**

California legislation established a program in 2009 that imposes a Quality Assurance Fee (the "QA Fee") on certain general acute-care hospitals to make supplemental, grant, and increased capitation payments (the "Supplemental Payments") to hospitals up to the aggregate upper payment limit for various periods. There have been five such programs (collectively, the "Programs") since inception.

The Programs are designed to make supplemental inpatient and outpatient Medi-Cal payments to private hospitals, including additional payments for certain facilities that provide high-acuity care and trauma services to the Medi-Cal population. This hospital QA Fee program provides a mechanism for increasing payments to hospitals that serve Medi-Cal patients, with no impact on the state's General Fund. Payments are made directly by the state or Medi-Cal managed care plans, which will receive increased capitation rates from the state in amounts equal to the Supplemental Payments. Outside of the legislation, the California Hospital Association has created a private program, operated by the California Health Foundation and Trust (CHFT), which was established to alleviate disparities potentially resulting from the implementation of the Programs.

The Programs require full federal approval (i.e., by the Centers for Medicare and Medicaid Services ("CMS")) in order for them to be fully enacted. If final federal approval is not ultimately obtained, provisions in the underlying legislation allowed for the QA Fee, previously assessed, and Supplemental Payments, previously received, to be returned and recouped, respectively.

In October 2013, the fourth program (the "36-Month Program") covering the period from January 2014 to December 2016 was signed into law by the Governor of California. The fee-for-service payments of the 36-Month Program were approved in December 2014 by CMS. The first six months of non-expansion managed care payments were approved by CMS in June 2015. The first six months of expansion managed care payments were approved by CMS in March 2016. On



December 30, 2016, CMS approved the managed care payments spanning July 1, 2014 to December 31, 2014 for the expansion population and July 1, 2014 to June 30, 2015 for the non-expansion population. During April and May 2017, the managed care payments were received covering the expansion population for the period of January 1, 2015 to June 30, 2015. During October 2017, the managed care payments were received covering the period of July 1, 2015 to June 30, 2016. The only remaining period of the 36-Month Program are the managed care payments covering the period of July 2016 to December 2016 which has not been approved by CMS at this time.

In December 2017, the fifth program (the “30-Month Program”) covering the period of January 2017 to June 2019 was enacted after the voters approved Proposition 52 in the November 2016 election amending the California Constitution to make the QA Fee program permanent. CMS approved the fee for service (“FFS”) portion of the program in December 2017. The managed care portion of the program has not been approved by CMS at this time.

For the twelve months ended June 30, 2017, Verity recognized payments to the California Department of Health Care Services (the “DHCS”) for the QA Fee in the amount of \$70.0 million and pledge payments to the CHFT of \$2.4 million within purchased services, medical claims and other expenses. Verity recognized Supplemental Payment revenue for the twelve months ended June 30, 2017 in the amount of \$169.7 million within net patient service revenues. During the twelve months ended June 30, 2017, Verity made fee payments to DHCS of \$87.1 million and received cash receipts of \$185.4 million.

For the twelve months ended June 30, 2018, Verity recognized payments to DHCS for the QA Fee in the amount of \$127.1 million and pledge payments to CHFT of \$3.5 million within purchased services, medical claims and other expenses. Verity recognized Supplemental Payment revenue for the twelve months ended June 30, 2018 in the amount of \$298.9 million within net patient service revenues. During the twelve months ended June 30, 2018, Verity made fee payments to the DHCS of \$88.9 million and received cash receipts of \$272.2 million.

## **VOLUMES**

Patient discharges for the twelve months ended June 30, 2018 increased by 2.9% as compared to the same period of the prior year. Adjusted discharges for the twelve months ended June 30, 2018 increased by 3.4% compared to the same period of the prior year.

Total deliveries decreased by 11.2% during the twelve months ended June 30, 2018 as compared to the same period of the prior year.

Inpatient surgeries for the twelve months ended June 30, 2018 increased 5.4% as compared to the same period of the prior year. Outpatient surgeries for the twelve months ended June 30, 2018 increased 0.2% as compared to the same period of the prior year.

Emergency department visits for the twelve months ended June 30, 2018 decreased 2.0% compared to the same period of the prior year.



## **REVENUES**

### **Net Patient Service Revenue Less Provision for Bad Debts**

Net patient service revenue of \$1,373.3 million for the twelve months ended June 30, 2018 represents a net increase of \$106.1 million or 8.4% as compared to the same period of the prior year. The net overall change in net patient service revenue was impacted by an increase of \$129.2 million in Hospital Fee Program revenue. Net patient service revenue per adjusted discharge (excluding premium revenue, other revenue, contributions and investment earnings) of \$18,121 for the twelve months ended June 30, 2018 increased 4.8% as compared to the same period of the prior year. This increase in net patient service revenue per adjusted discharge is primarily due to the increase in the amount of Hospital Fee Program revenue recognized into income during the twelve months ended June 30, 2018.

### **Premium Revenues, Other Revenues, and Contributions**

Premium and other revenues of \$197.9 million for the twelve months ended June 30, 2018 represents an increase of \$51.3 million or 35.0% when compared to the same period of the prior year. This increase is mainly attributable to a gain on sale of an asset within the non-Obligated Group of \$15.5 million, gains of \$5.0 million associated with a settlement, and a \$31.6 million increase in premium revenues associated with additional capitation arrangements. Contributions of \$31.2 million during the twelve months ended June 30, 2018 decreased 52.5% as compared to the same period of the prior year. The decrease in contributions is related to the release of the restricted contribution as part of the consummation of the Restructuring Agreement which was recognized in the same period of the prior year.

### **Investment Earnings**

For the twelve months ended June 30, 2018, investment losses totaled \$7.5 million compared to losses of \$2.6 million during the same period of the prior year. The investment losses in both the current year and the prior year primarily resulted from other-than-temporary impairments of certain surgery center equity-method investments and contingent losses associated with a guarantee within the Non-Obligated Group. Verity redeemed its investments in these surgery centers subsequent to June 30, 2018 (see “Other Events”).

Verity recorded investment income of \$2.4 million and \$2.3 million for the twelve months ended June 30, 2018 and 2017, respectively, within the Obligated Group. Verity includes both realized and unrealized gains/losses as part of investment income. Verity invests in cash, equity securities, domestic and foreign, U.S. federal and corporate obligations.

## **EXPENSES**

### **Total Operating Expenses**

Total operating expenses of \$1,713.8 million for the twelve months ended June 30, 2018 represents an increase of \$199.0 million or 13.1% as compared to the same period of the prior year. The overall net change in operating expenses is due to an increase in salaries and benefits expense of \$73.8 million, an increase in supplies expense of \$26.1 million, an increase of \$95.6 million in purchased services, medical claims and other expense and an increase of \$8.8 million in interest expense, net, partially offset by a decrease in depreciation expense of \$2.3 million and a decrease in goodwill and intangible asset impairment of \$3.0 million. Total expense per adjusted discharge of \$22,614 for the twelve months ended June 30, 2018 represents an increase of 9.4% compared to the same period of the prior year.



### **Salaries, Wages, and Benefits**

Salaries, wages and benefits (“SWB”) expense of \$804.1 million for the twelve months ended June 30, 2018 increased \$73.8 million or 10.1% as compared to the same period of the prior year. SWB as a percent of net patient revenue (excluding premium revenue) for the twelve months ended June 30, 2018 was 58.6%, represents an increase of 1.6% compared to the same period of the prior year. The overall increase was due to staffing for higher volumes, wage increases, and insourcing of multiple functions across the system.

### **Supplies**

Supplies expense of \$198.5 million for the twelve months ended June 30, 2018 increased \$26.1 million or 15.2% as compared to the prior year due to the increase in overall volumes. Supplies expense as a percent of net patient revenue for the twelve months ended June 30, 2018 was 14.5% compared to 13.6% for the twelve months ended June 30, 2017.

### **Purchased Services, Medical Claims and Other**

Purchased services, medical claims and other expense for the twelve months ended June 30, 2018 of \$634.5 million increased by \$95.6 million or 17.8% as compared to the same period of the prior year. The increase in purchased services, medical claims and other expense is primarily due to an increase of \$34.5 million in medical claims corresponding with the increase in capitation arrangements, \$57.1 million in the Hospital Fee Program expense, \$17.6 million in medical fees corresponding to an increase in volumes and expansion at Verity Medical Foundation, partially offset by a decrease of \$16.8 million in consulting and legal fees primarily resulting from insourcing efforts.

### **Goodwill and Intangible Asset Impairment**

Goodwill and intangible asset impairment of \$7.2 million and \$10.2 million for the twelve months ended June 30, 2018 and 2017, respectively, is related to Verity’s controlling ownership interests in its Northern California ambulatory surgery management company, Verity BASM Holdco, LLC, (“BASM”). Verity redeemed its investment in BASM subsequent to June 30, 2018 (see “Other Events”).

### **Depreciation Expense**

Depreciation expense of \$32.6 million for the twelve months ended June 30, 2018 is a decrease of \$2.3 million or 6.6% as compared to the same period of the prior year.

### **Interest Expense - Net**

Interest expense of \$36.9 million for the twelve months ended June 30, 2018 is an increase of \$8.8 million as compared to the same period of the prior year as a result of the issuance of additional debt and tax assessment borrowing.

### **Management Agreement Fee Activity**

The management agreement fee expense for the twelve months ended June 30, 2018 is \$60.3 million of which \$40.2 million was deferred and \$20.1 million was payable in cash.



## **RESULTS FROM OPERATIONS**

### **Operating Income / Loss**

For the twelve months ended June 30, 2018, Verity recorded an operating loss of \$111.4 million, equating to a negative operating margin of 7.0%. This compares to an operating loss of \$35.3 million and a negative operating margin of 2.4% for the same period of the prior year. The operating performance for the twelve months ended June 30, 2018 included \$171.8 million of net income related to the Hospital Fee Program excluding the CHFT pledge.

### **Excess of Revenues Over Expenses (Net Income)**

For the twelve months ended June 30, 2018, Verity recorded a net loss of \$118.9 million, equating to a negative net income margin of 7.5%. The net loss for the twelve months ended June 30, 2017 was \$37.9 million, which equated to a negative net income margin of 2.6%.

### **Performance Relative to Budget**

For the twelve months ended June 30, 2018, Verity's actual operating performance compared to budget was unfavorable by approximately \$116.1 million. Total unrestricted revenues and other support was unfavorable to budget by \$115.0 million. Expenses were unfavorable to budget by \$1.1 million.

## **FINANCIAL POSITION**

### **Liquidity**

The following table summarizes Verity's cash position:

	<b>AS OF JUNE 30, 2018</b>
<b>Days Cash on Hand (DCOH)</b>	
(\$'s in 000s)	
Operating Expenses <sup>1</sup>	\$ 1,631,478
Cash & Equivalents, Balance Sheet <sup>2</sup>	<u>68,534</u>
DCOH	15.3

1) As calculated for the trailing twelve months per Amendment No. 2 to the System Restructuring and Support Agreement.

2) Per available month-end financial statements at the time of calculation, including any unrestricted capital contribution funds.

### **Patient Accounts Receivable**

Net patient accounts receivable of \$239.7 million as of June 30, 2018 is a decrease of \$6.0 million or 2.5% when compared to March 31, 2018. Days in net patient accounts receivable decreased to 63.7 days as of June 30, 2018 versus 64.7 days as of March 31, 2018.

### **Capital Expenditures**

Capital expenditures during the quarter ended June 30, 2018 for Members of the Obligated Group total \$20.5 million. However, two single capital expenditures exceeded \$1 million; the System Office expended approximately \$6.8 million associated with the ongoing implementation of a new



electronic health record system and Seton Medical Center expended approximately \$2.2 million for the Seismic Master Facility Plan.

### **Long-Term Debt**

*Series 2015 Notes.* On December 14, 2015, the California Public Finance Authority issued an aggregate of \$160 million of 2015 Revenue Notes (Verity Health System) Series 2015A, B, C, and D (collectively, the “2015 Notes”) for the benefit of the Parent. A portion of the proceeds of the 2015 Notes was used, together with other funds, to pay the principal of and accrued and unpaid interest on prior bonds that matured on December 15, 2015. The 2015A, B, and D Notes are tax exempt, and the Series 2015C Notes are taxable.

The 2015 Notes are secured by an Obligation (as defined in the Master Indenture) on parity with other Obligations issued pursuant to the Master Indenture. In addition to their parity lien under the Master Indenture, the 2015 Notes have additional lien rights on the Obligated Group’s accounts receivable and in certain properties owned by St. Francis Medical Center and Saint Louise Regional Hospital.

In September 2017, the California Public Finance Authority issued \$21 million of tax-exempt notes (the “2017A Notes”) for the benefit of the Parent. All of the 2017A Notes were purchased by NantWorks, LLC (“Nant”), the owner of a majority stake in VHS’s management company, Integrity Healthcare LLC. The 2017A Notes are secured by an Obligation (as defined in the Master Indenture) on parity with other Obligations issued pursuant to the Master Indenture. In addition to their parity lien under the Master Indenture, the 2017A Notes have additional lien rights on the Obligated Group’s accounts receivable and in certain properties owned by St Francis Medical Center and Saint Louise Regional Hospital, all on parity with the 2015 Notes. Further, the 2017A Notes have a lien on property owned by a non-Obligated Group Member. The 2017A Notes bear interest at 7.25% and the principal is due at the maturity date in December 2020.

In October 2017, Verity MOB Financing, LLC, an affiliate of Nant, made a loan in the amount of \$46.2 million to Verity Holdings, LLC (“Holdings”), which is an affiliated entity of VHS; however, it is not a Member of the Obligated Group. The loan is secured by four medical office buildings and matures in October 2020 subject to two successive twelve month extensions. The loan bears interest at a variable rate tied to One Month Libor.

In December 2017, the California Public Finance Authority issued \$21 million of tax-exempt notes (the “2017B Notes” together with the 2017A Notes; collectively the “2017 Notes”) for the benefit of the Parent. All of the 2017B Notes were purchased by Nant. The 2017B Notes are secured by an Obligation (as defined in the Master Indenture) on parity with other Obligations issued pursuant to the Master Indenture. In addition to their parity lien under the Master Indenture, the 2017B Notes have additional lien rights on the Obligated Group’s accounts receivable and in certain properties owned by St Francis Medical Center and Saint Louise Regional Hospital, all on parity with the 2015 Notes. Further, the 2017B Notes have a lien on property owned by a non-Obligated Group Member. The 2017B Notes bear interest at 7.25% and the principal is due at the maturity date in December 2020.

In March 2018, Nant Capital, LLC an affiliate of Nant, made two loans in the aggregate amount of \$40 million to Holdings. The loans are unsecured, mature in March 2020, and bear a fixed interest rate of 7.25%.



In June 2018, Verity MOB Financing II, LLC, an affiliate of Nant, made a loan in the amount of \$20 million to Holdings, which was drawn down in two tranches. The initial loan disbursement of \$15 million was drawn in June 2018 and the second loan disbursement of \$5 million was drawn in July 2018. The loan is secured by nine parcels including two medical office buildings, a storage facility and various other parcels. The loan matures in June 2021 and bears interest at a variable rate tied to One Month Libor.

Total long-term debt, including the current portion as of June 30, 2018 was \$500.6 million for the Obligated Group. Total long-term debt, including the current portion as of March 31, 2018 was \$502.0 million for the Obligated Group.

### **Annual Debt Service Coverage Ratio**

Verity reports the annual debt service coverage ratio for fiscal year to date June 30, 2018 using Annual Debt Service Coverage Ratio methodology and annualized Income Available for Debt Service excluding the 15% Basket Indebtedness.

<u>VHS Obligated Group Only</u>	
Annual Debt Service Coverage Ratio (DSCR)	(\$'s in 000's)
	FYTD 6/30/18
(Deficit) Excess of Revenues over Expenses	\$ (72,770)
Plus: Depreciation and Amortization	29,619
Plus: Interest	32,919
Plus: Unrealized (Gains) Losses	(2,033)
Plus: Management Agreement Fees Deferral	40,188
Income Available for Debt Service	\$ 27,923
Debt Service Requirement *	
Interest Payment	\$ 15,097
Principal Payment	6,740
	\$ 21,837
Annual Debt Service Coverage Ratio	1.28

\* Represents Debt Service Requirement calculated pursuant to Schedule C of the Amended and Restated Supplemental Master Indenture Number 20

### **OTHER EVENTS**

In July 2018, Verity announced it is exploring strategic options to alleviate financial and operational pressures on its five acute care hospitals and other facilities. At this time, a range of options is being considered, including the potential sale of some or all of its hospitals and medical buildings, among other possible transactions.

Also, in a series of transactions completed in August 2018, Verity Holdings, LLC, which is not a Member of the Obligated Group, redeemed its controlling interest in its Northern California ambulatory surgery management company, BASM, and its non-controlling ownership interest in five surgery centers managed by BASM.



**Management Changes of Members of the Obligated Group for the period**

Appointments:

Eileen Fisler, CFO, St. Vincent Medical Center

James Jackson, COO, Seton Medical Center

Kyle Wichelmann, CFO, Seton Medical Center

Resignations:

Glenn Marshak, CMO, Verity Health System



	OBLIGATED GROUP	NON- OBLIGATED GROUP	ELIMINATIONS	Verity Total
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	\$ 42,960	\$ 25,574	\$ -	\$ 68,534
Net patient accounts receivable	229,282	10,430	-	239,712
Due from government agencies	11,615	-	-	11,615
Due from related organizations	48,478	114,502	(162,980)	-
Other current assets	108,279	18,202	(5,581)	120,900
Other restricted assets	-	2,159	-	2,159
<b>Total current assets</b>	<b>440,614</b>	<b>170,867</b>	<b>(168,561)</b>	<b>442,920</b>
<b>ASSETS LIMITED AS TO USE:</b>				
Other investments	3,069	54,029	-	57,098
Under bond indenture agreements	61,280	-	-	61,280
<b>Total assets limited as to use</b>	<b>64,349</b>	<b>54,029</b>	<b>-</b>	<b>118,378</b>
<b>PROPERTY AND EQUIPMENT, Net</b>	<b>248,584</b>	<b>29,644</b>	<b>-</b>	<b>278,228</b>
<b>OTHER LONG-TERM ASSETS</b>	<b>4,242</b>	<b>3,832</b>	<b>(984)</b>	<b>7,090</b>
<b>TOTAL ASSETS</b>	<b>757,789</b>	<b>258,372</b>	<b>(169,545)</b>	<b>846,616</b>
<b>LIABILITIES AND NET (DEFICIT) ASSETS</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable	58,760	6,156	-	64,916
Current portion of long-term debt, net of debt issuance costs	166,675	116	-	166,791
Due to government agencies	4,186	-	-	4,186
Accrued expenses and other current liabilities	291,465	38,338	(6,546)	323,257
Due to related organizations	114,502	48,478	(162,980)	-
<b>Total current liabilities</b>	<b>635,588</b>	<b>93,088</b>	<b>(169,526)</b>	<b>559,150</b>
<b>OTHER LIABILITIES</b>				
Pension and other long-term liabilities	232,110	46,703	(19)	278,794
<b>OTHER LIABILITIES</b>	<b>232,110</b>	<b>46,703</b>	<b>(19)</b>	<b>278,794</b>
<b>LONG-TERM DEBT, Net of current portion and debt issuance costs</b>	<b>333,880</b>	<b>106,146</b>	<b>-</b>	<b>440,026</b>
<b>Total liabilities</b>	<b>1,201,578</b>	<b>245,937</b>	<b>(169,545)</b>	<b>1,277,970</b>
<b>NET (DEFICIT) ASSETS:</b>				
Unrestricted - Verity Health System	(447,182)	(6,586)	-	(453,768)
Unrestricted - Noncontrolling	-	(986)	-	(986)
Temporarily restricted	621	14,531	-	15,152
Permanently restricted	2,772	5,476	-	8,248
<b>Total net (deficit) assets</b>	<b>(443,789)</b>	<b>12,435</b>	<b>-</b>	<b>(431,354)</b>
<b>TOTAL LIABILITIES AND NET (DEFICIT) ASSETS</b>	<b>757,789</b>	<b>258,372</b>	<b>(169,545)</b>	<b>846,616</b>



	OBLIGATED GROUP	NON- OBLIGATED GROUP	ELIMINATIONS	Verity Total
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	\$ 30,121	\$ 25,865	\$ -	\$ 55,986
Net patient accounts receivable	238,606	7,156	-	245,762
Due from government agencies	14,154	-	-	14,154
Due from related organizations	44,900	105,222	(150,122)	-
Other current assets	158,830	14,073	(1,476)	171,427
<b>Total current assets</b>	<b>486,611</b>	<b>152,316</b>	<b>(151,598)</b>	<b>487,329</b>
<b>ASSETS LIMITED AS TO USE:</b>				
Other investments	3,113	57,081	-	60,194
Under bond indenture agreements	61,210	-	-	61,210
<b>Total assets limited as to use</b>	<b>64,323</b>	<b>57,081</b>	<b>-</b>	<b>121,404</b>
<b>PROPERTY AND EQUIPMENT, Net</b>	<b>229,815</b>	<b>28,703</b>	<b>-</b>	<b>258,518</b>
<b>OTHER LONG-TERM ASSETS</b>	<b>3,685</b>	<b>18,170</b>	<b>(569)</b>	<b>21,286</b>
<b>TOTAL ASSETS</b>	<b>784,434</b>	<b>256,270</b>	<b>(152,167)</b>	<b>888,537</b>
<b>LIABILITIES AND NET (DEFICIT) ASSETS</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable	51,987	3,114	-	55,101
Current portion of long-term debt, net of debt issuance costs	6,510	5,116	-	11,626
Due to government agencies	3,753	-	-	3,753
Accrued expenses and other current liabilities	300,818	30,832	(2,026)	329,624
Due to related organizations	105,222	44,900	(150,122)	-
<b>Total current liabilities</b>	<b>468,290</b>	<b>83,962</b>	<b>(152,148)</b>	<b>400,104</b>
<b>OTHER LIABILITIES</b>				
Pension and other long-term liabilities	258,800	38,471	(19)	297,252
<b>OTHER LIABILITIES</b>	<b>258,800</b>	<b>38,471</b>	<b>(19)</b>	<b>297,252</b>
<b>LONG-TERM DEBT, Net of current portion and debt issuance costs</b>	<b>495,528</b>	<b>85,616</b>	<b>-</b>	<b>581,144</b>
<b>Total liabilities</b>	<b>1,222,618</b>	<b>208,049</b>	<b>(152,167)</b>	<b>1,278,500</b>
<b>NET (DEFICIT) ASSETS:</b>				
Unrestricted - Verity Health System	(441,632)	29,864	-	(411,768)
Unrestricted - Noncontrolling	-	1,692	-	1,692
Temporarily restricted	631	11,188	-	11,819
Permanently restricted	2,817	5,477	-	8,294
<b>Total net (deficit) assets</b>	<b>(438,184)</b>	<b>48,221</b>	<b>-</b>	<b>(389,963)</b>
<b>TOTAL LIABILITIES AND NET (DEFICIT) ASSETS</b>	<b>784,434</b>	<b>256,270</b>	<b>(152,167)</b>	<b>888,537</b>



	OBLIGATED GROUP	NON- OBLIGATED GROUP	ELIMINATIONS	Verity Total
<b>UNRESTRICTED REVENUES AND OTHER SUPPORT:</b>				
Net patient service revenue	\$ 1,374,876	\$ 57,832	\$ (695)	\$ 1,432,013
Provision for doubtful accounts	(57,686)	(1,016)	-	(58,702)
Net patient service revenue less provision for doubtful accounts	1,317,190	56,816	(695)	1,373,311
Premium revenue	131,000	20,915	-	151,915
Other revenue	20,647	83,710	(58,373)	45,984
Contributions	5,797	25,447	-	31,244
<b>Total unrestricted revenues and other support</b>	<b>1,474,634</b>	<b>186,888</b>	<b>(59,068)</b>	<b>1,602,454</b>
<b>EXPENSES:</b>				
Salaries and benefits	747,236	63,162	(6,314)	804,084
Supplies	179,210	19,306	-	198,516
Purchased services, medical claims and other	560,802	126,451	(52,754)	634,499
Goodwill and intangible asset impairment	-	7,218	-	7,218
Depreciation and amortization	29,619	3,005	-	32,624
Interest, net	32,919	3,968	-	36,887
<b>Total expenses</b>	<b>1,549,786</b>	<b>223,110</b>	<b>(59,068)</b>	<b>1,713,828</b>
<b>OPERATING LOSS</b>	<b>(75,152)</b>	<b>(36,222)</b>	<b>-</b>	<b>(111,374)</b>
INVESTMENT INCOME (LOSS)	2,382	(9,927)	-	(7,545)
<b>(DEFICIT) EXCESS OF REVENUES OVER EXPENSES</b>	<b>(72,770)</b>	<b>(46,149)</b>	<b>-</b>	<b>(118,919)</b>
<b>LESS (DEFICIT) EXCESS OF REVENUES OVER EXPENSES</b>				
<b>ATTRIBUTABLE TO NONCONTROLLING INTEREST</b>	-	(3,352)	-	(3,352)
<b>(DEFICIT) EXCESS OF REVENUES OVER EXPENSES, NET OF</b>				
<b>NONCONTROLLING INTEREST</b>	<b>(72,770)</b>	<b>(42,797)</b>	<b>-</b>	<b>(115,567)</b>
Net unrealized (loss) gains on investments	-	-	-	-
Net assets released from restrictions used for purchase of property and equipment	870	-	-	870
Change in funded status of pension and other postretirement benefit plans	19,304	-	-	19,304
Other	(14,477)	14,246	-	(231)
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b>(67,073)</b>	<b>(31,903)</b>	<b>-</b>	<b>(98,976)</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>				
Contributions	132	10,017	-	10,149
Net realized and unrealized gains (losses) on investments	-	(19)	-	(19)
Net assets released from restrictions:				
Operations	(86)	(6,883)	-	(6,969)
Property, plant and equipment	-	(870)	-	(870)
Other	-	(583)	-	(583)
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>46</b>	<b>1,662</b>	<b>-</b>	<b>1,708</b>
<b>PERMANENTLY RESTRICTED NET ASSETS</b>				
Net realized and unrealized gains (losses) on investments	29	17	-	46
<b>INCREASE (DECREASE) IN PERMANENTLY RESTRICTED NET ASSETS</b>	<b>29</b>	<b>17</b>	<b>-</b>	<b>46</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(66,998)</b>	<b>(30,224)</b>	<b>-</b>	<b>(97,222)</b>
<b>NET (DEFICIT) ASSETS AS OF JUNE 30, 2017</b>	<b>(376,791)</b>	<b>42,659</b>	<b>-</b>	<b>(334,132)</b>
<b>NET (DEFICIT) ASSETS AS OF JUNE 30, 2018</b>	<b>(443,789)</b>	<b>12,435</b>	<b>-</b>	<b>(431,354)</b>



	OBLIGATED GROUP	NON- OBLIGATED GROUP	ELIMINATIONS	Verity Total
<b>UNRESTRICTED REVENUES AND OTHER SUPPORT:</b>				
Net patient service revenue	\$ 324,129	\$ 15,068	\$ (695)	\$ 338,502
Provision for doubtful accounts	(5,206)	(303)	-	(5,509)
Net patient service revenue less provision for doubtful accounts	318,923	14,765	(695)	332,993
Premium revenue	32,576	4,990	-	37,566
Other revenue	3,589	22,566	(20,090)	6,065
Contributions	1,105	1,387	-	2,492
<b>Total unrestricted revenues and other support</b>	<b>356,193</b>	<b>43,708</b>	<b>(20,785)</b>	<b>379,116</b>
<b>EXPENSES:</b>				
Salaries and benefits	180,910	17,316	(2,099)	196,127
Supplies	44,429	5,878	-	50,307
Purchased services, medical claims and other	139,433	41,393	(18,686)	162,140
Goodwill and intangible asset impairment	-	7,218	-	7,218
Depreciation and amortization	7,700	912	-	8,612
Interest, net	8,508	1,745	-	10,253
<b>Total expenses</b>	<b>380,980</b>	<b>74,462</b>	<b>(20,785)</b>	<b>434,657</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(24,787)</b>	<b>(30,754)</b>	<b>-</b>	<b>(55,541)</b>
INVESTMENT INCOME (LOSS)	1,000	(9,439)	-	(8,439)
<b>(DEFICIT) EXCESS OF REVENUES OVER EXPENSES</b>	<b>(23,787)</b>	<b>(40,193)</b>	<b>-</b>	<b>(63,980)</b>
<b>LESS (DEFICIT) EXCESS OF REVENUES OVER EXPENSES</b>				
<b>ATTRIBUTABLE TO NONCONTROLLING INTEREST</b>	-	(2,678)	-	(2,678)
<b>(DEFICIT) EXCESS OF REVENUES OVER EXPENSES, NET OF</b>				
<b>NONCONTROLLING INTEREST</b>	<b>(23,787)</b>	<b>(37,515)</b>	<b>-</b>	<b>(61,302)</b>
Net unrealized gains (losses) on investments	-	(3)	-	(3)
Net assets released from restrictions used for purchase of property and equipment	87	-	-	87
Change in funded status of pension and other postretirement benefit plans	19,304	-	-	19,304
Other	(1,154)	1,068	-	(86)
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b>(5,550)</b>	<b>(39,128)</b>	<b>-</b>	<b>(44,678)</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>				
Contributions	-	7,694	-	7,694
Net realized and unrealized gains (losses) on investments	-	(49)	-	(49)
Net assets released from restrictions:				
Operations	(10)	(2,891)	-	(2,901)
Property, plant and equipment	-	(87)	-	(87)
Other	-	(1,324)	-	(1,324)
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>(10)</b>	<b>3,343</b>	<b>-</b>	<b>3,333</b>
<b>PERMANENTLY RESTRICTED NET ASSETS</b>				
Net realized and unrealized gains (losses) on investments	(45)	(1)	-	(46)
<b>INCREASE (DECREASE) IN PERMANENTLY RESTRICTED NET ASSETS</b>	<b>(45)</b>	<b>(1)</b>	<b>-</b>	<b>(46)</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(5,605)</b>	<b>(35,786)</b>	<b>-</b>	<b>(41,391)</b>
<b>NET ASSETS AS OF MARCH 31, 2018</b>	<b>(438,184)</b>	<b>48,221</b>	<b>-</b>	<b>(389,963)</b>
<b>NET ASSETS AS OF JUNE 30, 2018</b>	<b>(443,789)</b>	<b>12,435</b>	<b>-</b>	<b>(431,354)</b>



	OBLIGATED GROUP	NON- OBLIGATED GROUP	ELIMINATIONS	Verity Total
<b>UNRESTRICTED REVENUES AND OTHER SUPPORT:</b>				
Net patient service revenue	\$ 1,269,567	\$ 31,438	\$ -	\$ 1,301,005
Provision for doubtful accounts	(33,318)	(452)	-	(33,770)
Net patient service revenue less provision for doubtful accounts	1,236,249	30,986	-	1,267,235
Premium revenue	98,607	21,686	-	120,293
Other revenue	12,647	45,294	(31,637)	26,304
Contributions	4,288	61,429	-	65,717
<b>Total unrestricted revenues and other support</b>	<b>1,351,791</b>	<b>159,395</b>	<b>(31,637)</b>	<b>1,479,549</b>
<b>EXPENSES:</b>				
Salaries and benefits	703,146	35,575	(8,422)	730,299
Supplies	166,520	5,872	-	172,392
Purchased services, medical claims and other	479,996	82,070	(23,215)	538,851
Goodwill and intangible asset impairment	-	10,232	-	10,232
Depreciation and amortization	32,123	2,795	-	34,918
Interest, net	27,641	493	-	28,134
<b>Total expenses</b>	<b>1,409,426</b>	<b>137,037</b>	<b>(31,637)</b>	<b>1,514,826</b>
<b>OPERATING (LOSS) INCOME</b>	<b>(57,635)</b>	<b>22,358</b>	<b>-</b>	<b>(35,277)</b>
INVESTMENT INCOME (LOSS)	2,303	(4,876)	-	(2,573)
<b>(DEFICIT) EXCESS OF REVENUES OVER EXPENSES</b>	<b>(55,332)</b>	<b>17,482</b>	<b>-</b>	<b>(37,850)</b>
<b>LESS (DEFICIT) EXCESS OF REVENUES OVER EXPENSES</b>				
<b>ATTRIBUTABLE TO NONCONTROLLING INTEREST</b>	-	(5,087)	-	(5,087)
<b>(DEFICIT) EXCESS OF REVENUES OVER EXPENSES, NET OF</b>				
<b>NONCONTROLLING INTEREST</b>	<b>(55,332)</b>	<b>22,569</b>	<b>-</b>	<b>(32,763)</b>
Net unrealized gains on investments	-	5	-	5
Net assets released from restrictions used for purchase of property and equipment	610	-	-	610
Change in funded status of pension and other postretirement benefit plans	7,667	-	-	7,667
Other	26,212	(18,427)	-	7,785
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b>(20,843)</b>	<b>(940)</b>	<b>-</b>	<b>(21,783)</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>				
Contributions	39	5,270	-	5,309
Net realized and unrealized gains on investments	-	173	-	173
Net assets released from restrictions:				
Operations	(137)	(64,414)	-	(64,551)
Property, plant and equipment	-	(610)	-	(610)
Other	-	(207)	-	(207)
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>(98)</b>	<b>(59,788)</b>	<b>-</b>	<b>(59,886)</b>
<b>PERMANENTLY RESTRICTED NET ASSETS</b>				
Net realized and unrealized gains (losses) on investments	72	(7)	-	65
<b>INCREASE (DECREASE) IN PERMANENTLY RESTRICTED NET ASSETS</b>	<b>72</b>	<b>(7)</b>	<b>-</b>	<b>65</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(20,869)</b>	<b>(60,735)</b>	<b>-</b>	<b>(81,604)</b>
<b>NET (DEFICIT) ASSETS AS OF JUNE 30, 2016</b>	<b>(355,922)</b>	<b>103,394</b>	<b>-</b>	<b>(252,528)</b>
<b>NET (DEFICIT) ASSETS AS OF JUNE 30, 2017</b>	<b>(376,791)</b>	<b>42,659</b>	<b>-</b>	<b>(334,132)</b>



FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

(In thousands)

	OBLIGATED GROUP	NON- OBLIGATED GROUP	ELIMINATIONS	Verity Total
<b>Operating activities</b>				
Increase (Decrease) in net assets	\$ (66,998)	\$ (30,224)	\$ -	\$ (97,222)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:				
Depreciation and amortization	29,619	3,005	-	32,624
Provision for doubtful accounts	57,686	1,016	-	58,702
Changes in fair value and unrealized and realized gains (losses) on investments, net	-	779	-	779
Amortization of bond premium	845	-	-	845
Amortization of deferred debt issuance cost	172	-	-	172
Change in funded status of pension and other postretirement benefit plans	(19,347)	-	-	(19,347)
Goodwill and intangible asset impairment	-	7,218	-	7,218
Gain on disposal of property and equipment	(8)	(15,481)	-	(15,489)
<b>Changes in operating assets and liabilities:</b>				
Patient accounts receivable	(56,327)	(6,321)	-	(62,648)
Due to/from government agencies	3,209	-	-	3,209
Other current assets	(32,275)	(96,350)	97,881	(30,744)
Other long-term assets	(2,907)	15,420	728	13,241
Accounts payable	(18,575)	(166)	-	(18,741)
Accrued liabilities	150,404	17,326	(98,599)	69,131
Other short-term liabilities	166,638	115	-	166,753
Workers' compensation Change	(768)	160	-	(608)
Change in Pension obligations	(40,705)	-	-	(40,705)
Other long-term liabilities	(166,160)	6,129	(10)	(160,041)
<b>Net cash provided by (used in) operating activities</b>	<b>4,503</b>	<b>(97,374)</b>	<b>-</b>	<b>(92,871)</b>
<b>Investing activities</b>				
Purchases of investments	-	(4,948)	-	(4,948)
Purchase of asset for health-related activity	-	(2,801)	-	(2,801)
Proceeds from disposal of property and equipment	-	17,784	-	17,784
Proceeds from sales of investments	2,182	5,391	-	7,573
Changes in interest in pooled investment fund - short term	-	(493)	-	(493)
Changes in loans and receivables	-	1,074	-	1,074
Changes in assets under bond indenture agreements	2,213	-	-	2,213
Additions to property and equipment	(50,681)	(3,986)	-	(54,667)
<b>Net cash provided by (used in) investing activities</b>	<b>(46,286)</b>	<b>12,021</b>	<b>-</b>	<b>(34,265)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of debt	(6,554)	(5,952)	-	(12,506)
Issuance of debt	42,000	107,279	-	149,279
Debt issuance costs	(800)	(950)	-	(1,750)
<b>Net cash provided by (used in) financing activities</b>	<b>34,646</b>	<b>100,377</b>	<b>-</b>	<b>135,023</b>
Net Increase (Decrease) in Cash and Cash Equivalents	(7,137)	15,024	-	7,887
<b>CASH AND CASH EQUIVALENTS JUNE 30, 2017</b>	<b>50,097</b>	<b>10,550</b>	<b>-</b>	<b>60,647</b>
<b>CASH AND CASH EQUIVALENTS AS OF JUNE 30, 2018</b>	<b>42,960</b>	<b>25,574</b>	<b>-</b>	<b>68,534</b>



	O'Connor Hospital		Saint Louise Regional Hospital		St. Francis Medical Center		St. Vincent Medical Center		Seton Medical Center		Seton Medical Center Coastside		Verity Total	
	FOR THE TWELVE MONTHS ENDED JUNE 30, 2017	FOR THE TWELVE MONTHS ENDED JUNE 30, 2018	FOR THE TWELVE MONTHS ENDED JUNE 30, 2017	FOR THE TWELVE MONTHS ENDED JUNE 30, 2018	FOR THE TWELVE MONTHS ENDED JUNE 30, 2017	FOR THE TWELVE MONTHS ENDED JUNE 30, 2018	FOR THE TWELVE MONTHS ENDED JUNE 30, 2017	FOR THE TWELVE MONTHS ENDED JUNE 30, 2018	FOR THE TWELVE MONTHS ENDED JUNE 30, 2017	FOR THE TWELVE MONTHS ENDED JUNE 30, 2018	FOR THE TWELVE MONTHS ENDED JUNE 30, 2017	FOR THE TWELVE MONTHS ENDED JUNE 30, 2018	FOR THE TWELVE MONTHS ENDED JUNE 30, 2017	FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
Total Licensed Beds	358	358	93	93	384	384	366	366	357	357	121	121	1,679	1,679
Total Available Beds	357	357	72	72	384	384	366	366	294	294	121	121	1,594	1,594
Total Discharges	9,652	9,387	2,703	3,023	21,049	22,687	11,088	11,289	5,695	5,283	121	76	50,308	51,745
Total Patient Days	44,282	45,046	9,280	10,948	103,599	105,438	64,539	65,289	45,242	44,359	39,889	41,503	306,831	312,583
Acute Licensed Beds	334	334	72	72	314	314	320	320	250	250	5	5	1,295	1,295
Acute Available Beds	333	333	72	72	314	314	320	320	250	250	5	5	1,294	1,294
Acute Discharges	9,615	9,357	2,703	3,023	18,653	20,019	10,102	10,378	5,668	5,151	-	-	46,741	47,928
Acute Patient Days	36,343	36,587	9,280	10,948	82,854	86,406	50,965	53,098	30,269	26,955	-	-	209,711	213,994
Acute Average Length of Stay	3.78	3.91	3.43	3.62	4.44	4.32	5.05	5.12	5.34	5.23	-	-	4.49	4.46
Adjusted Discharges	14,835	14,570	5,689	5,979	29,197	31,646	15,205	15,433	8,231	8,073	142	88	73,298	75,787
Adjusted Patient Days	68,059	69,916	19,532	21,653	143,702	147,074	88,500	89,254	65,390	67,782	46,743	47,813	431,927	443,492
ADC	121	123	25	30	284	289	177	179	124	122	109	114	841	856
ALOS	4.6	4.8	3.4	3.6	4.9	4.6	5.8	5.8	7.9	8.4	329.7	546.1	6.1	6.0
Surgery OP	2,544	2,350	2,088	1,532	2,310	2,774	3,186	3,322	2,721	2,900	-	-	12,849	12,878
Surgery IP	1,897	1,961	684	762	3,112	3,347	2,651	2,941	1,267	1,116	-	-	9,611	10,127
Newborn Days	3,491	3,240	704	656	10,344	9,914	-	-	-	-	-	-	14,539	13,810
OP ED Visits	46,087	45,627	26,431	27,038	64,480	61,831	23,231	22,684	23,478	22,894	2,635	2,631	186,342	182,705
OP & Clinic Visits excluding ED OP	80,508	74,566	26,170	23,984	76,138	76,039	51,875	50,864	93,720	99,162	3,071	5,394	331,482	330,009
Clinical Visits	80,508	41,696	26,170	23,984	-	-	-	-	93,720	99,162	3,071	5,394	203,469	170,236
CMI - Total	1.42	1.49	1.18	1.17	1.18	1.22	1.73	1.66	1.81	1.80	1.40	1.41	-	-
FTEs Paid	1,020	999	314	324	1,599	1,660	883	945	830	849	130	135	4,776	4,913
FTEs Prod	865	836	264	270	1,399	1,456	753	808	706	710	114	120	4,100	4,201

Payor Mix	
Medicare	32.8%
Medi-Cal	31.7%
HMO/PPO	30.4%
Self-Pay	4.0%
Other	1.1%
Total	100.0%

Inpatient	68.5%
Outpatient	31.5%
Total	100.0%

Capital Expenditures							
Verity - System Office	O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside	Verity Total
FOR THE THREE MONTHS ENDED JUNE 30, 2018	FOR THE THREE MONTHS ENDED JUNE 30, 2018	FOR THE THREE MONTHS ENDED JUNE 30, 2018	FOR THE THREE MONTHS ENDED JUNE 30, 2018	FOR THE THREE MONTHS ENDED JUNE 30, 2018	FOR THE THREE MONTHS ENDED JUNE 30, 2018	FOR THE THREE MONTHS ENDED JUNE 30, 2018	FOR THE THREE MONTHS ENDED JUNE 30, 2018
\$9,488,947	\$2,220,404	\$248,037	\$2,148,170	\$2,219,405	\$4,090,075	\$66,809	\$20,481,847



	O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside	System Office	System Elimination - Obligated Group	Obligated Group Subtotal	Non- Obligated Group	System Elimination - Non Obligated Group	Verity Total
<b>ASSETS</b>												
<b>CURRENT ASSETS:</b>												
Cash and cash equivalents	\$ 7,209	\$ 4,815	\$ 17,967	\$ 2,206	\$ 9,142	\$ 887	\$ 734	\$ -	\$ 42,960	\$ 25,574	\$ -	\$ 68,534
Net patient accounts receivable	54,022	17,633	65,285	38,635	49,142	4,565	-	-	229,282	10,430	-	239,712
Due from government agencies	879	1,030	4,513	3,709	1,484	-	-	-	11,615	-	-	11,615
Due from related organizations	10,928	5,233	364,863	7,953	17,682	48	508,081	(866,310)	48,478	114,502	(162,980)	-
Other current assets	17,506	5,817	45,653	16,412	9,776	295	12,820	-	108,279	18,202	(5,581)	120,900
Other restricted assets	-	-	-	-	-	-	-	-	-	2,159	-	2,159
<b>Total current assets</b>	<b>90,544</b>	<b>34,528</b>	<b>498,281</b>	<b>68,915</b>	<b>87,226</b>	<b>5,795</b>	<b>521,635</b>	<b>(866,310)</b>	<b>440,614</b>	<b>170,867</b>	<b>(168,561)</b>	<b>442,920</b>
<b>ASSETS LIMITED AS TO USE:</b>												
Other investments	-	-	-	3,069	-	-	-	-	3,069	54,029	-	57,098
Under bond indenture agreements	-	-	-	-	36,585	-	24,695	-	61,280	-	-	61,280
<b>Total assets limited as to use</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,069</b>	<b>36,585</b>	<b>-</b>	<b>24,695</b>	<b>-</b>	<b>64,349</b>	<b>54,029</b>	<b>-</b>	<b>118,378</b>
<b>PROPERTY AND EQUIPMENT, Net</b>	<b>29,176</b>	<b>14,170</b>	<b>91,184</b>	<b>47,125</b>	<b>42,506</b>	<b>684</b>	<b>23,739</b>	<b>-</b>	<b>248,584</b>	<b>29,644</b>	<b>-</b>	<b>278,228</b>
<b>OTHER LONG-TERM ASSETS</b>	<b>626</b>	<b>7</b>	<b>256</b>	<b>13</b>	<b>261</b>	<b>-</b>	<b>3,079</b>	<b>-</b>	<b>4,242</b>	<b>3,832</b>	<b>(984)</b>	<b>7,090</b>
<b>TOTAL ASSETS</b>	<b>120,346</b>	<b>48,705</b>	<b>589,721</b>	<b>119,122</b>	<b>166,578</b>	<b>6,479</b>	<b>573,148</b>	<b>(866,310)</b>	<b>757,789</b>	<b>258,372</b>	<b>(169,545)</b>	<b>846,616</b>
<b>LIABILITIES AND NET (DEFICIT) ASSETS</b>												
<b>CURRENT LIABILITIES:</b>												
Accounts payable	11,168	2,972	7,886	13,432	8,704	168	14,430	-	58,760	6,156	-	64,916
Current portion of long-term debt, net of debt issuance costs	774	469	4,076	867	1,241	-	159,248	-	166,675	116	-	166,791
Due to government agencies	161	2	2,039	1,728	256	-	-	-	4,186	-	-	4,186
Accrued expenses and other current liabilities	24,035	7,529	56,521	42,289	46,248	2,427	112,416	-	291,465	38,338	(6,546)	323,257
Due to related organizations	278,884	77,857	1,324	261,718	168,778	23,513	168,738	(866,310)	114,502	48,478	(162,980)	-
<b>Total current liabilities</b>	<b>315,022</b>	<b>88,829</b>	<b>71,846</b>	<b>320,034</b>	<b>225,227</b>	<b>26,108</b>	<b>454,832</b>	<b>(866,310)</b>	<b>635,588</b>	<b>93,088</b>	<b>(169,526)</b>	<b>559,150</b>
<b>OTHER LIABILITIES</b>												
Pension and other long-term liabilities	41,157	4,512	78,127	58,923	2,494	24	46,873	-	232,110	46,703	(19)	278,794
<b>Total other liabilities</b>	<b>41,157</b>	<b>4,512</b>	<b>78,127</b>	<b>58,923</b>	<b>2,494</b>	<b>24</b>	<b>46,873</b>	<b>-</b>	<b>232,110</b>	<b>46,703</b>	<b>(19)</b>	<b>278,794</b>
<b>LONG-TERM DEBT, Net of current portion and debt issuance costs</b>	<b>47,636</b>	<b>28,854</b>	<b>64,108</b>	<b>53,325</b>	<b>96,805</b>	<b>-</b>	<b>43,152</b>	<b>-</b>	<b>333,880</b>	<b>106,146</b>	<b>-</b>	<b>440,026</b>
<b>Total liabilities</b>	<b>403,815</b>	<b>122,195</b>	<b>214,081</b>	<b>432,282</b>	<b>324,526</b>	<b>26,132</b>	<b>544,857</b>	<b>(866,310)</b>	<b>1,201,578</b>	<b>245,937</b>	<b>(169,545)</b>	<b>1,277,970</b>
<b>NET (DEFICIT) ASSETS:</b>												
Unrestricted - Verity Health System	(283,469)	(73,490)	375,542	(316,455)	(157,948)	(19,653)	28,291	-	(447,182)	(6,586)	-	(453,768)
Unrestricted - Noncontrolling	-	-	-	-	-	-	-	-	-	(986)	-	(986)
Temporarily restricted	-	-	98	523	-	-	-	-	621	14,531	-	15,152
Permanently restricted	-	-	-	2,772	-	-	-	-	2,772	5,476	-	8,248
<b>Total net (deficit) assets</b>	<b>(283,469)</b>	<b>(73,490)</b>	<b>375,640</b>	<b>(313,160)</b>	<b>(157,948)</b>	<b>(19,653)</b>	<b>28,291</b>	<b>-</b>	<b>(443,789)</b>	<b>12,435</b>	<b>-</b>	<b>(431,354)</b>
<b>TOTAL LIABILITIES AND NET (DEFICIT) ASSETS</b>	<b>120,346</b>	<b>48,705</b>	<b>589,721</b>	<b>119,122</b>	<b>166,578</b>	<b>6,479</b>	<b>573,148</b>	<b>(866,310)</b>	<b>757,789</b>	<b>258,372</b>	<b>(169,545)</b>	<b>846,616</b>



	O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside	System Office	System Elimination - Obligated Group	Obligated Group Subtotal	Non- Obligated Group	System Elimination - Non Obligated Group	Verity Total
<b>UNRESTRICTED REVENUES AND OTHER SUPPORT:</b>												
Net patient service revenue	\$ 307,193	\$ 102,343	\$ 496,142	\$ 216,593	\$ 238,621	\$ 22,686	\$ -	\$ (8,702)	\$ 1,374,876	\$ 57,832	\$ (695)	\$ 1,432,013
Provision for doubtful accounts	(11,051)	(3,741)	(23,483)	(12,283)	(6,512)	(616)	-	-	(57,686)	(1,016)	-	(58,702)
Net patient service revenue less provision for doubtful accounts	<b>296,142</b>	<b>98,602</b>	<b>472,659</b>	<b>204,310</b>	<b>232,109</b>	<b>22,070</b>	<b>-</b>	<b>(8,702)</b>	<b>1,317,190</b>	<b>56,816</b>	<b>(695)</b>	<b>1,373,311</b>
Premium revenue	-	-	100,579	31,091	-	-	-	(670)	131,000	20,915	-	151,915
Other revenue	4,205	207	1,700	1,213	7,743	579	177,687	(172,687)	20,647	83,710	(58,373)	45,984
Contributions	200	40	4,184	1,021	352	-	-	-	5,797	25,447	-	31,244
<b>Total unrestricted revenues and other support</b>	<b>300,547</b>	<b>98,849</b>	<b>579,122</b>	<b>237,635</b>	<b>240,204</b>	<b>22,649</b>	<b>177,687</b>	<b>(182,059)</b>	<b>1,474,634</b>	<b>186,888</b>	<b>(59,068)</b>	<b>1,602,454</b>
<b>EXPENSES:</b>												
Salaries and benefits	170,681	57,205	214,622	114,432	144,752	17,699	36,547	(8,702)	747,236	63,162	(6,314)	804,084
Supplies	42,572	8,093	42,452	52,176	31,826	1,954	137	-	179,210	19,306	-	198,516
Purchased services, medical claims and other	110,882	32,533	244,547	128,875	84,758	6,453	126,111	(173,357)	560,802	126,451	(52,754)	634,499
Goodwill and intangible asset Impairment	-	-	-	-	-	-	-	-	-	7,218	-	7,218
Depreciation and amortization	6,947	1,600	9,201	5,800	5,525	132	414	-	29,619	3,005	-	32,624
Interest, net	2,483	1,544	3,951	2,751	5,339	(9)	16,860	-	32,919	3,968	-	36,887
<b>Total expenses</b>	<b>333,565</b>	<b>100,975</b>	<b>514,773</b>	<b>304,034</b>	<b>272,200</b>	<b>26,229</b>	<b>180,069</b>	<b>(182,059)</b>	<b>1,549,786</b>	<b>223,110</b>	<b>(59,068)</b>	<b>1,713,828</b>
<b>OPERATING (LOSS) INCOME</b>	<b>(33,018)</b>	<b>(2,126)</b>	<b>64,349</b>	<b>(66,399)</b>	<b>(31,996)</b>	<b>(3,580)</b>	<b>(2,382)</b>	<b>-</b>	<b>(75,152)</b>	<b>(36,222)</b>	<b>-</b>	<b>(111,374)</b>
INVESTMENT INCOME (LOSS)	-	-	-	-	-	-	2,382	-	2,382	(9,927)	-	(7,545)
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENSES</b>	<b>(33,018)</b>	<b>(2,126)</b>	<b>64,349</b>	<b>(66,399)</b>	<b>(31,996)</b>	<b>(3,580)</b>	<b>-</b>	<b>-</b>	<b>(72,770)</b>	<b>(46,149)</b>	<b>-</b>	<b>(118,919)</b>
<b>LESS (DEFICIT) EXCESS OF REVENUES OVER EXPENSES</b>												
<b>ATTRIBUTABLE TO NONCONTROLLING INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,352)</b>	<b>-</b>	<b>(3,352)</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENSES, NET OF</b>												
<b>NONCONTROLLING INTEREST</b>	<b>(33,018)</b>	<b>(2,126)</b>	<b>64,349</b>	<b>(66,399)</b>	<b>(31,996)</b>	<b>(3,580)</b>	<b>-</b>	<b>-</b>	<b>(72,770)</b>	<b>(42,797)</b>	<b>-</b>	<b>(115,567)</b>



	O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside	System Office	System Elimination - Obligated Group	Obligated Group Subtotal	Non- Obligated Group	System Elimination - Non Obligated Group	Verity Total
<b>Operating Activities</b>												
Increase (Decrease) in net assets	\$ (31,862)	\$ (1,750)	\$ 66,209	\$ (64,008)	\$ (31,996)	\$ (3,400)	\$ (1,721)	\$ 1,530	\$ (66,998)	\$ (30,224)	\$ -	\$ (97,222)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:												
Depreciation and amortization	6,947	1,600	9,201	5,800	5,525	132	414	-	29,619	3,005	-	32,624
Provision for doubtful accounts	11,051	3,741	23,483	12,283	6,512	616	-	-	57,686	1,016	-	58,702
Changes in fair value and unrealized and realized gains on investments, net	-	-	-	-	-	-	-	-	-	779	-	779
Amortization of bond premium	-	-	-	-	-	-	845	-	845	-	-	845
Amortization of deferred debt issuance cost	-	-	-	-	-	-	172	-	172	-	-	172
Change in funded status of pension and other postretirement benefit plans	(2,906)	(225)	(8,337)	(5,209)	(12)	-	(1,128)	(1,530)	(19,347)	-	-	(19,347)
Goodwill and intangible asset impairment	-	-	-	-	-	-	-	-	-	7,218	-	7,218
Gain on disposal of property and equipment	(3)	-	-	(5)	-	-	-	-	(8)	(15,481)	-	(15,489)
<b>Changes in operating assets and liabilities:</b>	-	-	-	-	-	-	-	-	-	-	-	-
Patient accounts receivable	(20,987)	(8,437)	(1,552)	(5,056)	(19,025)	(1,270)	-	-	(56,327)	(6,321)	-	(62,648)
Due to/from government agencies	94	(1,056)	524	2,043	1,604	-	-	-	3,209	-	-	3,209
Other current assets	(8,144)	(946)	(57,452)	6,585	4,827	80	(163,583)	186,358	(32,275)	(96,350)	97,881	(30,744)
Other long-term assets	(319)	-	(158)	(30)	199	3	(2,602)	-	(2,907)	15,420	728	13,241
Accounts payable	(846)	235	(3,749)	(374)	(468)	7	(13,380)	-	(18,575)	(166)	-	(18,741)
Accrued liabilities	62,911	13,097	(11,672)	64,782	45,690	4,846	157,108	(186,358)	150,404	17,326	(98,599)	69,131
Other short-term liabilities	588	469	4,076	867	1,241	-	159,397	-	166,638	115	-	166,753
Workers' compensation Change	-	-	-	-	-	-	(768)	-	(768)	160	-	(608)
Change in Pension obligations	(9,176)	(1,705)	(17,506)	(9,522)	(627)	(3)	(2,166)	-	(40,705)	-	-	(40,705)
Other long-term liabilities	(764)	(469)	(4,076)	(734)	(1,023)	-	(159,094)	-	(166,160)	6,129	(10)	(160,041)
<b>Net cash provided by (used in) operating activities</b>	<b>6,584</b>	<b>4,554</b>	<b>(1,009)</b>	<b>7,422</b>	<b>12,447</b>	<b>1,011</b>	<b>(26,506)</b>	<b>-</b>	<b>4,503</b>	<b>(97,374)</b>	<b>-</b>	<b>(92,871)</b>
<b>Investing activities</b>												
Purchases of investments	-	-	-	-	-	-	-	-	-	(4,948)	-	(4,948)
Purchase of asset for health-related activity	-	-	-	-	-	-	-	-	-	(2,801)	-	(2,801)
Proceeds from disposal of property and equipment	-	-	-	-	-	-	-	-	-	17,784	-	17,784
Proceeds from sales of investments	-	-	-	-	-	-	2,182	-	2,182	5,391	-	7,573
Changes in interest in pooled investment fund - short term	-	-	-	-	-	-	-	-	-	(493)	-	(493)
Changes in loans and receivables	-	-	-	-	-	-	-	-	-	1,074	-	1,074
Changes in assets under bond indenture agreements	-	-	-	-	2,074	-	139	-	2,213	-	-	2,213
Additions to property and equipment	(5,613)	(2,788)	(5,112)	(7,887)	(12,449)	(288)	(16,544)	-	(50,681)	(3,986)	-	(54,667)
<b>Net cash provided by (used in) investing activities</b>	<b>(5,613)</b>	<b>(2,788)</b>	<b>(5,112)</b>	<b>(7,887)</b>	<b>(10,375)</b>	<b>(288)</b>	<b>(14,223)</b>	<b>-</b>	<b>(46,286)</b>	<b>12,021</b>	<b>-</b>	<b>(34,265)</b>
<b>Financing activities</b>												
Repayment of debt	(558)	(451)	(3,800)	(833)	(912)	-	-	-	(6,554)	(5,952)	-	(12,506)
Issuance of debt	-	-	-	-	-	-	42,000	-	42,000	107,279	-	149,279
Debt issuance costs	-	-	-	-	-	-	(800)	-	(800)	(950)	-	(1,750)
<b>Net cash provided by (used in) financing activities</b>	<b>(558)</b>	<b>(451)</b>	<b>(3,800)</b>	<b>(833)</b>	<b>(912)</b>	<b>-</b>	<b>41,200</b>	<b>-</b>	<b>34,646</b>	<b>100,377</b>	<b>-</b>	<b>135,023</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>413</b>	<b>1,315</b>	<b>(9,921)</b>	<b>(1,298)</b>	<b>1,160</b>	<b>723</b>	<b>471</b>	<b>-</b>	<b>(7,137)</b>	<b>15,024</b>	<b>-</b>	<b>7,887</b>
<b>CASH AND CASH EQUIVALENTS JUNE 30, 2017</b>	<b>6,796</b>	<b>3,500</b>	<b>27,888</b>	<b>3,504</b>	<b>7,982</b>	<b>164</b>	<b>263</b>	<b>-</b>	<b>50,097</b>	<b>10,550</b>	<b>-</b>	<b>60,647</b>
<b>CASH AND CASH EQUIVALENTS AS OF JUNE 30, 2018</b>	<b>7,209</b>	<b>4,815</b>	<b>17,967</b>	<b>2,206</b>	<b>9,142</b>	<b>887</b>	<b>734</b>	<b>-</b>	<b>42,960</b>	<b>25,574</b>	<b>-</b>	<b>68,534</b>



**QUARTERLY CERTIFICATE FOR 6/30/18 RE: (Q) OF “PERMITTED LIENS”**

**August 14, 2018**

The undersigned, an Authorized Representative (as defined in the Master Indenture referred to herein) of Verity Health System of California, Inc. (“Verity”) as Obligated Group Representative pursuant to the Master Indenture of Trust (as supplemented and amended, the “Master Indenture”) dated as of December 1, 2001 among Verity, the Members of the Obligated Group and U.S. Bank National Association as Master Trustee, hereby certifies pursuant to clause (q) of the definition of “Permitted Liens” in the Master Indenture as follows:

As of the end of the fiscal quarter ending June 30, 2018, any Liens granted under clause (q) of the definition of Permitted Liens do not exceed the maximum permitted value of such Liens under such clause (q).

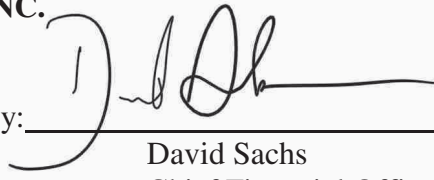
The Computations Regarding Permitted Liens, Paragraph (q) is attached hereto.

*[Signature Page to Follow]*



In Witness Whereof, the undersigned has executed this Quarterly Certificate as of the day and year first above written.

**VERITY HEALTH SYSTEM OF CALIFORNIA,  
INC.**

By: 

David Sachs  
Chief Financial Officer



**Computations Regarding Permitted Liens, Paragraph (q)**

*\$ in thousands*

<b>A. Book Value of Property Subject to Liens</b> <sup>(1)</sup>	St. Francis Medical Center	\$91,184
	St. Louise Regional Hospital	\$14,170
	Total property subject to Liens	\$105,354
<b>B. Total Property of Obligated Group</b> <sup>(1)</sup>	Obligated Group Total Property	\$757,789
<b>C. Property Subject to Liens as a % of Total</b>	A Divided by B	13.9%
	Threshold Percentage (Maximum)	20.0%

1. Historical financial data for the Obligated Group reflects June 30, 2018 unaudited financial statements.



Page 1



Series Mod. Cr.		System	Office	GLN	Original Group	GL Ref	GL-17 FY 2017-18										Series Mod. Cr.	System	Office	GLN	Original Group	GL Ref
Series Mod. Cr.		System	Office	GLN	Original Group	GL Ref	Series Mod. Cr.	System	Office	GLN	Original Group	GL Ref	Series Mod. Cr.	System	Office	GLN	Original Group	GL Ref				
REVENUE																						
Revenue																						
0	001				0	491,474																
	17,407					484,067																
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[illegible]



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
REVENUE													
IP Acute Self Pay	\$4,373,129	\$4,000,789	\$3,131,103	\$4,035,718	\$5,184,899	\$5,487,922	\$6,870,462	\$6,619,059	\$5,844,007	\$4,840,565	\$5,142,739	\$5,058,347	\$3,268,562
IP Acute-Comm MgdCare	8,670,791	7,896,064	7,484,705	6,936,973	9,010,870	7,715,249	10,015,194	8,432,436	10,695,907	8,219,845	8,647,919	9,076,312	8,016,665
W/C Comp	1,027,127	448,644	483,787	35,306	677,378	246,684	152,425	68,224	347,157	36,933	0	47,789	35,062
Medicare	19,963,593	18,610,162	19,845,397	20,052,461	18,912,822	19,204,062	19,767,092	24,509,977	18,874,207	22,117,624	20,356,125	23,487,918	21,293,022
Medicare MgdCare	9,783,169	9,531,034	10,349,253	9,652,000	9,602,874	9,179,777	13,182,489	15,119,481	9,327,119	11,501,131	10,101,131	9,269,702	14,513,837
Medicare Risk	6,449,191	3,589,031	3,139,560	3,207,908	6,684,486	5,893,632	6,082,980	4,774,711	4,887,454	6,694,234	6,155,621	4,652,899	4,269,672
Medi-Cal	17,023,330	20,244,880	20,525,607	15,999,815	15,238,265	15,460,414	15,140,319	15,381,659	14,572,704	17,640,640	14,930,539	17,071,730	17,346,188
Medi-Cal MgdCare	30,040,474	32,389,510	33,054,190	31,881,499	32,396,173	31,978,386	31,373,277	32,261,496	30,202,561	32,527,742	27,106,377	29,206,980	26,701,734
Medi-Cal Risk	4,950,154	4,000,617	5,294,189	6,274,310	5,708,968	4,807,692	4,899,186	4,998,419	4,042,754	4,291,090	4,123,518	4,243,237	5,195,546
Other Govt	1,588,631	1,149,252	1,439,150	842,424	1,684,833	664,031	1,546,886	1,122,986	2,231,584	896,528	894,938	2,363,944	1,518,211
Other Govt MgdCare	1,556,805	3,954,311	6,304,529	6,447,281	7,125,760	6,674,264	5,653,582	6,564,131	7,344,206	6,666,703	6,030,024	6,079,857	6,448,247
County Indigent	2,802,109	2,415,591	3,416,870	3,359,567	4,126,546	4,096,333	1,753,193	2,463,497	2,495,969	1,996,592	2,178,632	2,083,750	1,488,001
Other	(302,400)	429,876	59,484	(95,972)	(75,410)	219,921	(165,657)	264,880	(544,278)	130,575	972,487	(314,716)	(979,558)
Total Acute	107,926,102	108,659,760	114,527,823	108,629,289	116,278,464	111,628,369	116,071,428	122,580,956	110,321,353	117,560,202	106,640,050	112,327,751	109,115,189
SNF:													
Self Pay	42,269	30,081	109,736	131,282	142,749	56,112	4,447	11,105	53	0	0	19,788	43,263
Comm MgdCare	47,541	39,004	11,450	52,787	53,660	10,912	52,530	17,175	83,580	153,490	34,012	117,364	37,130
W/C Comp	0	0	0	0	0	0	0	0	0	0	0	0	752
Medicare	479,840	343,196	335,270	245,306	71,610	49,379	25,615	53,039	109,567	199,836	121,077	231,909	101,717
Medicare MgdCare	192	15,140	20,440	0	15,328	0	12,182	53	35,805	58,474	15,889	17,804	30,658
Medicare Risk	8,848	4,771	8,896	0	0	2,296	8,903	0	0	38,704	10,579	0	0
Medi-Cal	92,202	183,374	252,031	231,429	363,732	112,678	197,496	294,839	87,099	89,060	31,244	35,984	187,598
Medi-Cal MgdCare	233,065	208,065	176,281	112,714	134,011	26,153	9	17,953	46,383	96,457	168,133	94,350	65,484
Medi-Cal Risk	11,498	18,989	5,273	58,133	33,268	4,930	0	4,009	8,912	3,860	0	183,828	64,403
Other Govt	0	0	0	0	0	0	0	0	12,492	1,484	0	(9,390)	0
SNF-Other	0	15,161	29,585	19,626	28,624	37,652	11,561	0	0	1,818	15,347	0	0
Total SNF	915,454	857,781	948,962	851,277	842,981	300,112	312,743	398,173	383,891	641,365	382,752	706,984	531,005
PSYCH:													
Self Pay	100,000	98,220	107,688	148,834	203,590	152,754	65,755	127,097	39,249	87,289	92,866	62,455	51,817
Comm MgdCare	37,463	19,440	40,259	29,521	22,477	12,368	12,586	44,573	16,127	57,379	45,936	33,078	32,416
Medicare	134,088	171,846	129,378	48,288	96,271	131,803	132,217	155,546	164,340	134,350	118,372	85,015	85,015
Medicare MgdCare	49,272	61,864	35,918	26,879	30,655	49,375	35,353	22,963	12,723	80,636	34,818	22,181	15,381
Medicare Risk	184	110,780	7,585	0	0	8,049	37,977	0	0	9,003	25,433	0	0
Medi-Cal	926,111	1,101,861	1,191,036	936,962	940,129	1,004,890	878,697	1,058,205	905,799	1,142,154	1,223,097	1,398,178	1,147,274
Medi-Cal MgdCare	13,054	477	26,053	14,473	27,576	18,851	54,218	799	15,703	29,935	26,695	6,588	50,589
Medi-Cal Risk	19,811	0	0	0	0	225,442	9,922	0	0	0	0	0	0
Other Govt	9,149	0	0	0	0	0	0	0	6,686	0	0	0	0
County Indigent	0	0	0	69	20,939	2,735	0	5	0	930	0	0	0
Psych-Other	0	1,841	0	0	0	0	0	13	22	0	0	5,485	26,937
Total Psych	1,289,133	1,566,330	1,537,917	1,205,026	1,341,637	1,642,003	1,226,310	1,385,872	1,151,855	1,571,666	1,583,195	1,646,337	1,409,699
Total Gross Inpatient Revenue	110,130,689	111,083,870	117,014,701	110,685,593	118,463,082	113,570,484	117,610,481	124,365,001	111,857,099	119,773,233	108,605,998	114,681,072	111,055,893
Gross Outpatient Revenue:													
Outpatient:													
Self Pay	136,675	111,699	140,014	106,610	132,857	168,970	189,627	130,947	159,114	129,197	71,686	79,124	119,460
Comm MgdCare	2,427,424	2,468,614	2,581,317	2,395,064	2,809,973	2,440,048	2,355,817	2,533,743	2,607,061	3,494,223	2,921,032	3,205,363	2,475,980
W/C Comp	172,774	164,533	146,707	96,061	176,363	210,920	140,706	151,726	203,648	156,954	164,128	141,808	127,193
Medicare	1,643,695	1,491,368	1,696,404	1,810,472	1,997,186	1,525,245	2,134,987	2,009,309	2,082,996	1,710,141	2,143,308	2,065,803	2,194,634
Medicare MgdCare	1,454,327	1,506,879	1,597,059	1,312,995	1,570,173	1,667,762	2,236,154	1,148,525	1,790,486	2,264,230	1,786,091	2,140,164	1,570,118
Medicare Risk	1,909,348	2,020,844	2,627,874	2,233,784	2,418,226	2,173,884	1,871,529	1,884,544	2,324,434	1,708,775	1,853,827	2,387,549	2,575,306
Medi-Cal	1,135,254	1,070,407	1,173,628	1,100,035	1,173,727	1,198,294	907,025	1,344,992	1,229,758	1,141,505	1,125,125	1,411,781	1,337,380
Medi-Cal MgdCare	4,604,524	5,720,546	6,001,940	5,190,765	5,284,016	4,631,575	5,044,258	6,001,207	4,989,510	5,395,654	5,051,819	5,909,282	5,436,347
Medi-Cal Risk	1,365,315	1,215,758	1,383,482	991,817	1,603,519	1,376,017	1,242,118	1,370,253	1,537,115	1,518,186	1,610,274	1,198,922	989,546
Other Govt	571,860	367,631	368,556	620,880	937,797	478,679	524,227	484,446	379,678	808,688	607,642	549,982	534,465
Other Govt MgdCare	126,200	72,833	429,037	390,535	798,446	850,934	552,459	583,456	739,044	903,749	953,552	1,071,221	952,482
County Indigent	4,051	23,206	33,325	0	0	58,781	0	0	0	28,157	0	17,742	23,240
Other	(115,359)	390,903	(271,595)	151,409	(251,787)	(150,611)	723,160	(444,905)	(252,571)	(178,738)	688,581	118,073	(368,160)
Total O/P	15,436,088	16,625,219	18,010,748	16,400,428	18,650,497	16,630,498	17,922,068	17,198,244	17,790,271	19,080,721	18,977,065	20,296,815	17,967,992
ER:													
Self Pay	5,630,531	6,603,686	6,141,068	7,045,024	8,648,930	9,110,531	9,125,496	8,789,654	6,434,150	7,714,431	6,810,703	5,879,178	5,192,046
Comm MgdCare	2,056,832	2,028,136	1,875,661	1,958,294	1,858,083	1,445,407	1,705,770	1,894,358	1,689,399	2,012,542	2,542,596	2,401,256	2,493,381
Medicare	1,540,228	1,532,401	1,642,173	1,398,190	1,534,752	1,371,345	1,812,807	1,624,087	1,532,584	1,511,572	1,502,597	1,542,392	1,719,322
Medicare MgdCare	1,484,162	1,435,410	1,307,942	1,323,212	1,224,112	1,649,845	1,522,262	1,344,814	1,522,614	1,812,414	1,629,616	1,851,536	1,614,348
Medicare Risk	330,049	362,688	509,075	359,359	381,265	322,988	451,086	409,912	394,360	542,232	354,579	521,011	403,844
Medi-Cal	3,464,887	3,174,750	3,376,048	2,921,302	2,789,451	2,349,749	2,777,863	3,198,155	3,312,830	3,393,011	3,544,586	3,501,322	4,162,070
Medi-Cal MgdCare	9,360,955	8,901,607	9,530,258	9,213,476	8,720,975	7,603,248	8,596,304	10,046,525	9,152,743	9,724,227	9,820,673	9,972,718	10,227,526
Medi-Cal Risk	752,855	626,549	980,209	613,505	753,998	745,257	788,674	1,117,449	1,136,448	1,033,040	927,948	1,022,804	1,022,804
Other Govt	97,932	53,794	37,784	44,026	41,825	69,478	75,283	87,541	71,345	134,146	76,261	114,193	162,754
Other Govt MgdCare	89,435	122,195	143,226	267,012	270,678	195,981	394,906	450,098	271,068	406,921	383,525	448,580	473,471
County Indigent	952,105	858,908	815,975	634,349	1,073,153	807,634	851,876	845,514	638,880	837,819	811,662	583,568	1,012,717
Other Indigent	13	0	0	0	0	0	0	0	0	0	0	0	0
Total ER	25,759,982	25,700,124	26,359,420	25,777,748	27,297,222	25,671,462	28,253,027	29,806,107	26,156,071	29,122,356	28,404,741	27,873,229	28,484,283
Total Gross Outpatient Revenue	#####	#####	#####	#####	45,947,719	42,301,961	#####	47,004,351	43,946,342	#####	47,381,806	48,170,044	46,452,275
Total Gross Revenue	151,326,759	153,409,214	161,384,869	152,863,769	164,410,801	155,872,445	163,785,576	171,369,352	155,803,441	167,976,310	155,987,804	162,851,115	157,508,168
Deductions from Revenue													
Inpatient Contractual Allowances:													
Medicare Traditional	8,121,701	11,197,821	13,906,602	13,710,566	13,832,495	12,323,058	14,661,844	16,129,640	13,907,613</				



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Medical Traditional	20,227,900	21,619,967	23,292,452	19,843,714	22,596,557	17,344,957	29,356,943	26,955,733	12,896,511	15,690,132	20,129,857	19,350,352	20,553,592
Medical - Managed Care	30,175,293	34,797,524	36,512,175	38,791,257	32,159,946	33,665,525	34,532,454	34,091,883	39,143,355	34,990,643	31,675,007	22,654,573	36,300,804
Medical - At Risk	9,607,091	4,139,711	6,131,462	1,404,858	3,354,843	6,113,468	8,097,313	8,494,545	5,691,822	9,732,187	3,574,670	9,025,277	7,342,953
Other Indigent	(6,518,941)	(1,540,960)	932,235	(2,446,314)	106,132	(264,083)	(2,359,296)	(50,866)	(919,378)	(467,210)	(211,382)	1,359,632	(5,607,497)
HMO	12,870,211	12,134,534	9,487,897	8,685,811	3,700,792	4,551,940	4,365,634	5,809,519	7,110,263	9,012,959	6,695,302	7,970,466	7,726,150
HMO - At-Risk	0	0	0	0	4,156	0	0	0	0	0	0	0	0
Workers Compensation	0	84,564	128,176	306,878	114,378	90,720	247,219	783,020	623,710	371,905	64,434	(300)	247,218
Other Government	(729,223)	(1,916,538)	(838,995)	(1,437,930)	2,990,736	1,307,692	399,558	(623,233)	3,159,025	(484,843)	10,254,219	1,315,525	
<b>Total - Inpatient Contractual Allowances</b>	<b>75,234,454</b>	<b>87,943,284</b>	<b>101,375,112</b>	<b>90,852,657</b>	<b>96,107,947</b>	<b>88,947,192</b>	<b>100,860,796</b>	<b>101,871,845</b>	<b>90,237,481</b>	<b>96,314,551</b>	<b>92,496,165</b>	<b>90,903,843</b>	<b>90,183,687</b>
<b>Outpatient Contractual Allowances:</b>													
Medicare Traditional	1,463,169	1,831,135	1,012,465	1,327,217	1,931,286	1,614,337	1,999,016	1,458,018	1,826,219	1,215,982	1,518,040	1,740,550	1,698,857
Medicare - Managed Care	120,811	(1,096)	9,213	144,880	1,243,136	648,295	1,014,233	1,000,084	577,735	508,340	1,176,960	1,352,803	1,266,562
Medicare - At-Risk	3,689,351	1,170,457	1,820,101	398,198	3,279,137	3,101,207	3,539,112	3,312,467	3,393,883	3,046,462	2,376,685	3,121,877	2,484,297
Medical Traditional	1,874,933	(1,151,762)	792,561	668,598	1,533,664	1,577,726	4,033,016	2,904,661	821,698	(375,229)	1,406,846	147,379	2,423,540
Medical - Managed Care	8,506,877	11,454,393	4,378,380	9,490,951	2,774,093	6,485,014	5,613,744	5,827,453	11,636,603	7,740,460	7,390,590	4,420,435	3,693,595
Medical - At Risk	1,780,118	755,932	1,191,726	620,245	1,314,793	1,530,888	2,337,659	1,394,387	1,119,357	3,683,598	857,516	2,748,347	1,954,025
HMO	3,267,966	1,827,857	2,918,949	2,010,977	3,588,887	2,201,313	1,767,586	1,846,220	1,574,881	1,778,987	2,864,016	2,398,821	2,075,347
Workers Compensation	27,265	22,846	37,437	24,398	43,876	42,522	86,466	87,829	93,534	105,213	90,127	70,508	69,643
Other Government	716,218	2,720	10,034	(15,783)	427,756	18,588	428,555	803,223	295,748	1,050,924	624,597	1,521,975	728,842
<b>Total - Outpatient Contractual Allowances</b>	<b>21,446,708</b>	<b>15,912,482</b>	<b>12,170,866</b>	<b>14,669,681</b>	<b>16,136,630</b>	<b>17,219,891</b>	<b>20,819,387</b>	<b>18,634,343</b>	<b>21,339,657</b>	<b>18,754,736</b>	<b>18,305,377</b>	<b>17,522,694</b>	<b>16,394,706</b>
<b>ER Contractual Allowances:</b>													
Medicare Traditional	1,357,720	1,117,825	1,897,590	1,410,917	1,219,124	598,593	1,292,331	1,532,717	1,756,824	1,514,238	1,430,833	1,465,856	1,368,140
Medicare - Managed Care	19,419	14,475	1,291	253,633	984,401	866,263	1,133,076	693,379	834,371	1,035,321	1,390,807	1,342,337	1,216,541
Medicare - At-Risk	931,395	238,969	393,720	216,290	856,499	672,945	913,362	816,462	700,025	858,986	859,357	1,109,639	525,418
Medical Traditional	3,142,858	6,643,525	3,650,692	1,560,919	3,972,177	3,003,760	1,695,608	3,888,413	3,942,421	5,154,810	4,487,631	5,538,507	4,183,513
Medical - Managed Care	8,150,244	6,860,254	10,692,166	9,841,596	10,902,371	9,172,994	8,671,847	10,820,201	6,683,609	12,124,087	12,192,854	13,106,912	11,427,146
Medical - At Risk	1,572,220	376,471	933,860	379,497	1,472,872	1,003,028	1,328,909	1,461,578	878,636	2,595,562	601,219	2,678,176	1,554,573
HMO	2,784,398	2,833,099	2,905,236	1,482,838	1,213,065	961,939	795,856	730,673	1,046,476	1,208,660	1,612,337	1,449,002	1,629,316
Workers Compensation	52,967	48,024	94,725	161,142	90,256	110,116	84,053	70,087	38,599	124,271	86,413	74,210	116,818
Other Government	19,364	3,839	(3,521)	0	3,034	2,904	2,244	14,357	0	14,364	12,240	0	3,075
<b>Total - ER Contractual Allowances</b>	<b>18,030,585</b>	<b>18,136,481</b>	<b>20,565,759</b>	<b>15,306,831</b>	<b>20,713,798</b>	<b>16,392,542</b>	<b>15,917,087</b>	<b>20,029,867</b>	<b>15,880,961</b>	<b>24,630,300</b>	<b>22,673,692</b>	<b>26,764,639</b>	<b>22,024,539</b>
<b>Provider Fees:</b>													
Provider Fee - Medical	0	0	0	0	0	0	(49,935,851)	(7,074,849)	(4,446,646)	(4,446,646)	(4,446,646)	(4,446,646)	(4,446,646)
Provider Fee - Medical-Managed Care	0	0	0	0	(58,112,270)	0	0	0	0	0	0	(16,756,174)	(10,305,513)
<b>Total Provider Fees:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(58,112,270)</b>	<b>0</b>	<b>(49,935,851)</b>	<b>(7,074,849)</b>	<b>(4,446,646)</b>	<b>(4,446,646)</b>	<b>(4,446,646)</b>	<b>(21,202,820)</b>	<b>(14,752,159)</b>
Disp/Share Pymt													
<b>Total - Contractual Allowances</b>	<b>114,711,746</b>	<b>121,992,247</b>	<b>134,111,738</b>	<b>120,829,169</b>	<b>74,846,105</b>	<b>122,559,625</b>	<b>87,661,419</b>	<b>133,461,206</b>	<b>123,011,453</b>	<b>135,252,941</b>	<b>129,028,588</b>	<b>113,988,357</b>	<b>113,850,773</b>
<b>Charity:</b>													
Charity	8,847,006	2,467,027	3,013,783	2,493,451	3,450,967	4,135,839	2,070,231	3,368,317	2,402,753	(118,645)	(680,260)	3,719,471	6,363,220
<b>Total - Charity Allowances</b>	<b>8,847,006</b>	<b>2,467,027</b>	<b>3,013,783</b>	<b>2,493,451</b>	<b>3,450,967</b>	<b>4,135,839</b>	<b>2,070,231</b>	<b>3,368,317</b>	<b>2,402,753</b>	<b>(118,645)</b>	<b>(680,260)</b>	<b>3,719,471</b>	<b>6,363,220</b>
<b>Other:</b>													
Other	2,001,265	1,979,194	835,458	1,832,153	609,288	343,870	1,876,487	1,065,461	1,853,310	2,723,405	2,226,854	(1,550,133)	1,858,023
<b>Total - Other Allowances</b>	<b>2,001,265</b>	<b>1,979,194</b>	<b>835,458</b>	<b>1,832,153</b>	<b>609,288</b>	<b>343,870</b>	<b>1,876,487</b>	<b>1,065,461</b>	<b>1,853,310</b>	<b>2,723,405</b>	<b>2,226,854</b>	<b>(1,550,133)</b>	<b>1,858,023</b>
<b>DSH:</b>													
SB 1255	(670,028)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(1,044,449)
SB 1732	(184,419)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(524,411)
SB 855	(3,960,907)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(316,726)	(1,721,973)	(1,721,973)	(1,721,973)	(1,721,973)
SB 474	0	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	286,617
<b>Total - DSH</b>	<b>(4,815,354)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(1,217,309)</b>	<b>(2,622,556)</b>	<b>(2,622,556)</b>	<b>(2,622,556)</b>	<b>(3,004,217)</b>
<b>Total - Deductions From Revenue</b>	<b>120,744,664</b>	<b>123,615,161</b>	<b>135,137,673</b>	<b>122,331,467</b>	<b>76,083,053</b>	<b>124,216,028</b>	<b>88,784,831</b>	<b>135,071,678</b>	<b>126,050,207</b>	<b>135,235,145</b>	<b>127,952,626</b>	<b>113,535,138</b>	<b>119,067,800</b>
<b>Pat. Rev. Net of Contractuals &amp; Other Dedutions</b>	<b>30,582,095</b>	<b>29,794,052</b>	<b>26,247,196</b>	<b>30,532,301</b>	<b>88,327,748</b>	<b>31,656,417</b>	<b>75,000,745</b>	<b>36,297,674</b>	<b>29,753,234</b>	<b>32,741,165</b>	<b>28,035,178</b>	<b>49,315,977</b>	<b>38,440,368</b>
<b>Provision for Doubtful Accounts</b>	<b>1,574,268</b>	<b>3,171,720</b>	<b>1,806,004</b>	<b>2,846,629</b>	<b>3,069,319</b>	<b>4,981,088</b>	<b>1,188,872</b>	<b>2,571,175</b>	<b>1,675,322</b>	<b>3,958,782</b>	<b>1,141,081</b>	<b>(760,900)</b>	<b>(2,165,649)</b>
<b>Net Patient Revenue</b>	<b>29,007,827</b>	<b>26,622,332</b>	<b>24,441,192</b>	<b>27,685,672</b>	<b>85,258,429</b>	<b>26,675,329</b>	<b>73,811,873</b>	<b>33,726,499</b>	<b>28,077,912</b>	<b>28,782,383</b>	<b>26,894,097</b>	<b>50,076,877</b>	<b>40,606,017</b>
<b>Other Revenue:</b>													
Other Revenue	143,864	108,803	106,115	100,197	192,966	146,453	92,225	106,364	112,756	117,550	186,890	100,637	117,028
Gain or Loss on Property Sale	9,267	401	0	0	0	0	0	0	0	0	0	0	0
Rental Revenue	21,058	24,264	20,929	20,929	(9,604)	13,465	13,465	26,836	17,922	20,822	30,525	2,681	29,500
<b>Total Other Revenue</b>	<b>174,188</b>	<b>133,468</b>	<b>127,044</b>	<b>121,126</b>	<b>183,362</b>	<b>159,918</b>	<b>105,690</b>	<b>133,199</b>	<b>130,678</b>	<b>138,372</b>	<b>217,414</b>	<b>103,318</b>	<b>146,528</b>
Capitation Premium Revenue	8,273,215	8,122,756	10,885,023	8,538,796	12,423,676	8,773,706	8,225,689	8,455,468	8,794,113	8,657,350	8,628,699	9,305,574	11,338,994
Capitation Risk Pool Reserve	(1,561,198)	(725,975)	(1,679,720)	(881,998)	(2,560,110)	(660,484)	(537,258)	(542,237)	(364,470)	(326,991)	(1,011,924)	(304,917)	(1,975,036)
<b>Total Capitation Revenue</b>	<b>6,712,017</b>	<b>7,396,782</b>	<b>9,205,303</b>	<b>7,656,797</b>	<b>9,863,566</b>	<b>8,113,222</b>	<b>7,688,432</b>	<b>7,913,231</b>	<b>8,429,643</b>	<b>8,330,359</b>	<b>7,616,775</b>	<b>9,000,657</b>	<b>9,363,958</b>
<b>Unrestricted Contributions:</b>													
Unrestricted Contributions	129,530	303,796	735,559	127,715	647,475	186,038	279,492	159,054	215,567	437,744	438,583	173,520	479,764
<b>Total Unrestricted Contribution</b>	<b>129,530</b>	<b>303,796</b>	<b>735,559</b>	<b>127,715</b>	<b>647,475</b>	<b>186,038</b>	<b>279,492</b>	<b>159,054</b>	<b>215,567</b>	<b>437,744</b>	<b>438,583</b>	<b>173,520</b>	<b>479,764</b>
<b>Total Revenues</b>	<b>36,023,563</b>	<b>34,456,378</b>	<b>34,509,098</b>	<b>35,591,311</b>	<b>95,952,832</b>	<b>35,134,507</b>	<b>81,885,487</b>	<b>41,931,983</b>	<b>36,853,800</b>	<b>37,688,858</b>	<b>35,166,870</b>	<b>59,354,373</b>	<b>50,596,266</b>



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
822,169	795,106	840,794	748,572	829,680	771,670	717,884	860,107	818,898	864,947	900,313	910,392	95,353
7,873	11,784	12,711	9,295	5,390	13,263	11,696	23,882	16,830	13,830	16,068	14,028	11,368
1,997,086	2,103,542	2,110,248	2,226,932	2,185,122	2,217,000	2,129,953	2,270,651	2,127,337	2,384,530	2,231,632	2,337,719	2,410,644
116,311	151,046	152,940	108,637	136,971	113,145	124,311	167,369	141,436	129,194	141,613	108,790	130,135
5,901,579	6,145,399	5,914,071	6,024,500	6,135,179	5,882,623	5,715,147	6,578,551	6,012,272	6,435,635	6,076,845	6,072,258	6,114,769
380,634	536,741	577,700	589,612	632,510	658,414	851,206	895,185	642,897	594,907	447,480	349,597	453,178
199,544	212,144	197,532	253,992	190,269	180,394	204,682	212,241	209,868	214,973	199,693	207,184	257,654
8,957	14,757	18,081	13,597	8,945	11,320	18,298	12,673	13,484	11,006	4,832	5,557	3,769
388,086	372,286	370,334	405,873	398,351	397,028	394,451	411,287	389,307	437,505	402,073	424,147	483,865
57,749	49,298	59,262	54,359	52,238	57,859	56,020	47,330	45,869	47,667	31,926	48,012	36,780
494,742	530,760	532,992	531,795	536,155	538,423	498,462	529,657	516,946	564,091	539,290	556,525	552,897
38,167	40,223	40,766	38,823	45,747	50,733	56,171	51,539	37,669	42,127	43,492	36,131	33,304
426,111	380,600	388,534	382,053	399,293	381,939	416,010	423,669	383,858	438,895	432,806	455,915	457,296
37,121	51,616	55,320	54,255	68,091	64,434	73,732	82,255	71,629	81,773	78,668	77,412	23,920
45,617	48,713	37,116	40,982	52,015	52,662	56,108	53,572	47,331	67,474	66,578	62,393	57,792
10,934	15,154	16,027	22,719	13,226	17,382	11,118	17,969	12,113	11,895	16,052	15,219	15,140
10,932,680	11,459,168	11,324,426	11,505,997	11,689,181	11,408,287	11,335,249	12,637,937	11,487,743	12,340,449	11,629,360	11,681,278	11,137,865
1,302,323	1,332,262	1,331,314	1,411,644	1,459,360	1,566,505	1,431,631	1,585,917	1,589,067	1,517,196	1,473,499	1,514,254	1,581,738
0	33,000	0	15,200	0	0	13,000	10,625	13,250	0	0	0	0
(569)	(327)	(5)	0	0	0	698	288	202	174	103	0	750
27,295	2,541	13,058	13,058	13,058	13,058	6,529	0	0	15,936	31,872	31,872	292,522
1,329,049	1,367,475	1,344,366	1,439,901	1,472,417	1,579,563	1,451,858	1,596,830	1,602,519	1,533,306	1,505,475	1,546,126	1,875,010
12,261,729	12,826,643	12,668,792	12,945,898	13,161,598	12,987,850	12,787,108	14,234,767	13,090,262	13,873,755	13,134,834	13,227,404	13,012,875
809,878	604,924	536,359	603,428	565,594	518,136	548,092	619,211	736,608	902,439	845,879	580,021	662,907
74,682	124,085	79,254	85,161	129,927	187,659	144,034	187,904	286,546	227,434	133,530	133,323	(94,358)
884,560	729,010	615,612	688,588	695,521	705,796	692,126	807,115	1,023,154	1,129,873	979,410	713,345	568,549
209,247	205,068	243,396	184,872	132,988	213,158	187,204	278,595	191,746	192,420	205,360	196,540	232,776
209,247	205,068	243,396	184,872	132,988	213,158	187,204	278,595	191,746	192,420	205,360	196,540	232,776
926,637	977,019	929,533	916,536	878,181	796,888	891,118	1,081,042	964,841	1,028,773	989,500	1,005,462	1,037,581
19,191	19,200	59,434	22,000	21,900	6,000	22,263	22,300	22,300	(27,700)	(31,821)	(4,306)	10,100
0	0	(43,387)	0	0	0	0	0	0	0	0	130	0
1,062,397	1,160,115	1,194,695	1,522,944	1,188,732	1,122,261	1,131,058	701,328	750,737	699,265	717,734	712,255	(50,946)
216,875	184,068	174,120	220,045	189,552	154,733	141,161	149,607	362,376	791,111	885,038	726,841	1,683,263
59,467	52,325	49,441	70,219	55,846	42,382	42,564	114,460	120,852	150,631	130,314	69,353	182,386
10,613	11,759	11,528	10,978	11,327	11,225	11,897	11,386	10,288	12,349	13,131	13,790	13,954
26,704	(753)	2,603	4,357	5,951	4,253	(11,530)	(1,777)	15,944	(8,597)	26,807	6,763	(17,081)
91,421	46,619	93,246	(30,810)	(30,707)	(31,683)	(48,854)	(35,409)	(32,232)	(31,771)	(19,767)	(37,245)	(56,503)
(50,152)	(63,753)	(1,550)	111,638	106,781	107,032	108,107	105,822	104,817	53,286	101,275	139,496	110,732
(2,943)	14,763	1,940	1,968	1,696	1,803	304	1,912	1,976	1,978	1,938	1,965	408
17,431	(3,450)	19,171	18,320	16,177	16,415	3,642	20,018	20,265	19,502	18,852	19,220	5,778
306,667	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250
77,064	148,925	146,933	144,102	141,880	248,105	140,936	146,164	158,640	152,323	155,070	155,070	158,900
496,240	531,928	509,595	517,297	505,258	501,992	578,447	575,616	568,065	599,451	537,765	540,557	570,238
6,181	6,387	6,387	6,181	7,204	13,681	6,387	6,584	5,281	6,387	6,801	6,454	20,095
288,883	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837
0	87,659	87,659	87,659	87,658	87,658	87,658	87,658	82,691	87,887	86,003	86,003	86,003
15,875	16,001	17,722	17,744	17,638	19,470	17,238	15,182	22,697	20,423	19,754	20,353	16,021
(2,959)	0	0	0	0	0	536	(36)	0	(26,471)	16,296	(7,820)	(243,304)
404	2,342	4,848	3,586	3,579	3,555	3,528	3,600	3,741	3,697	3,708	3,726	3,711
152,645	98,695	94,266	90,900	86,753	103,862	119,480	151,127	120,904	107,655	113,764	146,044	205,928
0	0	0	0	433	0	0	0	0	0	0	0	0
3,718,641	3,583,936	3,652,271	4,029,751	3,589,926	3,503,719	3,540,029	3,436,751	3,590,762	3,935,388	4,066,287	3,898,198	4,031,350
17,074,177	17,344,656	17,180,071	17,849,109	17,580,032	17,410,522	17,206,466	18,757,228	17,895,925	19,131,436	18,385,891	18,035,487	17,845,549
299,537	300,156	364,836	324,702	279,711	297,471	321,916	284,835	310,244	303,824	347,288	299,007	139,831
136,045	126,816	138,664	132,793	132,664	128,912	149,637	94,284	151,846	185,164	148,664	(32,506)	124,260
822,933	856,258	853,746	840,121	865,258	855,683	963,371	879,783	872,142	934,033	897,474	262,187	1,118,542
1,258,516	1,283,230	1,357,245	1,297,616	1,277,633	1,282,066	1,434,924	1,258,903	1,334,232	1,423,021	1,393,426	528,689	1,382,632
339,527	240,287	320,385	282,656	337,371	344,483	369,077	256,550	363,196	327,357	298,573	338,735	223,167
45,881	25,356	37,871	22,127	31,658	18,340	65,222	30,892	36,952	8,255	33,326	45,148	26,214
9,230	6,511	6,805	9,161	7,387	3,951	10,256	6,282	1,532	855	1,824	6,100	4,104
49,989	200,713	141,346	105,707	95,040	52,303	70,538	87,501	111,782	70,542	107,230	91,644	30,352
90,634	66,676	36,423	14,300	79,779	28,124	52,155	42,701	17,517	98,466	93,123	58,884	17,359
17,062	21,658	56,529	2,955	49,609	57,618	26,782	76,221	3,154	51,992	45,342	23,181	65,960
2,697	2,997	2,397	(2,697)	5,394	2,697	6,497	0	2,697	5,656	0	3,750	11,361
0	4,689	50	2,162	0	11,722	0	0	0	2,261	0	0	0
7,720	0	2,151	4,532	168	12,420	15,440	0	7,720	0	7,720	4,532	168
4,448	16,849	6,955	6,061	4,448	12,691	2,188	7,395	32,840	5,990	9,433	4,174	5,879
126,707	86,866	113,920	150,507	91,074	145,483	175,987	69,228	85,624	171,212	86,812	89,196	80,410
37,347	72,608	65,892	37,046	(220)	130,724	70,002	55,307	22,428	1,865	36,794	6,780	30,614
1,467	734	725	1,500	750	237	0	1,500	1,500	1,500	31	750	1,528
28,632	0	0	0	64,507	0	0	0	0	0	0	0	0
47,851	(5,180)	33,738	33,284	3,713	69,407	8,802	19,151	(6,286)	(24,611)	43,013	44,042	15,339
31,321	8,621	43,518	17,432	71,038	62,602	30,940	30,554	21,125	27,834	49,499	32,138	82,395
32,3												



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
73200 Sutures & Surgical Needles	50,700	35,567	42,827	24,524	60,834	29,775	16,020	12,084	28,875	20,712	22,425	18,016	24,741
73201 Endomechanicals	87,560	92,427	74,806	65,067	116,889	154,888	72,395	48,288	65,477	94,949	91,151	73,616	57,377
73300 Surgical Packs & Sets	56,102	49,841	57,695	49,205	62,795	57,805	50,237	48,304	46,544	57,105	48,442	54,837	50,848
73400 Surgical Supplies-General	365,647	351,557	417,522	381,615	411,356	456,314	409,217	436,265	408,452	443,090	474,241	435,490	439,041
73401 SURGICAL SUPPLIES - CV	17,663	13,064	16,588	9,172	5,796	28,383	11,485	4,676	19,552	13,719	18,100	15,469	25,505
73403 Ortho Supplies	40,811	31,150	58,792	56,958	50,473	65,349	66,610	35,434	46,178	56,591	54,968	60,200	48,288
73404 Hearport Supplies	0	0	0	0	0	0	0	0	0	25,000	50,000	0	0
73500 Anesthetic Materials	4,215	4,832	3,880	5,061	5,424	4,775	5,144	4,639	6,931	8,163	9,230	8,812	4,718
73600 Oxygen & Other Medical Gases	9,993	11,507	9,431	11,667	9,852	10,794	10,189	13,439	15,913	14,584	15,068	12,202	24,444
73700 IV Solutions	123,181	117,424	119,983	129,832	113,023	109,755	120,024	121,326	108,950	116,428	100,700	107,737	115,256
73800 Pharmaceuticals	694,134	616,997	631,247	613,347	634,384	599,784	561,011	542,253	619,719	1,284,223	642,116	521,175	822,944
73900 Radioactive Materials	19,186	25,505	7,159	24,039	10,147	30,235	20,249	19,074	19,684	15,950	30,031	12,033	31,187
74000 Radiology Films	503	405	590	530	394	544	712	395	485	250	294	380	212
74100 Other Medical Care Materials & Supplies	314,204	323,812	344,965	328,468	330,442	334,264	299,559	390,208	328,285	338,665	300,909	363,269	375,748
74101 Syringes	10,329	8,914	12,625	8,903	12,660	9,754	7,466	10,751	9,388	10,270	8,873	8,853	10,093
74102 Gloves	41,580	39,457	43,300	37,391	36,777	35,017	32,799	32,700	35,372	36,940	43,198	35,595	34,370
74103 AngioDiagnostic Caths	105,162	90,890	155,266	101,003	111,311	100,214	110,308	101,386	76,123	89,417	88,327	112,842	106,682
74104 Guidewires	25,777	8,838	29,973	32,000	27,808	22,887	22,835	19,587	13,707	25,144	11,556	19,302	17,441
74105 Sheath Sets/Dilators	1,980	1,688	6,636	4,604	6,426	5,117	5,117	2,418	5,691	4,034	3,709	5,171	4,913
74107 Balloon Cor. Dilation	50,621	53,474	71,884	68,866	100,540	76,797	50,647	49,392	71,594	57,060	49,875	50,843	54,781
74108 Inflation Devices	2,149	1,386	1,805	325	1,298	2,518	1,080	878	833	1,080	1,403	790	2,439
74109 Atherectomy Devices	0	0	0	0	0	0	0	6,300	6,403	0	3,395	348	12,743
74110 Vascular Interventions	11,641	15,628	32,186	72,272	55,176	30,213	10,284	32,124	13,865	28,477	14,981	28,537	69,565
74111 Flow Directed Catheters	1,383	0	0	0	0	0	0	0	0	0	152	0	0
74113 Guiding Catheters	1,002	384	2,521	481	1,555	561	678	535	683	882	1,686	306	244
74114 PTCA Accessories	896	0	0	827	1,500	2,558	4,818	1,134	827	750	77	0	0
74115 Intra-Aortic Balloons	0	0	0	0	0	0	3,092	0	0	0	0	0	0
74117 Coronary Guidewires	1,216	1,615	0	586	383	1,624	1,120	296	263	1,991	120	795	734
74119 Chemistry Solutions	116,112	106,418	123,280	110,613	104,134	147,226	107,520	128,496	127,943	128,849	121,801	97,405	154,224
74120 Hematology	2,850	2,297	5,901	2,883	5,317	1,414	2,024	23,493	1,018	7,610	2,936	2,912	4,228
74121 Serology	1,440	0	1,050	1,876	0	0	0	0	0	1,447	0	0	1,447
74122 Urinalysis	286	0	0	0	0	280	280	280	0	127	280	0	0
74123 Microbiology	23,185	14,067	22,326	11,608	33,567	26,847	29,377	55,980	19,985	23,628	25,455	22,154	33,328
74124 Phlebotomy	3,292	3,161	4,562	3,731	4,002	2,459	2,581	5,359	3,351	3,114	2,970	3,936	2,801
74125 Histology	0	139	0	139	0	139	0	0	0	248	33	116	12
74130 EPS-Ablation Catheters	0	0	0	0	0	0	0	0	0	0	300	0	0
74150 Blood Supplies	226,026	215,265	190,641	192,177	294,156	197,548	201,578	182,742	191,219	197,165	191,022	170,078	254,263
74151 Blood Processing	459	251	421	82	517	421	469	567	253	424	649	364	433
74160 IV Sets and Supplies	211	325	15	358	190	123	318	123	99	242	65	114	78
74195 Inventory Adjustments	(762,411)	20,360	60,928	20,678	41,405	51,204	43,464	13,252	11,905	79,599	57,327	44,927	134,951
74300 Food-Other	50,187	59,353	61,664	58,868	65,066	66,238	69,266	69,724	57,837	62,966	66,843	70,698	64,203
74400 Linen & Bedding	3,751	0	0	0	4,825	1,775	3,092	(3,089)	0	0	260	0	2,160
74500 Cleaning Supplies	5,993	7,307	10,763	6,440	9,665	5,086	6,993	11,065	9,752	6,001	8,824	12,445	9,208
74600 Office & Administrative Supplies	91,598	10,927	52,515	60,121	39,430	26,436	25,777	59,892	46,853	39,279	13,467	(3,704)	65,912
74640 Supplies-Photocopy	48	72	(72)	0	0	0	57	0	0	0	0	157	16
74650 Forms	10,010	8,692	10,329	9,443	9,673	8,248	6,230	9,697	7,539	8,478	9,992	7,470	12,684
74660 Paper & Toner Computer	(1,546)	(1,074)	(607)	(464)	1,227	(580)	572	3,101	(329)	715	(3,979)	(1,167)	1,008
74700 Employee Wearing Apparel	14,223	8,566	13,052	14,842	14,020	11,839	9,524	11,393	11,879	11,227	12,085	5,886	8,587
74800 Instruments & Minor Medical Eq	29,670	16,547	14,053	6,981	33,110	22,467	7,992	19,409	11,637	26,617	24,595	17,151	18,342
74900 Other Minor Equip	10,804	20,752	36,763	24,900	24,854	35,535	22,696	32,024	34,387	35,473	41,947	22,435	38,089
74950 Software Computer	340	870	702	640	640	0	29	(509)	0	0	0	0	0
74960 Hardware Computer	4,596	2,850	3,873	255	269	1,376	1,897	(272)	366	1,629	1,081	548	1,881
75000 Other Non-Medical Supplies	56,747	32,076	50,795	50,548	39,778	58,376	49,127	59,614	57,963	53,917	57,953	72,720	31,842
75005 Cost Reduction - Rebate & Discount	(226,421)	(20,600)	(24,048)	(26,037)	(29,576)	(36,812)	(36,526)	(54,298)	(34,962)	(34,319)	(50,226)	(89,910)	(26,218)
75050 Books & Manuals	1,920	639	4,039	197	4,099	89	2,153	404	3,392	2,700	835	(3,648)	468
75220 Freight	21,395	6,546	17,241	24,323	8,962	8,594	4,900	37,361	7,602	7,746	20,940	(3,755)	51,062
75300 Obsolescence PSO	0	0	0	0	0	0	0	0	1,091	0	0	0	0
75990 Maintenance Supplies	478	1,278	333	(458)	1,178	1,089	93	31	555	0	435	227	11
79300 Tr To Other CC-Supplies	(55,578)	(44,473)	(61,576)	(63,556)	(50,541)	(62,352)	(54,615)	(62,883)	(59,514)	(31,752)	(32,160)	(42,238)	(33,511)
79700 Tr Frm Other CC-Supplies	55,578	44,473	61,576	63,556	50,541	62,352	54,615	62,883	59,514	31,752	32,160	42,238	33,511
<b>Total - Supplies</b>	<b>2,595,908</b>	<b>3,185,685</b>	<b>3,726,251</b>	<b>3,313,535</b>	<b>3,743,215</b>	<b>3,811,238</b>	<b>3,375,340</b>	<b>3,306,784</b>	<b>3,239,947</b>	<b>4,202,830</b>	<b>3,526,346</b>	<b>3,195,921</b>	<b>3,825,267</b>
<b>P/S - Professional Fees:</b>													
72200 Consultant & Mgmt. Fees	100,352	43,180	45,450	23,094	28,565	47,838	55,036	33,548	21,505	(66,293)	78,416	6,479	(871)
72300 Legal	55,116	24,261	29,893	151,710	80,963	81,396	89,249	57,359	81,046	85,569	97,019	67,404	112,474
72400 Audit	14,441	11,852	8,461	(36,140)	0	0	0	0	0	0	0	15,828	0
72900 Other Professional Fees	0	0	0	0	0	0	0	0	0	0	15,510	(15,510)	0
<b>Total - Professional Fees</b>	<b>169,909</b>	<b>79,292</b>	<b>83,804</b>	<b>138,664</b>	<b>109,528</b>	<b>129,232</b>	<b>144,285</b>	<b>90,906</b>	<b>102,551</b>	<b>19,276</b>	<b>190,946</b>	<b>74,200</b>	<b>111,603</b>
<b>Out-Of-Area- Network Expense:</b>													
76110 Purch Serv-Out-Of-Network Cost	4,399,205	4,654,312	5,964,195	4,933,569	6,269,309	6,413,459	5,516,152	6,302,182	5,809,864	6,225,173	5,232,994	5,437,025	5,204,458
<b>Total - Out-Of-Area- Network Expense</b>	<b>4,399,205</b>	<b>4,654,312</b>	<b>5,964,195</b>	<b>4,933,569</b>	<b>6,269,309</b>	<b>6,413,459</b>	<b>5,516,152</b>	<b>6,302,182</b>	<b>5,809,864</b>	<b>6,225,173</b>	<b>5,232,994</b>	<b>5,437,025</b>	<b>5,204,458</b>
<b>P/S - Intercompany Related Organization:</b>													
76410 Corporate Management Svcs	396,831	2,302,433	1,075,773	622,983	1,530,581	1,761,496	1,480,203	1,653,173	1,225,807	1,528,643	1,617,009	1,735,271	1,504,827
76415 Integrity Management Svcs	1,537,881	1,558,801	1,558,801	1,558,801	1,558,801	1,558,801	1,558,801	1,558,801	1,558,801	1,558,801	1,558,801	1,558,801	1,558,801
76420 VBS And SO Allocation	258,873	267,478	290,951	298,348	185,483	233,738	209,052	511,759	310,904	289,944	354,412	273,544	565,958
76421 Purch - Svcs Reg Orgs	695	0	0	0	695	0	0	(695)	0	0	0	875	695
76422 Purch - Svcs IT Reimb Acct	1,005,015	1,248,810	1,538,067	1,482,170	1,595,753	1,730,737	1,423,411	1,088,749	1,670,647	1,643,870	1,426,655	1,384,148	1,014,912
76429 PFS Outsourcing Net Expense	601,876	626,813	0	455,225	717,120	723,765	72,339	772,762	745,751	596,145	939,993	1,290,653	706,273
76441 Purch Service Rel Org- Regiona	2,982	2,916	2,678	3,018	2,780	4,227	3,588	4,276	8,865	3,644	8,149	4,247	2,731
<b>Total - P/S - Intercompany Related Organization</b>	<b>3,804,152</b>	<b>6,007,251</b>	<b>4,466,271</b>	<b>4,420,547</b>	<b>5,591,213</b>	<b>6,012,765</b>	<b>4,747,395</b>	<b>5,589,276</b>	<b>5,520,775</b>	<b>5,621,047</b>	<b>5,905,019</b>	<b>6,247,539</b>	<b>5,354,196</b>
<b>P/S - Other:</b>													
76100 Purch Serv-Medical	4,524	60,020	98,143	90,229	89,177	79,592	43,281	52,630	71,660	51,657	89		



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Rental & Leases:													
77500 Rental/Lease Costs-Buildings	98,905	94,186	85,425	86,202	85,421	85,434	85,434	89,933	92,066	102,090	96,789	101,724	102,349
77510 Rental Cost - Parking Fees	20,033	20,033	10,867	20,033	20,033	20,033	20,033	20,033	20,033	20,033	20,783	29,200	15,450
77600 Rental/Lease Costs-Equip	399,148	225,578	232,368	199,250	265,965	33,171	190,014	273,964	245,163	227,956	264,889	331,151	398,404
77605 Copy Machine Leases	14,486	14,486	14,529	14,416	14,678	14,553	14,543	14,553	14,543	14,548	14,553	(16,270)	(43,658)
Total - Rental & Leases	532,572	354,283	343,188	319,901	386,097	153,192	310,025	398,483	371,805	364,627	397,014	445,806	472,545
Other Expenses:													
78300 Licenses & Taxes	10,574	17,389	26,322	36,256	26,480	51,878	87,283	43,311	42,744	48,703	54,910	44,949	41,584
78310 Property Taxes	10,380	10,380	4,050	4,050	4,050	14,756	48,232	11,422	11,422	7,544	12,142	12,142	12,142
78400 Other Costs	10,065	7,885	(15,587)	18,240	10,863	1,009	(266)	18,914	11,857	14,302	13,949	12,925	5,936
78500 Telephone/Telegraph	67,005	12,591	30,517	28,944	42,419	36,413	32,572	(43,499)	16,314	12,816	28,060	21,220	15,803
78502 Mobile Phones Service	0	8,067	(116)	3,135	4,038	7,031	131	11,744	15,685	3,246	7,863	13,338	13,084
78600 Dues & Subscriptions	5,402	4,688	2,015	3,044	5,456	10,404	9,355	(761)	5,493	1,968	2,105	8,332	4,897
78620 RETAIL FLOWERS	0	0	0	0	0	0	582	0	0	0	0	0	0
78700 Outside Training Sessions	0	1,779	0	1,585	0	4,852	900	0	194	675	0	0	567
78750 Meetings & Conventions	199	99	345	599	0	0	1,670	0	0	0	0	36	2,805
78800 Travel	735	181	412	2,112	618	3,645	10,865	(8,869)	2,625	(1,089)	9,527	1,783	8,330
78801 Travel Transportation	0	0	196	0	0	0	18	0	0	0	0	0	126
78802 Airfare & Rail	200	1,499	965	468	1,303	209	544	79	723	268	595	292	2,730
78803 Car Rental	0	0	0	0	111	141	0	0	0	0	0	136	102
78804 Gasoline	0	0	0	0	24	0	0	0	0	10	0	0	158
78805 Mileage	315	567	216	235	615	482	740	315	452	564	319	555	455
78806 Parking & Tolls	121	56	128	6	43	138	388	10	67	96	57	0	102
78808 Lodging & Hotels	0	1,604	1,003	483	1,909	414	3,638	483	695	101	994	568	1,912
78810 Business Meals	0	0	494	573	(8)	0	297	1,054	52	83	79	80	192
78811 Catering & Business Meals	250	0	0	0	0	0	200	0	0	0	0	1,400	1,141
78813 Individual Meals	0	0	202	62	334	0	188	0	68	347	81	86	55
78814 Entertainment - Staff	12	0	0	0	0	0	0	0	0	0	0	0	0
78900 Recruiting	19,768	2,205	1,050	525	(3,812)	4,410	3,697	84,389	4,843	(9,310)	5,000	93,654	71,600
78911 Physician Recruitment	(46,071)	16,447	13,572	10,981	14,544	(55,545)	0	0	0	0	0	0	0
79000 Other Expenses	91,218	238	(1,303)	3,020	4,410	31,098	3,409	2,162	23,436	71,952	42,247	(11)	2,491,549
79003 Gifts & Entertainment	0	0	0	0	0	0	0	154	0	0	0	0	0
79004 Children Outreach	0	0	0	400	0	0	0	0	0	0	0	0	0
79010 Postage	3,806	3,120	6,966	4,298	4,119	9,998	4,313	7,355	9,408	6,799	12,287	6,031	2,490
79011 Loss of Property Reimbursemet	0	0	0	0	947	0	0	0	0	0	0	0	0
79016 Bad Debt - Non Patient	(7,716)	(1,646)	(1,925)	(2,158)	(1,842)	(1,039)	(1,259)	(152)	(2,978)	(1,072)	(1,253)	(1,167)	(1,124)
79030 Miscellaneous Bank Fees	216	0	0	0	0	0	0	0	0	0	0	0	0
79050 Community Benefit Expenses	75	0	0	4,695	273	0	16	0	0	0	254	0	292
79060 Charity	7,136	7,440	7,744	7,440	7,641	7,641	7,641	7,641	7,641	7,641	7,641	7,641	7,641
79073 Contribution Fees	0	0	0	0	8,972,392	0	25,518,137	1,671,124	2,170,294	2,170,294	2,170,294	5,204,150	4,036,200
79090 Advertising	200	2,300	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	(8,000)	15,720
79890 Cash - AP Offset Account	(339,194)	0	0	0	0	0	0	0	0	0	0	0	(299,827)
79893 Cash - PPE Purchase Temp Acct - Accrual	339,194	0	0	0	0	0	0	0	0	0	0	0	299,827
79896 Cash - Repayment Temp Acct	303,492	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627
79898 Cash - Contra Offset Acct	(303,492)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)
Total - Other Expenses	173,887	96,887	79,265	130,994	9,098,926	129,836	25,735,293	1,808,878	2,323,039	2,337,929	2,369,150	5,420,141	6,736,490
Total - P/S & Other Expenses	11,275,436	13,002,443	12,814,762	12,022,967	24,556,413	14,578,308	38,902,207	15,998,970	15,967,551	16,612,682	16,106,431	19,855,293	20,503,046
Bad Debt Expense:													
Insurance:													
78100 Insurance-Professional Liability	369,394	233,132	278,343	279,806	292,497	288,359	277,799	260,372	52,640	188,331	269,216	256,154	256,681
78200 Insurance-Other	(82,119)	99,708	87,493	87,493	93,663	93,663	94,489	93,663	93,663	93,663	82,804	82,804	82,804
78250 Reinsurance Premium	56,868	40,060	40,060	29,430	26,496	34,011	30,270	33,064	32,839	32,839	169,224	67,475	68,626
Total - Insurance	344,143	372,900	405,896	396,728	412,656	416,034	402,558	387,099	179,142	314,834	521,244	406,433	408,111
Utilities:													
77700 Utilities-Electricity	233,504	321,721	327,501	331,110	255,281	203,374	213,531	191,050	202,106	209,901	213,765	230,815	290,706
77800 Utilities-Gas	29,533	28,762	26,889	20,287	17,834	27,554	33,683	46,268	88,104	89,805	56,940	41,524	6,630
77900 Utilities-Water	19,770	16,404	15,970	27,242	19,148	22,389	24,210	21,441	18,903	14,909	22,724	(4,301)	74,571
Total - Utilities	282,807	366,888	370,360	378,638	292,263	253,316	271,424	258,760	309,113	314,615	293,429	268,038	371,907
Depreciation													
77100 Depr&Amort-L& Improvements	14,125	13,980	13,980	13,980	14,015	14,015	14,015	14,014	14,015	14,014	14,015	14,014	14,015
77200 Depr&Amort-Buildings & Improve	456,507	449,639	448,123	448,113	447,914	447,795	447,375	428,225	428,541	426,855	426,877	424,382	437,251
77201 Depreciation Expense - FIN#7	61	61	61	61	61	61	61	61	61	61	61	61	61
77400 Depr&Amort-Equip	319,599	296,300	319,137	310,485	287,148	291,562	319,829	280,401	263,379	262,613	265,517	285,018	333,430
Total - Depreciation	790,291	759,980	781,301	772,639	749,138	753,433	781,280	722,701	705,995	703,543	706,469	723,475	784,757
Amortization:													
77000 Depr&Amort-Intangible Assets	0	0	0	0	0	65,366	23,281	10,741	17,808	33,984	38,612	6,669	59,566
Total Amortization	0	0	0	0	0	65,366	23,281	10,741	17,808	33,984	38,612	6,669	59,566
Interest Expense:													
78410 Interest Expense - Long Term Debt	356,496	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454
78490 Interest Expense-Other	(1,145)	(9,155)	(11,970)	(11,904)	(12,027)	(12,644)	(7,521)	(8,200)	(7,051)	(8,261)	(12,800)	(13,600)	(6,979)
Total - Interest Expense	355,350	330,299	327,484	327,550	327,428	326,810	331,933	331,255	332,403	331,193	326,655	325,854	332,475
Total Expenses	33,976,629	36,646,081	36,963,370	36,358,784	48,938,777	38,897,094	62,729,412	41,032,440	39,982,116	43,068,138	41,298,503	43,345,860	45,513,312
Operating Income	2,046,934	(2,189,703)	(2,454,272)	(767,473)	47,014,055	(3,762,587)	19,156,075	899,543	(3,128,316)	(5,379,280)	(6,131,633)	16,008,513	5,082,955



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Investment Earnings	1	2	0	2	4	0	0	6	2	2	0	5	2
<b>Total - Investment Income</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>2</b>
<b>Net Income</b>	<b>2,046,935</b>	<b>(2,189,701)</b>	<b>(2,454,272)</b>	<b>(767,472)</b>	<b>47,014,059</b>	<b>(3,762,587)</b>	<b>19,156,075</b>	<b>899,549</b>	<b>(3,128,314)</b>	<b>(5,379,278)</b>	<b>(6,131,633)</b>	<b>16,008,518</b>	<b>5,082,957</b>

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Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
REVENUE													
IP Acute Self Pay:													
8511-3010-41101 IP Acute-Self Pay	\$567,286	\$597,138	\$183,274	\$398,024	\$347,256	\$520,884	\$964,600	\$684,866	\$684,866	\$385,840	\$512,512	\$414,778	\$174,140
8511-3070-41101 IP Acute-Self Pay	125,636	54,964	39,256	81,881	74,041	120,021	30,286	6,731	51,602	17,947	32,532	32,532	6,731
8511-3151-41101 IP Acute-Self Pay	96,052	96,052	174,640	139,712	157,176	148,444	223,116	176,440	208,770	270,120	203,310	213,370	125,580
8511-3179-41101 IP Acute-Self Pay	0	0	0	0	0	0	9,920	99,200	32,240	32,240	71,920	44,640	42,160
8511-3182-41101 IP Acute-Self Pay	30,024	47,538	58,424	67,554	115,092	75,192	135,108	130,500	144,680	169,832	130,150	86,824	32,526
8511-3184-41101 IP Acute-Self Pay	33,970	61,146	23,779	61,146	23,779	88,322	108,704	101,910	71,337	64,543	61,146	47,558	20,382
8511-3187-41101 IP Acute-Self Pay	121,768	72,286	100,424	239,172	261,004	142,628	201,398	257,672	146,028	98,484	109,362	89,676	97,370
8511-3188-41101 IP Acute-Self Pay	227,756	92,452	101,992	95,960	297,040	308,992	250,880	193,572	139,236	203,760	142,632	220,740	139,236
8511-3290-41101 IP Acute-Self Pay	6,522	19,566	6,522	9,783	9,783	3,261	6,522	32,610	22,827	9,783	6,522	0	0
8511-3340-41101 IP Acute-Self Pay	66,685	87,210	100,601	125,790	153,567	111,010	76,319	88,053	26,566	83,457	65,891	44,777	52,295
8511-3380-41101 IP Acute-Self Pay	77,388	58,684	53,896	71,182	77,388	74,018	107,614	95,116	63,294	88,026	93,698	111,782	75,970
8511-3382-41101 IP Acute-Self Pay	13,816	17,270	37,994	17,270	6,908	13,816	0	48,356	0	0	20,724	17,270	10,362
8511-3530-41101 IP Acute-Self Pay	2,394	6,384	3,990	798	3,192	1,596	11,970	3,990	798	1,596	1,596	7,182	4,788
8511-3580-41101 IP Acute-Self Pay	22,890	23,871	55,917	54,760	94,721	41,803	20,601	17,549	8,829	(1,094)	0	11,017	29,543
8511-4010-41101 IP Acute-Self Pay	229,751	271,241	213,470	303,427	414,730	353,127	481,322	472,984	337,463	349,566	388,465	306,566	210,094
8511-4087-41101 IP Acute-Self Pay	8,856	15,862	18,301	14,764	5,980	9,218	12,400	22,552	8,983	10,508	15,425	17,444	13,946
8511-4183-41101 IP Acute-Self Pay	22,185	0	22,185	44,370	17,748	13,311	4,437	26,622	8,874	35,496	48,807	26,622	22,185
8511-4400-41101 IP Acute-Self Pay	259,194	126,908	131,706	125,653	120,398	164,561	191,124	194,270	135,550	255,683	244,400	316,761	222,155
8511-4420-41101 IP Acute-Self Pay	377,365	132,385	145,223	96,688	563,433	482,575	510,412	406,913	408,417	411,777	410,637	308,149	267,352
8511-4427-41101 IP Acute-Self Pay	19,600	11,640	13,068	9,188	30,014	21,440	30,583	39,312	18,123	20,424	31,143	39,314	23,232
8511-4429-41101 IP Acute-Self Pay	0	0	0	0	0	0	0	0	0	0	0	1,924	0
8511-4450-41101 IP Acute-Self Pay	29,106	13,398	15,540	8,316	46,389	42,399	57,714	70,954	48,048	49,764	46,202	41,658	32,214
8511-4470-41101 IP Acute-Self Pay	189,649	150,645	152,734	34,681	236,694	204,065	182,771	144,595	297,686	182,701	146,187	131,351	173,499
8511-4471-41101 IP Acute-Self Pay	41,216	37,999	28,853	46,312	35,961	46,919	51,918	65,242	38,838	44,144	51,600	48,373	20,583
8511-4500-41101 IP Acute-Self Pay	453,983	504,886	389,713	590,105	667,417	642,707	770,518	731,952	642,259	547,891	609,088	592,181	370,465
8511-4509-41101 IP Acute-Self Pay	1,798	1,699	1,871	2,456	3,565	2,675	2,797	3,711	2,168	2,567	3,082	3,203	2,119
8511-4520-41101 IP Acute-Self Pay	15,497	8,062	5,912	8,836	9,439	12,111	11,945	15,213	9,886	11,368	16,348	15,646	13,267
8511-4540-41101 IP Acute-Self Pay	16,896	3,040	1,258	11,608	11,383	8,728	7,720	8,094	3,146	4,873	5,835	5,134	3,103
8511-4570-41101 IP Acute-Self Pay	104,375	210,003	171,149	77,115	3,649	265,544	405,484	371,848	514,509	190,077	275,412	571,600	174,498
8511-4573-41101 IP Acute-Self Pay	64,940	47,586	30,143	114,259	78,974	16,190	88,083	61,230	71,346	81,491	66,511	48,887	27,669
8511-4591-41101 IP Acute-Self Pay	76,966	101,213	94,147	110,035	166,688	125,618	135,556	129,340	129,836	84,711	135,606	144,490	67,907
8511-4620-41101 IP Acute-Self Pay	957	3,828	957	1,914	3,828	1,914	5,700	11,067	4,743	4,743	4,743	4,743	0
8511-4630-41101 IP Acute-Self Pay	46,656	53,409	36,831	49,689	55,247	74,131	89,496	102,011	77,922	49,422	55,573	64,782	38,326
8511-4650-41101 IP Acute-Self Pay	4,650	10,649	19,875	9,039	15,341	21,303	24,408	10,908	21,483	28,688	33,400	35,694	0
8511-4660-41101 IP Acute-Self Pay	66,252	39,630	78,975	100,098	84,947	37,048	73,268	104,921	31,115	54,205	79,744	66,713	97,318
8511-4670-41101 IP Acute-Self Pay	36,636	57,826	35,084	73,521	65,439	29,495	72,200	73,315	53,573	38,723	88,931	49,561	40,977
8511-4680-41101 IP Acute-Self Pay	227,848	187,401	188,262	229,102	207,120	351,847	349,392	427,835	249,711	254,497	261,003	212,456	286,099
8511-4690-41101 IP Acute-Self Pay	0	0	0	0	0	0	0	0	1,626	0	1,626	0	0
8511-4710-41101 IP Acute-Self Pay	365,398	392,986	232,375	363,159	375,582	475,345	643,344	546,904	448,178	333,048	344,335	297,366	197,596
8511-4720-41101 IP Acute-Self Pay	263,620	351,334	128,303	182,315	290,046	299,850	463,892	531,455	601,018	315,711	289,420	237,495	106,661
8511-4722-41101 IP Acute-Self Pay	17,696	10,951	13,257	20,139	9,951	59,714	12,484	29,105	16,358	10,916	16,686	66,173	12,471
8511-4730-41101 IP Acute-Self Pay	0	5,467	(5,467)	5,467	0	5,467	3,595	0	11,653	5,033	0	0	5,033
8511-4760-41101 IP Acute-Self Pay	10,815	0	0	0	3,263	20,836	3,776	28,234	10,605	8,573	0	10,880	8,852
8511-4775-41101 IP Acute-Self Pay	26,630	14,289	24,949	38,547	38,145	47,733	34,160	50,015	37,581	27,451	17,955	48,111	17,794
8511-4801-41101 IP Acute-Self Pay	2,408	1,892	1,720	1,892	2,580	2,064	2,924	1,892	2,236	2,580	2,580	2,924	2,064
Total: IP Acute Self Pay	4,373,129	4,000,789	3,131,103	4,035,718	5,184,899	5,487,922	6,870,462	6,619,059	5,844,007	4,840,565	5,142,739	5,058,347	3,268,562
IP Acute-Comm MgdCare:													
8511-3010-41122 IP Acute-Comm MgdCare	1,041,768	636,636	694,512	650,648	827,889	414,778	1,384,838	1,099,644	1,118,936	594,808	733,096	482,300	385,840
8511-3070-41122 IP Acute-Comm MgdCare	125,622	336,515	216,494	90,858	315,192	47,117	153,683	61,688	264,741	104,327	0	25,801	70,672
8511-3151-41122 IP Acute-Comm MgdCare	213,934	135,346	200,836	305,620	179,006	279,424	260,044	205,030	381,900	273,430	175,580	196,560	202,020
8511-3179-41122 IP Acute-Comm MgdCare	0	0	0	0	0	0	22,320	44,640	96,720	42,160	91,760	173,600	153,760
8511-3182-41122 IP Acute-Comm MgdCare	65,052	77,694	38,408	23,396	54,298	95,076	96,832	63,428	112,590	42,534	102,582	112,590	77,826
8511-3184-41122 IP Acute-Comm MgdCare	61,146	125,689	91,719	40,764	27,176	169,850	129,086	169,850	91,719	57,749	57,749	71,337	105,307
8511-3187-41122 IP Acute-Comm MgdCare	164,946	157,182	86,840	96,482	427,882	148,936	162,768	155,792	249,500	230,026	231,884	165,290	160,090
8511-3188-41122 IP Acute-Comm MgdCare	359,664	395,680	340,360	294,872	263,012	427,540	342,572	271,680	176,592	309,036	349,788	244,512	329,412
8511-3290-41122 IP Acute-Comm MgdCare	0	3,261	0	6,522	13,044	6,522	19,566	29,349	9,783	9,783	13,044	16,305	6,522
8511-3340-41122 IP Acute-Comm MgdCare	66,855	50,122	88,740	66,900	61,386	47,157	48,883	63,030	52,491	71,180	51,460	29,568	19,619
8511-3380-41122 IP Acute-Comm MgdCare	164,174	220,286	171,086	258,136	218,070	144,936	224,982	147,508	144,138	189,968	129,424	182,080</	



**Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-3010-41131 IP Acute-W/C	212,212	0	125,398	0	0	38,584	19,292	0	0	0	0	0	0
8511-3182-41131 IP Acute-W/C	0	0	0	0	0	0	0	0	5,004	10,008	0	0	0
8511-3187-41131 IP Acute-W/C	43,660	0	0	0	3,396	0	0	6,792	0	0	0	0	0
8511-3188-41131 IP Acute-W/C	98,484	47,544	37,356	20,376	74,936	43,232	6,792	0	20,376	0	0	13,584	3,396
8511-3380-41131 IP Acute-W/C	0	8,864	0	0	0	0	0	0	0	0	0	0	0
8511-3580-41131 IP Acute-W/C	0	0	0	0	0	0	0	0	0	0	0	0	981
8511-4010-41131 IP Acute-W/C	24,210	15,073	9,906	0	5,982	15,855	7,898	11,258	6,422	0	0	6,050	4,315
8511-4420-41131 IP Acute-W/C	42,208	144,256	37,104	0	237,732	0	46,250	40,019	92,846	8,934	0	11,860	14,302
8511-4427-41131 IP Acute-W/C	1,838	6,534	3,062	0	8,576	0	0	2,298	4,596	2,298	0	2,298	2,808
8511-4450-41131 IP Acute-W/C	3,612	17,220	5,124	0	24,087	0	3,614	1,768	11,232	988	0	1,872	1,248
8511-4470-41131 IP Acute-W/C	35,902	123,507	27,541	0	256,810	33,434	11,132	0	156,965	251	0	2,195	491
8511-4471-41131 IP Acute-W/C	10,205	1,789	10,007	2,504	731	1,869	2,131	514	7,308	366	0	0	148
8511-4500-41131 IP Acute-W/C	90,515	15,116	59,154	2,902	18,529	28,746	8,111	2,799	7,954	6,436	0	5,712	1,941
8511-4520-41131 IP Acute-W/C	0	2,808	897	0	0	0	0	0	0	552	0	0	146
8511-4540-41131 IP Acute-W/C	242	0	242	484	242	0	0	0	0	0	0	0	0
8511-4570-41131 IP Acute-W/C	3,837	2,047	0	0	0	13,876	0	0	0	0	0	0	0
8511-4573-41131 IP Acute-W/C	35,627	11,782	0	0	0	28,371	0	0	0	0	0	0	0
8511-4591-41131 IP Acute-W/C	0	520	0	0	520	0	0	0	0	0	0	0	0
8511-4620-41131 IP Acute-W/C	957	0	957	0	0	0	0	0	0	0	0	0	0
8511-4630-41131 IP Acute-W/C	21,348	3,765	10,949	2,885	8,168	4,272	1,518	476	0	0	0	0	0
8511-4660-41131 IP Acute-W/C	6,063	5,931	5,129	0	10,852	0	0	0	5,743	0	0	0	0
8511-4670-41131 IP Acute-W/C	1,295	2,455	1,660	0	5,986	1,496	0	0	10,772	0	0	0	0
8511-4680-41131 IP Acute-W/C	51,700	6,474	3,946	0	0	22,891	33,579	0	163	0	0	0	4,424
8511-4710-41131 IP Acute-W/C	43,468	19,594	35,297	6,155	11,825	13,506	9,277	855	9,630	5,914	0	2,474	862
8511-4720-41131 IP Acute-W/C	283,015	9,792	107,852	0	0	0	1,709	0	0	0	0	0	0
8511-4775-41131 IP Acute-W/C	16,728	3,573	2,206	0	9,006	552	1,122	1,445	8,146	1,186	0	1,744	0
<b>Total: W/C Comp</b>	<b>1,027,127</b>	<b>448,644</b>	<b>483,787</b>	<b>35,306</b>	<b>677,378</b>	<b>246,684</b>	<b>152,425</b>	<b>68,224</b>	<b>347,157</b>	<b>36,933</b>	<b>0</b>	<b>47,789</b>	<b>35,062</b>
<b>Medicare:</b>													
8511-3010-41141 IP Acute-Medicare	1,792,328	1,817,814	1,481,828	1,991,442	1,561,738	1,568,114	1,562,652	2,450,084	1,524,616	1,948,190	1,673,020	1,882,992	1,730,958
8511-3070-41141 IP Acute-Medicare	0	0	16,824	0	0	0	0	0	0	0	0	0	0
8511-3151-41141 IP Acute-Medicare	1,497,538	1,401,486	1,266,140	1,414,584	1,165,722	1,520,743	1,896,488	2,239,954	1,765,061	1,760,301	1,561,319	1,840,450	1,577,940
8511-3179-41141 IP Acute-Medicare	0	0	0	0	0	0	208,320	406,720	637,360	453,840	458,800	510,880	510,880
8511-3182-41141 IP Acute-Medicare	387,942	342,774	471,300	424,112	382,324	316,394	377,452	455,014	245,196	332,766	253,580	217,674	312,750
8511-3184-41141 IP Acute-Medicare	625,048	417,831	343,097	482,374	434,816	349,891	448,404	428,022	275,157	377,067	465,389	428,022	366,876
8511-3187-41141 IP Acute-Medicare	994,030	878,580	1,103,686	929,026	705,384	717,998	842,242	1,228,774	797,266	1,261,250	1,216,516	1,131,458	1,048,308
8511-3188-41141 IP Acute-Medicare	569,056	830,572	611,128	718,728	1,039,740	935,804	799,448	534,088	387,144	339,600	356,580	434,688	472,044
8511-3340-41141 IP Acute-Medicare	112,549	140,104	129,091	62,741	142,447	124,805	163,881	122,323	125,307	139,350	124,885	113,889	90,355
8511-3380-41141 IP Acute-Medicare	0	(3,014)	39,268	37,672	5,408	41,306	2,394	2,658	12,320	62,048	62,048	11,080	69,494
8511-3382-41141 IP Acute-Medicare	0	0	0	0	0	0	0	0	0	0	0	6,908	13,816
8511-3580-41141 IP Acute-Medicare	232,501	153,488	213,845	184,843	149,999	47,346	46,328	38,557	63,183	124,762	118,167	144,461	84,058
8511-4010-41141 IP Acute-Medicare	1,092,067	1,085,132	1,026,601	1,045,997	1,043,621	1,147,570	1,339,497	1,753,547	1,260,581	1,406,915	1,325,880	1,402,172	1,474,857
8511-4076-41141 IP Acute-Medicare	0	0	0	0	0	0	0	0	0	927	0	0	0
8511-4080-41141 IP Acute-Medicare	380	0	0	0	0	0	0	0	3,928	0	5,630	370	5,337
8511-4087-41141 IP Acute-Medicare	0	0	0	0	0	0	0	0	1,673	0	1,290	1,509	0
8511-4183-41141 IP Acute-Medicare	581,247	598,995	718,794	505,818	865,215	701,046	828,082	935,986	603,432	590,121	625,617	882,963	643,365
8511-4400-41141 IP Acute-Medicare	0	0	23,121	0	15,594	0	0	0	4,295	0	3,131	3,131	46,844
8511-4420-41141 IP Acute-Medicare	965,950	693,431	1,559,660	1,256,024	1,500,326	1,497,436	955,386	688,585	1,152,624	1,182,292	978,007	1,581,097	1,109,498
8511-4427-41141 IP Acute-Medicare	71,460	59,620	99,634	94,314	121,458	98,006	60,647	76,824	83,715	110,268	79,899	134,256	106,956
8511-4429-41141 IP Acute-Medicare	0	0	0	0	0	0	0	0	900	900	0	0	3,452
8511-4450-41141 IP Acute-Medicare	94,773	71,988	162,015	110,859	133,476	156,597	97,646	93,626	145,262	149,760	126,958	203,476	141,362
8511-4470-41141 IP Acute-Medicare	627,225	363,525	1,341,493	937,129	941,504	934,397	745,431	431,149	506,024	838,722	584,802	1,220,359	656,157
8511-4471-41141 IP Acute-Medicare	144,260	127,967	149,625	118,255	100,920	114,555	115,966	159,772	121,679	140,271	112,899	139,822	99,488
8511-4500-41141 IP Acute-Medicare	2,712,283	2,742,632	2,611,546	2,629,062	2,557,242	2,760,464	2,799,506	3,391,477	2,714,647	3,049,339	2,753,251	3,136,099	2,724,044
8511-4608-41141 IP Acute-Medicare	2,718	2,634	3,130	8,854	17,904	3,773	6,309	8,260	11,253	7,517	13,294	8,198	5,193
8511-4520-41141 IP Acute-Medicare	52,655	33,234	47,709	36,405	32,763	45,281	26,196	19,787	31,712	36,730	43,473	35,471	57,897
8511-4540-41141 IP Acute-Medicare	25,335	46,161	38,472	21,212	35,406	31,845	56,042	37,507	43,160	41,726	29,138	36,987	22,503
8511-4570-41141 IP Acute-Medicare	1,139,652	697,210	748,927	650,427	536,776	429,245	268,940	1,203,694	514,228	610,126	340,300	679,131	650,572
8511-4573-41141 IP Acute-Medicare	596,959	632,533	591,955	494,429	504,108	365,137	454,398	502,969	464,339	476,953	362,535	566,977	541,386
8511-4591-41141 IP Acute-Medicare	631,529	638,173	633,478	677,157	612,581	605,237	572,664	698,958	580,941	675,007	694,190	726,692	710,022
8511-4620-41141 IP Acute-Medicare	23,925	23,068	16,269	16,269	17,226	22,011	23,715	34,258	27,934	41,106	52,173	33,201	31,620
8511-4630-41141 IP Acute-Medicare	255,422	246,801	268,760	272,043	229,422	265,695	235,614	341,581	262,648	314,135	331,727	334,368	308,894
8511-4642-41141 IP Acute-Medicare	8,122	1,324	51,572	0	0	0	0	0	28,640	3,408	96,701	107,359	39,956
8511-4650-41141 IP Acute-Medicare	149,545	125,868	92,624	127,452	108,765	83,504	105,047	109,917	152,750	149,946	111,847	116,196	135,828
8511-4660-41141 IP Acute-Medicare	259,685	261,968	290,745	300,053	276,640	281,223	157,528	301,005	197,110	318,349	414,413	324,046	300,775
8511-4670-41141 IP Acute-Medicare	269,069	257,735	236,147	261,114	209,942	231,001	219,466	284,190	217,946	296,260	263,146	283,500	326,375
8511-4680-41141 IP Acute-Medicare	683,311	703,497	614,444	756,842	602,173	699,182	772,117	914,776	765,741	959,164	1,032,432	1,128,292	1,195,380
8511-4690-41141 IP Acute-Medicare	1,319	0	2,703	0	941	1,496	941	2,039	576	1,990	0	0	3,252
8511-4710-41141 IP Acute-Medicare	1,554,864	1,445,963	1,303,530	1,467,484	1,401,969	1,332,767	1,451,000	1,760,462	1,457,581	1,615,398	1,492,900	1,699,495	1,483,933
8511-4720-41141 IP Acute-Medicare	1,608,160	1,601,463	1,276,072	1,779,625	1,244,890	1,568,921	1,915,028	2,539,121	1,468,064	2,016,892	1,863,050	1,729,443	1,889,691
8511-4722-41141 IP Acute-Medicare	1,414	1,465	5,100	2,121	0	0	1,465	100	707	707	2,458	707	707
8511-4730-41141 IP Acute-Medicare	17,404	21,867	47,894	25,517	7,624	719	8,343	33,894	10,934	0	23,930	53,164	9,781
8511-4760-41141 IP Acute-Medicare	91,963	59,615	62,283	68,457	63,798	49,223	66,297	61,407	60,310	69,002	61,296	50,991	117,684
8511-4775-41141 IP Acute-Medicare	89,906	86,571	144,887	144,021	142,960	155,330	146,047	217,527	146,870	214,519	200,625	196,273	172,774
<b>Total: Medicare</b>	<b>19,963,593</b>	<b>18,610,162</b>	<b>19,845,397</b>	<b>20,052,461</b>	<b>18,912,822</b>	<b>19,204,062</b>	<b>19,767,092</b>	<b>24,509,977</b>	<b>18,874,207</b>	<b>22,117,624</b>	<b>20,356,125</b>	<b>23,487,918</b>	



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4500-41142 IP Acute-Medicare MgdCare	1,289,440	1,240,098	1,325,656	1,331,742	1,289,897	1,273,796	1,813,575	1,999,583	1,226,646	1,591,542	1,356,375	1,232,128	1,797,335
8511-4509-41142 IP Acute-Medicare MgdCare	1,244	925	1,046	2,150	2,094	2,337	2,937	5,817	2,426	2,355	2,621	1,989	4,965
8511-4520-41142 IP Acute-Medicare MgdCare	18,176	23,210	22,523	24,017	39,457	14,934	31,948	33,386	21,146	34,374	12,452	25,204	35,014
8511-4540-41142 IP Acute-Medicare MgdCare	38,923	22,899	11,911	13,918	15,854	29,222	26,355	18,229	6,098	18,714	21,730	27,197	32,415
8511-4553-41142 IP Acute-Medicare MgdCare	553,815	393,545	1,338,239	284,494	87,987	319,892	536,411	451,890	714,969	601,749	463,727	145,866	887,789
8511-4573-41142 IP Acute-Medicare MgdCare	283,467	184,436	187,001	252,418	267,278	225,049	253,733	367,219	164,871	146,529	194,082	181,338	296,888
8511-4591-41142 IP Acute-Medicare MgdCare	378,150	391,418	370,544	300,007	352,122	279,193	415,368	399,483	355,988	379,662	348,204	320,960	437,149
8511-4620-41142 IP Acute-Medicare MgdCare	11,484	6,699	12,441	5,742	12,441	16,269	19,305	14,229	11,067	11,067	6,324	12,648	18,972
8511-4630-41142 IP Acute-Medicare MgdCare	114,830	132,494	114,804	145,597	131,282	138,161	184,258	213,932	122,014	176,290	159,044	136,629	219,877
8511-4642-41142 IP Acute-Medicare MgdCare	0	0	0	0	0	0	0	0	0	24,056	28,640	39,956	9,986
8511-4650-41142 IP Acute-Medicare MgdCare	76,500	56,878	78,555	27,999	30,045	7,240	69,018	58,923	74,913	21,652	26,572	65,086	65,682
8511-4660-41142 IP Acute-Medicare MgdCare	208,248	115,523	173,930	180,486	153,459	164,235	215,526	246,786	146,784	207,871	144,634	122,460	266,625
8511-4670-41142 IP Acute-Medicare MgdCare	125,517	115,323	119,305	136,160	153,832	121,603	138,392	180,130	149,981	170,108	146,413	125,570	197,345
8511-4680-41142 IP Acute-Medicare MgdCare	416,620	332,128	481,973	374,576	427,135	369,636	608,142	666,305	606,226	543,017	621,749	537,490	698,596
8511-4690-41142 IP Acute-Medicare MgdCare	3,890	0	0	0	0	0	0	0	1,626	0	0	0	5,357
8511-4710-41142 IP Acute-Medicare MgdCare	662,025	690,374	850,753	708,395	751,185	766,164	954,663	1,096,729	556,076	748,225	634,308	738,760	1,042,112
8511-4720-41142 IP Acute-Medicare MgdCare	784,469	687,259	402,898	1,012,164	935,181	843,154	1,380,869	2,157,292	929,192	966,634	918,673	739,976	1,789,912
8511-4722-41142 IP Acute-Medicare MgdCare	1,414	0	0	707	423	0	1,837	6,211	0	707	423	2,828	2,828
8511-4730-41142 IP Acute-Medicare MgdCare	10,933	0	5,467	27,335	26,471	719	17,667	36,926	0	18,463	5,840	6,905	29,058
8511-4760-41142 IP Acute-Medicare MgdCare	14,492	17,889	15,560	26,123	15,767	48,674	39,593	51,961	35,104	22,290	11,941	47,475	70,756
8511-4775-41142 IP Acute-Medicare MgdCare	55,429	40,347	89,998	71,929	86,742	65,507	109,381	131,566	112,747	106,604	93,956	70,600	99,116
8511-4801-41142 IP Acute-Medicare MgdCare	0	0	0	0	172	0	172	0	0	0	0	172	0
Total: Medicare MgdCare	9,783,169	9,531,034	10,349,253	9,652,000	9,602,874	9,179,777	13,182,489	15,119,481	9,327,119	11,501,131	10,101,131	9,289,702	14,513,837
Medicare Risk:													
8511-3010-41143 IP Acute-Medicare At Risk	569,114	173,628	241,150	202,566	684,866	684,866	516,018	161,930	598,052	906,724	835,016	405,132	285,194
8511-3070-41143 IP Acute-Medicare At Risk	0	47,110	0	0	0	0	0	0	0	0	0	0	0
8511-3151-41143 IP Acute-Medicare At Risk	230,401	204,392	196,710	188,818	265,329	179,006	365,952	339,564	265,950	382,820	366,904	175,580	174,720
8511-3179-41143 IP Acute-Medicare At Risk	0	0	0	0	0	0	69,440	257,920	109,120	99,200	104,160	52,080	89,280
8511-3182-41143 IP Acute-Medicare At Risk	100,080	83,576	53,420	54,298	92,706	36,916	55,308	48,416	2,502	15,890	27,522	55,176	30,024
8511-3184-41143 IP Acute-Medicare At Risk	50,955	16,985	57,749	23,779	54,352	33,970	61,146	54,352	33,970	71,337	74,734	135,880	173,247
8511-3187-41143 IP Acute-Medicare At Risk	163,004	96,056	30,078	118,860	169,314	256,634	221,014	153,988	121,142	249,076	136,796	111,644	170,544
8511-3188-41143 IP Acute-Medicare At Risk	220,496	196,544	151,860	106,036	212,072	196,612	227,756	84,900	54,336	54,336	106,840	108,672	50,940
8511-3340-41143 IP Acute-Medicare At Risk	4,224	0	1,526	0	0	17,014	0	0	0	11,047	0	0	0
8511-3380-41143 IP Acute-Medicare At Risk	19,502	45,652	(4,168)	15,512	4,346	1,774	178	7,268	(4,432)	(12,682)	(9,042)	(3,990)	(19,944)
8511-3382-41143 IP Acute-Medicare At Risk	0	6,908	0	0	0	0	0	0	0	0	0	0	0
8511-3580-41143 IP Acute-Medicare At Risk	981	7,848	6,867	0	0	6,104	2,943	0	0	10,682	4,905	0	0
8511-4010-41143 IP Acute-Medicare At Risk	200,422	74,609	184,455	192,801	253,816	276,290	171,649	328,887	169,956	279,472	220,143	191,785	184,225
8511-4087-41143 IP Acute-Medicare At Risk	1,673	1,673	0	0	0	0	0	0	0	0	0	0	0
8511-4183-41143 IP Acute-Medicare At Risk	235,161	39,933	31,059	22,185	79,866	62,118	106,488	53,244	44,370	119,799	70,992	75,429	75,429
8511-4400-41143 IP Acute-Medicare At Risk	46,062	98,120	6,596	0	0	0	0	0	0	0	0	0	0
8511-4420-41143 IP Acute-Medicare At Risk	884,139	546,982	444,280	146,386	1,042,337	627,086	679,710	581,438	589,476	619,213	474,357	682,876	614,341
8511-4427-41143 IP Acute-Medicare At Risk	41,646	36,544	26,542	25,518	56,760	41,038	54,423	45,180	16,335	43,386	37,776	45,186	42,120
8511-4429-41143 IP Acute-Medicare At Risk	0	0	0	0	0	0	0	0	3,848	25,535	0	0	0
8511-4450-41143 IP Acute-Medicare At Risk	82,866	43,869	41,706	15,141	83,790	65,289	76,167	61,854	57,720	68,016	50,206	85,228	70,070
8511-4470-41143 IP Acute-Medicare At Risk	497,029	521,841	204,285	47,525	798,516	350,807	503,373	490,407	543,034	350,199	294,260	496,914	463,680
8511-4471-41143 IP Acute-Medicare At Risk	30,078	28,749	14,893	19,549	31,127	45,474	39,375	24,075	41,740	43,814	30,082	22,268	12,806
8511-4500-41143 IP Acute-Medicare At Risk	804,136	464,493	418,931	446,028	840,799	818,720	727,329	628,694	575,962	862,134	753,390	553,736	508,517
8511-4509-41143 IP Acute-Medicare At Risk	4,228	1,021	618	899	1,512	1,664	1,574	1,457	717	1,913	1,451	643	420
8511-4520-41143 IP Acute-Medicare At Risk	26,879	11,848	23,278	11,264	28,273	14,444	17,343	13,250	5,077	26,789	22,161	18,502	15,301
8511-4540-41143 IP Acute-Medicare At Risk	19,081	6,242	7,262	16,540	44,541	8,953	8,740	6,436	7,037	11,798	10,969	13,976	7,224
8511-4570-41143 IP Acute-Medicare At Risk	197,922	100,107	118,781	756,941	145,994	47,352	576,627	70,997	299,242	293,010	621,310	174,652	351,329
8511-4573-41143 IP Acute-Medicare At Risk	213,051	44,212	92,843	112,624	203,076	124,200	189,188	89,945	74,524	176,561	77,173	86,143	27,260
8511-4591-41143 IP Acute-Medicare At Risk	148,446	90,155	104,814	82,822	150,772	143,997	139,781	130,958	124,399	196,038	144,065	122,536	90,245
8511-4620-41143 IP Acute-Medicare At Risk	1,914	957	2,014	1,914	957	3,828	7,281	3,162	3,162	3,162	6,324	1,581	1,581
8511-4630-41143 IP Acute-Medicare At Risk	79,569	26,493	32,545	41,398	93,557	82,168	67,376	61,161	55,380	92,156	86,697	56,885	39,882
8511-4642-41143 IP Acute-Medicare At Risk	28,771	0	0	0	0	0	0	20,098	0	29,337	0	0	0
8511-4650-41143 IP Acute-Medicare At Risk	30,004	10,098	18,131	5,403	19,514	15,941	9,572	19,615	25,645	38,555	55,347	14,644	13,547
8511-4660-41143 IP Acute-Medicare At Risk	37,460	35,162	41,439	17,235	63,864	78,623	110,168	78,085	62,218	92,361	66,532	69,400	60,015
8511-4670-41143 IP Acute-Medicare At Risk	99,741	37,218	46,049	51,054	73,850	64,757	56,478	59,060	52,389	96,134	89,947	67,629	54,754
8511-4680-41143 IP Acute-Medicare At Risk	173,596	97,589	160,734	118,658	136,770	223,769	176,642	235,595	101,189	233,937	223,401	256,555	180,461
8511-4710-41143 IP Acute-Medicare At Risk	577,245	229,702	201,815	210,605	532,352	561,982	387,624	360,316	361,302	490,259	359,254	266,001	207,872
8511-4720-41143 IP Acute-Medicare At Risk	563,277	115,448	156,459	130,942	464,389	744,883	394,296	250,869	456,950	639,372	731,610	247,667	234,746
8511-4722-41143 IP Acute-Medicare At Risk	3,261	8,970	423	0	4,242	0	0	0	0	0	0	707	0
8511-4730-41143 IP Acute-Medicare At Risk	5,839	0	1,438	0	0	5,467	5,467	0	0	0	21,868	438	10,907
8511-4760-41143 IP Acute-Medicare At Risk	32,260	19,050	8,120	11,549	7,453	23,935	15,720	14,806	3,309	16,895	7,243	18,278	0
8511-4775-41143 IP Acute-Medicare At Risk	24,335	18,387	14,495	12,758	43,374	47,951	40,834	36,784	31,833	55,959	51,228	43,066	49,045
8511-4801-41143 IP Acute-Medicare At Risk	344	860	172	0	0	0	0	0	0	0	0	0	0
Total: Medicare Risk	6,449,191	3,589,031	3,139,560	3,207,908	6,684,486	5,893,632	6,082,980	4,774,711	4,887,454	6,694,234	6,155,621	4,652,899	4,269,672
Medi-Cal:													
8511-3010-41151 IP Acute-Medi-Cal	848,848	1,302,210	1,282,918	704,158	897,078	705,032	847,181	887,432	434,070	1,184,152	771,680	800,618	698,334
8511-3070-41151 IP Acute-Medi-Cal	1,379,894	1,402,126	1,820,543	1,590,580	740,347	1,052,170	750,468	1,112,721	1,051,040	947,885	878,294	1,089,194	1,248,485
8511-3151-41151 IP Acute-Medi-Cal	432,234	327,450	496,727	541,384									



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4570-41151 IP Acute-Medi-Cal	89,246	129,874	442,403	52,795	282,027	394,084	223,667	102,123	128,541	287,325	75,106	264,676	345,579
8511-4573-41151 IP Acute-Medi-Cal	240,552	319,284	248,103	178,253	186,393	122,983	149,743	108,785	114,273	180,798	140,186	185,169	125,829
8511-4591-41151 IP Acute-Medi-Cal	175,342	227,911	303,331	282,002	183,898	210,078	177,509	211,589	209,868	309,226	255,838	325,576	309,815
8511-4620-41151 IP Acute-Medi-Cal	6,699	10,527	11,484	7,656	4,885	6,699	6,324	17,391	9,486	15,810	12,648	18,972	11,067
8511-4630-41151 IP Acute-Medi-Cal	159,754	191,885	148,286	137,142	108,717	121,715	116,698	137,874	118,450	172,078	149,070	179,211	160,683
8511-4642-41151 IP Acute-Medi-Cal	0	59,249	0	0	0	0	0	0	0	0	0	54,226	0
8511-4650-41151 IP Acute-Medi-Cal	18,526	24,694	65,367	36,982	59,978	36,330	50,290	35,631	44,351	35,434	43,856	83,896	41,380
8511-4660-41151 IP Acute-Medi-Cal	41,311	144,592	185,677	147,036	140,852	211,237	122,699	150,794	169,782	212,617	137,932	264,320	158,593
8511-4670-41151 IP Acute-Medi-Cal	177,336	180,955	184,149	195,512	111,814	135,852	133,983	149,107	155,451	194,276	151,737	165,682	178,855
8511-4680-41151 IP Acute-Medi-Cal	381,798	405,625	421,475	292,884	312,424	208,532	261,997	462,463	385,914	575,104	492,108	856,060	638,807
8511-4690-41151 IP Acute-Medi-Cal	1,608	0	1,496	0	0	0	0	4,069	941	941	0	6,702	2,261
8511-4710-41151 IP Acute-Medi-Cal	1,245,694	1,858,961	1,745,948	1,143,181	1,133,947	1,154,827	1,022,776	969,746	920,787	1,375,247	1,120,549	1,134,487	1,110,632
8511-4720-41151 IP Acute-Medi-Cal	938,450	1,361,962	1,006,695	575,679	625,988	654,877	560,447	745,186	473,587	1,005,555	712,789	607,837	677,260
8511-4722-41151 IP Acute-Medi-Cal	153,763	342,407	261,655	261,815	210,925	207,481	231,656	571,479	221,148	179,198	396,224	347,076	490,698
8511-4730-41151 IP Acute-Medi-Cal	11,652	22,240	4,438	2,876	(3,310)	0	10,934	11,307	5,467	5,467	10,934	29,058	19,996
8511-4760-41151 IP Acute-Medi-Cal	18,161	42,877	36,030	23,651	15,204	32,136	49,247	26,003	32,599	47,646	50,154	37,522	76,752
8511-4775-41151 IP Acute-Medi-Cal	95,688	73,949	109,325	119,006	82,914	107,318	92,820	94,889	99,574	101,061	87,124	92,696	74,322
8511-4801-41151 IP Acute-Medi-Cal	21,672	26,316	25,636	22,704	22,016	24,940	22,884	21,500	19,952	19,264	21,328	20,804	15,996
Total: Medi-Cal	17,023,330	20,244,880	20,525,607	15,999,815	15,238,265	15,460,414	15,140,319	15,381,659	14,572,704	17,640,640	14,930,539	17,071,730	17,346,188
Medi-Cal MgdCare:													
8511-3010-41152 IP Acute-Medi-Cal MgdCare	1,686,222	2,213,300	2,253,782	2,179,996	2,427,136	2,214,866	2,233,862	2,320,356	2,293,266	2,509,238	1,466,192	1,756,068	1,467,466
8511-3070-41152 IP Acute-Medi-Cal MgdCare	956,785	713,409	432,988	1,120,589	973,658	853,630	988,250	478,975	454,311	756,287	682,014	1,279,459	1,518,806
8511-3151-41152 IP Acute-Medi-Cal MgdCare	1,373,674	1,514,233	1,221,575	1,170,088	1,423,316	1,143,892	1,828,622	1,485,940	1,390,596	1,489,255	1,562,980	1,344,646	1,141,140
8511-3179-41152 IP Acute-Medi-Cal MgdCare	0	0	0	0	0	0	250,480	704,320	515,840	560,480	491,040	540,640	538,160
8511-3182-41152 IP Acute-Medi-Cal MgdCare	384,694	456,506	247,216	308,888	299,758	281,498	283,386	380,350	367,794	293,612	293,612	260,208	320,302
8511-3184-41152 IP Acute-Medi-Cal MgdCare	550,314	767,722	621,651	648,827	563,902	553,711	516,344	584,284	458,595	377,067	400,846	495,962	360,082
8511-3187-41152 IP Acute-Medi-Cal MgdCare	742,734	1,383,584	928,054	936,788	900,892	808,720	1,090,194	967,386	1,129,812	1,007,078	722,342	795,994	671,880
8511-3188-41152 IP Acute-Medi-Cal MgdCare	1,848,280	1,711,612	1,739,272	1,965,084	1,416,740	1,350,340	970,544	997,776	828,624	835,416	631,656	692,784	879,564
8511-3290-41152 IP Acute-Medi-Cal MgdCare	114,135	130,440	156,528	156,528	244,575	146,745	182,616	159,789	195,660	244,575	150,006	114,135	68,481
8511-3340-41152 IP Acute-Medi-Cal MgdCare	12,548	2,785	5,892	8,355	0	2,816	13,894	5,601	9,732	9,763	8,448	14,049	9,825
8511-3380-41152 IP Acute-Medi-Cal MgdCare	965,180	1,004,896	1,168,890	1,153,816	1,067,214	977,236	1,008,702	982,116	821,128	849,586	809,250	861,636	913,586
8511-3382-41152 IP Acute-Medi-Cal MgdCare	103,620	183,062	204,304	113,982	120,372	203,786	155,430	124,344	155,430	120,890	210,694	179,068	127,798
8511-3530-41152 IP Acute-Medi-Cal MgdCare	31,122	38,304	28,728	42,294	15,960	27,930	35,112	28,728	25,536	16,750	20,748	27,132	38,304
8511-3580-41152 IP Acute-Medi-Cal MgdCare	172,428	183,837	139,366	160,956	91,467	16,693	872	31,726	41,803	37,718	92,144	70,276	37,201
8511-4010-41152 IP Acute-Medi-Cal MgdCare	1,552,212	1,589,357	1,600,969	1,584,528	1,579,290	1,374,200	1,793,329	1,849,582	1,595,421	1,874,425	1,641,398	1,715,755	1,447,498
8511-4076-41152 IP Acute-Medi-Cal MgdCare	0	764	0	0	0	0	0	0	0	0	0	0	0
8511-4087-41152 IP Acute-Medi-Cal MgdCare	121,684	126,947	145,876	124,547	129,054	88,662	93,555	116,781	98,157	106,442	123,444	94,119	109,522
8511-4183-41152 IP Acute-Medi-Cal MgdCare	297,279	474,759	598,995	474,759	638,928	581,247	563,499	500,280	598,115	576,810	403,767	443,700	270,657
8511-4400-41152 IP Acute-Medi-Cal MgdCare	2,238,666	2,084,492	2,291,642	2,160,298	2,233,059	2,068,240	1,825,551	2,441,823	2,030,620	2,139,796	1,896,919	2,242,752	2,228,832
8511-4420-41152 IP Acute-Medi-Cal MgdCare	2,731,304	2,384,560	2,797,770	2,298,854	2,568,072	3,118,987	1,722,081	2,316,960	2,011,856	2,281,127	1,827,151	2,094,453	2,279,456
8511-4427-41152 IP Acute-Medi-Cal MgdCare	216,008	190,492	229,680	173,140	172,518	209,280	190,818	233,049	187,617	216,708	139,893	193,506	341,652
8511-4429-41152 IP Acute-Medi-Cal MgdCare	0	0	0	0	0	0	0	0	12,028	69,567	0	64,184	5,772
8511-4450-41152 IP Acute-Medi-Cal MgdCare	282,618	228,984	287,784	231,105	244,314	333,228	205,563	289,224	245,102	283,894	215,072	248,846	271,596
8511-4470-41152 IP Acute-Medi-Cal MgdCare	1,556,187	1,057,385	1,483,185	1,416,568	1,642,697	1,991,120	920,012	1,138,433	1,121,533	1,070,116	1,309,631	912,667	1,304,353
8511-4471-41152 IP Acute-Medi-Cal MgdCare	270,009	313,896	351,523	293,511	284,812	1,276,609	308,293	313,018	280,025	279,885	245,969	240,106	223,136
8511-4500-41152 IP Acute-Medi-Cal MgdCare	3,719,674	4,239,524	4,320,252	4,117,836	4,190,031	3,819,273	4,306,658	4,196,456	3,741,012	4,075,303	3,413,296	3,924,167	3,321,560
8511-4509-41152 IP Acute-Medi-Cal MgdCare	26,898	31,300	33,706	30,773	32,432	31,823	30,338	27,980	26,013	30,413	22,851	23,952	24,782
8511-4520-41152 IP Acute-Medi-Cal MgdCare	171,060	153,081	172,023	138,785	148,377	171,003	118,769	140,417	120,838	147,519	95,170	131,086	116,905
8511-4540-41152 IP Acute-Medi-Cal MgdCare	42,765	54,572	75,732	61,496	74,842	61,438	65,739	52,383	46,586	79,454	41,779	79,793	65,417
8511-4570-41152 IP Acute-Medi-Cal MgdCare	586,639	152,146	810,371	680,334	846,877	755,590	1,096,975	906,200	970,730	1,100,796	730,340	799,290	582,074
8511-4573-41152 IP Acute-Medi-Cal MgdCare	542,680	535,126	527,260	464,588	528,910	733,847	579,912	480,841	461,478	554,702	456,916	650,199	375,116
8511-4591-41152 IP Acute-Medi-Cal MgdCare	526,058	606,152	615,965	611,336	604,844	557,607	565,032	532,211	510,849	542,570	624,398	596,078	449,673
8511-4620-41152 IP Acute-Medi-Cal MgdCare	13,398	20,097	24,982	21,154	14,355	18,183	27,210	22,134	33,201	29,515	39,525	39,525	14,229
8511-4630-41152 IP Acute-Medi-Cal MgdCare	324,780	354,700	334,242	366,180	347,019	308,789	331,981	368,737	368,458	410,864	316,410	341,028	244,083
8511-4642-41152 IP Acute-Medi-Cal MgdCare	24,633	35,410	48,922	13,280	22,704	23,073	114,673	13,158	0	0	0	44,949	11,882
8511-4650-41152 IP Acute-Medi-Cal MgdCare	78,012	146,084	89,112	89,475	113,970	71,707	97,717	145,106	141,685	156,268	123,796	51,728	104,101
8511-4660-41152 IP Acute-Medi-Cal MgdCare	272,963	322,969	380,495	383,507	220,261	342,228	239,165	368,444	362,728	316,918	379,896	484,200	293,160
8511-4670-41152 IP Acute-Medi-Cal MgdCare	279,415	353,617	344,421	354,280	260,389	308,264	356,063	423,629	283,779	275,389	304,682	360,423	251,287
8511-4680-41152 IP Acute-Medi-Cal MgdCare	833,383	1,234,031	842,811	866,485	874,234	711,566	955,048	1,142,156	1,105,765	1,275,149	1,061,998	1,161,766	1,122,026
8511-4690-41152 IP Acute-Medi-Cal MgdCare	6,644	941	0	941	0	4,199	3,598	15,282	0	1,608	0	4,223	6,203
8511-4710-41152 IP Acute-Medi-Cal MgdCare	2,495,578	3,055,233	3,024,702	2,553,287	2,554,449	2,621,236	2,495,796	1,692,316	2,242,272	2,536,733	1,925,091	1,872,850	1,796,894
8511-4720-41152 IP Acute-Medi-Cal MgdCare	1,440,430	1,794,380	1,865,346	1,731,361	1,975,438	1,350,794	2,065,225	2,600,591	2,489,281	2,276,767	1,635,005	1,354,277	773,512
8511-4722-41152 IP Acute-Medi-Cal MgdCare	267,074	282,606	231,848	238,592	228,055	572,913	423,956	396,406	405,752	328,602	281,316	326,299	326,299
8511-4730-41152 IP Acute-Medi-Cal MgdCare	17,155	26,467	44,413	19,277	8,282	5,467	12,546	22,614	17,294	16,686	11,372	30,781	13,376
8511-4760-41152 IP Acute-Medi-Cal MgdCare	22,932	65,221	71,864	70,086	50,748	45,816	103,127	26,470	64,758	88,952	59,475	78,124	79,161
8511-4775-41152 IP Acute-Medi-Cal MgdCare	114,973	141,804	229,586	214,805	234,014	173,990	185,231	208,400	154,144	173,467	13		



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4570-41153 IP Acute-Medi-Cal At Risk	107,899	49,439	363,388	23,553	289,290	89,864	30,778	34,022	4,633	143,094	76,096	135,572	48,851
8511-4573-41153 IP Acute-Medi-Cal At Risk	160,696	78,734	93,608	245,764	117,912	84,000	49,502	83,320	46,481	40,585	99,003	28,105	52,463
8511-4591-41153 IP Acute-Medi-Cal At Risk	50,538	91,731	94,050	53,716	104,274	73,109	53,208	58,320	74,262	72,790	75,805	80,041	112,767
8511-4620-41153 IP Acute-Medi-Cal At Risk	957	2,871	957	0	957	2,871	3,162	4,743	6,324	0	6,324	3,162	3,162
8511-4630-41153 IP Acute-Medi-Cal At Risk	29,114	35,259	60,231	55,364	41,847	45,098	41,332	41,066	37,652	45,359	51,237	36,084	46,997
8511-4642-41153 IP Acute-Medi-Cal At Risk	0	4,814	0	28,607	0	0	0	0	0	0	0	0	0
8511-4650-41153 IP Acute-Medi-Cal At Risk	20,606	27,873	12,121	25,644	12,046	12,514	3,774	10,908	9,858	17,954	15,468	25,645	10,604
8511-4660-41153 IP Acute-Medi-Cal At Risk	32,321	42,701	57,635	96,590	44,328	30,093	35,138	84,032	75,091	37,497	88,038	25,080	60,080
8511-4670-41153 IP Acute-Medi-Cal At Risk	40,213	29,878	57,551	52,671	42,909	37,787	39,870	40,896	74,176	26,085	60,555	33,470	46,393
8511-4680-41153 IP Acute-Medi-Cal At Risk	76,185	81,923	143,252	146,879	87,937	99,700	153,882	111,318	90,531	70,083	115,592	126,609	114,841
8511-4690-41153 IP Acute-Medi-Cal At Risk	0	0	0	1,762	0	0	0	0	0	0	1,608	1,990	1,990
8511-4710-41153 IP Acute-Medi-Cal At Risk	440,626	326,704	519,347	511,555	486,876	360,830	292,515	426,514	317,417	358,372	327,032	257,524	357,244
8511-4720-41153 IP Acute-Medi-Cal At Risk	99,260	94,481	350,609	380,667	201,439	404,417	225,052	177,559	228,210	301,694	195,634	99,685	279,561
8511-4722-41153 IP Acute-Medi-Cal At Risk	44,481	71,649	38,428	28,382	82,505	102,491	66,123	75,979	39,402	36,253	218,212	111,755	26,659
8511-4730-41153 IP Acute-Medi-Cal At Risk	0	0	1,438	373	0	5,467	(5,467)	5,467	5,467	0	0	719	1,438
8511-4760-41153 IP Acute-Medi-Cal At Risk	20,908	9,096	18,525	11,225	0	15,779	18,131	25,574	0	7,210	10,519	13,075	14,125
8511-4775-41153 IP Acute-Medi-Cal At Risk	12,916	11,643	18,858	35,690	29,244	19,718	15,908	24,735	10,921	18,767	20,775	33,141	21,014
8511-4801-41153 IP Acute-Medi-Cal At Risk	8,428	5,504	5,504	6,192	8,084	6,364	7,568	7,224	4,472	5,676	2,924	5,848	5,676
Total: Medi-Cal Risk	4,950,154	4,000,617	5,294,189	6,274,310	5,708,968	4,807,692	4,699,186	4,998,419	4,042,754	4,291,000	4,123,518	4,243,237	5,195,546
Other Govt:													
8511-3010-41161 IP Acute-Other Govt FFS	115,752	0	9,646	28,938	163,982	19,292	96,460	0	67,522	0	0	135,044	86,814
8511-3070-41161 IP Acute-Other Govt FFS	750,447	784,060	1,128,450	259,112	785,246	419,533	793,093	605,671	1,246,204	530,591	316,557	997,262	840,126
8511-3151-41161 IP Acute-Other Govt FFS	17,464	39,294	4,366	34,928	4,366	0	0	43,680	65,520	0	21,840	5,460	49,140
8511-3179-41161 IP Acute-Other Govt FFS	0	0	0	0	0	0	0	17,360	24,800	2,480	0	17,360	0
8511-3182-41161 IP Acute-Other Govt FFS	0	0	0	10,008	0	0	0	0	5,004	(5,004)	0	0	0
8511-3184-41161 IP Acute-Other Govt FFS	0	0	10,191	0	0	0	16,985	0	10,191	0	0	0	0
8511-3187-41161 IP Acute-Other Govt FFS	0	0	3,396	6,792	0	0	0	0	0	0	15,176	0	3,396
8511-3188-41161 IP Acute-Other Govt FFS	57,732	23,772	10,188	42,964	47,544	13,584	0	0	16,980	0	27,168	81,504	3,396
8511-3290-41161 IP Acute-Other Govt FFS	3,261	0	0	0	0	0	0	0	0	0	0	0	0
8511-3340-41161 IP Acute-Other Govt FFS	2,754	0	0	0	0	0	0	0	1,377	0	0	0	0
8511-3380-41161 IP Acute-Other Govt FFS	0	0	12,056	6,028	0	0	16,488	0	0	0	(4,432)	0	0
8511-3530-41161 IP Acute-Other Govt FFS	798	0	798	0	0	0	798	0	0	0	0	0	0
8511-3580-41161 IP Acute-Other Govt FFS	0	0	0	0	0	0	0	0	7,658	0	0	0	0
8511-4010-41161 IP Acute-Other Govt FFS	9,786	10,316	20,058	21,232	15,549	13,306	5,928	14,692	27,733	0	38,504	8,222	24,280
8511-4087-41161 IP Acute-Other Govt FFS	0	0	1,438	0	0	0	0	0	0	0	0	0	0
8511-4183-41161 IP Acute-Other Govt FFS	0	0	4,437	0	0	0	0	0	0	0	0	26,622	26,622
8511-4400-41161 IP Acute-Other Govt FFS	0	0	13,731	14,158	0	0	48,678	0	0	0	0	0	0
8511-4420-41161 IP Acute-Other Govt FFS	14,786	0	42,366	21,318	102,250	33,044	0	0	0	57,024	29,670	178,700	50,978
8511-4427-41161 IP Acute-Other Govt FFS	2,246	0	2,246	1,838	0	0	0	0	0	6,126	5,106	5,106	9,441
8511-4429-41161 IP Acute-Other Govt FFS	0	0	0	0	0	0	0	0	0	42,626	0	0	0
8511-4450-41161 IP Acute-Other Govt FFS	2,142	0	6,237	2,457	7,161	2,667	0	0	0	7,228	3,978	24,180	6,214
8511-4470-41161 IP Acute-Other Govt FFS	7,640	0	2,285	19,446	79,816	24,138	0	0	0	69,531	9,376	38,286	28,655
8511-4471-41161 IP Acute-Other Govt FFS	9,873	3,613	1,467	5,150	6,025	3,306	5,167	1,419	2,497	0	612	24,888	1,310
8511-4500-41161 IP Acute-Other Govt FFS	99,058	51,140	41,238	63,862	94,102	23,792	84,936	43,767	107,495	17,622	57,685	134,015	76,517
8511-4509-41161 IP Acute-Other Govt FFS	582	181	628	246	129	(237)	720	150	437	0	98	411	70
8511-4520-41161 IP Acute-Other Govt FFS	0	0	0	991	1,104	0	4,076	9,727	1,102	0	552	292	0
8511-4540-41161 IP Acute-Other Govt FFS	242	0	0	2,843	2,412	2,331	536	4,582	16,733	1,548	325	3,000	481
8511-4570-41161 IP Acute-Other Govt FFS	5,072	0	0	176	176	1,757	856	0	428	0	2,615	2,921	0
8511-4573-41161 IP Acute-Other Govt FFS	11,861	0	0	12,534	1,443	12,980	13,304	0	1,443	1,443	0	13,169	22,333
8511-4591-41161 IP Acute-Other Govt FFS	5,156	5,676	1,040	13,937	5,686	1,050	11,067	1,795	2,745	5,911	21,144	6,196	17,516
8511-4620-41161 IP Acute-Other Govt FFS	957	0	0	1,914	0	0	0	0	1,581	0	0	0	0
8511-4630-41161 IP Acute-Other Govt FFS	15,079	8,840	1,449	6,444	8,897	4,917	7,438	6,425	6,072	990	10,536	23,028	9,161
8511-4650-41161 IP Acute-Other Govt FFS	0	0	0	7,589	0	0	3,636	0	4,440	0	0	10,505	0
8511-4660-41161 IP Acute-Other Govt FFS	11,976	0	0	0	6,063	5,931	0	0	5,509	0	37,424	0	0
8511-4670-41161 IP Acute-Other Govt FFS	6,752	2,428	1,332	5,731	6,588	666	10,172	13,167	8,918	2,664	6,788	5,320	8,669
8511-4680-41161 IP Acute-Other Govt FFS	16,606	8,149	0	47,888	41,090	4,109	27,115	18,794	45,325	0	57,461	44,770	56,919
8511-4710-41161 IP Acute-Other Govt FFS	120,889	51,216	25,385	92,850	96,320	29,745	79,202	57,640	94,428	41,467	39,349	118,655	39,224
8511-4720-41161 IP Acute-Other Govt FFS	153,683	67,704	16,440	24,451	92,588	5,254	118,221	12,285	40,831	6,966	408	109,133	38,217
8511-4722-41161 IP Acute-Other Govt FFS	117,121	88,055	23,174	73,752	74,872	20,702	190,672	235,008	374,663	82,077	190,106	323,771	112,111
8511-4730-41161 IP Acute-Other Govt FFS	5,467	0	0	0	0	0	0	0	719	0	0	6,186	0
8511-4760-41161 IP Acute-Other Govt FFS	0	0	0	4,190	0	0	0	0	0	0	0	0	0
8511-4775-41161 IP Acute-Other Govt FFS	22,419	3,776	52,356	8,141	38,736	21,304	10,478	36,308	42,197	23,950	9,515	19,728	2,930
8511-4801-41161 IP Acute-Other Govt FFS	1,032	1,032	2,752	516	688	860	860	516	1,032	860	172	516	860
Total: Other Govt	1,588,631	1,149,252	1,439,150	842,424	1,684,833	664,031	1,546,886	1,122,986	2,231,584	896,528	894,938	2,363,944	1,518,211
Other Govt MgdCare:													
8511-3010-41162 IP Acute-Other Govt MgdCare	19,292	327,964	530,530	477,020	327,964	588,406	88,948	376,194	752,388	299,026	385,840	443,716	270,088
8511-3070-41162 IP Acute-Other Govt MgdCare	22,432	20,193	0	45,987	91,988	71,788	6,731	71,795	0	61,688	0	34,771	91,988
8511-3151-41162 IP Acute-Other Govt MgdCare	96,052	309,986	432,234	423,502	410,404	427,868	405,246	410,490	446,690	433,060	493,120	366,250	409,500
8511-3179-41162 IP Acute-Other Govt MgdCare	0	0	0	0	0	0	106,640	158,720	186,000	213,280	148,800	156,240	257,920
8511-3182-41162 IP Acute-Other Govt MgdCare	60,048	135,108	185,148	92,574	180,144	127,602	175,140	172,638	125,100	142,614	55,044	117,594	105,084
8511-3184-41162 IP Acute-Other Govt MgdCare	64,543	108,704	149,468	98,513	227,599	152,865	163,056	244,584	183,438	152,865	146,071	74,734	183,438
8511-3187-41162 IP Acute-Other Govt MgdCare	124,194	166,402	275,560	306,598	394,898	417,210	350,146	305,004	276,510	205,406	247,750	308,400	201,108
8511-3188-41162 IP Acute-Other Govt MgdCare	133,964	285,980	401,892	414,024	513,044	346,260	411,588	163,008	227,532	163,008	142,632	91,692	186,780
8511-3290-41162 IP Acute-Other Govt MgdCare	3,261	9,783	16,305	3,261	3,261	3,261	35,871	6,522	58,698	29,349	0	0	6,522
8511-3340-41162 IP Acute-Other Govt MgdCare	0	0	0	0	0	0	0	1,408	1,377	0	0	0	0
8511-3380-41162 IP Acute-Other Govt MgdCare	12,854	59,390	39,538	69,764	107,258	53,276	15,782	106,374	55,492	145,114	82,176	87,228	141,480
8511-3382-41162 IP Acute-Other Govt MgdCare	6,908	13,816	6,908	0	6,908	10,362	3,454	10,362	41,448	10,362	24,178	34,540	3,454
8511-3530-41162 IP Acute-Other Govt MgdCare	0	1,596	798	0	3,192	4,788	1,596	3,192	2,394	1,596	10,374	3,990	3,192
8511-3580-41162 IP Acute-Other Govt MgdCare	38,658	13,734	13,734	17,129	48,6								



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4630-41162 IP Acute-Other Govt MgdCare	9,096	38,944	58,685	67,236	71,610	84,039	57,566	73,500	106,289	82,046	74,207	61,985	62,061
8511-4642-41162 IP Acute-Other Govt MgdCare	0	0	4,814	0	0	0	0	0	0	0	0	0	0
8511-4650-41162 IP Acute-Other Govt MgdCare	8,485	19,951	50,350	39,569	36,325	35,944	45,918	33,672	84,470	65,742	37,670	33,017	50,640
8511-4660-41162 IP Acute-Other Govt MgdCare	10,852	79,887	117,558	155,423	179,020	96,685	95,342	274,235	140,299	151,684	141,698	144,310	139,678
8511-4670-41162 IP Acute-Other Govt MgdCare	27,147	53,774	84,933	74,857	79,871	67,092	51,900	87,437	96,351	84,418	95,437	89,009	89,231
8511-4680-41162 IP Acute-Other Govt MgdCare	25,327	104,450	201,144	140,808	179,450	227,575	135,000	228,237	254,511	235,199	163,872	197,784	192,653
8511-4690-41162 IP Acute-Other Govt MgdCare	0	0	1,496	0	0	0	0	14,716	0	0	0	0	6,486
8511-4710-41162 IP Acute-Other Govt MgdCare	122,309	339,704	619,214	512,675	813,682	676,786	941,929	165,239	645,566	490,271	497,379	483,271	539,947
8511-4720-41162 IP Acute-Other Govt MgdCare	41,456	429,360	480,885	359,890	460,183	496,216	261,852	380,696	632,879	215,933	319,374	436,402	219,440
8511-4722-41162 IP Acute-Other Govt MgdCare	4,577	4,577	8,765	5,200	15,105	28,340	9,485	25,470	5,038	81,258	10,360	8,283	80,413
8511-4730-41162 IP Acute-Other Govt MgdCare	0	0	12,996	5,467	0	6,140	5,467	0	10,934	0	2,876	9,781	0
8511-4760-41162 IP Acute-Other Govt MgdCare	0	0	21,754	13,732	9,243	22,474	31,730	15,619	68,954	19,707	11,040	21,380	53,105
8511-4775-41162 IP Acute-Other Govt MgdCare	8,728	11,032	78,065	67,782	81,596	74,129	57,826	80,644	68,579	42,890	44,089	43,350	53,375
8511-4801-41162 IP Acute-Other Govt MgdCare	516	516	1,548	1,720	1,720	1,204	2,236	2,408	1,376	3,440	2,408	2,236	3,956
Total: Other Govt MgdCare	1,556,805	3,954,311	6,304,529	6,447,281	7,125,760	6,674,264	5,653,582	6,564,131	7,344,206	6,666,703	6,030,024	6,079,857	6,448,247
County Indigent:													
8511-3010-41171 IP Acute-County Indigent	497,821	520,884	511,238	588,406	549,822	689,074	202,566	327,964	270,088	169,016	385,840	202,566	192,920
8511-3151-41171 IP Acute-County Indigent	17,464	0	0	4,366	34,928	8,732	28,380	0	27,300	32,760	5,460	0	16,380
8511-3179-41171 IP Acute-County Indigent	0	0	0	0	0	0	2,480	7,440	0	0	0	0	2,480
8511-3184-41171 IP Acute-County Indigent	67,940	0	0	27,176	0	0	0	0	0	0	0	0	0
8511-3187-41171 IP Acute-County Indigent	3,396	13,584	10,188	10,188	14,554	65,006	6,792	0	0	0	27,168	0	0
8511-3188-41171 IP Acute-County Indigent	95,088	121,340	250,388	264,888	210,552	295,452	146,028	105,276	122,256	132,444	54,336	142,632	125,652
8511-3290-41171 IP Acute-County Indigent	0	0	0	0	0	13,044	0	0	0	0	0	0	0
8511-3340-41171 IP Acute-County Indigent	0	0	0	7,009	5,632	1,408	0	1,377	0	0	0	0	0
8511-3390-41171 IP Acute-County Indigent	2,216	2,216	0	0	0	0	1,596	0	0	0	0	0	0
8511-3382-41171 IP Acute-County Indigent	0	0	0	3,454	0	0	0	0	0	0	0	0	0
8511-4010-41171 IP Acute-County Indigent	156,647	141,921	308,336	184,267	438,024	375,742	154,876	284,411	262,472	231,336	188,644	154,244	132,010
8511-4087-41171 IP Acute-County Indigent	1,673	0	0	0	0	0	0	0	0	0	0	0	0
8511-4183-41171 IP Acute-County Indigent	0	0	0	0	17,748	13,311	0	0	0	0	0	0	0
8511-4400-41171 IP Acute-County Indigent	24,349	0	0	0	0	0	3,336	0	0	0	0	8,253	0
8511-4420-41171 IP Acute-County Indigent	377,458	268,601	537,048	455,479	684,919	682,510	162,619	433,434	469,110	235,529	123,119	426,632	156,763
8511-4427-41171 IP Acute-County Indigent	6,126	11,432	14,904	6,534	9,596	28,176	13,121	11,229	9,957	15,825	3,063	14,805	9,189
8511-4450-41171 IP Acute-County Indigent	26,334	19,194	40,761	38,913	52,983	55,839	20,307	30,394	43,420	25,246	9,594	37,154	12,298
8511-4470-41171 IP Acute-County Indigent	244,958	104,943	233,689	335,178	372,346	212,433	88,484	103,706	200,715	121,264	47,042	181,920	90,961
8511-4471-41171 IP Acute-County Indigent	22,255	19,661	37,072	31,862	31,861	38,692	14,365	19,772	22,153	11,934	24,791	8,934	9,831
8511-4500-41171 IP Acute-County Indigent	243,287	212,217	271,286	302,561	466,875	366,752	126,982	195,275	169,487	117,327	171,914	170,340	127,079
8511-4509-41171 IP Acute-County Indigent	0	12	49	71	0	37	150	37	0	0	99	0	12
8511-4520-41171 IP Acute-County Indigent	4,167	1,574	2,272	6,204	3,233	7,488	146	2,940	1,281	0	552	5,158	1,250
8511-4540-41171 IP Acute-County Indigent	30,123	3,498	24,617	18,824	83,329	18,164	2,865	17,220	17,550	9,235	13,111	34,077	4,382
8511-4570-41171 IP Acute-County Indigent	7,887	704	5,725	2,897	21,821	7,943	856	428	4,178	2,617	6,426	4,077	3,743
8511-4573-41171 IP Acute-County Indigent	52,906	26,607	48,260	43,285	46,793	75,972	23,722	11,861	29,690	16,778	32,503	16,348	29,119
8511-4591-41171 IP Acute-County Indigent	6,716	11,352	23,754	14,992	17,775	21,718	3,640	12,627	16,978	21,144	20,104	520	1,560
8511-4620-41171 IP Acute-County Indigent	2,871	957	0	0	0	957	957	0	1,581	0	3,162	0	0
8511-4630-41171 IP Acute-County Indigent	51,230	47,916	73,271	58,639	103,727	110,195	59,677	58,928	67,671	60,047	50,529	54,793	43,055
8511-4650-41171 IP Acute-County Indigent	0	0	3,534	10,883	3,534	3,534	1,767	1,767	0	0	3,534	0	1,767
8511-4660-41171 IP Acute-County Indigent	23,167	23,070	17,122	17,569	11,486	17,122	19,021	12,049	54,206	0	27,359	0	0
8511-4670-41171 IP Acute-County Indigent	15,614	18,283	9,128	10,383	15,101	10,058	4,062	0	6,074	10,221	10,644	4,032	0
8511-4680-41171 IP Acute-County Indigent	373,836	366,010	463,183	369,507	361,999	515,341	422,160	564,958	448,190	599,651	555,524	448,050	357,711
8511-4710-41171 IP Acute-County Indigent	140,724	145,423	197,094	237,292	230,710	229,390	94,327	96,175	77,655	60,772	113,181	83,512	65,666
8511-4720-41171 IP Acute-County Indigent	294,984	326,737	316,801	284,806	304,259	201,634	132,309	158,676	171,893	113,074	290,381	70,613	87,153
8511-4722-41171 IP Acute-County Indigent	0	0	0	0	0	0	2,073	0	0	0	0	0	0
8511-4730-41171 IP Acute-County Indigent	0	5,467	0	0	10,934	0	0	0	0	0	5,467	0	0
8511-4760-41171 IP Acute-County Indigent	0	0	0	11,826	0	3,776	0	0	0	0	0	0	0
8511-4775-41171 IP Acute-County Indigent	10,872	1,988	17,150	18,748	22,005	26,833	13,357	5,553	9,719	12,938	5,508	8,478	12,988
8511-4801-41171 IP Acute-County Indigent	0	0	0	0	0	0	172	0	0	0	0	0	0
Total: County Indigent	2,802,109	2,415,591	3,416,870	3,359,567	4,126,546	4,096,333	1,753,193	2,463,497	2,495,969	1,996,592	2,178,632	2,083,750	1,488,001
Other:													
8511-3900-41191 IP Acute-Other	(302,400)	429,876	59,484	(95,972)	(75,410)	219,921	(165,657)	264,880	(544,278)	130,575	972,487	(314,716)	(979,558)
Total: Other	(302,400)	429,876	59,484	(95,972)	(75,410)	219,921	(165,657)	264,880	(544,278)	130,575	972,487	(314,716)	(979,558)
Total Acute	107,926,102	108,659,760	114,527,823	108,629,289	116,278,464	111,628,369	116,071,428	122,580,956	110,321,353	117,560,202	106,640,050	112,327,751	109,115,189
SNF:													
Self Pay:													
8511-4471-41201 SNF-Self Pay	1,065	744	0	450	3,925	2,349	0	798	53	0	0	9,873	0
8511-4500-41201 SNF-Self Pay	13,140	9,791	22,556	33,801	29,886	17,463	684	2,495	0	0	0	1,893	3,837
8511-4591-41201 SNF-Self Pay	1,040	0	0	0	0	0	0	0	0	0	0	0	0
8511-4620-41201 SNF-Self Pay	0	957	0	0	0	0	0	0	0	0	0	0	0
8511-4630-41201 SNF-Self Pay	0	0	0	2,565	483	966	0	0	0	0	0	548	0
8511-4670-41201 SNF-Self Pay	0	0	0	1,496	0	0	0	0	0	0	0	0	0
8511-4710-41201 SNF-Self Pay	6,589	15,562	27,331	64,282	96,094	33,902	512	3,975	0	0	0	5,116	13,894
8511-4720-41201 SNF-Self Pay	18,390	0	51,846	27,336	2,448	0	0	0	0	0	0	11,832	0
8511-4775-41201 SNF-Self Pay	2,045	3,027	8,003	1,352	9,913	1,432	3,251	3,837	0	0	0	2,358	13,700
Total: Self Pay	42,269	30,081	109,736	131,282	142,749	56,112	4,447	11,105	53	0	0	19,788	43,263
Comm MgdCare:													
8511-4471-41222 SNF-Comm MgdCare	301	587	53	583	159	300	776	344	4,764	6,553	1,039	3,121	1,197
8511-4500-41222 SNF-Comm MgdCare	17,319	14,458	2,920	17,372	8,428	1,398	18,614	6,864	19,918	23,451	4,915	26,469	8,394
8511-4509-41222 SNF-Comm MgdCare	0	0	0	0	0	0	0	0	37	0	0	0	0
8511-4540-41222 SNF-Comm MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	484
8511-4570-41222 SNF-Comm MgdCare	0	0	0	0	0	0	0	0	0	428	0	0	0
8511-4573-41222 SNF-Comm MgdCare	0	0	0	0	0	0	0	0	0	11,861	0	0	0
8511-4630-41222 SNF-Comm MgdCare	1,191	0	552	0	0	0	0	0	506	1,678	0	1,184	1,319
8511-4670-41222 SNF-Comm MgdCare	0	0	0	0	0	0	0	1,591	0	0	0	0	0
8511-4710-41222 SNF-Comm MgdCare	18,563	22,139	7,575	4,131	12,737	8,837	33,140	9,967	35,114	87,339	25,484	47,749	17,575
8511-4720-41222 SNF-Comm MgdCare	893	0	0	22,032	28,560	0	0	0	20,430	17,529	0	29,453	0
8511-4775-41222 SNF-Comm MgdCare	9,274	1,820	350	8,669	3,776	377							



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Medicare:													
8511-4010-41241 SNF-Medicare	0	0	0	0	0	0	0	0	0	0	0	4,773	(4,773)
8511-4183-41241 SNF-Medicare	8,874	0	0	0	0	0	0	0	0	0	0	0	0
8511-4429-41241 SNF-Medicare	0	813	2,080	0	0	0	0	0	0	0	0	0	0
8511-4471-41241 SNF-Medicare	20,164	16,252	8,524	7,127	3,703	1,047	1,387	930	595	2,210	(5,172)	2,205	3,422
8511-4500-41241 SNF-Medicare	130,288	75,877	115,094	62,770	42,069	13,285	13,471	27,159	33,972	68,161	27,156	70,820	26,676
8511-4509-41241 SNF-Medicare	0	23	0	0	0	0	0	0	11	113	78	0	0
8511-4540-41241 SNF-Medicare	242	470	484	0	0	0	0	0	0	484	0	0	0
8511-4570-41241 SNF-Medicare	0	0	0	0	0	0	0	0	0	428	0	0	428
8511-4573-41241 SNF-Medicare	0	0	0	0	0	0	0	0	0	11,861	0	0	1,443
8511-4591-41241 SNF-Medicare	2,080	1,040	520	520	0	0	0	0	520	0	0	5,156	0
8511-4630-41241 SNF-Medicare	2,328	1,957	443	966	1,908	966	1,431	0	1,690	3,029	2,688	4,220	1,386
8511-4670-41241 SNF-Medicare	0	3,280	4,980	1,496	0	0	0	0	0	0	0	11,393	0
8511-4680-41241 SNF-Medicare	0	0	1,490	0	0	0	0	0	0	0	0	0	0
8511-4710-41241 SNF-Medicare	231,107	184,481	160,596	135,959	80,940	18,437	8,084	14,002	41,863	89,604	84,401	57,333	40,875
8511-4720-41241 SNF-Medicare	74,590	51,816	21,654	16,320	(75,072)	8,976	423	0	17,136	12,240	(7,329)	31,901	2,040
8511-4775-41241 SNF-Medicare	10,166	7,187	19,405	20,148	18,062	6,668	819	10,948	13,780	11,706	19,255	44,108	30,220
Total: Medicare	479,840	343,196	335,270	245,306	71,610	49,379	25,615	53,039	109,567	199,836	121,077	231,909	101,717
Medicare MgdCare:													
8511-4429-41242 SNF-Medicare MgdCare	0	0	0	0	0	0	0	0	0	2,695	0	0	0
8511-4471-41242 SNF-Medicare MgdCare	144	1,267	0	0	201	0	0	53	3,182	5,817	190	611	589
8511-4500-41242 SNF-Medicare MgdCare	0	1,850	11,557	0	2,182	0	9,859	0	13,092	24,331	3,342	5,438	7,375
8511-4509-41242 SNF-Medicare MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	8
8511-4540-41242 SNF-Medicare MgdCare	0	0	0	0	0	0	1,452	0	0	0	0	0	0
8511-4591-41242 SNF-Medicare MgdCare	0	0	0	0	0	0	0	0	0	520	0	0	0
8511-4630-41242 SNF-Medicare MgdCare	0	0	483	0	660	0	0	0	506	506	0	0	1,214
8511-4680-41242 SNF-Medicare MgdCare	0	0	0	0	0	0	0	0	0	4,109	0	0	0
8511-4710-41242 SNF-Medicare MgdCare	48	9,709	5,544	0	3,717	0	871	0	2,317	5,434	8,122	11,755	5,567
8511-4720-41242 SNF-Medicare MgdCare	0	0	2,856	0	8,568	0	0	0	13,071	11,424	0	0	6,936
8511-4775-41242 SNF-Medicare MgdCare	0	2,314	0	0	0	0	0	0	3,637	3,638	4,235	0	8,969
Total: Medicare MgdCare	192	15,140	20,440	0	15,328	0	12,182	53	35,805	58,474	15,889	17,804	30,658
Medicare Risk:													
8511-4471-41243 SNF-Medicare At Risk	97	0	53	0	0	159	0	0	0	343	0	0	0
8511-4500-41243 SNF-Medicare At Risk	7,214	140	6,529	0	0	0	2,868	0	0	3,473	0	0	0
8511-4630-41243 SNF-Medicare At Risk	0	0	0	0	0	0	0	0	0	506	0	0	0
8511-4710-41243 SNF-Medicare At Risk	1,162	411	549	0	0	1,811	4,850	0	0	19,810	10,171	0	0
8511-4720-41243 SNF-Medicare At Risk	0	0	0	0	0	0	0	0	0	12,240	408	0	0
8511-4775-41243 SNF-Medicare At Risk	375	4,220	1,765	0	0	326	1,385	0	0	2,332	0	0	0
Total: Medicare Risk	8,848	4,771	8,896	0	0	2,296	8,903	0	0	38,704	10,579	0	0
Medi-Cal:													
8511-4076-41251 SNF-Medi-Cal	0	0	0	0	0	0	0	1,272	0	0	0	0	0
8511-4183-41251 SNF-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	4,437	(4,437)
8511-4400-41251 SNF-Medi-Cal	0	0	0	0	0	0	0	0	0	0	546	0	0
8511-4420-41251 SNF-Medi-Cal	(23,072)	0	0	0	0	0	0	0	0	0	0	0	17,810
8511-4427-41251 SNF-Medi-Cal	(1,838)	0	0	0	0	0	0	0	0	0	0	0	2,298
8511-4450-41251 SNF-Medi-Cal	(2,709)	0	0	0	0	0	0	0	0	0	0	0	2,262
8511-4470-41251 SNF-Medi-Cal	(16,032)	0	0	0	0	0	0	0	0	0	0	0	4,878
8511-4471-41251 SNF-Medi-Cal	1,501	3,858	7,602	6,876	10,412	11,849	7,981	15,270	16,418	11,319	1,215	230	3,134
8511-4500-41251 SNF-Medi-Cal	47,543	59,879	80,640	82,497	113,532	47,527	85,466	80,679	24,991	33,463	8,820	10,490	39,416
8511-4509-41251 SNF-Medi-Cal	37	0	0	0	0	0	0	0	0	0	0	35	14
8511-4520-41251 SNF-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	0	1,281
8511-4540-41251 SNF-Medi-Cal	484	0	0	0	0	0	0	0	0	0	0	0	0
8511-4570-41251 SNF-Medi-Cal	0	176	0	0	0	0	0	1,328	0	0	0	0	0
8511-4573-41251 SNF-Medi-Cal	0	11,861	0	0	0	0	0	1,443	0	0	0	0	0
8511-4591-41251 SNF-Medi-Cal	5,676	0	0	0	0	0	0	0	0	0	0	0	0
8511-4630-41251 SNF-Medi-Cal	1,449	966	483	1,957	(463)	2,415	1,116	589	605	0	0	0	506
8511-4680-41251 SNF-Medi-Cal	0	0	4,109	0	0	0	0	0	0	0	0	0	0
8511-4710-41251 SNF-Medi-Cal	27,437	73,201	89,522	76,158	87,790	30,482	82,826	170,364	36,115	34,812	16,595	12,369	81,580
8511-4720-41251 SNF-Medi-Cal	43,738	24,495	42,925	49,776	122,809	423	0	8,583	1,224	1,632	0	0	11,424
8511-4760-41251 SNF-Medi-Cal	0	0	0	0	3,263	0	0	0	0	0	0	0	0
8511-4775-41251 SNF-Medi-Cal	7,987	8,939	26,750	14,165	26,389	19,982	20,107	15,311	7,746	7,834	4,068	8,423	27,432
Total: Medi-Cal	92,202	183,374	252,031	231,429	363,732	112,678	197,496	294,839	87,099	89,060	31,244	35,984	187,598
Medi-Cal MgdCare:													
8511-4471-41252 SNF-Medi-Cal MgdCare	20,334	17,272	8,958	2,406	1,029	150	0	1,646	1,311	6,927	2,687	8,340	6,543
8511-4500-41252 SNF-Medi-Cal MgdCare	74,392	75,946	73,238	44,857	35,328	8,116	0	10,845	24,103	16,225	58,303	31,869	14,139
8511-4509-41252 SNF-Medi-Cal MgdCare	0	0	0	0	357	0	0	0	0	287	0	0	0
8511-4540-41252 SNF-Medi-Cal MgdCare	0	0	726	0	726	0	0	0	0	0	484	0	0
8511-4570-41252 SNF-Medi-Cal MgdCare	0	0	612	0	0	0	0	0	0	0	428	428	0
8511-4573-41252 SNF-Medi-Cal MgdCare	0	0	0	0	0	0	0	0	0	0	1,443	12,534	0
8511-4591-41252 SNF-Medi-Cal MgdCare	0	920	520	520	0	0	0	0	0	520	0	0	520
8511-4630-41252 SNF-Medi-Cal MgdCare	0	1,912	1,143	966	0	0	0	0	0	506	0	589	0
8511-4670-41252 SNF-Medi-Cal MgdCare	0	0	1,660	0	0	0	0	0	0	0	0	0	0
8511-4680-41252 SNF-Medi-Cal MgdCare	0	0	0	7,771	0	0	0	0	0	0	0	0	0
8511-4710-41252 SNF-Medi-Cal MgdCare	122,629	99,191	74,557	48,327	67,142	17,887	9	3,594	17,051	62,651	92,146	29,442	35,505
8511-4720-41252 SNF-Medi-Cal MgdCare	4,896	423	5,304	2,040	12,240	0	0	0	0	816	0	423	0
8511-4775-41252 SNF-Medi-Cal MgdCare	10,814	12,401	9,563	5,827	17,189	0	0	1,868	3,918	8,525	12,642	10,725	8,777
Total: Medi-Cal MgdCare	233,065	208,065	176,281	112,714	134,011	26,153	9	17,953	46,383	96,457	168,133	94,350	65,484
Medi-Cal Risk:													
8511-4183-41253 SNF-Medi-Cal At Risk	0	0	0	0	0	0	0	0	0	0	0	4,437	(4,437)
8511-4471-41253 SNF-Medi-Cal At Risk	97	1,403	149	1,190	53	148	0	150	0	353	0	10,190	0
8511-4500-41253 SNF-Medi-Cal At Risk	6,766	9,480	2,419	7,883	5,484	1,680	0	398	3,703	2,044	0	19,036	6,227
8511-4540-41253 SNF-Medi-Cal At Risk	484	0	0	0	0	0	0	0	0	0	0	0	0
8511-4570-41253 SNF-Medi-Cal At Risk	0	0	0	0	0	0	0	0	0	0	0	428	0
8511-4573-41253 SNF-Medi-Cal At Risk	0												



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4775-41253 SNF-Medi-Cal At Risk	0	0	1,214	8,125	9,685	2,416	0	824	783	824	0	6,442	2,917
Total: Medi-Cal Risk	11,498	18,989	5,273	58,133	33,268	4,930	0	4,009	8,912	3,860	0	183,828	64,403
Other Govt:													
8511-4471-41261 IP SNF Oth Govt FFS	0	0	0	0	0	0	0	0	465	0	0	(279)	0
8511-4500-41261 IP SNF Oth Govt FFS	0	0	0	0	0	0	0	0	8,237	951	0	(6,155)	0
8511-4540-41261 IP SNF Oth Govt FFS	0	0	0	0	0	0	0	0	1,016	532	0	(1,548)	0
8511-4710-41261 IP SNF Oth Govt FFS	0	0	0	0	0	0	0	0	371	1	0	(154)	0
8511-4775-41261 IP SNF Oth Govt FFS	0	0	0	0	0	0	0	0	2,403	0	0	(1,254)	0
Total: Other Govt	0	0	0	0	0	0	0	0	12,492	1,484	0	(9,390)	0
SNF-Other:													
8511-4471-41292 SNF-Other MgdCare	0	0	492	0	492	1,398	0	0	0	0	106	53	0
8511-4500-41292 SNF-Other MgdCare	0	1,461	9,806	6,683	10,734	19,015	6,225	0	0	0	0	7,997	0
8511-4570-41292 SNF-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	428	0
8511-4573-41292 SNF-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	1,443	0
8511-4630-41292 SNF-Other MgdCare	0	0	0	0	483	0	0	0	0	0	0	0	0
8511-4710-41292 SNF-Other MgdCare	0	13,700	14,591	12,943	13,939	15,128	2,818	0	0	0	1,712	5,426	0
8511-4720-41292 SNF-Other MgdCare	0	0	4,896	0	0	0	0	0	0	0	0	0	0
8511-4775-41292 SNF-Other MgdCare	0	0	0	0	2,976	2,111	2,518	0	0	0	0	0	0
Total: SNF-Other	0	15,161	29,885	19,626	28,624	37,652	11,561	0	0	0	1,818	15,347	0
<b>Total SNF</b>	<b>915,454</b>	<b>857,781</b>	<b>948,962</b>	<b>851,277</b>	<b>842,981</b>	<b>300,112</b>	<b>312,743</b>	<b>398,173</b>	<b>383,891</b>	<b>641,365</b>	<b>382,752</b>	<b>706,984</b>	<b>531,005</b>
<b>PSYCH:</b>													
Self Pay:													
8511-4010-41301 IP Psych-Self Pay	43,254	49,664	64,664	77,291	110,397	77,200	16,222	66,886	25,457	54,056	49,849	34,798	35,637
8511-4400-41301 IP Psych-Self Pay	0	0	0	0	0	0	0	13,280	0	0	0	0	0
8511-4471-41301 IP Psych-Self Pay	0	388	194	0	313	942	502	1,093	97	194	0	0	216
8511-4500-41301 IP Psych-Self Pay	22,741	35,991	28,989	63,205	60,138	49,786	28,582	30,490	8,256	26,116	28,463	22,933	11,011
8511-4509-41301 IP Psych-Self Pay	0	0	0	0	0	12	0	78	0	0	0	0	0
8511-4591-41301 IP Psych-Self Pay	0	1,040	520	1,560	520	2,600	1,040	2,080	520	1,040	2,080	1,560	0
8511-4630-41301 IP Psych-Self Pay	483	2,428	0	0	1,411	966	678	1,184	0	506	506	506	0
8511-4670-41301 IP Psych-Self Pay	1,673	0	0	0	0	0	1,626	0	0	0	0	0	1,626
8511-4680-41301 IP Psych-Self Pay	27,365	4,109	7,437	0	19,949	12,327	7,238	4,109	4,109	0	8,218	0	0
8511-4710-41301 IP Psych-Self Pay	4,484	4,600	5,884	6,778	10,862	8,921	9,867	7,897	810	5,377	3,750	2,658	3,327
8511-4720-41301 IP Psych-Self Pay	0	0	0	0	0	0	0	0	0	0	0	0	0
Total: Self Pay	100,000	98,220	107,688	148,834	203,590	152,754	65,755	127,097	39,249	87,289	92,866	62,455	51,817
Comm MgdCare:													
8511-4010-41322 IP Psych-Comm MgdCare	16,411	8,449	16,544	11,211	7,526	4,677	4,828	18,981	4,548	19,517	26,125	13,908	17,545
8511-4471-41322 IP Psych-Comm MgdCare	0	0	0	202	0	0	194	0	0	0	0	0	0
8511-4500-41322 IP Psych-Comm MgdCare	15,108	5,412	14,296	10,694	11,037	5,024	4,233	13,042	7,480	8,180	15,828	16,816	13,446
8511-4509-41322 IP Psych-Comm MgdCare	0	251	0	0	0	0	0	0	0	0	0	0	0
8511-4591-41322 IP Psych-Comm MgdCare	0	0	0	0	520	0	520	0	520	0	0	0	0
8511-4630-41322 IP Psych-Comm MgdCare	0	0	483	0	483	0	506	0	0	0	0	0	0
8511-4670-41322 IP Psych-Comm MgdCare	0	0	0	0	0	0	0	1,990	0	0	0	0	0
8511-4680-41322 IP Psych-Comm MgdCare	0	0	0	3,918	0	0	6,769	0	23,861	0	0	0	0
8511-4710-41322 IP Psych-Comm MgdCare	5,944	5,328	8,476	3,496	2,911	2,667	2,305	3,791	3,579	5,821	3,983	2,354	1,425
8511-4775-41322 IP Psych-Comm MgdCare	0	0	460	0	0	0	0	0	0	0	0	0	0
Total: Comm MgdCare	37,463	19,440	40,259	29,521	22,477	12,368	12,586	44,573	16,127	57,379	45,936	33,078	32,416
Medicare:													
8511-4010-41341 IP Psych-Medicare	48,648	68,736	55,209	24,865	39,984	62,842	62,689	76,200	75,139	81,570	63,513	66,459	49,477
8511-4471-41341 IP Psych-Medicare	97	596	1,202	0	596	589	0	0	0	444	0	216	0
8511-4500-41341 IP Psych-Medicare	50,666	63,854	40,159	15,310	30,299	37,221	37,710	43,835	44,104	47,515	51,981	38,674	26,507
8511-4509-41341 IP Psych-Medicare	13	14	13	0	0	31	13	0	14	0	0	0	0
8511-4540-41341 IP Psych-Medicare	484	0	0	0	0	0	0	0	0	0	0	0	0
8511-4591-41341 IP Psych-Medicare	0	1,560	1,040	0	520	4,636	2,600	520	2,080	3,120	2,080	520	0
8511-4620-41341 IP Psych-Medicare	0	0	0	0	0	1,914	1,581	0	1,581	0	0	0	0
8511-4630-41341 IP Psych-Medicare	966	1,143	4,452	483	966	8,617	526	0	506	2,064	678	1,710	506
8511-4660-41341 IP Psych-Medicare	6,063	0	0	0	0	11,844	0	0	0	0	0	0	0
8511-4670-41341 IP Psych-Medicare	0	1,319	0	0	0	4,369	2,105	5,094	0	0	0	0	0
8511-4680-41341 IP Psych-Medicare	0	12,638	11,546	0	6,633	16,747	4,109	(8,529)	21,088	14,605	0	0	0
8511-4710-41341 IP Psych-Medicare	15,712	15,020	13,821	7,630	16,297	15,289	16,004	12,609	12,594	13,505	15,058	9,233	8,005
8511-4720-41341 IP Psych-Medicare	11,430	6,966	1,224	0	0	1,565	0	408	0	1,632	0	0	0
8511-4775-41341 IP Psych-Medicare	0	0	712	0	976	1,875	2,430	0	0	925	0	0	0
Total: Medicare	134,088	171,846	129,378	48,288	96,271	167,539	131,803	132,217	155,546	164,340	134,350	118,372	85,015
Medicare MgdCare:													
8511-4010-41342 IP Psych-Medicare MgdCare	20,819	19,902	18,316	7,716	11,262	23,621	15,992	13,329	9,428	23,494	18,056	8,863	8,630
8511-4183-41342 IP Psych-Medicare MgdCare	0	0	0	0	0	0	0	0	0	8,874	0	0	0
8511-4471-41342 IP Psych-Medicare MgdCare	0	17	216	0	0	53	97	0	0	1,041	148	0	0
8511-4500-41342 IP Psych-Medicare MgdCare	22,932	20,628	4,966	7,357	11,938	17,933	12,860	7,530	2,216	20,455	9,300	11,439	4,892
8511-4591-41342 IP Psych-Medicare MgdCare	0	520	0	0	0	0	520	0	0	520	1,040	0	520
8511-4630-41342 IP Psych-Medicare MgdCare	0	483	0	0	1,669	0	506	0	0	2,101	506	0	0
8511-4650-41342 IP Psych-Medicare MgdCare	0	0	0	0	0	0	0	0	0	3,935	0	0	0
8511-4670-41342 IP Psych-Medicare MgdCare	0	1,496	0	0	0	0	1,990	0	0	0	0	0	0
8511-4680-41342 IP Psych-Medicare MgdCare	0	0	0	0	0	0	0	0	0	11,427	4,109	0	0
8511-4710-41342 IP Psych-Medicare MgdCare	4,859	17,925	12,420	11,806	5,786	7,768	3,388	2,104	1,079	7,813	1,659	1,879	1,339
8511-4720-41342 IP Psych-Medicare MgdCare	0	893	0	0	0	0	0	0	0	0	0	0	0
8511-4775-41342 IP Psych-Medicare MgdCare	662	0	0	0	0	0	0	0	0	976	0	0	0
Total: Medicare MgdCare	49,272	61,864	35,918	26,879	30,655	49,375	35,353	22,963	12,723	80,636	34,818	22,181	15,381
Medicare Risk:													
8511-4010-41343 IP Psych-Medicare At Risk	0	0	0	0	0	0	10,013	0	0	3,296	4,965	0	0
8511-4183-41343 IP Psych-Medicare At Risk	0	22,185	4,437	0	0	0	0	0	0	0	0	0	0
8511-4420-41343 IP Psych-Medicare At Risk	0	23,072	0	0	0	0	0	0	0	0	0	0	0
8511-4427-41343 IP Psych-Medicare At Risk	0	2,858	0	0	0	0	0	0	0	0	0	0	0
8511-4450-41343 IP Psych-Medicare At Risk	0	2,772	0	0	0	0	0	0	0	0	0	0	0
8511-4470-41343 IP Psych-Medicare At Risk	0	3,140	0	0	0	0	0	0	0	0	0	0	0
8511-4471-41343 IP Psych-Medicare At Risk	0	0	97	0	0	0	936	0	0	0	297	0	0
8511-4500-41343 IP Psych-Medicare At Risk	0	18,020	2,223	0	0	5,664	10,952	0	0	4,853	5,300	0	0



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4509-41343 IP Psych-Medicare At Risk	0	229	0	0	0	0	0	0	0	0	0	0	0
8511-4520-41343 IP Psych-Medicare At Risk	0	4,097	0	0	0	0	0	0	0	0	0	0	0
8511-4540-41343 IP Psych-Medicare At Risk	0	484	0	0	0	0	0	0	0	0	0	0	0
8511-4570-41343 IP Psych-Medicare At Risk	0	2,241	0	0	0	0	0	0	0	0	0	0	0
8511-4573-41343 IP Psych-Medicare At Risk	0	10,472	0	0	0	0	0	0	0	0	0	0	0
8511-4591-41343 IP Psych-Medicare At Risk	0	520	0	0	0	0	520	0	0	0	4,636	0	0
8511-4630-41343 IP Psych-Medicare At Risk	0	2,071	0	0	0	0	1,579	0	0	0	0	0	0
8511-4650-41343 IP Psych-Medicare At Risk	0	3,832	0	0	0	0	0	0	0	0	0	0	0
8511-4660-41343 IP Psych-Medicare At Risk	0	0	0	0	0	0	0	0	0	0	6,063	0	0
8511-4670-41343 IP Psych-Medicare At Risk	0	0	0	0	0	0	4,032	0	0	0	2,105	0	0
8511-4680-41343 IP Psych-Medicare At Risk	0	0	0	0	0	0	4,109	0	0	0	0	552	0
8511-4710-41343 IP Psych-Medicare At Risk	184	10,536	828	0	0	2,385	2,977	0	0	854	1,091	0	0
8511-4720-41343 IP Psych-Medicare At Risk	0	1,565	0	0	0	0	2,040	0	0	0	0	0	0
8511-4775-41343 IP Psych-Medicare At Risk	0	2,686	0	0	0	0	819	0	0	0	976	0	0
Total: Medicare Risk	184	110,780	7,585	0	0	8,049	37,977	0	0	9,003	25,433	0	0
Medi-Cal:													
8511-4010-41351 IP Psych-Medi-Cal	452,309	515,213	524,447	424,677	441,829	483,255	372,149	580,660	459,677	580,799	634,011	676,486	578,726
8511-4087-41351 IP Psych-Medi-Cal	0	0	0	0	0	1,509	1,509	0	0	0	0	0	0
8511-4400-41351 IP Psych-Medi-Cal	0	0	0	0	0	5,893	0	0	0	0	0	0	0
8511-4420-41351 IP Psych-Medi-Cal	0	0	0	0	0	0	0	0	0	0	31,842	28,334	0
8511-4427-41351 IP Psych-Medi-Cal	0	0	0	0	0	0	0	0	0	0	2,553	3,573	0
8511-4450-41351 IP Psych-Medi-Cal	0	0	0	0	0	0	0	0	0	0	5,200	4,472	0
8511-4470-41351 IP Psych-Medi-Cal	0	0	0	0	0	0	0	0	0	0	19,701	2,222	0
8511-4471-41351 IP Psych-Medi-Cal	1,033	1,113	1,503	539	1,097	2,039	1,586	699	1,390	1,616	1,264	2,251	97
8511-4500-41351 IP Psych-Medi-Cal	351,096	400,700	497,995	358,513	358,778	357,996	349,235	334,653	319,360	417,730	386,659	419,540	390,552
8511-4509-41351 IP Psych-Medi-Cal	264	322	344	76	35	605	885	(275)	0	92	83	14	0
8511-4520-41351 IP Psych-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	552	1,102
8511-4540-41351 IP Psych-Medi-Cal	0	0	0	0	0	242	242	0	(242)	0	0	0	0
8511-4570-41351 IP Psych-Medi-Cal	0	0	0	3,292	0	0	0	0	0	0	0	428	0
8511-4573-41351 IP Psych-Medi-Cal	0	0	0	10,561	0	0	0	0	0	0	0	1,443	0
8511-4591-41351 IP Psych-Medi-Cal	1,560	8,276	9,836	7,280	3,640	12,436	11,916	5,720	6,240	10,356	4,160	13,621	14,040
8511-4620-41351 IP Psych-Medi-Cal	0	0	0	0	0	0	1,581	0	1,581	0	0	0	0
8511-4630-41351 IP Psych-Medi-Cal	1,626	4,869	8,067	7,603	6,031	10,114	11,336	5,679	1,998	4,881	9,073	11,981	7,783
8511-4650-41351 IP Psych-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	8,287	0
8511-4660-41351 IP Psych-Medi-Cal	0	0	0	0	0	6,063	6,063	0	0	0	0	0	0
8511-4670-41351 IP Psych-Medi-Cal	0	4,005	0	3,380	1,496	3,169	3,424	1,990	5,953	3,980	1,608	3,616	8,211
8511-4680-41351 IP Psych-Medi-Cal	8,218	27,813	20,810	15,529	12,327	9,889	12,351	16,460	4,105	11,428	12,351	62,245	18,325
8511-4710-41351 IP Psych-Medi-Cal	108,860	137,193	124,830	103,796	111,827	108,958	98,931	109,763	99,107	104,336	106,582	148,212	113,506
8511-4720-41351 IP Psych-Medi-Cal	1,146	2,357	3,404	1,716	1,962	2,722	2,523	2,856	5,712	6,936	3,672	8,566	10,885
8511-4775-41351 IP Psych-Medi-Cal	0	0	0	0	1,107	0	4,966	0	918	0	4,338	2,333	4,247
Total: Medi-Cal	926,111	1,101,861	1,191,036	936,962	940,129	1,004,890	878,697	1,058,205	905,799	1,142,154	1,223,097	1,398,178	1,147,274
Medi-Cal MgdCare:													
8511-4010-41352 IP Psych-Medi-Cal MgdCare	7,540	0	7,898	0	2,916	0	8,410	0	8,630	10,300	6,557	4,852	0
8511-4087-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	1,438
8511-4183-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	0	0	8,874	0	0	0	0	0	0
8511-4400-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	0	0	0	0	0	0	7,807	0	25,298
8511-4420-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	16,056	0	0	0	0	0	0	0	0
8511-4427-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	2,450	0	0	0	0	0	0	0	0
8511-4450-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	1,407	0	0	0	0	0	0	0	0
8511-4470-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	2,244	0	0	0	0	0	0	0	0
8511-4471-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	0	0	245	0	0	0	683	0	1,497
8511-4500-41352 IP Psych-Medi-Cal MgdCare	3,905	274	5,154	4,950	1,064	3,813	10,803	0	1,825	4,142	5,625	1,093	8,557
8511-4509-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	0	14	0	0	0	0	0	0	39
8511-4520-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	845
8511-4591-41352 IP Psych-Medi-Cal MgdCare	520	0	4,636	5,676	0	0	5,156	0	520	12,677	0	0	520
8511-4620-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	0	957	0	0	0	0	0	0	0
8511-4630-41352 IP Psych-Medi-Cal MgdCare	483	0	483	0	0	0	506	0	0	506	0	0	506
8511-4660-41352 IP Psych-Medi-Cal MgdCare	0	0	6,063	0	0	0	0	0	0	0	0	0	0
8511-4670-41352 IP Psych-Medi-Cal MgdCare	0	0	0	2,008	0	0	1,990	0	0	0	0	0	0
8511-4680-41352 IP Psych-Medi-Cal MgdCare	0	0	0	0	0	13,042	12,434	0	4,109	0	0	0	9,903
8511-4710-41352 IP Psych-Medi-Cal MgdCare	606	203	254	1,839	1,439	1,025	2,465	799	619	2,310	2,495	643	2,256
8511-4720-41352 IP Psych-Medi-Cal MgdCare	0	0	423	0	0	0	0	0	0	0	2,040	0	0
8511-4775-41352 IP Psych-Medi-Cal MgdCare	0	0	1,142	0	0	0	3,335	0	0	0	1,488	0	0
Total: Medi-Cal MgdCare	13,054	477	26,053	14,473	27,576	18,851	54,218	799	15,703	29,935	26,695	6,588	50,859
Medi-Cal Risk:													
8511-4010-41353 IP Psych-Medi-Cal At Risk	3,537	0	0	0	0	0	4,441	0	0	0	0	0	0
8511-4183-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	31,059	0	0	0	0	0	0	0
8511-4471-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	194	97	0	0	0	0	0	0
8511-4500-41353 IP Psych-Medi-Cal At Risk	1,514	0	0	0	0	54,544	3,557	0	0	0	0	0	0
8511-4509-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	129	0	0	0	0	0	0	0
8511-4540-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	726	0	0	0	0	0	0	0
8511-4570-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	74,347	0	0	0	0	0	0	0
8511-4591-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	6,076	0	0	0	0	0	0	0
8511-4630-41353 IP Psych-Medi-Cal At Risk	483	0	0	0	0	1,449	0	0	0	0	0	0	0
8511-4650-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	6,085	0	0	0	0	0	0	0
8511-4680-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	4,109	0	0	0	0	0	0	0
8511-4690-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	0	1,396	0	0	0	0	0	0
8511-4710-41353 IP Psych-Medi-Cal At Risk	1,855	0	0	0	0	40,122	431	0	0	0	0	0	0
8511-4720-41353 IP Psych-Medi-Cal At Risk	12,422	0	0	0	0	0	0	0	0	0	0	0	0
8511-4775-41353 IP Psych-Medi-Cal At Risk	0	0	0	0	0	6,602	0	0	0	0	0	0	0
Total: Medi-Cal Risk	19,811	0	0	0	0	225,442	9,922	0	0	0	0	0	0
Other Govt:													
8511-4010-41361 IP Psych-Other Govt FFS	4,685	0	0	0	0	0	0	0	5,485	0	0	0	0
8511-4500-41361 IP Psych-Other Govt FFS	2,664	0	0	0	0	0	0	1,093	0	0	0	0	0
8511-4591-41361 IP Psych-Other Govt FFS	520	0	0	0	0	0	0	0	0	0	0	0	0
8511-4630-41361 IP Psych-Other Govt FFS	660	0	0	0	0	0	0	0	0	0	0	0	0
8511-4710-41361 IP Psych-Other Govt FFS	620	0	0	0	0	0	0	108	0	0	0	0	0
Total: Other Govt	9,149	0	0	0	0	0	0	0	6,686	0	0	0	0
County Indigent:													
8511-4010-41371 IP Psych-County Indigent	0	0	0	0	11,494	0	0	0	0	0	0	0	0
8511-4500-41371 IP Psych-County Indigent	0	0	0	0	5,743	2,715	0	0	0	925	0	0	0



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4630-41371 IP Psych-County Indigent	0	0	0	0	483	0	0	0	0	0	0	0	0
8511-4680-41371 IP Psych-County Indigent	0	0	0	0	2,524	0	0	0	0	0	0	0	0
8511-4710-41371 IP Psych-County Indigent	0	0	0	69	695	20	0	5	0	5	0	0	0
Total: County Indigent	0	0	0	69	20,939	2,735	0	5	0	930	0	0	0
Psych-Other:													
8511-4420-41392 IP Psych-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	17,810
8511-4427-41392 IP Psych-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	3,063
8511-4450-41392 IP Psych-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	2,262
8511-4470-41392 IP Psych-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	342
8511-4500-41392 IP Psych-Other MgdCare	0	1,340	0	0	0	0	0	0	0	0	0	3,613	1,239
8511-4520-41392 IP Psych-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	0	729
8511-4591-41392 IP Psych-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	520	0
8511-4710-41392 IP Psych-Other MgdCare	0	501	0	0	0	0	13	22	0	0	0	536	1,492
8511-4720-41392 IP Psych-Other MgdCare	0	0	0	0	0	0	0	0	0	0	0	816	0
Total: Psych-Other	0	1,841	0	0	0	0	0	13	22	0	0	5,485	26,937
<b>Total Psych</b>	<b>1,289,133</b>	<b>1,566,330</b>	<b>1,537,917</b>	<b>1,205,026</b>	<b>1,341,637</b>	<b>1,642,003</b>	<b>1,226,310</b>	<b>1,385,872</b>	<b>1,151,855</b>	<b>1,571,666</b>	<b>1,583,195</b>	<b>1,646,337</b>	<b>1,409,699</b>
<b>Total Gross Inpatient Revenue</b>	<b>110,130,689</b>	<b>111,083,870</b>	<b>117,014,701</b>	<b>110,685,593</b>	<b>118,463,082</b>	<b>113,570,484</b>	<b>117,610,481</b>	<b>124,365,001</b>	<b>111,857,099</b>	<b>119,773,233</b>	<b>108,605,998</b>	<b>114,681,072</b>	<b>111,055,893</b>
<b>Gross Outpatient Revenue:</b>													
<b>Outpatient:</b>													
Self Pay:													
8511-3151-44501 O/P-Self Pay	0	0	0	0	0	18,004	5,131	0	2,821	9,751	0	0	3,241
8511-4010-44501 O/P-Self Pay	12,338	10,933	27,075	14,712	9,142	7,913	21,315	8,321	20,960	20,888	568	1,704	6,384
8511-4076-44501 O/P-Self Pay	0	1,417	1,479	547	1,513	2,115	1,077	990	2,469	602	2,220	2,986	2,122
8511-4087-44501 O/P-Self Pay	23,250	9,420	19,380	10,234	12,861	17,451	20,817	14,634	17,818	12,498	7,107	12,344	17,137
8511-4400-44501 O/P-Self Pay	69,138	66,659	64,808	43,794	73,214	59,565	83,352	94,729	69,980	67,593	51,614	49,658	77,251
8511-4420-44501 O/P-Self Pay	0	0	0	0	0	21,318	19,564	0	0	0	0	7,471	0
8511-4427-44501 O/P-Self Pay	0	0	0	0	0	2,450	3,063	0	0	0	0	0	0
8511-4450-44501 O/P-Self Pay	0	0	0	0	0	2,478	2,548	0	0	0	0	364	0
8511-4470-44501 O/P-Self Pay	0	0	0	0	0	11,013	5,375	0	0	0	0	954	0
8511-4471-44501 O/P-Self Pay	321	198	330	311	132	562	214	132	378	528	330	198	396
8511-4500-44501 O/P-Self Pay	8,761	11,828	13,729	9,983	16,078	10,163	12,482	7,970	21,075	10,171	6,807	2,923	10,724
8511-4509-44501 O/P-Self Pay	0	251	0	47	16	0	0	0	0	108	0	0	0
8511-4520-44501 O/P-Self Pay	0	0	845	256	0	552	552	0	0	0	0	0	0
8511-4540-44501 O/P-Self Pay	0	0	0	0	0	0	0	1,694	0	0	0	0	0
8511-4570-44501 O/P-Self Pay	1,408	0	0	0	0	0	0	0	0	0	0	0	0
8511-4573-44501 O/P-Self Pay	7,039	0	0	0	0	0	0	0	0	0	0	0	0
8511-4591-44501 O/P-Self Pay	520	2,600	0	520	12,352	4,636	520	520	4,636	0	0	0	520
8511-4630-44501 O/P-Self Pay	(669)	660	483	1,320	1,586	483	506	506	691	0	589	0	0
8511-4660-44501 O/P-Self Pay	0	0	0	0	0	6,063	0	0	8,719	0	0	0	0
8511-4670-44501 O/P-Self Pay	0	2,854	2,471	5,406	0	2,008	2,993	2,610	4,600	5,220	1,626	0	1,320
8511-4680-44501 O/P-Self Pay	0	4,040	8,529	17,555	1,671	0	6,261	0	192	0	0	0	0
8511-4690-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	0	0	633	0	0
8511-4710-44501 O/P-Self Pay	3,479	839	885	1,925	3,476	1,773	4,057	535	2,257	1,658	192	522	365
8511-4720-44501 O/P-Self Pay	11,090	0	0	0	816	423	0	0	0	0	0	0	0
8511-4775-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	824	0	0	0	0
8511-4801-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	0	180	0	0	0
Total: Self Pay	136,875	111,699	140,014	106,610	132,857	168,970	189,627	130,947	159,114	129,197	71,686	79,124	119,460
Comm MgdCare:													
8511-3151-44522 O/P-Comm MgdCare	26,138	52,605	25,813	9,408	35,966	34,104	14,959	38,395	14,210	42,686	15,813	47,740	28,973
8511-4010-44522 O/P-Comm MgdCare	26,041	6,404	30,157	8,786	34,372	24,842	28,748	30,133	41,325	22,540	13,969	63,047	33,269
8511-4076-44522 O/P-Comm MgdCare	11,614	21,506	49,288	39,568	61,480	47,640	37,286	54,463	44,261	96,552	67,123	85,420	63,757
8511-4080-44522 O/P-Comm MgdCare	35,845	18,894	31,807	29,952	41,990	34,027	45,884	66,803	64,059	48,472	59,988	80,460	60,220
8511-4087-44522 O/P-Comm MgdCare	33,579	30,623	31,810	23,191	20,554	12,620	29,810	27,409	11,758	40,103	30,895	26,753	36,629
8511-4090-44522 O/P-Comm MgdCare	0	0	0	0	0	5,844	6,556	18,432	13,824	6,912	27,648	0	0
8511-4183-44522 O/P-Comm MgdCare	0	0	0	0	0	8,874	0	0	0	0	0	0	0
8511-4400-44522 O/P-Comm MgdCare	109,927	66,701	96,059	71,197	73,117	43,078	74,660	92,956	30,225	126,764	98,145	96,354	147,210
8511-4420-44522 O/P-Comm MgdCare	809,147	709,078	688,773	610,572	998,115	726,799	585,468	853,928	720,165	826,456	684,474	922,224	806,114
8511-4427-44522 O/P-Comm MgdCare	87,186	77,390	80,452	71,264	108,426	79,638	76,227	69,954	97,014	126,108	81,954	125,352	104,418
8511-4429-44522 O/P-Comm MgdCare	1,600	0	1,726	0	1,180	3,326	1,800	0	900	2,695	0	0	0
8511-4450-44522 O/P-Comm MgdCare	67,746	57,939	68,859	59,997	97,209	76,755	73,981	78,468	89,336	99,658	73,970	102,830	102,258
8511-4470-44522 O/P-Comm MgdCare	124,520	138,664	151,026	201,449	228,866	182,177	252,143	94,017	164,810	206,887	86,975	183,105	125,860
8511-4471-44522 O/P-Comm MgdCare	1,103	1,106	1,638	5,252	2,927	1,702	2,080	1,344	917	2,461	3,893	1,278	1,756
8511-4500-44522 O/P-Comm MgdCare	107,287	67,704	178,466	168,105	123,865	97,610	96,825	96,875	85,570	89,691	142,696	142,544	102,456
8511-4509-44522 O/P-Comm MgdCare	5	116	26	119	127	30	39	140	287	157	228	19	52
8511-4520-44522 O/P-Comm MgdCare	47,185	43,994	55,140	54,648	49,441	56,380	53,690	46,914	60,005	71,521	65,453	71,888	58,624
8511-4540-44522 O/P-Comm MgdCare	3,146	0	1,210	1,189	968	726	484	484	0	484	1,375	1,210	0
8511-4570-44522 O/P-Comm MgdCare	84,714	294,980	109,473	54,850	16,922	280,334	219,547	22,299	36,436	556,406	295,389	286,890	(57,176)
8511-4573-44522 O/P-Comm MgdCare	14,853	44,445	43,843	48,058	(5,654)	0	20,375	20,661	4,464	29,604	28,161	0	47,673
8511-4591-44522 O/P-Comm MgdCare	37,810	43,976	53,295	31,448	52,544	39,275	25,097	33,365	48,749	44,791	38,310	46,560	11,820
8511-4620-44522 O/P-Comm MgdCare	0	0	0	0	0	0	0	0	0	0	0	1,581	1,581
8511-4630-44522 O/P-Comm MgdCare	146,370	110,123	112,205	113,737	131,913	89,940	58,803	53,681	91,310	76,274	95,508	74,215	95,126
8511-4642-44522 O/P-Comm MgdCare	5,898	60,715	67,289	70,455	43,023	1,636	72,901	372,065	452,245	284,994	309,796	142,571	29,264
8511-4650-44522 O/P-Comm MgdCare	23,343	24,137	27,218	18,380	36,067	9,484	14,760	9,748	11,159	11,512	0	28,261	21,743
8511-4660-44522 O/P-Comm MgdCare	79,585	70,282	78,046	58,972	101,612	27,895	64,706	22,947	55,593	114,741	39,040	104,443	60,744
8511-4670-44522 O/P-Comm MgdCare	120,508	77,776	78,205	96,183	47,535	77,994	68,329	39,201	39,618	50,296	56,517	49,906	64,802
8511-4680-44522 O/P-Comm MgdCare	87,598	104,023	170,835	121,905	144,951	98,281	128,699	78,478	123,273	143,366	178,521	116,112	184,198
8511-4690-44522 O/P-Comm MgdCare	176,785	169,137	175,871	207,634	107,245	170,339	120,538	121,593	91,815	97,372	87,536	85,598	100,334
8511-4710-44522 O/P-Comm MgdCare	48,612	63,398	73,740	86,305	96,622	72,110	61,377	58,990	66,305	74,385	73,067	78,647	64,165
8511-4720-44522 O/P-Comm MgdCare	816	3,515	(22,362)	54,612	25,353	14,680	5,916	2,525	1,806	10,123	49,442	11,685	7,105
8511-4730-44522 O/P-Comm MgdCare	0	9,199	17,507	8,865	20,474	30,950	9,917	10,561	4,731	5,169	36,330	11,923	6,456
8511-4760-44522 O/P-Comm MgdCare	83,249	76,165	81,698	54,296	90,880	64,434	100,664	82,289	111,705	144,979	136,817	187,343	137,247
8511-4775-44522 O/P-Comm MgdCare	24,854	24,040	22,044	14,667	22,083	26,524	4,048	34,625	29,186	40,064	41,999	29,404	29,302
8511-4801-44522 O/P-Comm MgdCare	360	0	0	0	0	0	0	0	0	0	0	0	0
Total: Comm MgdCare	2,427,424	2,468,614	2,581,317	2,395,064	2,809,973	2,440,0							



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4076-44531 O/P-W/C	0	0	230	0	1,425	0	1,549	300	2,221	300	1,619	300	(1,007)
8511-4420-44531 O/P-W/C	0	0	0	0	33,866	34,346	0	0	0	0	0	0	0
8511-4427-44531 O/P-W/C	0	0	0	0	1,838	2,246	0	0	0	0	0	0	0
8511-4450-44531 O/P-W/C	0	0	0	0	3,339	2,163	0	0	0	0	0	0	0
8511-4470-44531 O/P-W/C	0	0	464	0	4,087	358	0	0	0	0	0	0	0
8511-4471-44531 O/P-W/C	529	216	1,039	5,423	634	1,512	105	0	784	496	432	399	2,457
8511-4500-44531 O/P-W/C	32,408	29,295	21,212	21,342	19,370	41,477	28,426	48,385	50,068	31,654	40,639	35,420	23,042
8511-4509-44531 O/P-W/C	0	0	0	0	0	0	0	0	5	0	39	52	79
8511-4591-44531 O/P-W/C	6,196	5,156	1,560	0	5,676	1,040	1,040	1,040	16,508	5,156	1,560	1,560	5,676
8511-4630-44531 O/P-W/C	11,807	14,249	12,782	4,484	13,601	21,913	17,382	9,783	11,439	11,452	8,359	9,085	18,618
8511-4650-44531 O/P-W/C	1,910	0	0	0	0	0	0	0	0	0	0	0	0
8511-4670-44531 O/P-W/C	0	2,677	0	0	1,371	0	1,591	0	0	0	0	0	0
8511-4680-44531 O/P-W/C	31,296	21,664	31,016	15,508	15,508	40,003	14,012	4,293	27,970	23,875	27,359	19,565	0
8511-4710-44531 O/P-W/C	1,911	3,557	2,696	1,147	2,020	2,198	234	401	2,391	212	1,172	725	518
8511-4720-44531 O/P-W/C	0	7,429	0	816	0	0	0	0	408	0	0	0	0
8511-4730-44531 O/P-W/C	932	0	0	1,111	0	0	0	0	0	0	0	0	0
8511-4775-44531 O/P-W/C	13,433	15,406	9,215	3,996	4,214	4,427	25,092	51,432	44,361	49,666	37,864	38,795	33,199
Total: W/C Comp	172,774	164,533	146,707	96,061	176,363	210,920	140,706	151,726	203,648	156,954	164,128	141,808	127,193
Medicare:													
8511-3151-44541 O/P-Medicare	12,978	8,974	7,427	17,164	16,639	5,537	6,797	23,135	40,523	40,285	15,603	56,553	20,195
8511-4010-44541 O/P-Medicare	10,155	9,715	30,630	23,741	15,205	23,966	12,042	33,745	38,703	24,833	19,972	47,455	23,505
8511-4076-44541 O/P-Medicare	4,914	14,457	13,281	13,918	33,954	29,954	20,491	41,154	19,991	45,147	30,263	38,197	25,487
8511-4080-44541 O/P-Medicare	73,167	64,602	95,652	67,626	77,610	87,861	64,985	89,170	106,711	100,898	144,994	125,242	79,436
8511-4087-44541 O/P-Medicare	1,290	0	1,780	0	3,560	0	0	1,509	1,509	3,444	0	5,160	1,509
8511-4090-44541 O/P-Medicare	0	0	1,948	5,844	11,688	29,220	0	3,896	0	6,912	46,080	0	0
8511-4183-44541 O/P-Medicare	4,437	0	8,874	4,437	0	17,748	13,311	(8,874)	4,437	0	0	4,437	4,437
8511-4400-44541 O/P-Medicare	2,895	0	0	0	4,103	3,174	3,131	0	6,262	3,131	3,131	1,855	3,131
8511-4420-44541 O/P-Medicare	174,004	231,773	250,170	290,022	351,826	146,422	223,707	194,039	370,312	147,154	270,997	180,238	359,878
8511-4427-44541 O/P-Medicare	24,094	27,766	24,092	39,202	34,100	14,498	31,855	24,252	46,719	12,510	38,799	21,957	36,507
8511-4429-44541 O/P-Medicare	17,726	3,568	420	4,800	2,780	1,726	4,295	3,326	4,495	900	5,390	2,695	7,314
8511-4450-44541 O/P-Medicare	16,191	20,580	24,801	28,413	36,267	12,726	27,656	27,677	45,526	15,210	27,248	22,074	48,776
8511-4470-44541 O/P-Medicare	44,177	79,678	104,328	52,341	124,088	23,797	83,496	67,871	122,047	35,676	165,080	18,848	135,841
8511-4471-44541 O/P-Medicare	447	1,922	2,489	1,353	1,240	1,635	1,334	1,454	1,384	296	1,835	1,286	680
8511-4500-44541 O/P-Medicare	75,014	85,815	79,854	113,028	73,522	100,951	87,629	91,508	100,285	96,272	89,756	99,476	75,246
8511-4509-44541 O/P-Medicare	0	302	105	68	106	169	42	48	140	19	(3)	11	14
8511-4520-44541 O/P-Medicare	19,391	20,840	11,011	10,434	34,309	4,746	6,977	14,103	18,649	10,662	16,244	13,908	19,461
8511-4540-44541 O/P-Medicare	4,598	740	1,585	1,335	2,178	1,694	484	242	968	1,452	968	726	0
8511-4570-44541 O/P-Medicare	131,195	103,729	85,695	318,920	56,991	237,718	550,801	257,728	60,806	66,253	119,688	59,081	53,768
8511-4573-44541 O/P-Medicare	83,200	49,995	26,235	34,345	46,988	3,522	106,337	56,678	2,386	57,714	96,419	65,421	47,149
8511-4591-44541 O/P-Medicare	48,778	29,937	25,612	28,150	38,715	32,354	14,021	15,099	11,665	9,899	24,284	23,477	47,709
8511-4630-44541 O/P-Medicare	64,022	51,434	79,848	69,260	70,668	58,696	63,815	56,440	58,927	64,291	84,722	77,648	67,752
8511-4642-44541 O/P-Medicare	201,089	273,471	381,114	265,333	364,367	293,418	423,242	416,387	415,935	329,727	290,492	432,246	492,829
8511-4650-44541 O/P-Medicare	83,319	43,235	37,154	17,290	51,119	16,132	30,660	10,122	14,365	19,658	14,994	41,001	57,927
8511-4660-44541 O/P-Medicare	129,614	53,730	76,752	84,056	124,724	48,779	58,362	114,368	74,754	87,088	141,848	152,240	114,854
8511-4670-44541 O/P-Medicare	44,620	44,333	76,404	57,642	61,266	69,994	52,080	68,850	66,006	81,561	109,690	153,644	113,072
8511-4680-44541 O/P-Medicare	218,128	127,628	104,850	118,159	121,891	136,382	136,224	192,894	272,785	257,530	183,261	253,728	172,549
8511-4690-44541 O/P-Medicare	67,489	26,687	40,676	64,006	105,687	44,247	41,684	57,850	58,328	82,799	53,115	84,879	67,252
8511-4710-44541 O/P-Medicare	38,841	36,788	41,542	32,077	46,434	27,173	31,924	38,666	34,759	31,796	39,955	37,257	37,257
8511-4720-44541 O/P-Medicare	1,641	41,180	10,148	893	13,392	1,709	3,122	27,636	8,254	15,929	24,922	5,396	5,458
8511-4722-44541 O/P-Medicare	0	0	5,583	0	0	0	0	0	0	0	0	0	0
8511-4730-44541 O/P-Medicare	17,674	14,365	7,647	1,336	13,117	898	4,915	27,287	13,274	11,439	24,317	4,837	1,742
8511-4760-44541 O/P-Medicare	2,503	7,864	10,303	7,607	11,284	5,211	3,520	9,752	29,348	8,481	23,531	3,723	35,220
8511-4775-44541 O/P-Medicare	26,105	16,260	30,394	37,673	47,368	43,188	26,048	31,297	32,743	54,572	43,832	28,408	38,679
Total: Medicare	1,643,695	1,491,368	1,698,404	1,810,472	1,997,186	1,525,245	2,134,987	2,809,309	2,082,996	1,710,141	2,143,308	2,065,803	2,194,834
Medicare MgdCare:													
8511-3151-44542 O/P-Medicare MgdCare	45,717	160,531	70,413	38,080	35,217	39,473	9,737	71,960	49,350	37,779	45,367	91,854	18,606
8511-4010-44542 O/P-Medicare MgdCare	44,551	51,587	31,536	46,472	28,051	27,584	33,852	48,186	45,369	39,438	30,990	42,928	53,290
8511-4076-44542 O/P-Medicare MgdCare	8,147	12,361	38,129	21,553	34,667	33,504	38,994	39,096	57,289	30,064	27,824	37,380	28,219
8511-4080-44542 O/P-Medicare MgdCare	22,750	8,027	22,253	16,005	21,786	34,514	33,519	27,043	35,565	48,645	56,000	64,110	56,253
8511-4087-44542 O/P-Medicare MgdCare	0	1,673	3,111	0	2,728	0	0	0	0	0	0	0	0
8511-4090-44542 O/P-Medicare MgdCare	0	0	0	0	0	0	0	5,844	0	6,912	0	0	0
8511-4183-44542 O/P-Medicare MgdCare	4,437	0	0	13,311	4,437	8,874	0	4,437	8,874	0	17,748	0	0
8511-4400-44542 O/P-Medicare MgdCare	0	3,570	7,381	2,895	6,839	3,174	0	0	0	0	0	0	0
8511-4420-44542 O/P-Medicare MgdCare	161,341	170,695	281,762	238,962	354,036	231,420	231,471	173,366	388,543	225,739	261,387	286,350	243,435
8511-4427-44542 O/P-Medicare MgdCare	17,766												



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4087-44543 O/P-Medicare At Risk	1,290	2,963	0	0	0	0	0	0	0	0	0	0	0
8511-4090-44543 O/P-Medicare At Risk	0	0	0	0	0	0	0	6,912	9,216	16,128	20,736	0	0
8511-4183-44543 O/P-Medicare At Risk	8,874	0	0	8,874	(4,437)	4,437	13,311	8,874	4,437	8,874	4,437	13,311	4,437
8511-4400-44543 O/P-Medicare At Risk	6,281	7,168	3,810	0	0	0	0	0	0	0	0	0	0
8511-4420-44543 O/P-Medicare At Risk	397,429	354,732	502,919	416,008	420,633	303,974	237,164	250,720	466,211	329,013	405,776	435,852	681,980
8511-4427-44543 O/P-Medicare At Risk	39,814	41,654	46,554	46,350	61,236	33,488	35,639	30,891	66,123	49,269	59,742	41,868	89,862
8511-4429-44543 O/P-Medicare At Risk	1,726	7,590	4,926	4,926	4,926	4,926	6,021	5,390	12,112	8,512	7,612	7,425	0
8511-4450-44543 O/P-Medicare At Risk	31,962	33,495	45,276	42,126	67,200	41,496	42,920	29,042	58,110	44,148	51,662	50,778	91,052
8511-4470-44543 O/P-Medicare At Risk	180,817	128,447	460,503	103,375	371,980	155,535	54,638	71,134	146,115	59,851	52,354	149,370	136,039
8511-4471-44543 O/P-Medicare At Risk	3,640	6,767	3,608	3,217	3,403	3,411	7,503	4,449	3,509	4,347	1,895	4,688	4,494
8511-4500-44543 O/P-Medicare At Risk	113,324	144,427	143,052	181,033	184,667	155,974	170,634	191,713	212,355	118,110	127,834	193,616	135,292
8511-4509-44543 O/P-Medicare At Risk	0	100	902	42	14	51	411	565	314	113	113	409	52
8511-4520-44543 O/P-Medicare At Risk	32,447	30,430	47,458	78,831	36,845	31,745	34,758	33,225	28,123	35,247	48,535	32,086	72,952
8511-4540-44543 O/P-Medicare At Risk	726	4,596	678	2,585	2,904	2,178	3,388	1,210	2,468	726	968	968	0
8511-4570-44543 O/P-Medicare At Risk	205,675	76,692	185,939	161,592	79,534	485,728	195,486	81,901	201,572	101,743	86,258	371,012	408,569
8511-4573-44543 O/P-Medicare At Risk	53,235	52,712	95,510	21,903	43,603	61,387	68,929	28,857	82,292	15,521	75,641	34,799	73,899
8511-4591-44543 O/P-Medicare At Risk	40,515	60,792	47,156	67,501	81,708	60,189	48,765	96,039	61,376	71,790	48,578	105,924	82,563
8511-4620-44543 O/P-Medicare At Risk	0	0	1,914	0	957	957	0	1,581	0	3,162	1,581	1,581	0
8511-4630-44543 O/P-Medicare At Risk	47,518	26,590	37,694	39,200	40,317	32,638	36,345	23,235	29,664	14,728	17,196	20,467	28,746
8511-4642-44543 O/P-Medicare At Risk	241,532	305,200	256,494	193,442	221,402	124,136	300,516	251,337	288,832	212,637	222,919	132,839	82,673
8511-4650-44543 O/P-Medicare At Risk	0	4,044	4,043	7,774	3,832	1,687	14,468	10,454	0	19,201	15,970	18,887	16,589
8511-4660-44543 O/P-Medicare At Risk	36,730	75,234	27,416	0	50,080	30,946	29,956	26,277	11,572	33,193	17,593	36,514	41,113
8511-4670-44543 O/P-Medicare At Risk	64,125	85,038	137,636	125,258	107,142	85,941	36,764	31,191	37,798	28,052	19,889	41,769	19,463
8511-4680-44543 O/P-Medicare At Risk	41,048	32,510	47,689	68,957	69,770	36,644	40,747	102,526	54,551	67,096	37,252	51,041	120,954
8511-4690-44543 O/P-Medicare At Risk	8,262	4,016	20,806	29,999	10,665	24,007	5,604	14,350	12,951	23,268	11,189	37,434	21,445
8511-4710-44543 O/P-Medicare At Risk	45,335	57,080	64,325	70,259	46,384	57,886	63,708	59,292	73,039	49,378	65,170	54,019	74,707
8511-4720-44543 O/P-Medicare At Risk	1,224	3,687	10,215	11,986	15,381	21,040	37,920	28,928	27,771	13,071	16,397	28,407	18,664
8511-4730-44543 O/P-Medicare At Risk	0	0	1,438	5,467	10,672	0	5,769	0	5,744	0	0	5,737	2,801
8511-4760-44543 O/P-Medicare At Risk	115,714	144,851	233,637	243,922	223,938	136,026	157,477	140,841	103,651	101,250	201,682	186,353	198,013
8511-4775-44543 O/P-Medicare At Risk	13,247	11,621	16,093	9,117	15,219	16,669	14,061	19,017	19,485	15,727	12,409	26,323	17,692
Total: Medicare Risk	1,909,348	2,020,844	2,627,874	2,233,784	2,418,226	2,173,884	1,871,529	1,884,544	2,324,434	1,708,775	1,853,827	2,387,549	2,575,306
Medi-Cal:													
8511-3151-44551 O/P-Medi-Cal	2,296	3,451	0	0	0	9,317	0	9,751	0	0	0	4,802	0
8511-4010-44551 O/P-Medi-Cal	10,223	14,917	51,258	11,922	34,147	5,366	20,259	29,398	42,657	21,030	16,396	15,034	24,169
8511-4076-44551 O/P-Medi-Cal	0	1,768	1,716	230	3,246	6,660	5,564	1,420	1,120	3,690	3,688	1,380	0
8511-4080-44551 O/P-Medi-Cal	0	3,422	3,432	0	1,711	3,052	4,689	7,969	18,804	21,535	21,452	18,574	20,544
8511-4087-44551 O/P-Medi-Cal	189,626	147,841	162,155	129,111	174,960	160,448	102,354	129,155	130,421	132,309	122,644	97,509	125,552
8511-4093-44551 O/P-Medi-Cal	0	0	0	0	0	6,330	8,440	18,990	6,330	496	0	0	0
8511-4183-44551 O/P-Medi-Cal	0	0	0	0	0	0	4,437	8,874	0	0	0	0	0
8511-4268-44551 O/P-Medi-Cal	99,357	107,679	141,296	120,256	127,452	135,350	128,525	156,027	161,649	189,117	138,879	148,171	144,234
8511-4400-44551 O/P-Medi-Cal	494,390	425,020	413,983	343,921	409,205	501,615	381,953	461,417	443,499	414,174	445,050	331,585	444,158
8511-4420-44551 O/P-Medi-Cal	10,397	11,860	28,604	98,214	75,417	37,374	35,620	78,256	53,136	29,572	22,644	61,782	0
8511-4427-44551 O/P-Medi-Cal	2,042	2,246	2,042	10,210	8,372	3,676	4,391	9,702	7,149	5,361	2,553	9,702	0
8511-4429-44551 O/P-Medi-Cal	0	0	0	0	0	0	1,600	0	0	0	0	0	0
8511-4450-44551 O/P-Medi-Cal	1,071	1,302	2,247	12,369	9,366	4,515	3,944	10,374	9,932	5,070	1,768	7,644	0
8511-4470-44551 O/P-Medi-Cal	0	637	2,789	25,312	43,438	471	10,419	21,907	10,687	2,089	7,691	11,685	0
8511-4471-44551 O/P-Medi-Cal	1,475	1,122	1,119	1,241	1,567	1,122	1,056	1,473	2,001	1,188	1,915	1,220	1,683
8511-4500-44551 O/P-Medi-Cal	54,266	49,538	66,677	42,367	85,774	49,420	45,438	67,316	62,817	64,812	39,305	51,307	56,933
8511-4509-44551 O/P-Medi-Cal	441	(128)	2,543	113	16	31	48	35	11	259	22	0	282
8511-4520-44551 O/P-Medi-Cal	3,115	0	991	2,824	2,589	0	3,558	552	2,885	1,656	0	2,272	1,747
8511-4540-44551 O/P-Medi-Cal	0	0	0	0	0	0	484	484	0	0	0	0	0
8511-4570-44551 O/P-Medi-Cal	717	1,929	3,994	0	1,929	0	0	0	3,097	19,369	0	0	0
8511-4573-44551 O/P-Medi-Cal	7,039	8,482	26,872	0	8,657	0	0	0	8,782	0	0	0	0
8511-4591-44551 O/P-Medi-Cal	2,049	5,156	8,796	520	2,600	5,676	520	6,716	2,315	11,497	1,560	7,756	5,676
8511-4620-44551 O/P-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	0	3,162
8511-4630-44551 O/P-Medi-Cal	14,012	13,011	23,554	9,594	17,997	17,969	9,315	19,414	15,712	7,304	13,843	13,717	6,310
8511-4642-44551 O/P-Medi-Cal	175,322	233,183	271,138	230,489	66,832	206,907	95,544	250,142	193,986	135,773	234,546	561,832	418,046
8511-4650-44551 O/P-Medi-Cal	2,925	0	3,832	5,227	0	0	0	0	0	6,222	0	6,331	0
8511-4660-44551 O/P-Medi-Cal	0	0	0	0	0	0	0	0	0	6,385	5,509	0	14,680
8511-4670-44551 O/P-Medi-Cal	6,522	18,759	10,345	12,404	12,540	6,176	13,646	19,340	13,263	15,701	10,948	11,426	11,104
8511-4680-44551 O/P-Medi-Cal	27,511	4,165	20,342	10,481	46,380	12,463	15,045	11,524	19,757	24,621	34,115	35,671	0
8511-4690-44551 O/P-Medi-Cal	15,506	6,591	12,718	8,771	9,204	6,258	8,760	11,494	7,798	12,314	4,626	633	11,438
8511-4710-44551 O/P-Medi-Cal	5,299	5,299	6,470	14,737	20,123	12,364	(2,252)	9,118	7,621	10,098	6,182	6,320	9,075
8511-4720-44551 O/P-Medi-Cal	0	0	1,224	0	0	0	2,040	0	0	1,224	0	0	816
8511-4760-44551 O/P-Medi-Cal	3,930	0	0	7,652	8,717	4,389	0	0	3,309	0	0	3,776	0
8511-4775-44551 O/P-Medi-Cal	5,543	2,976	4,511	2,070	1,488	4,058	0	0	0	1,029	0	0	0
8511-4801-44551 O/P-Medi-Cal	180	0	180	0	0	900	532	0	720	180	180	900	720
Total: Medi-Cal	1,135,254	1,070,407	1,274,628	1,100,035	1,173,727	1,198,294	907,025	1,344,992	1,229,758	1,141,505	1,125,125	1,411,781	1,337,380
Medi-Cal MgdCare:													
8511-3151-44552 O/P-Medi-Cal MgdCare	39,851	141,064	66,185	52,633	88,431	72,198	20,916	44,233	31,150	22,071	36,309	53,025	38,080
8511-4010-44552 O/P-Medi-Cal MgdCare	91,421	76,033	115,822	90,074	77,735	85,165	91,424	73,106	68,934	68,021	100,873	97,841	47,010
8511-4076-44552 O/P-Medi-Cal MgdCare	13,109	39,518	63,703	40,836	64,854	66,171	56,502	77,800	55,702	90,003	93,033	89,367	60,093
8511-4080-44552 O/P-Medi-Cal MgdCare	82,688	58,397	76,874	63,988	80,480	97,213	98,076	118,593	118,622	105,048	119,250	171,647	121,516
8511-4087-44552 O/P-Medi-Cal MgdCare	205,020	189,248	205,585	177,304	148,848	116,208	153,039	192,583	166,775	157,743	167,009	176,005	163,950
8511-4090-44552 O/P-Medi-Cal MgdCare	9,740	5,844	38,960	23,376	25,324	0	0	0	0	0	0	0	0
8511-4093-44552 O/P-Medi-Cal MgdCare	0	0	400	0	0	0	0	0	992	1,984	0	0	0
8511-4183-44552 O/P-Medi-Cal MgdCare	13,311	8,874	4,437	4,437	0	8,874	8,874	0					



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4680-44552 O/P-Medi-Cal MgdCare	40,055	83,778	112,554	78,183	91,504	102,539	182,971	103,568	86,650	95,952	153,390	163,732	134,768
8511-4690-44552 O/P-Medi-Cal MgdCare	49,920	70,428	53,224	76,415	86,497	62,055	45,840	118,947	51,301	109,778	106,654	75,797	67,223
8511-4710-44552 O/P-Medi-Cal MgdCare	127,107	151,806	144,444	174,394	173,531	139,055	137,772	1,119,869	119,171	126,992	93,602	135,886	165,607
8511-4720-44552 O/P-Medi-Cal MgdCare	15,170	10,069	25,539	38,419	16,484	30,742	36,901	16,680	11,458	21,849	15,832	18,083	11,262
8511-4722-44552 O/P-Medi-Cal MgdCare	0	0	0	0	0	0	0	0	0	0	0	758	0
8511-4730-44552 O/P-Medi-Cal MgdCare	35,133	14,667	39,180	10,840	9,044	37,767	14,889	21,100	21,959	44,703	22,124	26,772	8,126
8511-4760-44552 O/P-Medi-Cal MgdCare	153,617	201,815	385,883	227,220	248,907	139,172	171,148	178,416	177,884	227,395	152,685	164,582	239,958
8511-4775-44552 O/P-Medi-Cal MgdCare	20,733	27,876	35,749	18,312	21,796	16,711	17,613	22,292	18,566	20,674	28,753	15,252	22,338
8511-4801-44552 O/P-Medi-Cal MgdCare	0	0	0	360	180	0	180	0	0	180	180	360	0
Total: Medi-Cal MgdCare	4,604,524	5,720,546	6,001,940	5,190,785	5,284,016	4,631,575	5,044,258	6,001,207	4,989,510	5,395,654	5,051,819	5,909,282	5,436,347
Medi-Cal Risk:													
8511-3151-44553 O/P-Medi-Cal At Risk	18,305	45,703	14,119	9,618	10,248	8,988	13,699	15,246	8,764	3,241	6,706	31,689	2,296
8511-4010-44553 O/P-Medi-Cal At Risk	14,984	15,606	42,489	9,499	16,681	7,231	32,492	10,016	12,163	15,476	5,607	4,923	1,060
8511-4076-44553 O/P-Medi-Cal At Risk	8,049	14,924	24,927	14,353	19,311	22,983	19,757	28,885	12,081	29,469	14,985	31,304	21,147
8511-4080-44553 O/P-Medi-Cal At Risk	5,364	5,364	9,581	21,167	14,722	6,114	21,690	31,004	15,406	20,934	19,954	20,469	21,539
8511-4087-44553 O/P-Medi-Cal At Risk	64,373	40,386	19,949	34,814	33,795	29,378	48,861	31,061	25,735	30,067	33,274	35,523	24,759
8511-4090-44553 O/P-Medi-Cal At Risk	0	0	11,688	15,584	9,740	0	0	0	0	0	0	0	0
8511-4183-44553 O/P-Medi-Cal At Risk	8,874	4,437	0	0	0	0	13,311	4,437	0	0	4,437	0	0
8511-4195-44553 O/P-Medi-Cal At Risk	0	0	40	0	0	0	0	0	0	0	0	0	0
8511-4400-44553 O/P-Medi-Cal At Risk	190,758	111,095	51,561	114,866	159,834	127,024	152,023	90,968	91,550	142,857	145,540	121,608	101,218
8511-4420-44553 O/P-Medi-Cal At Risk	391,571	351,438	526,611	339,814	609,115	532,269	343,611	415,265	416,301	436,229	521,789	342,924	379,959
8511-4427-44553 O/P-Medi-Cal At Risk	78,384	39,610	57,376	38,592	80,228	47,988	51,159	51,318	66,120	69,696	75,318	55,905	61,530
8511-4429-44553 O/P-Medi-Cal At Risk	0	0	0	1,726	0	1,600	0	0	7,190	2,695	4,421	8,085	0
8511-4450-44553 O/P-Medi-Cal At Risk	35,154	37,758	58,149	33,243	61,761	60,627	47,975	51,714	53,690	54,262	63,674	36,660	50,492
8511-4470-44553 O/P-Medi-Cal At Risk	197,597	218,871	85,754	72,747	210,290	142,398	124,235	122,637	105,320	75,352	123,025	71,594	53,317
8511-4471-44553 O/P-Medi-Cal At Risk	908	1,321	942	463	1,140	1,571	2,393	463	946	1,449	330	945	1,692
8511-4500-44553 O/P-Medi-Cal At Risk	52,690	54,619	58,340	70,385	62,753	45,626	55,203	38,155	66,000	70,672	51,619	40,624	29,330
8511-4509-44553 O/P-Medi-Cal At Risk	50	22	0	11	11	14	40	0	11	0	42	0	0
8511-4520-44553 O/P-Medi-Cal At Risk	27,036	24,399	68,782	25,310	33,451	33,891	21,018	37,304	35,408	41,552	31,562	19,079	22,022
8511-4540-44553 O/P-Medi-Cal At Risk	1,507	726	0	968	0	242	0	0	968	484	1,210	2,178	0
8511-4570-44553 O/P-Medi-Cal At Risk	26,469	15,248	0	1,330	1,962	19,060	108,795	2,000	22,452	24,128	22,749	10,125	8,257
8511-4573-44553 O/P-Medi-Cal At Risk	18,850	36,610	0	0	7,214	27,273	27,630	7,039	13,336	15,526	8,482	40,852	22,525
8511-4591-44553 O/P-Medi-Cal At Risk	7,245	16,517	27,869	11,916	6,075	18,051	11,754	19,705	14,787	23,832	18,480	19,817	14,257
8511-4630-44553 O/P-Medi-Cal At Risk	19,241	16,476	16,921	21,411	14,471	18,606	9,806	24,617	17,014	20,891	11,640	10,767	12,037
8511-4642-44553 O/P-Medi-Cal At Risk	0	29,027	25,675	8,393	51,632	16,038	0	215,773	317,168	245,843	259,599	103,870	390
8511-4650-44553 O/P-Medi-Cal At Risk	4,849	5,248	8,012	0	0	5,323	3,636	0	0	3,526	0	6,222	6,011
8511-4660-44553 O/P-Medi-Cal At Risk	6,945	0	0	0	6,063	5,109	0	0	0	0	0	0	0
8511-4670-44553 O/P-Medi-Cal At Risk	48,744	19,437	27,049	5,980	13,777	13,352	19,194	22,869	4,682	6,677	6,023	5,546	0
8511-4680-44553 O/P-Medi-Cal At Risk	10,711	10,548	23,661	6,633	28	4,040	8,061	8,729	30,078	17,141	10,011	18,647	12,458
8511-4690-44553 O/P-Medi-Cal At Risk	2,992	14,229	26,770	6,753	1,608	14,942	0	0	15,956	17,501	28,571	29,497	31,515
8511-4710-44553 O/P-Medi-Cal At Risk	33,235	25,497	47,073	33,997	45,022	49,658	41,366	37,856	59,502	39,988	46,288	23,669	36,114
8511-4720-44553 O/P-Medi-Cal At Risk	0	7,974	1,224	0	0	408	4,973	0	5,555	2,871	3,030	6,697	0
8511-4730-44553 O/P-Medi-Cal At Risk	0	0	0	0	0	0	0	0	6,532	0	6,023	3,655	0
8511-4760-44553 O/P-Medi-Cal At Risk	85,324	49,480	137,359	82,487	127,088	111,832	56,508	101,462	107,327	100,394	81,711	91,871	74,403
8511-4775-44553 O/P-Medi-Cal At Risk	5,106	3,190	11,381	9,757	5,499	4,381	2,928	1,730	5,073	5,433	4,174	4,177	1,038
8511-4801-44553 O/P-Medi-Cal At Risk	0	0	180	0	0	0	0	0	0	0	0	0	180
Total: Medi-Cal Risk	1,365,315	1,215,758	1,383,482	991,817	1,603,519	1,376,017	1,242,118	1,370,253	1,537,115	1,518,186	1,610,274	1,198,922	989,546
Other Govt:													
8511-3151-44561 O/P-Other Govt FFS	0	0	3,031	0	0	0	0	0	0	3,766	0	1,456	0
8511-4010-44561 O/P-Other Govt FFS	0	0	0	0	0	2,803	0	0	0	0	0	0	0
8511-4076-44561 O/P-Other Govt FFS	0	380	0	0	380	0	0	0	0	0	0	0	0
8511-4087-44561 O/P-Other Govt FFS	0	0	1,290	1,509	1,509	4,018	0	1,509	0	0	0	0	2,000
8511-4093-44561 O/P-Other Govt FFS	3,200	3,600	4,000	2,400	2,800	3,200	1,488	4,960	2,480	0	1,488	4,960	0
8511-4400-44561 O/P-Other Govt FFS	0	0	3,174	2,895	0	10,013	0	0	0	0	3,131	0	3,200
8511-4420-44561 O/P-Other Govt FFS	0	29,379	0	55,287	14,786	0	14,786	17,712	8,934	14,786	0	0	0
8511-4427-44561 O/P-Other Govt FFS	0	3,880	0	5,922	1,838	0	2,553	2,553	2,298	3,573	0	0	0
8511-4450-44561 O/P-Other Govt FFS	0	3,255	0	7,728	2,205	0	2,626	3,172	1,040	2,678	0	0	0
8511-4470-44561 O/P-Other Govt FFS	0	1,239	354	4,610	137	0	0	610	4,781	1,984	0	0	0
8511-4500-44561 O/P-Other Govt FFS	0	0	442	2,912	483	3,540	987	1,134	925	4,193	(77)	1,805	2,055
8511-4509-44561 O/P-Other Govt FFS	0	0	0	0	0	0	15	0	0	25	0	0	20
8511-4520-44561 O/P-Other Govt FFS	2,187	729	3,318	1,427	3,863	1,290	0	4,770	4,290	6,740	0	3,707	6,093
8511-4591-44561 O/P-Other Govt FFS	0	0	0	0	0	0	0	520	0	520	0	520	0
8511-4630-44561 O/P-Other Govt FFS	0	0	1,040	2,314	568	1,693	0	0	0	678	0	2,814	0
8511-4642-44561 O/P-Other Govt FFS	451,645	271,134	251,987	476,091	803,776	372,992	451,503	346,588	281,315	676,939	518,391	424,115	425,346
8511-4660-44561 O/P-Other Govt FFS	5,743	0	0	0	0	5,743	0	0	0	5,961	0	0	0
8511-4680-44561 O/P-Other Govt FFS	140	28	84	210	112	7,035	56	28	56	140	56	56	112
8511-4690-44561 O/P-Other Govt FFS	99,491	43,224	84,485	41,868	94,298	56,946	48,376	93,517	62,589	78,687	77,633	104,000	82,111
8511-4710-44561 O/P-Other Govt FFS	0	2,055	0	5,872	1,441	4	1,330	815	991	1,859	0	0	0
8511-4720-44561 O/P-Other Govt FFS	0	0	0	0	816	0	0	0	0	0	0	0	0
8511-4760-44561 O/P-Other Govt FFS	0	0	7,710	0	0	4,344	0	0	3,520	3,723	0	0	10,552
8511-4775-44561 O/P-Other Govt FFS	9,454	8,728	7,641	9,835	8,785	5,058	507	6,558	6,459	2,436	7,020	6,549	2,976
Total: Other Govt	571,860	367,631	368,556	620,880	937,797	478,679	524,227	484,446	379,678	808,688	607,642	549,982	534,465
Other Govt MgdCare:													
8511-3151-44562 O/P-Other Govt MgdCare	0	0	0	3,976	6,153	5,957	7,427	0	3,451	15,561	9,737	7,427	105
8511-4010-44562 O/P-Other Govt MgdCare	0	603	1,206	603	0	2,916	2,069	0	3,237	0	568	13,260	0
8511-4076-44562 O/P-Other Govt MgdCare	0	0	0	0	239	3,339	3,812	36,048	59,124	59,564	50,870	60,545	34,230
8511-4080-44562 O/P-Other Govt MgdCare	0	0	0	0	0	0	3,558	17,325	13,687	0	0	0	0
8511-4087-44562 O/P-Other Govt MgdCare	17,066	3,346	12,453	6,507	6,307	10,525	5,894	13,445	5,598	8,450	8,178	5,675	16,800
8511-4400-44562 O/P-Other Govt MgdCare	42,425	9,572	27,104	17,722	15,312	42,844	14,802	43,905	39,673	35,974	21,319	26,550	52,423
8511-4420-44562 O/P-Other Govt MgdCare	32,006	8,934	194,843	174,472									



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4670-44562 O/P-Other Govt MgdCare	0	0	1,762	8,124	8,124	2,968	1,396	0	1,396	8,124	0	3,696	0
8511-4680-44562 O/P-Other Govt MgdCare	0	0	16,444	21,096	10,548	10,740	0	10,548	22,380	0	10,723	22,274	32,753
8511-4690-44562 O/P-Other Govt MgdCare	0	5,633	0	0	0	26,504	0	0	0	13,252	13,252	5,614	0
8511-4710-44562 O/P-Other Govt MgdCare	1,657	7,213	14,917	17,221	24,798	27,607	29,474	25,723	22,675	32,046	27,462	38,384	32,115
8511-4720-44562 O/P-Other Govt MgdCare	0	831	1,806	0	330	0	0	0	0	0	0	1,239	1,709
8511-4730-44562 O/P-Other Govt MgdCare	0	0	4,073	0	0	0	0	0	0	0	0	0	2,082
8511-4760-44562 O/P-Other Govt MgdCare	0	0	0	3,520	0	0	0	0	23,170	40,274	82,983	56,121	75,204
8511-4775-44562 O/P-Other Govt MgdCare	0	0	0	0	0	5,261	0	0	0	0	507	1,699	0
8511-4801-44562 O/P-Other Govt MgdCare	0	0	0	0	0	180	0	0	0	0	0	0	0
<b>Total: Other Govt MgdCare</b>	<b>126,200</b>	<b>72,833</b>	<b>420,037</b>	<b>390,535</b>	<b>798,446</b>	<b>850,934</b>	<b>552,459</b>	<b>583,456</b>	<b>739,044</b>	<b>903,749</b>	<b>953,552</b>	<b>1,071,221</b>	<b>952,482</b>
County Indigent:													
8511-4010-44571 O/P-County Indigent	0	18,572	16,743	0	0	23,455	0	0	0	13,989	0	8,897	0
8511-4076-44571 O/P-County Indigent	547	0	0	0	0	0	0	0	0	0	0	0	0
8511-4087-44571 O/P-County Indigent	0	0	0	0	0	2,799	0	0	0	0	0	0	1,290
8511-4400-44571 O/P-County Indigent	0	0	2,895	0	0	3,174	0	0	0	0	0	0	3,200
8511-4471-44571 O/P-County Indigent	0	0	0	0	0	854	0	0	0	216	0	2,256	0
8511-4500-44571 O/P-County Indigent	1,033	2,163	5,633	0	0	7,247	0	0	0	1,874	0	4,035	3,055
8511-4630-44571 O/P-County Indigent	0	0	483	0	0	1,136	0	0	0	1,032	0	506	506
8511-4670-44571 O/P-County Indigent	2,471	2,471	2,471	0	0	2,471	0	0	0	0	0	0	2,610
8511-4680-44571 O/P-County Indigent	0	0	4,420	0	0	15,508	0	0	0	8,724	0	0	12,458
8511-4710-44571 O/P-County Indigent	0	0	222	0	0	366	0	0	0	1,680	0	416	121
8511-4720-44571 O/P-County Indigent	0	0	0	0	0	0	0	0	0	0	0	1,632	0
8511-4775-44571 O/P-County Indigent	0	0	458	0	0	1,771	0	0	0	642	0	0	0
<b>Total: County Indigent</b>	<b>4,051</b>	<b>23,206</b>	<b>33,325</b>	<b>0</b>	<b>0</b>	<b>58,781</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28,157</b>	<b>0</b>	<b>17,742</b>	<b>23,240</b>
Other:													
8511-3900-44591 O/P-Other	(115,359)	390,903	(271,595)	151,409	(251,787)	(150,611)	723,160	(444,905)	(252,571)	(178,738)	688,581	118,073	(368,160)
<b>Total: Other</b>	<b>(115,359)</b>	<b>390,903</b>	<b>(271,595)</b>	<b>151,409</b>	<b>(251,787)</b>	<b>(150,611)</b>	<b>723,160</b>	<b>(444,905)</b>	<b>(252,571)</b>	<b>(178,738)</b>	<b>688,581</b>	<b>118,073</b>	<b>(368,160)</b>
<b>Total O/P</b>	<b>15,436,088</b>	<b>16,625,219</b>	<b>18,010,748</b>	<b>16,400,428</b>	<b>18,650,497</b>	<b>16,630,498</b>	<b>17,922,068</b>	<b>17,198,244</b>	<b>17,790,271</b>	<b>19,080,721</b>	<b>18,977,065</b>	<b>20,296,815</b>	<b>17,967,992</b>
ER:													
Self Pay:													
8511-4010-44701 ER-Self Pay	2,756,134	3,547,998	3,457,288	3,805,445	4,886,311	5,219,788	5,021,229	4,919,387	3,556,244	4,338,693	3,649,893	2,902,719	2,622,229
8511-4087-44701 ER-Self Pay	0	0	0	0	1,509	0	0	0	0	0	0	1,509	0
8511-4183-44701 ER-Self Pay	0	0	0	0	0	4,437	0	0	0	0	0	8,874	(13,311)
8511-4400-44701 ER-Self Pay	0	0	0	546	0	0	0	3,131	3,131	4,917	0	546	0
8511-4420-44701 ER-Self Pay	11,860	0	0	0	0	40,019	0	0	0	17,810	0	43,916	40,019
8511-4427-44701 ER-Self Pay	2,246	0	0	0	0	0	0	0	0	3,573	0	0	0
8511-4450-44701 ER-Self Pay	1,344	0	0	0	0	0	0	0	0	2,314	0	2,002	0
8511-4470-44701 ER-Self Pay	1,524	354	708	354	0	0	0	0	0	2,693	0	1,554	491
8511-4471-44701 ER-Self Pay	24,383	35,676	40,719	45,898	41,340	47,444	37,908	58,482	24,793	33,299	30,923	23,428	15,744
8511-4500-44701 ER-Self Pay	762,288	897,352	874,433	981,048	952,756	1,096,605	1,140,881	901,345	701,428	867,881	727,891	628,143	561,755
8511-4509-44701 ER-Self Pay	6,031	7,076	5,792	5,871	9,624	6,329	304	158	143	45	69	180	0
8511-4520-44701 ER-Self Pay	729	0	4,520	729	3,645	729	4,374	0	1,458	2,303	729	0	729
8511-4540-44701 ER-Self Pay	484	532	0	726	55	484	968	0	0	0	0	55	0
8511-4570-44701 ER-Self Pay	2,138	108,418	0	6,080	68,205	91,799	2,793	5,579	100,728	0	62,530	0	0
8511-4573-44701 ER-Self Pay	15,383	13,994	0	36,327	25,171	27,983	8,339	29,256	8,482	0	0	0	0
8511-4591-44701 ER-Self Pay	214,196	219,440	211,120	227,716	231,293	236,600	230,360	241,712	184,025	206,440	192,876	174,654	143,235
8511-4620-44701 ER-Self Pay	0	0	0	0	957	0	0	0	0	0	0	0	0
8511-4630-44701 ER-Self Pay	485,842	463,744	414,615	479,010	553,437	589,228	631,032	602,467	449,542	497,298	434,248	392,671	347,128
8511-4650-44701 ER-Self Pay	0	0	0	1,910	0	1,910	0	3,343	0	0	6,679	0	3,636
8511-4660-44701 ER-Self Pay	0	0	0	7,378	12,988	0	21,985	0	6,063	12,448	0	0	0
8511-4670-44701 ER-Self Pay	427,342	398,830	319,354	294,048	499,088	442,105	514,894	515,590	300,820	416,165	316,271	311,466	277,319
8511-4680-44701 ER-Self Pay	799,382	750,997	690,854	975,070	1,188,887	1,141,960	1,300,938	1,324,188	999,991	1,166,954	1,264,919	1,210,050	1,104,820
8511-4690-44701 ER-Self Pay	6,225	0	0	1,131	0	1,131	3,216	1,673	3,733	1,320	0	0	1,396
8511-4710-44701 ER-Self Pay	87,907	129,237	110,572	153,729	142,753	92,613	119,059	96,722	57,108	75,761	70,586	156,942	69,401
8511-4720-44701 ER-Self Pay	25,093	30,039	11,093	18,231	35,862	69,367	76,341	89,964	35,703	64,518	53,089	20,469	17,455
8511-4722-44701 ER-Self Pay	0	0	0	0	5,049	0	7,532	0	758	0	0	0	0
8511-4760-44701 ER-Self Pay	0	0	0	3,776	0	0	0	0	0	0	0	0	0
<b>Total: Self Pay</b>	<b>5,630,531</b>	<b>6,603,686</b>	<b>6,141,068</b>	<b>7,045,024</b>	<b>8,648,930</b>	<b>9,110,531</b>	<b>9,125,496</b>	<b>8,789,654</b>	<b>6,434,150</b>	<b>7,714,431</b>	<b>6,810,703</b>	<b>5,879,178</b>	<b>5,192,046</b>
Comm MgdCare:													
8511-4010-44722 ER-Comm MgdCare	1,061,697	1,003,066	982,202	959,214	990,336	709,255	819,348	1,005,241	900,795	1,060,067	1,205,909	1,067,377	1,143,003
8511-4076-44722 ER-Comm MgdCare	0	574	610	0	0	0	0	0	0	0	0	0	0
8511-4087-44722 ER-Comm MgdCare	0	0	0	0	0	0	0	0	0	0	0	1,509	0
8511-4400-44722 ER-Comm MgdCare	0	0	0	0	0	(546)	0	0	0	0	0	3,589	0
8511-4420-44722 ER-Comm MgdCare	0	95,626	0	36,122	0	19,564	0	0	17,810	0	8,934	44,390	0
8511-4427-44722 ER-Comm MgdCare	0	0	0	2,654	0	2,042	0	0	2,553	0	2,298	2,808	0
8511-4450-44722 ER-Comm MgdCare	0	3,864	0	1,260	0	1,995	0	0	2,184	0	1,144	6,448	0
8511-4470-44722 ER-Comm MgdCare	354	10,868	1,062	491	0	11,555	0	0	2,931	0	0	9,245	3,897
8511-4471-44722 ER-Comm MgdCare	9,341	7,623	14,918	7,293	10,328	5,479	6,112	5,268	6,183	6,395	(5,722)	4,219	3,529
8511-4500-44722 ER-Comm MgdCare	320,217	310,570	297,432	265,239	257,980	201,536	223,710	265,771	254,064	290,066	364,175	346,996	358,511
8511-4509-44722 ER-Comm MgdCare	1,005	1,005	1,257	503	1,508	503	47	74	141	(110)	69	0	49
8511-4520-44722 ER-Comm MgdCare	0	1,604	729	729	2,187	1,281	0	875	1,102	(373)	1,458	0	0
8511-4540-44722 ER-Comm MgdCare	242	0	242	1,694	0	0	242	726	0	0	1,064	6,054	484
8511-4570-44722 ER-Comm MgdCare	0	176	0	0	0	(85,557)	2,609	1,284	(98,547)	736	0	119,942	132,495
8511-4573-44722 ER-Comm MgdCare	0	11,861	0	0	0	13,977	15,437	25,165	0	0	0	13,819	1,443
8511-4591-44722 ER-Comm MgdCare	48,880	55,640	58,781	56,072	41,600	36,400	35,360	55,076	42,596	51,480	57,200	57,200	51,480
8511-4630-44722 ER-Comm MgdCare	90,743	98,555	87,880	89,425	91,133	70,896	79,460	83,532	85,895	99,216	109,969	115,337	104,204
8511-4650-44722 ER-Comm MgdCare	0	0	0	0	3,636	0	0	6,679	0	6,679	0	0	350
8511-4660-44722 ER-Comm MgdCare	12,535	0	0	11,094	0	13,078	14,782	0	12,448	5,509	8,779	0	0
8511-4670-44722 ER-Comm MgdCare	113,013	65,194	65,329	75,067	63,029	55,506	61,437	63,870	64,004	114,125	109,531	91,783	113,728
8511-4680-44722 ER-Comm MgdCare	337,565	340,486	311,899	343,418	325,251	327,201	416,262	336,957	310,425	344,582	632,550	478,021	535,985
8511-4690-44722 ER-Comm MgdCare	0	0	0	0	0	0	0	0	0	0	0	2,686	0
8511-4710-44722 ER-Comm MgdCare	59,383	18,976	24,932	105,086	63,036	46,822	19,217	20,100	52,839	12,864	26,544	23,656	26,196
8511-4720-44722 ER-Comm MgdCare	1,857	2,448	24,812	2,933	8,060	14,420	11,747	23,740	31,976	18,756	18,694	6,177	17,489
8511-4722-44722 ER-Comm MgdCare	0												



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4010-44741 ER-Medicare	709,615	695,261	710,167	628,853	599,175	531,203	636,096	604,005	666,632	619,973	616,248	634,360	677,646
8511-4076-44741 ER-Medicare	0	511	0	0	0	0	0	0	0	0	0	0	0
8511-4183-44741 ER-Medicare	0	0	0	0	0	0	0	4,437	0	0	0	0	4,437
8511-4400-44741 ER-Medicare	0	0	0	546	0	0	0	0	0	0	0	0	0
8511-4420-44741 ER-Medicare	0	0	0	0	43,916	0	19,564	0	0	(29,961)	0	0	0
8511-4427-44741 ER-Medicare	0	0	0	0	4,694	0	2,553	0	0	(2,042)	0	0	0
8511-4450-44741 ER-Medicare	0	0	0	0	1,848	0	2,600	0	0	(3,671)	0	0	0
8511-4470-44741 ER-Medicare	0	0	0	0	5,972	0	0	0	0	(1,114)	0	0	0
8511-4471-44741 ER-Medicare	5,823	4,728	8,049	14,820	12,372	9,259	10,297	7,846	21,936	8,131	3,841	2,811	2,425
8511-4500-44741 ER-Medicare	216,641	275,578	242,648	221,914	237,685	209,433	251,064	210,078	222,390	228,733	187,172	192,140	224,367
8511-4509-44741 ER-Medicare	0	503	291	0	0	0	0	0	0	0	0	0	0
8511-4540-44741 ER-Medicare	0	484	0	242	484	0	0	0	0	484	726	0	968
8511-4570-44741 ER-Medicare	2,664	1,929	9,080	47	39,261	4,053	428	856	2,181	0	2,240	2,493	7,102
8511-4573-44741 ER-Medicare	15,261	13,994	55,111	11,185	48,958	24,291	13,977	2,886	13,994	0	27,201	13,994	32,948
8511-4591-44741 ER-Medicare	61,880	61,880	84,726	61,880	56,160	65,000	76,960	71,196	67,556	55,120	53,560	56,680	61,360
8511-4630-44741 ER-Medicare	86,013	93,970	87,874	86,516	68,357	94,765	108,872	115,390	104,434	102,424	92,379	99,973	95,923
8511-4650-44741 ER-Medicare	0	0	0	5,246	10,492	0	0	0	6,679	0	(4,896)	0	0
8511-4660-44741 ER-Medicare	0	0	0	0	18,356	0	16,374	27,453	0	0	0	0	6,385
8511-4670-44741 ER-Medicare	29,762	31,271	48,189	41,881	31,616	23,680	42,424	45,016	40,524	52,262	42,897	39,567	52,870
8511-4680-44741 ER-Medicare	362,860	261,551	335,250	233,522	281,095	343,223	463,465	397,506	292,214	425,338	361,228	455,101	484,842
8511-4710-44741 ER-Medicare	19,466	26,373	35,242	32,229	24,230	27,874	43,354	45,931	31,435	20,571	66,649	23,827	25,373
8511-4720-44741 ER-Medicare	30,243	64,369	25,546	59,309	50,081	38,564	124,779	90,877	62,609	35,324	53,352	21,446	42,676
8511-4775-44741 ER-Medicare	0	0	0	0	0	0	0	610	0	0	0	0	0
Total: Medicare	1,540,228	1,532,401	1,642,173	1,398,190	1,534,752	1,371,345	1,812,807	1,624,087	1,532,584	1,511,572	1,502,597	1,542,392	1,719,322
Medicare MgdCare:													
8511-4010-44742 ER-Medicare MgdCare	649,191	593,545	533,010	566,625	507,618	574,251	560,462	573,544	603,944	714,430	652,627	707,697	627,779
8511-4076-44742 ER-Medicare MgdCare	405	0	205	0	0	(610)	0	0	0	0	0	0	0
8511-4080-44742 ER-Medicare MgdCare	0	0	964	0	0	0	0	0	0	0	0	0	0
8511-4183-44742 ER-Medicare MgdCare	0	0	0	0	0	8,874	0	0	0	0	0	0	0
8511-4420-44742 ER-Medicare MgdCare	0	0	0	0	0	0	35,644	(35,644)	0	0	0	0	0
8511-4427-44742 ER-Medicare MgdCare	0	0	0	0	0	0	3,063	(3,063)	0	0	0	0	0
8511-4450-44742 ER-Medicare MgdCare	0	0	0	0	0	0	3,796	(3,796)	0	0	0	0	0
8511-4470-44742 ER-Medicare MgdCare	0	(354)	354	0	0	0	38,360	(43,820)	0	0	0	0	0
8511-4471-44742 ER-Medicare MgdCare	7,429	6,365	10,115	6,469	5,177	6,551	5,161	7,387	3,957	21,970	3,186	6,408	1,878
8511-4500-44742 ER-Medicare MgdCare	216,026	239,603	187,573	215,973	174,504	218,445	258,359	192,892	232,539	272,646	217,672	240,928	210,858
8511-4509-44742 ER-Medicare MgdCare	503	251	251	0	0	1,336	0	0	14	0	0	0	0
8511-4540-44742 ER-Medicare MgdCare	532	484	242	774	242	1,210	484	0	726	726	836	242	726
8511-4570-44742 ER-Medicare MgdCare	0	(55,324)	6,933	4,593	104,950	83,630	32,544	(103,197)	2,493	3,661	856	143,325	18,837
8511-4573-44742 ER-Medicare MgdCare	0	58,999	11,964	27,988	0	10,472	0	13,994	38,984	2,886	0	40,592	0
8511-4591-44742 ER-Medicare MgdCare	63,916	60,276	64,956	58,196	51,392	65,952	69,160	59,800	61,836	62,444	53,275	62,312	57,676
8511-4630-44742 ER-Medicare MgdCare	65,799	66,078	87,576	77,097	66,706	74,370	81,615	79,280	86,133	79,944	80,787	87,877	72,678
8511-4650-44742 ER-Medicare MgdCare	1,910	0	0	0	0	5,246	0	10,315	3,636	0	6,775	0	2,200
8511-4660-44742 ER-Medicare MgdCare	0	11,904	13,060	7,147	0	0	6,063	0	(6,063)	6,063	0	6,063	8,719
8511-4670-44742 ER-Medicare MgdCare	27,412	40,991	23,391	16,292	34,975	33,628	35,341	20,832	31,388	62,046	37,376	34,312	44,407
8511-4680-44742 ER-Medicare MgdCare	296,227	266,926	288,236	318,783	211,490	368,400	478,646	410,547	348,341	475,969	512,947	490,222	483,419
8511-4710-44742 ER-Medicare MgdCare	69,097	130,585	45,117	18,148	17,236	122,504	21,767	95,294	90,452	22,853	24,501	33,546	15,413
8511-4720-44742 ER-Medicare MgdCare	85,715	15,081	33,867	5,127	49,822	75,586	42,497	69,102	48,874	50,678	35,886	38,604	29,166
8511-4722-44742 ER-Medicare MgdCare	0	0	128	0	0	0	0	0	0	0	0	0	0
Total: Medicare MgdCare	1,484,162	1,435,410	1,307,942	1,323,212	1,224,112	1,649,845	1,672,962	1,344,814	1,522,264	1,812,414	1,629,610	1,851,536	1,614,348
Medicare Risk:													
8511-4010-44743 ER-Medicare At Risk	170,383	173,794	225,963	161,505	148,151	158,408	190,430	160,719	156,530	220,833	162,471	207,299	186,677
8511-4471-44743 ER-Medicare At Risk	1,109	771	813	1,656	1,208	1,273	1,484	1,534	1,708	8,681	530	342	519
8511-4500-44743 ER-Medicare At Risk	70,257	71,467	86,704	68,119	62,250	53,360	81,789	53,330	64,474	66,466	65,225	78,097	76,735
8511-4509-44743 ER-Medicare At Risk	0	0	0	0	251	0	0	0	0	0	0	0	12
8511-4520-44743 ER-Medicare At Risk	0	0	0	0	0	0	1,102	0	0	0	0	0	0
8511-4540-44743 ER-Medicare At Risk	0	1,596	0	0	0	726	0	0	0	242	0	0	0
8511-4570-44743 ER-Medicare At Risk	423	(423)	0	0	176	612	2,436	0	0	0	423	0	0
8511-4573-44743 ER-Medicare At Risk	0	0	0	0	12,534	0	10,297	0	0	0	0	0	0
8511-4591-44743 ER-Medicare At Risk	13,000	14,040	19,240	18,200	21,320	12,480	22,360	18,200	10,920	22,075	15,600	16,120	17,116
8511-4630-44743 ER-Medicare At Risk	17,487	17,165	22,018	27,270	22,237	17,237	26,035	26,090	22,865	40,170	22,599	25,286	27,314
8511-4650-44743 ER-Medicare At Risk	0	0	0	0	0	0	0	0	0	0	0	0	2,200
8511-4660-44743 ER-Medicare At Risk	0	0	0	0	0	0	6,127	0	0	0	0	0	0
8511-4670-44743 ER-Medicare At Risk	9,711	17,803	29,548	10,793	9,359	7,914	7,751	18,232	13,539	21,548	18,114	15,843	10,004
8511-4680-44743 ER-Medicare At Risk	40,215	46,387	103,542	43,087	79,389	56,006	88,741	107,801	92,514	128,039	65,724	173,445	56,999
8511-4710-44743 ER-Medicare At Risk	2,436	17,894	6,481	19,183	9,000	9,230	6,322	8,303	3,398	6,520	3,077	3,278	6,057
8511-4720-44743 ER-Medicare At Risk	5,028	2,194	14,766	9,546	15,390	5,742	6,212	15,703	28,412	27,658	816	1,301	18,644
8511-4775-44743 ER-Medicare At Risk	0	0	0	0	0	0	0	0	0	0	0	0	1,567
Total: Medicare Risk	330,049	362,688	509,075	359,359	381,265	322,988	451,086	409,912	394,360	542,232	354,579	521,011	403,844
Medi-Cal:													
8511-4010-44751 ER-Medi-Cal	2,050,495	1,873,030	1,857,460	1,585,931	1,612,9								



**Verity Health Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Total: Medi-Cal</b>	<b>3,464,887</b>	<b>3,174,750</b>	<b>3,376,048</b>	<b>2,921,302</b>	<b>2,789,451</b>	<b>2,349,749</b>	<b>2,777,863</b>	<b>3,196,155</b>	<b>3,312,830</b>	<b>3,393,011</b>	<b>3,544,586</b>	<b>3,501,322</b>	<b>4,162,070</b>
Medi-Cal MgdCare:													
8511-4010-44752 ER-Medi-Cal MgdCare	5,736,296	5,273,456	5,477,337	5,159,144	5,043,960	4,240,585	4,689,253	5,582,019	5,080,760	5,216,962	5,094,915	5,357,358	5,549,257
8511-4076-44752 ER-Medi-Cal MgdCare	0	0	3,048	0	0	0	0	0	0	0	0	0	708
8511-4080-44752 ER-Medi-Cal MgdCare	0	0	2,546	0	0	0	0	0	0	0	0	0	0
8511-4087-44752 ER-Medi-Cal MgdCare	0	0	0	0	0	0	0	0	0	1,509	0	0	0
8511-4183-44752 ER-Medi-Cal MgdCare	0	0	0	0	0	4,437	0	0	0	0	0	0	0
8511-4400-44752 ER-Medi-Cal MgdCare	0	900	0	0	5,645	0	0	0	0	0	0	0	3,200
8511-4420-44752 ER-Medi-Cal MgdCare	0	21,701	(3,508)	28,207	53,932	33,250	(10,794)	30,358	0	0	10,397	0	0
8511-4427-44752 ER-Medi-Cal MgdCare	0	0	(408)	3,880	1,838	0	0	7,656	0	0	2,298	0	0
8511-4429-44752 ER-Medi-Cal MgdCare	900	0	2,980	0	0	0	0	0	0	0	0	0	0
8511-4450-44752 ER-Medi-Cal MgdCare	0	(1,638)	(546)	2,877	2,856	1,617	0	3,328	0	0	1,352	0	0
8511-4470-44752 ER-Medi-Cal MgdCare	1,061	737	5,518	10,554	18,942	3,015	0	6,839	0	0	0	0	0
8511-4471-44752 ER-Medi-Cal MgdCare	49,311	41,040	48,535	44,393	44,624	35,082	31,246	44,606	35,394	37,261	30,996	25,674	22,165
8511-4500-44752 ER-Medi-Cal MgdCare	1,488,890	1,456,077	1,546,222	1,509,020	1,311,696	1,101,602	1,275,043	1,338,697	1,379,185	1,426,080	1,438,010	1,419,288	1,486,875
8511-4509-44752 ER-Medi-Cal MgdCare	10,979	11,485	10,528	11,212	15,130	5,132	873	380	243	0	175	77	0
8511-4520-44752 ER-Medi-Cal MgdCare	4,520	3,443	5,676	1,656	2,187	2,885	3,901	2,885	2,916	2,187	1,604	2,916	1,458
8511-4540-44752 ER-Medi-Cal MgdCare	1,694	484	726	726	5,904	484	3,048	242	726	1,016	0	1,016	1,016
8511-4570-44752 ER-Medi-Cal MgdCare	2,241	261	3,112	12,035	5,787	23,770	2,809	3,328	856	4,614	1,284	23,699	6,372
8511-4573-44752 ER-Medi-Cal MgdCare	10,472	(16,566)	(11,148)	67,082	50,994	43,994	25,855	8,482	2,886	17,570	25,165	11,861	32,401
8511-4591-44752 ER-Medi-Cal MgdCare	169,476	178,316	212,741	198,640	178,880	172,076	167,916	200,087	176,800	171,600	193,784	213,632	210,512
8511-4630-44752 ER-Medi-Cal MgdCare	395,347	376,330	444,582	427,478	411,577	361,454	422,758	482,085	536,010	466,708	483,159	496,188	455,317
8511-4650-44752 ER-Medi-Cal MgdCare	5,246	0	5,246	0	3,636	1,910	0	11,535	0	3,343	10,315	20,630	0
8511-4660-44752 ER-Medi-Cal MgdCare	10,484	0	49,994	14,294	11,976	20,232	40,276	28,508	0	15,104	33,526	11,801	8,719
8511-4670-44752 ER-Medi-Cal MgdCare	424,238	423,616	513,995	403,351	380,975	350,891	377,643	475,534	416,347	459,121	540,326	569,055	538,458
8511-4680-44752 ER-Medi-Cal MgdCare	910,109	956,511	1,024,140	1,139,093	997,568	888,737	1,331,378	1,587,391	1,298,870	1,688,577	1,722,017	1,643,777	1,641,476
8511-4690-44752 ER-Medi-Cal MgdCare	0	2,874	1,131	0	941	0	0	1,396	8,058	3,351	7,181	0	5,253
8511-4710-44752 ER-Medi-Cal MgdCare	83,462	129,082	129,460	100,493	84,958	182,715	106,063	92,500	78,978	134,979	141,398	86,074	178,769
8511-4720-44752 ER-Medi-Cal MgdCare	56,230	43,497	65,389	79,341	86,970	124,468	128,318	136,778	127,181	72,534	82,772	89,672	85,570
8511-4722-44752 ER-Medi-Cal MgdCare	0	0	0	0	1,650	0	1,711	7,532	1,711	0	0	0	0
8511-4760-44752 ER-Medi-Cal MgdCare	0	0	(7,040)	0	0	3,263	0	0	0	0	0	0	0
8511-4775-44752 ER-Medi-Cal MgdCare	0	0	0	0	0	0	918	0	0	0	0	0	0
8511-4801-44752 ER-Medi-Cal MgdCare	0	0	0	0	0	0	0	180	0	0	0	0	0
<b>Total: Medi-Cal MgdCare</b>	<b>9,360,955</b>	<b>8,901,607</b>	<b>9,530,258</b>	<b>8,213,476</b>	<b>8,720,975</b>	<b>7,603,248</b>	<b>8,596,304</b>	<b>10,046,525</b>	<b>9,152,743</b>	<b>9,724,227</b>	<b>9,820,673</b>	<b>9,972,718</b>	<b>10,227,526</b>
Medi-Cal Risk:													
8511-4010-44753 ER-Medi-Cal At Risk	477,431	341,664	542,344	363,916	437,567	437,689	411,670	646,699	617,134	562,952	530,762	571,953	512,441
8511-4076-44753 ER-Medi-Cal At Risk	0	0	0	810	0	0	0	0	0	0	584	0	0
8511-4400-44753 ER-Medi-Cal At Risk	0	0	372	0	0	0	0	3,131	0	0	0	0	0
8511-4420-44753 ER-Medi-Cal At Risk	12,548	0	0	0	0	0	0	0	0	0	0	0	0
8511-4450-44753 ER-Medi-Cal At Risk	777	0	0	0	0	0	0	0	0	0	0	0	0
8511-4471-44753 ER-Medi-Cal At Risk	2,477	1,892	6,711	3,249	3,187	1,537	2,582	3,845	4,859	3,940	1,218	3,452	1,264
8511-4500-44753 ER-Medi-Cal At Risk	117,728	102,874	158,364	92,787	104,347	137,799	107,857	163,356	163,674	154,008	143,106	133,353	150,008
8511-4509-44753 ER-Medi-Cal At Risk	0	503	2,262	503	1,005	549	0	0	12	0	0	0	0
8511-4520-44753 ER-Medi-Cal At Risk	2,333	875	0	0	0	0	0	0	0	729	0	729	0
8511-4540-44753 ER-Medi-Cal At Risk	0	0	0	774	0	532	0	242	726	0	0	484	484
8511-4570-44753 ER-Medi-Cal At Risk	0	0	612	0	1,753	2,164	8,304	4,134	428	428	0	856	0
8511-4573-44753 ER-Medi-Cal At Risk	0	0	0	0	15,165	24,857	44,361	13,183	1,443	1,443	0	13,304	0
8511-4591-44753 ER-Medi-Cal At Risk	14,560	14,560	16,120	11,960	14,560	14,040	12,480	16,640	16,640	21,276	18,720	16,840	16,840
8511-4630-44753 ER-Medi-Cal At Risk	34,387	30,938	46,735	37,704	43,238	31,919	32,886	54,572	58,216	51,583	47,327	59,413	35,747
8511-4660-44753 ER-Medi-Cal At Risk	0	0	7,147	0	5,157	0	0	19,789	8,775	0	0	0	0
8511-4670-44753 ER-Medi-Cal At Risk	36,291	42,899	49,175	27,436	38,807	31,714	38,231	44,033	85,991	66,177	56,465	61,455	60,949
8511-4680-44753 ER-Medi-Cal At Risk	22,388	82,339	124,644	64,766	65,859	51,391	110,369	131,794	162,621	149,037	115,183	166,937	138,393
8511-4690-44753 ER-Medi-Cal At Risk	0	0	0	0	0	0	0	0	1,320	0	0	0	0
8511-4710-44753 ER-Medi-Cal At Risk	28,671	7,189	24,002	5,851	8,241	8,673	14,345	6,866	9,324	6,969	7,131	13,852	86,027
8511-4720-44753 ER-Medi-Cal At Risk	3,264	816	1,632	3,749	15,112	1,686	5,789	8,645	6,605	5,304	4,896	12,967	19,437
8511-4722-44753 ER-Medi-Cal At Risk	0	0	0	0	0	707	0	0	0	10,870	0	0	1,414
<b>Total: Medi-Cal Risk</b>	<b>752,855</b>	<b>626,549</b>	<b>980,209</b>	<b>613,505</b>	<b>753,998</b>	<b>745,257</b>	<b>788,674</b>	<b>1,117,449</b>	<b>1,136,448</b>	<b>1,033,040</b>	<b>927,948</b>	<b>1,057,475</b>	<b>1,022,804</b>
Other Govt:													
8511-4010-44761 ER-Other Govt FFS	45,887	30,518	27,147	29,985	27,803	33,402	33,417	40,936	33,520	76,495	49,326	84,380	67,380
8511-4470-44761 ER-Other Govt FFS	354	0	0	0	0	0	0	0	0	0	0	0	0
8511-4471-44761 ER-Other Govt FFS	999	216	97	0	97	410	414	216	194	520	202	329	0
8511-4500-44761 ER-Other Govt FFS	10,853	9,622	5,329	5,734	4,919	8,724	7,928	3,622	9,362	9,041	4,772	12,173	21,182
8511-4591-44761 ER-Other Govt FFS	1,560	520	1,560	1,560	1,040	520	1,560	1,560	1,040	2,600	1,040	1,560	2,080
8511-4630-44761 ER-Other Govt FFS	4,460	2,773	1,922	2,178	2,700	3,178	8,453	9,125	2,620	7,502	2,563	3,403	10,581
8511-4670-44761 ER-Other Govt FFS	1,181	0	1,295	0	1,131	3,057	0	1,591	5,385	0	4,095	0	1,900
8511-4680-44761 ER-Other Govt FFS	31,002	9,792	0	4,235	4,109	19,617	18,067	29,949	18,305	37,040	14,012	11,420	58,483
8511-4710-44761 ER-Other Govt FFS	1,228	353	26	334	26	162	864	134	919	948	251	928	1,148
8511-4720-44761 ER-Other Govt FFS	408	0	408	0	0	408	4,580	408	0	0	0	0	0
<b>Total: Other Govt</b>	<b>97,932</b>	<b>53,794</b>	<b>37,784</b>	<b>44,026</b>	<b>41,825</b>	<b>69,478</b>	<b>75,283</b>	<b>87,541</b>	<b>71,345</b>	<b>134,146</b>	<b>76,261</b>	<b>114,193</b>	<b>162,754</b>
Other Govt MgdCare:													
8511-4010-44762 ER-Other Govt MgdCare	58,737	71,432	88,918	115,892	140,320	131,308	128,042	242,057	147,024	203,071	203,054	250,174	263,854
8511-4471-44762 ER-Other Govt MgdCare	508	533	959	1,268	1,445	1,173	1,953	2,077	1,133	1,894	2,227	313	1,155
8511-4500-44762 ER-Other Govt MgdCare	15,392	21,276	20,405	37,025	44,103	31,291	42,109	58,834	52,165	63,978	63,250	67,579	79,458
8511-4509-44762 ER-Other Govt MgdCare	251	0	0	251	503	0	0	0	0	0	0	0	0
8511-4520-44762 ER-Other Govt MgdCare	0	0	0	0	0	0	0	729	0	0	0	0	0
8511-4540-44762 ER-Other Govt MgdCare	0	0	0	242	0	0	0	0	532	0	0	0	0
8511-4570-44762 ER-Other Govt MgdCare	0	0	0	0	0	0	0	0	0	3,151	0	0	0
8511-4573-44762 ER-Other Govt MgdCare	0	0	0	0	0	0	0	0	0	15,437	0	0	0
8511-4591-44762 ER-Other Govt MgdCare	1,560	1,040	3,120	5,720	4,160	8,840	8,276	6,240	6,760	10,400	7,280	9,360	10,920
8511-4630-44762 ER-Other Govt MgdCare	2,261	2,725	3,455	11,770	10,477	10,620	14,813	22,917	16,114	18,634	12,819	23,019	17,707
8511-4650-44762 ER-Other Govt MgdCare	0	0	0	1									



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-4427-44771 ER-County Indigent	0	1,838	0	0	0	0	0	0	0	0	0	0	0
8511-4450-44771 ER-County Indigent	3,024	1,365	0	0	14,133	0	(6,615)	4,888	0	0	0	1,701	5,798
8511-4470-44771 ER-County Indigent	80,992	491	0	0	22,996	0	(6,564)	19,129	0	0	0	491	7,447
8511-4471-44771 ER-County Indigent	3,488	2,336	3,017	3,566	2,368	2,069	1,124	2,656	955	3,168	1,885	1,716	(14,172)
8511-4500-44771 ER-County Indigent	79,642	71,957	85,452	56,800	79,907	52,008	50,971	75,475	40,459	52,538	45,574	44,104	87,281
8511-4509-44771 ER-County Indigent	12	0	0	0	0	0	0	0	0	39	0	0	0
8511-4520-44771 ER-County Indigent	934	0	3,526	146	552	0	(552)	0	0	0	0	0	0
8511-4540-44771 ER-County Indigent	4,569	1,694	16,600	1,936	4,521	0	968	10,953	0	2,908	968	2,178	7,704
8511-4591-44771 ER-County Indigent	5,676	(3,076)	1,040	1,560	1,560	520	1,040	1,560	10,312	1,040	520	520	1,560
8511-4630-44771 ER-County Indigent	42,245	28,291	25,352	30,147	48,108	34,870	33,044	21,386	16,967	36,747	30,801	23,324	24,615
8511-4660-44771 ER-County Indigent	0	0	0	5,931	0	0	6,127	0	0	0	0	0	0
8511-4670-44771 ER-County Indigent	0	0	2,008	2,471	0	0	0	2,610	0	0	2,610	0	1,320
8511-4680-44771 ER-County Indigent	424,950	391,929	367,209	269,486	493,786	367,096	581,864	402,846	383,536	444,949	501,781	287,579	534,400
8511-4710-44771 ER-County Indigent	14,343	11,988	10,284	5,438	12,616	6,061	7,010	13,194	4,303	24,043	21,835	(38,399)	37,800
8511-4720-44771 ER-County Indigent	8,979	(7,541)	2,493	0	6,944	7,255	30,364	893	(893)	7,509	(16,386)	38,433	2,846
Total: County Indigent	952,105	858,908	815,975	634,349	1,073,153	807,634	851,876	845,514	638,880	837,819	811,662	583,568	1,012,717
Other Indigent:													
8511-4710-44781 ER-Other-Indigent	13	0	0	0	0	0	0	0	0	0	0	0	0
Total: Other Indigent	13	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total ER</b>	<b>25,759,982</b>	<b>25,700,124</b>	<b>26,359,420</b>	<b>25,777,748</b>	<b>27,297,222</b>	<b>25,671,462</b>	<b>28,253,027</b>	<b>29,806,107</b>	<b>26,156,071</b>	<b>29,122,356</b>	<b>28,404,741</b>	<b>27,873,229</b>	<b>28,484,283</b>
<b>Total Gross Outpatient Revenue</b>	<b>#####</b>	<b>#####</b>	<b>44,370,168</b>	<b>42,178,176</b>	<b>45,947,719</b>	<b>42,301,961</b>	<b>46,175,095</b>	<b>47,004,351</b>	<b>43,946,342</b>	<b>48,203,076</b>	<b>47,381,806</b>	<b>48,170,044</b>	<b>46,452,275</b>
<b>Total Gross Revenue</b>	<b>151,326,759</b>	<b>153,409,214</b>	<b>161,384,869</b>	<b>152,863,769</b>	<b>164,410,801</b>	<b>155,872,445</b>	<b>163,785,576</b>	<b>171,369,352</b>	<b>155,803,441</b>	<b>167,976,310</b>	<b>155,987,804</b>	<b>162,851,115</b>	<b>157,508,168</b>
<b>Deductions from Revenue</b>													
<b>Inpatient Contractual Allowances:</b>													
Medicare Traditional:													
8511-5811-51141 CONT ACUTE MCARE FFS	6,309,062	10,074,362	13,489,929	13,341,029	12,903,546	12,020,649	14,136,037	15,491,205	13,361,168	14,946,960	12,584,059	13,066,319	12,887,304
8511-5811-51241 CONT SNF MCARE FFS	527,813	609,918	220,887	300,762	796,671	292,678	210,171	279,036	252,689	276,688	336,617	105,176	162,934
8511-5811-51341 CONT PSYCH MCARE FFS	24,131	393,697	69,472	45,113	(11,764)	22,570	181,716	120,433	294,123	43,107	594,850	25,218	279,853
8511-5811-51810 CA MCre FFS Inpt Acute	1,260,695	119,845	126,314	23,662	144,042	(12,839)	133,919	238,966	(367)	130,995	324,104	66,689	253,778
Total: Medicare Traditional	8,121,701	11,197,821	13,906,602	13,710,566	13,832,495	12,323,058	14,661,844	16,129,640	13,907,613	15,397,650	13,839,631	13,263,402	13,583,870
Medicare - Managed Care:													
8511-5812-51142 CONT ACUTE MCARE MGD CARE	707,941	53,224	(24,281)	1,287,596	6,589,729	5,847,537	5,501,051	6,752,117	6,890,615	8,921,887	8,807,244	8,475,613	6,662,583
8511-5812-51242 CONT SNF MCARE MGD CARE	0	20,768	0	0	35,497	0	0	0	130,730	2,695	0	55,973	5,677
8511-5812-51342 CONT PSYCH MCARE MGD CARE	7,962	9,957	312	0	91,030	92,645	8,985	0	39,093	25,370	118,225	0	11,545
Total: Medicare - Managed Care	715,903	83,949	(23,969)	1,287,596	6,716,255	5,940,183	5,510,036	6,752,117	7,060,437	8,949,951	8,925,470	8,531,587	6,679,805
Medicare - At-Risk:													
8511-5813-51143 CONT ACUTE MCARE RISK	740,516	7,243,560	11,767,861	10,706,221	10,193,115	7,831,447	6,046,457	3,486,246	5,038,060	(727,106)	8,273,810	(1,530,876)	2,012,944
8511-5813-51243 CONT SNF MCARE RISK	0	87,599	79,216	0	168,783	(16,739)	1,834	28,637	15,886	204,415	0	0	28,323
8511-5813-51343 CONT PSYCH MCARE RISK	24,003	11,543	0	0	169,758	59,024	0	14,603	18,015	0	14,210	25,511	0
Total: Medicare - At-Risk	764,519	7,342,701	11,847,077	10,706,221	10,531,656	7,873,732	6,048,091	3,529,486	5,071,961	(522,691)	8,288,020	(1,505,365)	2,041,267
Medical Traditional:													
8511-5821-51151 CONT ACUTE MCAID FFS	18,652,355	17,796,061	21,476,425	16,988,485	20,456,249	15,735,731	27,330,692	22,898,278	11,803,690	12,799,205	17,730,958	17,326,983	19,214,446
8511-5821-51251 CONT SNF MCAID FFS	185,596	1,135,879	427,685	511,326	303,365	142,205	740,381	809,714	162,952	361,759	317,971	96,693	110,596
8511-5821-51351 CONT PSYCH MCAID FFS	1,389,949	2,688,027	1,388,342	2,343,903	1,836,944	1,467,020	1,285,871	3,247,741	929,870	2,529,168	2,080,927	1,926,676	1,228,551
Total: Medical Traditional	20,227,900	21,619,967	23,292,452	19,843,714	22,596,557	17,344,957	29,356,943	26,955,733	12,896,511	15,690,132	20,129,857	19,350,352	20,553,592
Medical - Managed Care:													
8511-5822-51152 CONT ACUTE MCAID MGD CARE	30,115,448	34,765,846	36,263,680	38,686,524	32,210,967	33,264,243	34,448,142	33,472,819	39,068,768	34,763,942	31,573,765	22,481,479	35,442,302
8511-5822-51252 CONT SNF MCAID MGD CARE	52,462	12,649	194,585	104,733	(53,864)	379,406	52,951	348,558	72,601	151,446	101,242	163,545	858,502
8511-5822-51352 CONT PSYCH MCAID MGD CARE	7,384	19,030	53,910	0	2,843	21,876	31,361	270,506	1,985	75,255	0	9,548	0
Total: Medical - Managed Care	30,175,293	34,797,524	36,512,175	38,791,257	32,159,946	33,665,525	34,532,454	34,091,883	39,143,355	34,990,643	31,675,007	22,654,573	36,300,804
Medical - At Risk:													
8511-5823-51153 CONT ACUTE MCAID RISK	9,588,696	4,079,545	6,110,866	1,404,858	3,338,727	6,046,496	7,921,817	8,338,987	5,668,316	9,672,977	3,557,738	9,000,626	7,330,283
8511-5823-51253 CONT SNF MCAID RISK	18,395	33,833	20,596	0	16,116	66,972	175,496	155,559	0	59,210	16,932	24,651	12,670
8511-5823-51353 CONT PSYCH MCAID RISK	0	26,333	0	0	0	0	0	0	23,506	0	0	0	0
Total: Medical - At Risk	9,607,091	4,139,711	6,131,462	1,404,858	3,354,843	6,113,468	8,097,313	8,494,545	5,691,822	9,732,187	3,574,670	9,025,277	7,342,953
Other Indigent:													
8511-5841-51171 CONT ACUTE COUNTY TRAUMA	(6,518,941)	(1,540,950)	932,235	(2,446,314)	106,132	(264,083)	(2,358,296)	(50,866)	(919,378)	(467,210)	(211,382)	1,359,632	(5,607,497)
Total: Other Indigent	(6,518,941)	(1,540,950)	932,235	(2,446,314)	106,132	(264,083)	(2,358,296)	(50,866)	(919,378)	(467,210)	(211,382)	1,359,632	(5,607,497)
HMO:													
8511-5852-51122 CONT ACUTE COMM MGD CARE	12,611,338	12,042,001	9,247,737	8,576,141	3,694,428	4,497,596	4,259,998	5,801,407	6,936,758	8,996,911	6,652,518	7,853,035	7,650,279
8511-5852-51222 CONT SNF COMM MGD CARE	104,537	43,953	192,677	78,241	130	0	108,317	0	141,182	0	312	76,468	0
8511-5852-51322 CONT PSYCH COMM MGD CARE	154,336	48,580	47,483	31,430	6,234	54,344	(2,681)	8,111	32,323	16,048	42,472	40,964	75,872
Total: HMO	12,870,211	12,134,534	9,487,897	8,685,811	3,700,792	4,551,940	4,365,634	5,809,519	7,110,263	9,012,969	6,695,302	7,970,466	7,726,150
HMO - At-Risk:													
8511-5853-51123 CONT ACUTE COMM RISK	0	0	0	0	4,156	0	0	0	0	0	0	0	0
Total: HMO - At-Risk	0	0	0	0	4,156	0	0	0	0	0	0	0	0
Workers Compensation:													
8511-5854-51131 CONT ACUTE W/C FFS	0	84,564	128,176	306,878	114,378	90,720	247,219	783,020	623,710	371,905	64,434	(300)	247,218
Total: Workers Compensation	0	84,564	128,176	306,878	114,378	90,720	247,219	783,020	623,710	371,905	64,434	(300)	247,218
Other Government:													
8511-5856-51161 CONT ACUTE OTHER GOVT FFS	(858,995)	(1,980,262)	(897,149)	(1,490,255)	2,892,522	1,232,056	67,684	(768,776)	(451,594)	3,060,549	(769,908)	10,011,315	1,032,734



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-5856-51261 CONT SNF OTHER GOV'T FFS	0	(1)	(1)	0	0	0	0	0	0	0	0	0	0
8511-5856-51361 CONT PSYCH OTHER GOV'T FFS	0	108		0	0	0	0	0	0	0	0	0	0
8511-5857-51810 CONT ACUTE OTHER GOV'T FFS MGD C/	123,615	60,261	53,966	47,853	95,640	71,127	314,560	132,345	96,455	94,567	261,222	218,360	279,246
8511-5857-51820 C/A TRAUMA - OTHER DISCOUNT SNF	982	1,242	846	801	1,753	801	622	447	298	490	287	72	594
8511-5857-51830 C/A TRAUMA - Exempt Psych Unit	5,175	2,113	3,323	3,671	822	3,708	16,692	12,751	6,028	3,420	23,555	24,471	2,961
Total: Other Government	(729,223)	(1,916,538)	(838,995)	(1,437,930)	2,990,736	1,307,692	399,558	(623,233)	(348,813)	3,159,025	(484,843)	10,254,219	1,315,525
Total - Inpatient Contractual Allowances	75,234,454	87,943,284	101,375,112	90,852,657	96,107,947	88,947,192	100,860,796	101,871,845	90,237,481	96,314,551	92,496,165	90,903,843	90,183,687
Outpatient Contractual Allowances:													
Medicare Traditional:													
8511-5811-54541 CONT OP MCARE FFS	1,463,169	1,831,135	1,012,465	1,327,217	1,931,286	1,614,337	1,999,016	1,458,018	1,826,219	1,215,982	1,518,040	1,740,550	1,698,857
Total: Medicare Traditional	1,463,169	1,831,135	1,012,465	1,327,217	1,931,286	1,614,337	1,999,016	1,458,018	1,826,219	1,215,982	1,518,040	1,740,550	1,698,857
Medicare - Managed Care:													
8511-5812-54542 CONT OP MCARE MGD CARE	120,811	(1,096)	9,213	144,880	1,243,136	648,295	1,014,233	1,000,084	577,735	508,340	1,176,960	1,352,803	1,266,562
Total: Medicare - Managed Care	120,811	(1,096)	9,213	144,880	1,243,136	648,295	1,014,233	1,000,084	577,735	508,340	1,176,960	1,352,803	1,266,562
Medicare - At-Risk:													
8511-5813-54543 CONT OP MCARE RISK	3,689,351	1,170,457	1,820,101	398,198	3,279,137	3,101,207	3,539,112	3,312,467	3,393,883	3,046,462	2,376,685	3,121,877	2,484,297
Total: Medicare - At-Risk	3,689,351	1,170,457	1,820,101	398,198	3,279,137	3,101,207	3,539,112	3,312,467	3,393,883	3,046,462	2,376,685	3,121,877	2,484,297
Medical Traditional:													
8511-5821-54551 CONT OP MCAID FFS	1,874,933	(1,151,762)	792,561	668,598	1,533,664	1,577,726	4,033,016	2,904,661	821,698	(375,229)	1,406,846	147,379	2,423,540
Total: Medical Traditional	1,874,933	(1,151,762)	792,561	668,598	1,533,664	1,577,726	4,033,016	2,904,661	821,698	(375,229)	1,406,846	147,379	2,423,540
Medical - Managed Care:													
8511-5822-54552 CONT OP MCAID MGD CARE	8,506,877	11,454,393	4,378,380	9,490,951	2,774,093	6,485,014	5,613,744	5,827,453	11,636,603	7,740,460	7,390,590	4,420,435	3,693,595
Total: Medical - Managed Care	8,506,877	11,454,393	4,378,380	9,490,951	2,774,093	6,485,014	5,613,744	5,827,453	11,636,603	7,740,460	7,390,590	4,420,435	3,693,595
Medical - At Risk:													
8511-5823-54553 CONT OP MCAID RISK	1,780,118	755,932	1,191,726	620,245	1,314,793	1,530,888	2,337,659	1,394,387	1,119,357	3,683,598	857,516	2,748,347	1,954,025
Total: Medical - At Risk	1,780,118	755,932	1,191,726	620,245	1,314,793	1,530,888	2,337,659	1,394,387	1,119,357	3,683,598	857,516	2,748,347	1,954,025
HMO:													
8511-5852-54522 CONT OP COMM MGD CARE	3,267,966	1,827,857	2,918,949	2,010,977	3,588,887	2,201,313	1,767,586	1,846,220	1,574,881	1,778,987	2,864,016	2,398,821	2,075,347
Total: HMO	3,267,966	1,827,857	2,918,949	2,010,977	3,588,887	2,201,313	1,767,586	1,846,220	1,574,881	1,778,987	2,864,016	2,398,821	2,075,347
Workers Compensation:													
8511-5854-54531 CONT OP W/C FFS	27,265	22,846	37,437	24,398	43,876	42,522	86,466	87,829	93,534	105,213	90,127	70,508	69,643
Total: Workers Compensation	27,265	22,846	37,437	24,398	43,876	42,522	86,466	87,829	93,534	105,213	90,127	70,508	69,643
Other Government:													
8511-5856-54561 CONT OP OTHER GOV'T FFS	722,022	(2,650)	3,218	(181)	0	15,775	14,432	141,440	290,464	837,882	325,320	181,358	176,494
8511-5857-54850 C/A TRAUMA - Outpatient	5,008	3,782	4,816	3,828	11,081	4,145	3,486	20,328	3,335	4,811	3,815	15,795	15,159
8511-5857-54851 C/A TRAUMA - OTHER DISCOUNT ER	(10,813)	1,588	2,199	(19,430)	416,675	(1,331)	410,637	641,455	1,950	208,231	295,463	1,324,822	537,189
Total: Other Government	716,218	2,720	10,034	(15,783)	427,756	18,588	428,555	803,223	295,748	1,050,924	624,597	1,521,975	728,842
Total - Outpatient Contractual Allowance	21,446,708	15,912,482	12,170,866	14,669,681	16,136,630	17,219,891	20,819,387	18,634,343	21,339,657	18,754,736	18,305,377	17,522,694	16,394,706
ER Contractual Allowances:													
Medicare Traditional:													
8511-5811-54741 CONT ER MCARE FFS	1,357,720	1,117,825	1,541,514	1,410,917	1,219,124	1,076,367	1,292,331	1,532,717	1,371,642	1,625,893	1,430,833	1,465,856	1,368,140
8511-5811-54876 C/A MCare Prior Settlement	0	0	356,076	0	0	(477,774)	0	0	385,182	(111,655)	0	0	0
Total: Medicare Traditional	1,357,720	1,117,825	1,897,590	1,410,917	1,219,124	598,593	1,292,331	1,532,717	1,756,824	1,514,238	1,430,833	1,465,856	1,368,140
Medicare - Managed Care:													
8511-5812-54742 CONT ER MCARE MGD CARE	19,419	14,475	1,291	253,633	984,401	866,263	1,133,076	693,379	834,371	1,035,321	1,390,807	1,342,337	1,216,541
Total: Medicare - Managed Care	19,419	14,475	1,291	253,633	984,401	866,263	1,133,076	693,379	834,371	1,035,321	1,390,807	1,342,337	1,216,541
Medicare - At-Risk:													
8511-5813-54743 CONT ER MCARE RISK	931,395	238,969	393,720	216,290	856,499	672,945	913,362	818,462	700,025	858,986	859,357	1,109,639	525,418
Total: Medicare - At-Risk	931,395	238,969	393,720	216,290	856,499	672,945	913,362	818,462	700,025	858,986	859,357	1,109,639	525,418
Medical Traditional:													
8511-5821-54751 CONT ER MCAID FFS	3,142,858	6,643,525	3,650,692	4,059,315	3,972,168	3,003,760	1,752,249	3,888,413	3,434,412	5,154,810	4,487,631	5,538,507	4,183,513
8511-5821-54876 C/A MCAid FFS Prior Settlement	0	0	0	(2,498,396)	9	0	(56,641)	0	508,009	0	0	0	0
Total: Medical Traditional	3,142,858	6,643,525	3,650,692	1,560,919	3,972,177	3,003,760	1,695,608	3,888,413	3,942,421	5,154,810	4,487,631	5,538,507	4,183,513
Medical - Managed Care:													
8511-5822-54752 CONT ER MCAID MGD CARE	8,150,244	6,860,254	10,692,166	9,841,596	10,902,371	9,172,994	8,671,647	10,820,201	6,683,609	12,124,087	12,192,854	13,106,912	11,427,146
Total: Medical - Managed Care	8,150,244	6,860,254	10,692,166	9,841,596	10,902,371	9,172,994	8,671,647	10,820,201	6,683,609	12,124,087	12,192,854	13,106,912	11,427,146
Medical - At Risk:													
8511-5823-54753 CONT ER MCAID RISK	1,572,220	376,471	933,860	379,497	1,472,872	1,003,028	1,328,909	1,461,578	878,636	2,595,562	601,219	2,678,176	1,554,573
Total: Medical - At Risk	1,572,220	376,471	933,860	379,497	1,472,872	1,003,028	1,328,909	1,461,578	878,636	2,595,562	601,219	2,678,176	1,554,573
HMO:													
8511-5852-54722 CONT ER COMM MGD CARE	2,784,398	2,833,099	2,905,236	1,482,838	1,213,065	961,939	795,856	730,673	1,046,476	1,208,660	1,612,337	1,449,002	1,629,316
Total: HMO	2,784,398	2,833,099	2,905,236	1,482,838	1,213,065	961,939	795,856	730,673	1,046,476	1,208,660	1,612,337	1,449,002	1,629,316
Workers Compensation:													



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-5854-54731 CONT ER W/C FFS	52,967	48,024	94,725	161,142	90,256	110,116	84,053	70,087	38,599	124,271	86,413	74,210	116,818
Total: Workers Compensation	52,967	48,024	94,725	161,142	90,256	110,116	84,053	70,087	38,599	124,271	86,413	74,210	116,818
Other Government:													
8511-5856-54761 CONT ER OTHER GOVT FFS	19,364	3,839	(3,521)	0	3,034	2,904	2,244	14,357	0	14,364	12,240	0	3,075
Total: Other Government	19,364	3,839	(3,521)	0	3,034	2,904	2,244	14,357	0	14,364	12,240	0	3,075
<b>Total - ER Contractual Allowances</b>	<b>18,030,585</b>	<b>18,136,481</b>	<b>20,565,759</b>	<b>15,306,831</b>	<b>20,713,798</b>	<b>16,392,542</b>	<b>15,917,087</b>	<b>20,029,867</b>	<b>15,880,961</b>	<b>24,630,300</b>	<b>22,673,692</b>	<b>26,764,639</b>	<b>22,024,539</b>
<b>Provider Fees:</b>													
Provider Fee - Medical:													
8511-5821-54877 Provider Fee - Medi-Cal	0	0	0	0	0	0	(49,935,851)	(7,074,849)	(4,446,646)	(4,446,646)	(4,446,646)	(4,446,646)	(4,446,646)
Total: Provider Fee - Medical	0	0	0	0	0	0	(49,935,851)	(7,074,849)	(4,446,646)	(4,446,646)	(4,446,646)	(4,446,646)	(4,446,646)
Provider Fee - Medical-Managed Care:													
8511-5821-54878 Provider Fee - Medi-Cal MgdCare	0	0	0	0	(58,112,270)	0	0	0	0	0	0	(16,756,174)	(10,305,513)
Total: Provider Fee - Medical-Managed Care	0	0	0	0	(58,112,270)	0	0	0	0	0	0	(16,756,174)	(10,305,513)
<b>Total Provider Fees:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(58,112,270)</b>	<b>0</b>	<b>(49,935,851)</b>	<b>(7,074,849)</b>	<b>(4,446,646)</b>	<b>(4,446,646)</b>	<b>(4,446,646)</b>	<b>(21,202,820)</b>	<b>(14,752,159)</b>
DispShare Pymt													
<b>Total - Contractual Allowances</b>	<b>114,711,746</b>	<b>121,992,247</b>	<b>134,111,738</b>	<b>120,829,169</b>	<b>74,846,105</b>	<b>122,559,625</b>	<b>87,661,419</b>	<b>133,461,206</b>	<b>123,011,453</b>	<b>135,252,941</b>	<b>129,028,588</b>	<b>113,988,357</b>	<b>113,850,773</b>
<b>Charity:</b>													
Charity:													
8511-5870-51181 CONT ACUTE OTHER INDIGENT	180,335	1,044,901	(407,815)	1,256,580	(594,206)	1,564,990	79,850	145,287	(343,351)	(524,360)	(822,912)	(766,178)	(256,938)
8511-5870-51830 CHARITY OTHER - PSYCH	133,117	19,446	83,593	0	127,432	113,965	3,924	668,963	67,511	20,179	35,127	63,302	34,257
8511-5870-54850 CHARITY OTHER - OUTPATIENT	5,476,944	374,882	1,907,404	166,491	2,371,180	543,063	609,423	320,025	886,794	392,105	247,043	525,121	5,626,200
8511-5870-54851 CHARITY OTHER - ER	3,056,611	1,027,799	1,430,601	1,070,380	1,546,561	1,913,822	1,377,034	2,234,043	1,791,799	(6,570)	(139,518)	3,897,225	959,702
Total: Charity	8,847,006	2,467,027	3,013,783	2,493,451	3,450,967	4,135,839	2,070,231	3,368,317	2,402,753	(118,645)	(680,260)	3,719,471	6,363,220
<b>Total - Charity Allowances</b>	<b>8,847,006</b>	<b>2,467,027</b>	<b>3,013,783</b>	<b>2,493,451</b>	<b>3,450,967</b>	<b>4,135,839</b>	<b>2,070,231</b>	<b>3,368,317</b>	<b>2,402,753</b>	<b>(118,645)</b>	<b>(680,260)</b>	<b>3,719,471</b>	<b>6,363,220</b>
<b>Other:</b>													
Other:													
8511-5920-51810 POLICY DISCOUNTS INPT ACUTE	581,590	286,222	437,903	310,839	118,824	715,513	537,999	437,136	564,095	506,793	483,619	987,469	517,413
8511-5920-51820 POLICY DISCOUNTS SNF	28,512	7,713	48,475	0	0	47,884	0	0	0	3,950	1,611	0	11,669
8511-5920-51830 POLICY DISCOUNTS PSYCH	79,446	28,925	22,027	6,733	0	(8,336)	35,876	36,895	9,045	35,295	16,135	75,986	37,524
8511-5920-54850 POLICY DISCOUNTS OUT PATIENT	246,360	48,552	60,508	14,417	4,143	28,708	53,034	52,646	55,184	162,102	90,505	130,134	105,242
8511-5920-54851 POLICY DISCOUNTS ER	739,285	449,991	778,798	558,909	26,170	553,167	679,376	728,337	499,262	149,825	96,748	2,009,979	485,222
8511-5930-51810 ADMIN ADJ INPT ACUTE	283,324	1,121,109	(543,713)	961,505	536,663	(968,986)	569,277	(200,436)	700,388	1,856,369	1,530,427	(4,762,343)	649,841
8511-5930-51820 ADMIN ADJ INPT SNF	6,932	23,857	24	0	0	0	0	0	0	0	0	0	0
8511-5930-51830 ADMIN ADJ PSYCH	0	0	0	(4,970)	(2,265)	0	0	0	0	0	0	0	33,011
8511-5930-54850 ADMIN ADJ INPT OUT PATIENT	3,130	1,106	811	(3,293)	(5,528)	678	625	11,278	21,394	952	770	896	771
8511-5930-54851 ADMIN ADJ INPT OUT ER	32,685	11,718	30,626	(11,987)	(68,719)	5,243	300	(395)	3,942	8,119	7,039	7,747	17,330
Total: Other	2,001,265	1,979,194	835,458	1,832,153	609,288	343,870	1,876,487	1,065,461	1,853,310	2,723,405	2,226,854	(1,550,133)	1,858,023
<b>Total - Other Allowances</b>	<b>2,001,265</b>	<b>1,979,194</b>	<b>835,458</b>	<b>1,832,153</b>	<b>609,288</b>	<b>343,870</b>	<b>1,876,487</b>	<b>1,065,461</b>	<b>1,853,310</b>	<b>2,723,405</b>	<b>2,226,854</b>	<b>(1,550,133)</b>	<b>1,858,023</b>
<b>DSH:</b>													
SB 1255:													
8511-5831-51810 MEDI-CAL SB 1255 PYMTS - CA CNTYIND	(670,028)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(1,044,449)
Total: SB 1255	(670,028)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(641,667)	(1,044,449)
SB 1732:													
8511-5832-51810 MEDI-CAL CRRP PAYMENTS - CA CNTYIND	(184,419)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(524,411)
Total: SB 1732	(184,419)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(183,333)	(524,411)
SB 855:													
8511-5833-51810 MEDI-CAL SB 855 PYMTS	(3,960,907)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(316,726)	(1,721,973)	(1,721,973)	(1,721,973)	(1,721,973)
Total: SB 855	(3,960,907)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(1,922,723)	(316,726)	(1,721,973)	(1,721,973)	(1,721,973)	(1,721,973)
SB 474:													
8511-5834-51810 MEDI-CAL SB 474 PYMTS	0	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	286,617
Total: SB 474	0	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	(75,583)	286,617
<b>Total - DSH</b>	<b>(4,815,354)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(2,823,306)</b>	<b>(1,217,309)</b>	<b>(2,622,556)</b>	<b>(2,622,556)</b>	<b>(2,622,556)</b>	<b>(3,004,217)</b>
<b>Total - Deductions From Revenue</b>	<b>120,744,664</b>	<b>123,615,161</b>	<b>135,137,673</b>	<b>122,331,467</b>	<b>76,083,053</b>	<b>124,216,028</b>	<b>88,784,831</b>	<b>135,071,678</b>	<b>126,050,207</b>	<b>135,235,145</b>	<b>127,952,626</b>	<b>113,535,138</b>	<b>119,067,800</b>
<b>Pat. Rev. Net of Contractuals &amp; Other De</b>	<b>30,582,095</b>	<b>29,794,052</b>	<b>26,247,196</b>	<b>30,532,301</b>	<b>88,327,748</b>	<b>31,656,417</b>	<b>75,000,745</b>	<b>36,297,674</b>	<b>29,753,234</b>	<b>32,741,165</b>	<b>28,035,178</b>	<b>49,315,977</b>	<b>38,440,368</b>
<b>Provision for Doubtful Accounts:</b>													
8511-5800-51000 Bad Debt Expense - I/P	1,574,268	3,171,720	1,806,004	2,846,629	3,069,319	4,981,088	1,188,872	2,571,175	1,675,322	3,958,782	1,141,081	(760,900)	(2,165,649)
<b>Total: Provision for Doubtful Accounts</b>	<b>1,574,268</b>	<b>3,171,720</b>	<b>1,806,004</b>	<b>2,846,629</b>	<b>3,069,319</b>	<b>4,981,088</b>	<b>1,188,872</b>	<b>2,571,175</b>	<b>1,675,322</b>	<b>3,958,782</b>	<b>1,141,081</b>	<b>(760,900)</b>	<b>(2,165,649)</b>
<b>Net Patient Revenue</b>	<b>29,007,827</b>	<b>26,622,332</b>	<b>24,441,192</b>	<b>27,685,672</b>	<b>85,258,429</b>	<b>26,675,329</b>	<b>73,811,873</b>	<b>33,726,499</b>	<b>28,077,912</b>	<b>28,782,383</b>	<b>26,894,097</b>	<b>50,076,877</b>	<b>40,606,017</b>



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Other Revenue:</b>													
Other Revenue:													
8511-5330-59920 Cafeteria Income	80,531	83,792	89,301	84,535	89,404	84,258	88,837	81,819	89,107	89,217	90,222	91,361	106,900
8511-5335-59920 Vending Machine Income	1,429	1,825	1,402	1,377	947	1,540	(570)	1,784	1,845	1,278	1,633	1,145	1,154
8511-5700-59910 Medical Records Abstracts	14,297	9,264	11,853	10,993	9,177	13,359	9,261	13,194	6,500	16,866	9,685	9,714	8,820
8511-5700-59920 HIS Income	0	0	0	0	0	0	0	0	0	255	0	0	0
8511-5780-59920 Other Operating Revenue	38,528	4,690	2,222	1,482	92,170	532	3,888	1,774	4,077	1,517	60,997	(3,914)	(304)
8511-5789-59920 Physician Billing	4,432	0	0	266	0	0	0	4,574	0	4,853	391	300	0
8511-7011-59920 Other Operating Revenue	2,839	3,100	0	0	0	2,275	925	2,775	9,185	975	0	0	0
8511-7400-59920 Other Operating Revenue	0	1,471	0	0	0	0	2,134	434	0	0	0	476	0
8511-8215-59920 Other Operating Revenue	807	4,214	840	545	1,269	0	0	0	2,033	2,580	0	1,547	445
8511-8510-59920 Other Operating Revenue	0	0	0	0	0	44,489	(12,412)	0	0	0	0	0	0
8511-8610-59920 Other Oper Rev	1,000	0	496	0	0	0	158	0	0	0	0	0	0
8511-8700-59920 HIS Income	0	0	0	1,000	0	0	0	0	0	0	0	0	0
8511-8771-59920 HCI Contribution Revenue	0	448	0	0	0	0	0	0	0	0	0	0	0
8511-9293-59920 Other Oper Rev	0	0	0	1	0	0	5	9	8	8	8	8	13
8511-9400-59935 Other Revenue - Meaningful Use	0	0	0	0	0	0	0	0	0	0	23,953	0	0
Total: Other Revenue	143,864	108,803	106,115	100,197	192,966	146,453	92,225	106,364	112,756	117,550	186,890	100,637	117,028
Gain or Loss on Property Sale:													
8511-9010-59965 Gains&Loss-Hospital Property	9,267	401	0	0	0	0	0	0	0	0	0	0	0
Total: Gain or Loss on Property Sale	9,267	401	0	0	0	0	0	0	0	0	0	0	0
Rental Revenue:													
8511-9250-59820 PHYS OFFICE & OTHER RENTAL REV.	21,058	24,264	20,929	20,929	(9,604)	13,465	13,465	26,836	17,922	20,822	30,525	2,681	29,500
Total: Rental Revenue	21,058	24,264	20,929	20,929	(9,604)	13,465	13,465	26,836	17,922	20,822	30,525	2,681	29,500
<b>Total Other Revenue</b>	<b>174,188</b>	<b>133,468</b>	<b>127,044</b>	<b>121,126</b>	<b>183,362</b>	<b>159,918</b>	<b>105,690</b>	<b>133,199</b>	<b>130,678</b>	<b>138,372</b>	<b>217,414</b>	<b>103,318</b>	<b>146,528</b>
Capitation Premium Revenue:													
8511-5960-51880 Premium Revenue	8,273,215	8,122,756	10,885,023	8,538,796	12,423,676	8,773,706	8,225,689	8,455,468	8,794,113	8,657,350	8,628,699	9,305,574	11,338,994
Total: Capitation Premium Revenue	8,273,215	8,122,756	10,885,023	8,538,796	12,423,676	8,773,706	8,225,689	8,455,468	8,794,113	8,657,350	8,628,699	9,305,574	11,338,994
Capitation Risk Pool Reserve:													
8511-5960-51881 Risk Pool Reserves	(1,561,198)	(725,975)	(1,679,720)	(881,998)	(2,560,110)	(660,484)	(537,258)	(542,237)	(364,470)	(326,991)	(1,011,924)	(304,917)	(1,975,036)
Total: Capitation Risk Pool Reserve	(1,561,198)	(725,975)	(1,679,720)	(881,998)	(2,560,110)	(660,484)	(537,258)	(542,237)	(364,470)	(326,991)	(1,011,924)	(304,917)	(1,975,036)
<b>Total Capitation Revenue</b>	<b>6,712,017</b>	<b>7,396,782</b>	<b>9,205,303</b>	<b>7,656,797</b>	<b>9,863,566</b>	<b>8,113,222</b>	<b>7,688,432</b>	<b>7,913,231</b>	<b>8,429,643</b>	<b>8,330,359</b>	<b>7,616,775</b>	<b>9,000,657</b>	<b>9,363,958</b>
Unrestricted Contributions:													
Unrestricted Contributions:													
8511-6070-59550 UNRESTRICTED CONTRIBU'	0	0	0	0	0	0	0	0	0	0	0	17,668	0
8511-7011-59550 UNRESTRICTED CONTRIBU'	0	0	20,195	0	294,859	0	96,319	0	0	124,417	0	0	131,230
8511-7075-59550 UNRESTRICTED CONTRIBU'	1,845	155,207	651,778	112,523	122,336	115,735	160,361	144,735	148,752	177,003	310,302	28,230	261,529
8511-7268-59550 UNRESTRICTED CONTRIBU'	0	0	10,880	7,396	7,396	7,396	0	0	13,340	0	0	0	0
8511-7690-59550 UNRESTRICTED CONTRIBU'	0	0	0	0	0	0	0	0	0	0	35,965	0	0
8511-8049-59550 UNRESTRICTED CONTRIBU'	0	250	0	0	0	32,049	1,090	0	1,210	15,340	48,402	0	25,016
8511-8610-59550 UNRESTRICTED CONTRIBU'	0	0	0	0	0	0	0	0	0	0	0	0	1,038
8511-8638-59550 UNRESTRICTED CONTRIBU'	0	0	0	0	0	0	0	0	0	0	0	1,009	0
8511-8677-59550 UNRESTRICTED CONTRIBU'	0	0	0	0	39,690	0	0	0	0	0	0	10,000	0
8511-8771-59550 UNRESTRICTED CONTRIBU'	121,657	17,318	29,721	0	11,434	22,431	9,155	4,096	0	26,281	20,552	11,259	16,655
8511-8780-59550 UNRESTRICTED CONTRIBU'	(3)	123,436	17,439	2,249	154,248	1,132	1,866	0	46,715	89,154	17,014	36,835	18,848
8511-9040-59955 Unrestricted Contributions	6,031	7,585	5,547	5,547	17,512	7,295	10,701	10,223	5,549	5,549	6,349	68,520	25,448
Total: Unrestricted Contributions	129,530	303,796	735,559	127,715	647,475	186,038	279,492	159,054	215,567	437,744	438,583	173,520	479,764
<b>Total Unrestricted Contribution</b>	<b>129,530</b>	<b>303,796</b>	<b>735,559</b>	<b>127,715</b>	<b>647,475</b>	<b>186,038</b>	<b>279,492</b>	<b>159,054</b>	<b>215,567</b>	<b>437,744</b>	<b>438,583</b>	<b>173,520</b>	<b>479,764</b>
<b>Total Revenues</b>	<b>36,023,563</b>	<b>34,456,378</b>	<b>34,509,098</b>	<b>35,591,311</b>	<b>95,952,832</b>	<b>35,134,507</b>	<b>81,885,487</b>	<b>41,931,983</b>	<b>36,853,800</b>	<b>37,688,858</b>	<b>35,166,870</b>	<b>59,354,373</b>	<b>50,596,266</b>

**EXPENSES:**

**Productive Salaries:**

70000 Mgmt & Supervision:

8511-6010-70000 Mgmt & Supervision	37,949	35,687	35,236	28,408	31,116	17,878	19,983	21,884	26,500	42,509	47,824	47,060	53,180
8511-6070-70000 Mgmt & Supervision	1,337	7,942	15,264	16,040	15,907	13,734	6,369	3,786	7,486	1,214	2,310	12,241	14,742
8511-6151-70000 Mgmt & Supervision	41,660	38,770	37,956	40,965	40,970	38,699	35,749	36,738	35,595	40,955	38,504	50,998	41,505
8511-6179-70000 Mgmt & Supervision	7,435	11,106	10,211	9,881	10,211	9,881	7,508	11,460	16,380	19,238	20,345	13,038	19,562
8511-6182-70000 Mgmt & Supervision	9,090	9,560	9,690	9,821	10,149	9,821	7,824	9,134	9,297	10,149	10,725	11,366	10,486
8511-6184-70000 Mgmt & Supervision	17,727	12,171	10,195	9,587	9,922	9,587	8,665	9,872	6,335	9,352	14,473	28,425	20,807
8511-6187-70000 Mgmt & Supervision	20,141	20,562	35,515	31,783	33,598	32,844	28,609	28,414	30,833	34,970	32,537	34,522	24,638
8511-6188-70000 Mgmt & Supervision	23,816	22,164	21,267	19,564	22,250	20,323	17,254	18,589	15,411	12,548	12,411	18,274	9,225
8511-6290-70000 Mgmt & Supervision	2,901	0	0	0	1,943	4,254	5,969	11,681	3,325	7,053	9,312	(1,054)	162
8511-6340-70000 Mgmt & Supervision	48,090	44,962	51,448	45,567	33,810	31,895	32,958	32,074	32,810	36,745	44,948	44,053	31,831
8511-6380-70000 Mgmt & Supervision	56,585	41,922	50,326	48,081	50,706	37,143	36,014	41,355	34,841	38,910	34,106	43,557	50,537
8511-6530-70000 Mgmt & Supervision	9,764	4,752	1,714	773	3,481	6,938	6,551	6,072	11,838	(1,195)	2,802	6,403	1,634
8511-6560-70000 Mgmt & Supervision	13,187	11,773	14,216	12,948	1,268	18,110	10,096	12,722	12,858	12,134	12,790	6,225	2,769
8511-7010-70000 Mgmt & Supervision	19,821	20,749	20,557	21,091	27,072	26,831	24,726	41,770	39,559	46,006	46,838	44,018	42,875
8511-7011-70000 Mgmt & Supervision	10,650	10,442	12,772	12,360	12,772	12,360	12,000	12,824	11,536	12,772	12,360	12,772	12,360
8511-7075-70000 Mgmt & Supervision	5,099	6,927	5,548	6,412	7,049	5,639	5,252	5,707	6,139	6,185	5,775	6,867	6,457
8511-7076-70000 Mgmt & Supervision	9,531	10,562	11,116	10,849	11,193	11,842	9,092	8,786	9,932	11,193	3,629	6,647	3,362
8511-7093-70000 Mgmt & Supervision	3,050	5,199	(206)	3,245	8,218	4,855	5,710	4,797	5,377	6,150	4,317	3,497	489
8511-7268-70000 Mgmt & Supervision	14,604	22,527	24,767	21,939	24,086	20,661	20,064	21,227	21,506	25,397	22,280	24,682	21,730
8511-7400-70000 Mgmt & Supervision	10,426	(3,989)	0	0	0	0	0	0	0	0	0	0	14,112
8511-7420-70000 Mgmt & Supervision	27,770	22,745	25,841	19,853	25,804	29,111	20,010	19,371	10,168	11,556	12,544	4,055	15,207
8511-7470-70000 Mgmt & Supervision	3,375	2,351	4,115	3,668	3,501	3,342	3,383	2,858	3,569	4,068	3,879	3,775	3,775
8511-7500-70000 Mgmt & Supervision	27,729	29,590	29,429	27,838	30,282	25,905	32,171	35,410	25,229	32,065	30,811	37,362	50,722
8511-7570-70000 Mgmt & Supervision	6,384	2,247	3,740	3,264	2,700	2,768	11,995	12,787	12,082	13,371	12,734	13,215	12,940
8511-7591-70000 Mgmt & Supervision	13,282	12,697	12,221	9,530	12,540	12,494	9,302	13,361	14,446	5,016	0	0	0
8511-7630-70000 Mgmt & Supervision	19,732	18,275	22,267	19,212	19,658	16,872	17,145	18,573	18,853	22,029	19,796	23,347	19,020



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7710-70000 Mgmt & Supervision	16,647	26,385	31,198	24,217	32,958	12,922	10,420	14,941	15,657	17,091	12,680	17,091	11,908
8511-7720-70000 Mgmt & Supervision	15,080	11,062	14,719	13,891	13,264	13,590	20,788	20,293	13,741	21,722	26,612	30,487	21,869
8511-7722-70000 Mgmt & Supervision	7,755	7,384	9,767	8,762	9,067	9,170	5,804	8,543	8,675	8,252	8,762	7,960	5,790
8511-7730-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	0	0	926	(362)	0
8511-7801-70000 Mgmt & Supervision	0	0	0	0	0	1,371	1,634	2,372	(211)	0	2,035	(508)	0
8511-8215-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	0	0	0	5,715	15,210
8511-8231-70000 Mgmt & Supervision	0	0	0	0	0	0	9,310	0	0	0	0	0	0
8511-8310-70000 Mgmt & Supervision	0	1,776	0	0	0	0	0	0	0	0	0	0	0
8511-8400-70000 Mgmt & Supervision	9,905	9,469	10,542	9,250	10,542	9,318	8,467	9,556	9,046	8,297	9,420	10,848	9,726
8511-8402-70000 Mgmt & Supervision	4,069	3,729	3,947	3,577	3,851	4,152	3,913	4,091	4,158	3,691	3,058	4,502	3,927
8511-8420-70000 Mgmt & Supervision	7,733	8,114	8,230	7,965	8,230	7,274	7,381	9,491	10,162	11,819	10,701	10,095	10,732
8511-8460-70000 Mgmt & Supervision	15,707	12,830	18,033	15,610	17,209	22,485	22,305	24,158	21,765	23,675	23,460	24,097	22,476
8511-8510-70000 Mgmt & Supervision	4,872	(1,836)	0	0	0	0	0	0	0	0	0	0	0
8511-8511-70000 Mgmt & Supervision	11,736	11,670	5,002	12,409	11,837	11,455	11,837	11,837	10,691	11,837	11,455	11,837	11,455
8511-8530-70000 Mgmt & Supervision	5,719	12,455	11,272	2,254	11,926	(3,272)	0	0	0	0	0	0	0
8511-8560-70000 Mgmt & Supervision	13,345	11,228	15,453	15,617	16,595	17,031	11,538	14,790	15,251	13,753	12,623	14,131	12,340
8511-8591-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	0	0	0	0	7,808
8511-8610-70000 Mgmt & Supervision	91,189	80,013	102,030	83,677	100,825	96,691	78,322	97,264	92,633	66,280	113,052	93,039	(701,214)
8511-8615-70000 Mgmt & Supervision	28,704	23,862	21,928	12,677	13,100	12,677	8,747	33,067	32,678	40,190	38,133	39,245	32,249
8511-8638-70000 Mgmt & Supervision	1,252	0	0	0	0	0	0	0	0	0	0	0	0
8511-8650-70000 Mgmt & Supervision	21,944	41,981	18,676	21,245	19,748	19,949	10,307	19,750	18,619	20,614	19,018	20,614	19,949
8511-8661-70000 Mgmt & Supervision	648	0	0	0	3,314	7,401	7,319	7,208	7,457	7,125	7,015	7,622	7,788
8511-8680-70000 Mgmt & Supervision	19,283	19,261	8,008	9,422	9,231	8,643	11,829	12,533	11,484	13,758	11,448	14,665	9,563
8511-8710-70000 Mgmt & Supervision	8,813	7,384	9,561	8,654	9,380	9,077	5,023	8,835	8,714	8,109	9,501	9,380	7,806
8511-8720-70000 Mgmt & Supervision	40,944	47,608	38,830	35,818	53,426	50,610	55,179	62,586	57,201	59,193	55,196	54,593	60,011
8511-8751-70000 Mgmt & Supervision	10,110	13,222	26,002	12,406	14,035	13,582	8,919	12,632	12,858	13,401	13,582	14,035	7,244
8511-8752-70000 Mgmt & Supervision	17,402	20,927	13,957	11,276	15,342	14,566	20,388	20,205	22,058	24,294	23,182	24,294	21,429
8511-8754-70000 Mgmt & Supervision	0	0	0	0	0	0	0	17,407	17,165	22,967	22,665	(1,484)	7,103
8511-8771-70000 Mgmt & Supervision	8,178	4,890	8,435	7,164	5,596	9,192	4,055	7,299	7,191	8,489	7,732	3,244	6,056
Total: 70000 Mgmt & Supervision	822,169	795,106	840,794	748,572	829,680	771,670	717,884	860,107	818,898	864,947	900,313	910,392	95,353
70010 Mgmt & Supervision Premium:													
8511-6340-70010 Mgmt & Supervision Premium	0	0	0	0	0	0	0	0	(38)	38	0	0	0
8511-7470-70010 Mgmt & Supervision Premium	0	0	17	9	9	9	9	0	0	9	358	397	420
8511-7500-70010 Mgmt & Supervision Premium	7,454	10,538	7,417	5,169	5,322	6,185	6,887	6,795	2,281	3,515	2,221	3,548	1,022
8511-7570-70010 Mgmt & Supervision Premium	0	0	0	428	29	56	(26)	0	0	0	0	0	0
8511-8402-70010 Mgmt & Supervision Premium	8	16	8	8	0	0	67	128	294	232	579	620	629
8511-8720-70010 Mgmt & Supervision Premium	411	1,230	5,270	3,682	38	7,013	4,759	16,958	14,293	10,037	12,909	9,463	9,297
Total: 70010 Mgmt & Supervision Premium	7,873	11,784	12,711	9,295	5,390	13,263	11,696	23,882	16,830	13,830	16,068	14,028	11,368
70100 Technician & Specialist:													
8511-6070-70100 Technician & Specialist	0	0	0	0	0	0	0	0	0	361	2,249	1,408	3,414
8511-6151-70100 Technician & Specialist	8,638	10,157	10,538	15,055	9,198	12,403	14,917	13,254	17,310	15,452	12,994	15,100	21,125
8511-6187-70100 Technician & Specialist	0	0	0	0	0	755	1,133	6,280	3,231	4,726	1,951	2,988	5,276
8511-6290-70100 Technician & Specialist	0	0	0	0	0	0	0	0	0	2,644	(481)	961	481
8511-6340-70100 Technician & Specialist	28,910	34,548	32,830	29,084	23,395	29,927	22,653	27,888	21,083	31,431	32,358	31,802	30,295
8511-6380-70100 Technician & Specialist	12,509	16,815	18,727	21,141	19,544	19,707	20,397	16,089	14,082	18,105	20,321	15,472	18,255
8511-6382-70100 Technician & Specialist	0	0	0	0	0	0	922	0	0	0	0	0	0
8511-6530-70100 Technician & Specialist	0	0	0	0	0	0	0	0	0	2,404	1,510	0	3,395
8511-6580-70100 Technician & Specialist	12,442	8,792	9,774	13,031	12,936	12,771	11,924	13,466	12,112	13,446	10,045	17,082	12,628
8511-7010-70100 Technician & Specialist	102,953	107,330	101,793	129,251	98,680	101,843	103,062	100,336	85,476	94,584	93,087	85,195	130,251
8511-7011-70100 Technician & Specialist	43,619	45,681	46,677	44,480	45,031	46,954	48,418	43,087	30,703	43,672	48,450	50,911	42,400
8511-7041-70100 Technician & Specialist	10,297	12,232	8,155	12,757	12,407	12,007	7,955	12,657	11,206	11,707	12,007	13,518	9,906
8511-7075-70100 Technician & Specialist	11,825	13,132	12,902	12,241	9,840	9,868	8,211	14,048	13,361	15,110	14,054	14,829	12,498
8511-7076-70100 Technician & Specialist	4,841	7,811	6,781	6,802	7,382	7,727	6,927	6,449	6,811	8,069	6,888	7,430	7,800
8511-7087-70100 Technician & Specialist	36,695	37,459	37,696	37,009	37,777	39,067	41,548	41,450	37,258	39,842	38,722	40,632	39,367
8511-7093-70100 Technician & Specialist	0	0	0	0	0	0	0	0	0	1,174	89	481	961
8511-7267-70100 Technician & Specialist	23,078	23,504	28,218	25,526	28,414	25,963	27,338	22,765	23,920	26,802	25,871	28,443	20,335
8511-7268-70100 Technician & Specialist	37,435	50,569	67,065	57,436	61,173	58,340	41,818	57,932	53,880	65,614	52,590	50,740	50,030
8511-7400-70100 Technician & Specialist	28,782	28,149	29,636	30,716	29,926	27,519	26,873	30,987	29,804	33,960	29,119	30,528	42,962
8511-7420-70100 Technician & Specialist	10,093	16,463	19,558	17,331	21,097	18,668	15,886	16,330	16,830	19,922	17,927	19,750	21,049
8511-7450-70100 Technician & Specialist	3,878	4,773	4,746	6,282	5,111	4,160	2,913	4,006	5,863	7,204	6,372	6,205	5,389
8511-7470-70100 Technician & Specialist	3,093	1,839	3,353	3,093	3,353	3,039	2,440	2,952	2,801	3,410	(703)	0	0
8511-7471-70100 Technician & Specialist	42,285	47,775	38,156	42,058	45,652	45,738	42,282	44,593	39,078	40,827	47,070	42,492	43,688
8511-7500-70100 Technician & Specialist	191,256	190,647	209,970	218,996	227,347	216,205	240,996	256,150	243,735	267,100	248,567	258,009	255,425
8511-7520-70100 Technician & Specialist	(118)	20	1,603	1,538	2,104	2,107	2,379	1,469	1,729	1,969	1,634	2,464	3,540
8511-7570-70100 Technician & Specialist	61,955	70,672	69,630	69,867	73,406	74,643	65,684	74,195	72,033	77,666	69,196	70,827	76,788
8511-7573-70100 Technician & Specialist	24,814	26,650	24,765	25,777	24,078	23,940	27,871	24,773	24,680	28,007	34,121	49,862	25,207
8511-7591-70100 Technician & Specialist	49,698	50,207	49,496	46,632	50,583	48,376	49,060	50,806	49,772	53,056	52,419	52,512	53,289
8511-7620-70100 Technician & Specialist	0	0	0	0	0	3,357	6,184	6,069	5,981	5,943	5,081	5,617	4,798
8511-7630-70100 Technician & Specialist	104,195	102,362	105,910	104,575	101,794	106,511	117,010	117,921	105,071	116,708	108,210	114,452	105,383
8511-7642-70100 Technician & Specialist	21,886	26,438	31,191	34,469	32,410	41,725	30,301	36,084	31,126	42,709	41,512	42,444	33,403
8511-7650-70100 Technician & Specialist	33,307	28,553	29,742	28,518	28,855	31,836	28,562	24,782	28,126	31,278	29,373	29,907	31,268
8511-7660-70100 Technician & Specialist	24,602	22,720	23,830	23,620	24,519	25,058	22,528	27,285	29,769	34,938	35,029	30,481	27,481
8511-7670-70100 Technician & Specialist	52,333	56,198	54,028	66,080	58,625	55,307	62,986	61,731	54,983	56,992	58,632	59,527	59,863
8511-7680-70100 Technician & Specialist	48,183	52,241	49,131	51,099	54,807	53,840	56,929	60,446	55,760	60,465	59,566	55,737	53,638
8511-7690-70100 Technician & Specialist	15,464	14,324	18,461	16,382	18,277	17,135	15,682	16,088	15,526	18,799	16,898	17,472	16,030
8511-7710-70100 Technician & Specialist	260,364	254,968	260,673	264,312	268,318	277,932	281,524	278,685	281,416	296,014	265,364	282,550	268,895
8511-7720-70100 Technician & Specialist	246,755	271,298	240,928	295,501	245,637	258,946	258,467	281,918	259,335	279,883	242,8		



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-8710-70100 Technician & Specialist	5,677	5,707	4,943	5,780	6,062	5,563	4,375	5,756	5,637	5,991	4,798	6,096	5,062
8511-8720-70100 Technician & Specialist	15,307	16,962	16,750	16,591	17,039	13,685	14,757	15,978	15,791	16,327	16,453	17,800	16,660
8511-8751-70100 Technician & Specialist	2,675	1,032	4,374	7,256	7,565	8,630	5,487	8,719	6,442	7,596	8,787	12,652	7,925
8511-8752-70100 Technician & Specialist	41,996	36,264	39,684	44,104	38,233	55,804	29,486	33,502	33,501	38,169	37,788	46,049	42,262
8511-8754-70100 Technician & Specialist	4,619	4,132	3,965	5,477	5,458	5,532	3,614	5,495	4,057	4,241	4,942	6,048	5,532
Total: 70100 Technician & Specialist	1,997,086	2,103,542	2,110,248	2,226,932	2,185,122	2,217,000	2,129,953	2,270,651	2,127,337	2,384,530	2,231,632	2,337,719	2,410,644
70110 Tech & Spec Prem Pay:													
8511-6151-70110 Tech & Spec Prem Pay	1,064	(208)	178	299	66	32	544	2,292	503	183	26	129	102
8511-6187-70110 Tech & Spec Prem Pay	0	0	0	0	0	439	298	449	395	(95)	1,078	(192)	0
8511-6290-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	0	0	0	1,804	(361)	0	0
8511-6340-70110 Tech & Spec Prem Pay	(531)	3,849	606	326	1,218	252	1,477	885	717	(126)	(7)	0	317
8511-6380-70110 Tech & Spec Prem Pay	17	212	5	62	67	397	374	55	15	10	32	29	25
8511-6382-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	35	0	0	0	0	0	0
8511-6530-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	0	0	0	1,804	433	0	0
8511-6580-70110 Tech & Spec Prem Pay	513	605	297	373	315	307	466	716	350	683	466	684	670
8511-7010-70110 Tech & Spec Prem Pay	6,098	7,917	6,926	6,586	7,444	7,571	10,692	16,861	7,289	8,119	12,131	10,119	9,532
8511-7011-70110 Tech & Spec Prem Pay	20	119	19	13	18	32	(7)	0	0	49	0	12	0
8511-7075-70110 Tech & Spec Prem Pay	27	63	69	107	96	29	8	32	39	90	64	94	106
8511-7076-70110 Tech & Spec Prem Pay	240	362	227	169	104	302	200	138	68	215	166	158	129
8511-7087-70110 Tech & Spec Prem Pay	101	62	64	138	194	73	(14)	83	39	165	(35)	62	122
8511-7267-70110 Tech & Spec Prem Pay	8,694	5,762	6,867	9,553	5,539	7,121	6,269	10,515	9,700	11,004	14,361	9,744	7,508
8511-7400-70110 Tech & Spec Prem Pay	1,737	2,057	2,152	2,006	1,007	1,622	1,819	915	717	652	1,070	709	1,099
8511-7420-70110 Tech & Spec Prem Pay	4,457	7,466	4,875	2,380	2,997	2,422	1,504	366	1,041	363	1,078	1,624	767
8511-7450-70110 Tech & Spec Prem Pay	1,556	2,891	3,818	3,456	3,190	2,269	1,043	858	1,317	3,073	2,646	1,799	1,411
8511-7470-70110 Tech & Spec Prem Pay	0	23	(2)	21	72	135	30	19	(3)	27	(4)	0	0
8511-7471-70110 Tech & Spec Prem Pay	561	3,996	3,984	1,372	4,857	6,587	71	1,371	1,440	2,049	2,103	2,908	3,025
8511-7500-70110 Tech & Spec Prem Pay	35,662	52,245	50,525	29,331	27,352	37,174	32,267	36,813	32,475	28,853	30,684	22,051	32,500
8511-7520-70110 Tech & Spec Prem Pay	(24)	0	0	84	19	182	111	14	17	4	0	1,285	1,337
8511-7570-70110 Tech & Spec Prem Pay	10,404	2,759	9,620	5,742	4,153	5,444	6,337	8,564	9,028	8,172	11,015	10,614	7,111
8511-7573-70110 Tech & Spec Prem Pay	1,644	763	1,907	3,037	210	1,465	2,908	4,219	294	2,196	1,708	3,146	2,119
8511-7591-70110 Tech & Spec Prem Pay	(89)	716	772	1,060	443	1,256	350	582	1,377	2,670	3,422	2,956	3,719
8511-7620-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	174	132	86	1,492	558	1,488	1,447
8511-7630-70110 Tech & Spec Prem Pay	2,717	3,166	785	765	1,783	1,276	1,575	285	1,257	1,013	630	798	625
8511-7642-70110 Tech & Spec Prem Pay	8	271	319	(2)	4	107	153	(10)	38	123	328	660	5
8511-7650-70110 Tech & Spec Prem Pay	2,791	3,783	2,938	2,640	7,881	(562)	3,754	5,856	5,107	2,200	3,841	5,675	3,838
8511-7660-70110 Tech & Spec Prem Pay	746	1,058	1,741	1,004	1,267	2,233	1,712	1,121	1,199	1,062	982	973	540
8511-7670-70110 Tech & Spec Prem Pay	3,107	2,533	2,893	2,293	1,224	583	1,052	1,730	827	1,592	1,091	1,361	1,887
8511-7680-70110 Tech & Spec Prem Pay	7,852	5,286	6,279	4,740	4,843	2,131	2,704	1,420	2,852	914	1,923	3,630	10,032
8511-7690-70110 Tech & Spec Prem Pay	150	43	103	(22)	88	(14)	74	104	3	21	0	245	122
8511-7710-70110 Tech & Spec Prem Pay	1,941	1,317	16,840	1,606	21,360	1,657	5,892	4,177	2,124	1,086	4,063	1,899	293
8511-7720-70110 Tech & Spec Prem Pay	9,959	7,726	2,566	7,513	13,179	8,028	19,309	32,587	26,390	18,511	10,184	(2,559)	13,382
8511-7722-70110 Tech & Spec Prem Pay	496	5,667	722	462	8,179	5,993	6,049	4,944	6,679	5,320	6,864	5,124	5,191
8511-7730-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	0	0	29	(7)	0	0	0
8511-7760-70110 Tech & Spec Prem Pay	912	196	473	1,075	722	969	327	1,133	1,153	1,220	911	776	803
8511-7775-70110 Tech & Spec Prem Pay	1,306	631	372	1,802	332	391	281	56	57	30	45	247	18
8511-8215-70110 Tech & Spec Prem Pay	1,456	(67)	801	919	1,137	489	119	0	0	0	0	0	0
8511-8340-70110 Tech & Spec Prem Pay	3	11	70	286	244	50	1,035	216	46	44	22	25	(11)
8511-8360-70110 Tech & Spec Prem Pay	3,890	4,451	2,981	4,169	4,685	4,849	6,295	7,018	6,016	6,889	7,827	2,993	5,277
8511-8370-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	0	0	0	0	0	0	6
8511-8402-70110 Tech & Spec Prem Pay	0	778	1,079	(45)	297	(88)	395	1,186	1,444	1,092	842	1,271	(18)
8511-8465-70110 Tech & Spec Prem Pay	3,350	8,705	350	956	1,946	1,214	642	8,557	9,865	10,032	12,800	10,119	6,079
8511-8615-70110 Tech & Spec Prem Pay	1,445	1,789	7,358	4,515	3,284	3,351	3,030	3,181	3,701	(9)	0	0	505
8511-8616-70110 Tech & Spec Prem Pay	7	81	37	22	40	19	110	11	1	34	(10)	112	6
8511-8650-70110 Tech & Spec Prem Pay	(6)	90	(1)	41	0	2	159	0	30	(3)	51	167	212
8511-8661-70110 Tech & Spec Prem Pay	0	33	45	19	50	(3)	40	12	258	2	56	(8)	15
8511-8677-70110 Tech & Spec Prem Pay	440	129	523	216	19	83	104	80	77	25	19	80	56
8511-8710-70110 Tech & Spec Prem Pay	1,155	1,783	1,058	880	1,265	1,328	1,133	1,293	942	1,066	916	235	30
8511-8720-70110 Tech & Spec Prem Pay	434	9,749	9,535	6,663	3,473	3,759	1,430	6,492	4,161	3,096	3,990	3,082	8,850
8511-8751-70110 Tech & Spec Prem Pay	0	179	168	5	308	188	183	40	134	133	565	2,066	(598)
8511-8752-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	0	0	140	253	1,015	401	(54)
Total: 70110 Tech & Spec Prem Pay	116,311	151,046	152,940	108,637	136,971	113,145	124,311	167,369	141,436	129,194	141,613	108,790	130,135
70200 Registered Nurses:													
8511-6010-70200 Registered Nurses	767,886	874,723	840,534	850,092	839,266	794,769	851,653	966,246	894,589	913,856	786,257	714,292	771,965
8511-6070-70200 Registered Nurses	478,582	482,331	480,820	463,998	424,994	443,407	397,989	443,783	465,165	357,135	391,312	535,533	514,144
8511-6151-70200 Registered Nurses	496,407	515,823	482,892	479,426	489,810	461,886	452,762	545,852	496,865	562,791	526,804	495,984	440,922
8511-6179-70200 Registered Nurses	246,794	224,962	229,385	284,036	253,233	292,559	259,214	322,479	297,882	321,344	296,309	282,925	343,627
8511-6182-70200 Registered Nurses	256,139	253,308	233,475	227,478	235,723	234,445	193,953	250,738	214,891	234,430	210,081	195,105	199,551
8511-6184-70200 Registered Nurses	206,953	208,886	161,972	187,072	191,997	184,955	173,819	212,372	194,486	218,164	223,123	183,864	183,254
8511-6187-70200 Registered Nurses	400,623	396,299	376,098	387,044	383,913	411,117	400,101	448,115	429,601	446,840	442,629	424,375	449,825
8511-6188-70200 Registered Nurses	369,280	336,269	330,636	354,839	356,727	320,117	329,938	354,578	343,196	393,182	370,440	381,435	367,383
8511-6290-70200 Registered Nurses	108,472	93,277	92,584	103,271	120,228	89,864	114,624	123,614	112,790	132,816	112,791	104,085	70,822
8511-6340-70200 Registered Nurses	202,896	226,852	240,678	245,575	286,560	229,218	261,014	282,871	231,247	272,591	260,644	245,740	224,724
8511-6380-70200 Registered Nurses	406,618	453,678	442,036	430,024	490,371	420,989	412,652	467,278	368,957	437,902	377,792	404,971	445,903
8511-6382-70200 Registered Nurses	64,022	49,550	39,428	24,516	42,079	31,971	39,670	43,676	24,293	50,998	38,896	32,517	32,926
8511-6530-70200 Registered Nurses	57,778	80,090	57,240	69,364	59,492	62,163	73,307	73,427	42,107	51,944	69,326	65,589	66,855
8511-6580-70200 Registered Nurses	66,168	66,229	71,738	85,003	83,017	72,308	56,667	64,654	54,693	54,951	56,051	58,973	54,021
8511-7010-70200 Registered Nurses	521,518	574,505	553,867	590,855	603,911	578,182	544,715	592,560	566,875	580,019	602,804	562,157	590,748
8511-7011-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	315	1,546	(518)	6,020
8511-7012-70200 Registered Nurses	44,923	50,566	45,196	49,332	45,126	41,983	39,753	51,002	43,602	49,852	47,055	49,987	43,950
8511-7041-70200 Registered Nurses	54,443	55,165	57,455	46,620	47,169	41,881	58,398	56,810	54,607	62,784</			



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-8560-70200 Registered Nurses	0	0	0	0	0	0	0	6,198	2,134	0	0	0	0
8511-8561-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	0	817	0
8511-8610-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	0	1,470	(679)
8511-8615-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	0	119	(55)
8511-8661-70200 Registered Nurses	10,153	9,829	12,041	10,956	12,577	17,738	16,955	22,332	21,738	20,746	40,596	63,352	51,274
8511-8720-70200 Registered Nurses	0	1,549	1,285	(281)	368	1,423	1,023	(112)	0	0	797	2,076	193
8511-8740-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	1,342	(525)	0
8511-8751-70200 Registered Nurses	191,079	214,571	205,997	197,680	210,105	223,049	181,064	234,285	202,818	238,878	219,311	220,293	234,343
8511-8754-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	0	7,685	9,911
8511-8771-70200 Registered Nurses	7,422	4,634	6,717	8,178	8,038	8,703	6,240	6,858	7,869	8,712	8,431	8,712	5,272
8511-9601-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	190	0	0
Total: 70200 Registered Nurses	5,901,579	6,145,399	5,914,071	6,024,500	6,135,179	5,882,623	5,715,147	6,578,551	6,012,272	6,435,635	6,076,845	6,072,258	6,114,769
70210 Registered Nurses Premium:													
8511-6010-70210 Registered Nurses Premium	66,026	122,311	154,092	177,013	154,282	194,547	213,543	252,874	214,089	192,483	119,082	32,792	107,256
8511-6070-70210 Registered Nurses Premium	2,984	7,606	4,906	11,101	666	24,479	24,239	10,471	8,556	863	1,854	12,921	24,676
8511-6151-70210 Registered Nurses Premium	24,436	46,036	56,837	49,258	54,264	58,778	108,480	98,120	82,156	77,208	57,621	24,437	10,090
8511-6179-70210 Registered Nurses Premium	12,133	16,549	16,434	23,919	21,214	21,686	23,409	34,521	22,338	12,501	13,787	11,487	7,614
8511-6182-70210 Registered Nurses Premium	11,483	16,047	14,436	13,604	15,200	14,314	18,578	16,296	17,597	11,367	4,546	8,972	6,192
8511-6184-70210 Registered Nurses Premium	10,305	14,975	10,722	13,152	16,167	13,314	15,549	23,475	11,848	14,132	8,262	5,759	3,372
8511-6187-70210 Registered Nurses Premium	14,296	24,514	28,128	28,672	27,636	24,843	45,509	47,552	25,588	24,288	22,949	12,978	32,308
8511-6188-70210 Registered Nurses Premium	13,203	32,970	20,681	16,067	21,545	19,483	30,229	36,326	17,577	11,894	14,122	18,741	6,555
8511-6290-70210 Registered Nurses Premium	1,600	1,431	833	2,108	823	789	5,977	6,221	3,001	3,318	1,318	1,258	(236)
8511-6340-70210 Registered Nurses Premium	13,878	17,286	17,405	7,493	10,561	10,942	46,800	24,380	7,859	16,534	2,449	4,771	5,546
8511-6380-70210 Registered Nurses Premium	3,362	9,279	8,271	6,287	18,187	6,903	24,159	22,878	1,738	4,628	7,170	3,306	6,117
8511-6382-70210 Registered Nurses Premium	11,270	2,758	3,058	3,245	6,352	(459)	12,199	4,389	3,382	3,964	714	2,158	3,507
8511-6530-70210 Registered Nurses Premium	537	1,282	80	1,251	(49)	2,533	4,345	2,244	813	0	326	2,048	4,983
8511-6580-70210 Registered Nurses Premium	8,402	8,312	7,538	7,043	5,568	3,139	3,959	3,464	2,503	3,917	2,532	3,324	1,776
8511-7010-70210 Registered Nurses Premium	15,897	37,522	39,467	59,319	73,531	58,849	77,382	98,144	54,735	51,686	59,095	53,688	46,452
8511-7011-70210 Registered Nurses Premium	0	0	0	0	0	0	0	0	0	0	129	(50)	111
8511-7012-70210 Registered Nurses Premium	8,165	2,180	5,433	1,638	8,891	8,673	10,115	14,730	14,216	6,395	4,840	8,111	13,576
8511-7041-70210 Registered Nurses Premium	3,574	4,080	4,254	3,862	5,085	5,508	9,616	8,181	5,662	4,061	306	3,338	7,327
8511-7080-70210 Registered Nurses Premium	2,933	3,399	2,381	2,014	2,689	1,405	1,304	1,733	1,985	1,845	2,445	1,399	952
8511-7267-70210 Registered Nurses Premium	0	0	0	0	0	0	730	1,807	(172)	0	0	0	1,345
8511-7400-70210 Registered Nurses Premium	49,161	67,588	62,811	57,683	54,838	57,535	77,836	64,234	25,143	26,355	19,023	22,937	50,238
8511-7420-70210 Registered Nurses Premium	41,480	24,898	29,948	18,701	46,957	43,255	27,105	24,768	40,262	33,026	24,271	44,766	28,816
8511-7427-70210 Registered Nurses Premium	20,939	22,237	23,967	15,180	25,038	25,248	13,759	25,997	17,861	20,140	10,086	21,014	26,171
8511-7429-70210 Registered Nurses Premium	4,478	13,720	13,824	10,816	11,686	6,075	3,936	4,143	8,791	8,478	14,578	8,101	13,726
8511-7570-70210 Registered Nurses Premium	4,049	3,316	5,460	3,831	1,851	4,224	3,259	4,700	9,652	4,991	7,386	5,385	5,820
8511-7573-70210 Registered Nurses Premium	10,146	3,010	7,226	8,618	4,323	4,189	9,707	9,766	5,343	12,828	7,052	3,134	8,519
8511-7591-70210 Registered Nurses Premium	0	0	21	0	0	0	63	0	0	0	63	330	52
8511-7642-70210 Registered Nurses Premium	0	0	0	43	0	41	13	0	0	68	(23)	0	0
8511-7730-70210 Registered Nurses Premium	0	0	0	94	(31)	0	0	0	0	0	0	0	0
8511-7760-70210 Registered Nurses Premium	1,389	2,912	4,912	6,080	7,870	2,139	4,789	5,080	5,619	9,041	7,076	5,880	5,276
8511-8215-70210 Registered Nurses Premium	823	1,271	211	(8)	0	0	0	732	0	0	0	0	4,538
8511-8486-70210 Registered Nurses Premium	900	(433)	0	0	0	0	0	0	0	0	0	0	0
8511-8560-70210 Registered Nurses Premium	0	0	0	0	0	0	0	540	160	0	0	0	0
8511-8610-70210 Registered Nurses Premium	0	0	0	0	0	0	0	0	0	0	0	60	(28)
8511-8661-70210 Registered Nurses Premium	572	129	265	88	191	(26)	92	202	(22)	0	1,434	905	17
8511-8720-70210 Registered Nurses Premium	0	32	(4)	0	0	0	1,338	(89)	0	0	0	88	1,765
8511-8751-70210 Registered Nurses Premium	22,212	29,720	33,302	41,652	37,173	46,006	33,190	47,305	34,617	38,896	32,982	25,379	18,750
8511-8771-70210 Registered Nurses Premium	3	1	801	(211)	4	4	(1)	0	0	0	6	(1)	0
Total: 70210 Registered Nurses Premium	380,634	536,741	577,700	589,612	632,510	658,414	851,206	895,185	642,897	594,907	447,480	349,597	453,178
70300 Licensed Vocational Nurses:													
8511-6010-70300 Licensed Vocational Nurses	0	0	0	1,321	684	2,146	150	2,318	951	1,477	(61)	0	0
8511-6151-70300 Licensed Vocational Nurses	29,054	34,203	35,335	32,153	23,490	23,495	32,225	30,772	21,960	18,103	14,104	19,726	27,283
8511-6179-70300 Licensed Vocational Nurses	10,298	13,283	6,583	15,331	11,774	10,870	15,041	11,127	12,406	11,011	11,413	6,078	13,960
8511-6182-70300 Licensed Vocational Nurses	8,488	6,230	7,325	6,056	5,371	7,852	3,091	4,832	3,767	4,047	2,483	3,102	4,462
8511-6184-70300 Licensed Vocational Nurses	11,661	10,636	6,962	15,311	12,978	9,919	12,302	11,319	12,334	10,016	8,907	10,030	12,961
8511-6187-70300 Licensed Vocational Nurses	21,571	13,338	11,716	18,451	6,596	3,870	16,105	17,378	24,288	24,201	20,680	16,173	26,808
8511-6188-70300 Licensed Vocational Nurses	18,655	19,382	15,167	23,070	20,488	13,420	18,410	20,286	20,381	14,605	16,789	17,024	27,954
8511-6340-70300 Licensed Vocational Nurses	54,178	63,857	57,903	69,946	49,586	59,165	49,378	59,901	56,589	58,997	59,927	62,390	74,087
8511-6580-70300 Licensed Vocational Nurses	21,098	27,186	30,747	41,578	37,831	21,007	22,306	23,831	23,268	25,188	27,349	25,720	37,393
8511-7010-70300 Licensed Vocational Nurses	15,686	15,578	17,246	22,230	13,387	13,248	12,553	6,886	10,130	13,279	9,048	11,112	7,746
8511-7076-70300 Licensed Vocational Nurses	0	0	0	0	0	3,582	4,088	4,229	3,870	4,980	3,815	3,827	2,952
8511-7080-70300 Licensed Vocational Nurses	2,931	2,762	2,803	2,401	2,580	3,577	6,925	7,083	6,232	6,180	6,341	8,920	7,758
8511-7267-70300 Licensed Vocational Nurses	0	0	0	0	0	0	0	545	(121)	0	0	0	0
8511-7400-70300 Licensed Vocational Nurses	428	325	44	2,212	465	3,244	(1,591)	0	0	0	0	0	0
8511-8215-70300 Licensed Vocational Nurses	0	173	(22)	0	0	0	0	0	0	0	0	0	259
8511-8660-70300 Licensed Vocational Nurses	5,496	5,191	5,722	3,932	5,040	4,999	11,851						



Verity Health Systems  
 St Francis Medical Center  
 Trended Income Statement  
 June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-6070-70400 Aides & Orderlies	0	0	0	0	0	0	0	0	0	0	0	0	258
8511-6151-70400 Aides & Orderlies	19,120	19,589	18,867	17,103	18,624	20,117	31,035	23,775	20,208	22,452	24,894	26,044	25,522
8511-6179-70400 Aides & Orderlies	14,593	15,532	13,993	18,369	17,279	17,965	24,152	25,621	27,528	29,561	23,445	18,111	26,536
8511-6182-70400 Aides & Orderlies	15,018	24,185	19,989	15,700	21,827	17,787	21,143	18,826	18,085	18,666	16,023	19,511	23,599
8511-6184-70400 Aides & Orderlies	27,002	19,859	17,351	25,640	16,928	19,369	14,607	26,336	20,619	22,249	21,202	22,714	32,836
8511-6187-70400 Aides & Orderlies	20,119	25,346	21,322	20,523	20,317	22,024	20,079	24,988	22,754	25,588	26,902	26,707	27,175
8511-6188-70400 Aides & Orderlies	44,317	28,158	22,234	29,186	27,162	21,119	32,446	33,727	30,175	27,015	29,029	32,165	28,320
8511-6290-70400 Aides & Orderlies	0	0	0	0	0	0	0	177	118	0	0	0	0
8511-6340-70400 Aides & Orderlies	36,963	34,757	36,795	47,196	36,119	36,635	36,443	33,767	31,842	42,181	39,046	44,911	62,519
8511-6380-70400 Aides & Orderlies	40,125	42,446	41,899	47,522	43,548	36,957	37,984	39,466	35,802	42,080	32,183	37,449	62,212
8511-6530-70400 Aides & Orderlies	250	(120)	0	0	0	0	0	0	0	0	0	0	0
8511-6580-70400 Aides & Orderlies	20,551	24,868	21,029	23,862	29,239	20,036	11,721	14,330	15,183	19,935	15,495	23,551	15,002
8511-7010-70400 Aides & Orderlies	12,186	17,313	17,575	17,192	16,335	12,828	16,249	17,350	11,294	16,055	19,675	14,928	16,983
8511-7012-70400 Aides & Orderlies	0	0	0	0	0	0	0	0	0	26	(9)	0	0
8511-7093-70400 Aides & Orderlies	0	0	0	0	0	0	103	0	0	0	0	0	0
8511-7400-70400 Aides & Orderlies	0	0	0	0	0	546	(252)	0	0	0	0	0	0
8511-7420-70400 Aides & Orderlies	66,206	53,972	62,093	66,031	67,090	75,096	71,819	71,959	73,917	83,574	82,569	83,678	74,764
8511-7500-70400 Aides & Orderlies	392	(189)	0	0	0	0	0	0	0	0	0	0	0
8511-7570-70400 Aides & Orderlies	1,968	(390)	(5)	0	0	0	0	0	0	0	0	0	0
8511-7660-70400 Aides & Orderlies	0	0	0	0	0	0	0	0	0	0	0	0	1,020
8511-7760-70400 Aides & Orderlies	(343)	0	0	0	1,625	4,579	3,924	3,876	4,110	4,382	2,445	(1,029)	6,079
8511-7775-70400 Aides & Orderlies	2,495	1,979	3,666	3,328	3,454	3,523	2,995	2,858	3,184	3,668	3,267	3,222	3,129
8511-7801-70400 Aides & Orderlies	4,211	4,093	4,910	3,638	3,601	4,026	3,143	2,646	2,344	2,235	2,259	4,233	4,263
8511-8049-70400 Aides & Orderlies	0	0	0	0	0	0	0	750	350	0	0	0	0
8511-8350-70400 Aides & Orderlies	2,910	532	2,714	3,204	2,797	3,143	3,114	3,515	2,169	3,405	3,093	2,758	2,338
8511-8370-70400 Aides & Orderlies	53,905	58,365	60,847	59,866	65,184	65,138	59,007	63,246	59,705	61,641	60,605	62,464	62,126
8511-8420-70400 Aides & Orderlies	0	0	0	0	0	724	0	0	0	0	0	0	0
8511-8440-70400 Aides & Orderlies	(16)	0	491	(129)	0	0	0	0	0	0	0	0	0
8511-8661-70400 Aides & Orderlies	3,837	1,170	2,304	2,360	2,773	3,478	1,331	2,546	2,563	(114)	0	0	2,030
8511-8720-70400 Aides & Orderlies	768	331	74	72	(32)	762	617	(490)	428	79	(26)	158	(137)
8511-8740-70400 Aides & Orderlies	0	0	0	0	0	0	0	0	0	0	0	261	(120)
Total: 70400 Aides & Orderlies	388,086	372,286	370,334	405,873	398,351	397,028	394,451	411,287	389,307	437,505	402,073	424,147	483,865
70410 Aides & Orderlies Premium:													
8511-6010-70410 Aides & Orderlies Premium	(102)	196	159	2,398	272	4,777	770	1,074	625	2,029	1,034	1,003	1,589
8511-6070-70410 Aides & Orderlies Premium	0	0	0	0	0	0	0	0	0	0	0	0	61
8511-6151-70410 Aides & Orderlies Premium	959	374	2,675	2,429	2,380	5,359	7,877	3,259	2,367	1,442	1,369	956	1,708
8511-6179-70410 Aides & Orderlies Premium	1,982	1,328	1,799	3,732	1,658	1,957	4,963	4,075	3,738	2,496	875	2,109	1,680
8511-6182-70410 Aides & Orderlies Premium	3,848	5,210	7,177	4,866	3,776	4,466	3,140	1,902	1,301	3,148	2,191	840	5,078
8511-6184-70410 Aides & Orderlies Premium	3,475	2,955	915	3,641	1,471	2,636	1,431	2,756	1,818	1,492	728	1,055	733
8511-6187-70410 Aides & Orderlies Premium	3,513	3,419	1,247	3,425	2,897	469	2,641	1,190	1,295	3,256	1,815	1,595	3,218
8511-6188-70410 Aides & Orderlies Premium	10,694	3,977	1,293	7,525	4,957	3,384	5,983	5,997	6,044	2,962	4,444	1,704	2,295
8511-6290-70410 Aides & Orderlies Premium	0	0	0	0	0	0	0	0	7	0	0	0	0
8511-6340-70410 Aides & Orderlies Premium	1,265	2,291	2,740	477	1,540	2,741	8,079	3,655	1,342	3,062	1,965	2,049	1,444
8511-6380-70410 Aides & Orderlies Premium	53	744	303	(64)	297	377	711	267	408	210	33	(5)	42
8511-6530-70410 Aides & Orderlies Premium	12	(6)	0	0	0	0	0	0	0	0	0	0	0
8511-6580-70410 Aides & Orderlies Premium	7,712	4,385	7,276	5,960	4,738	2,702	345	1,876	1,942	1,798	1,388	4,883	235
8511-7010-70410 Aides & Orderlies Premium	1,740	2,124	2,244	1,543	2,087	3,819	1,202	3,249	2,015	2,971	1,657	4,899	1,312
8511-7400-70410 Aides & Orderlies Premium	0	0	0	0	0	208	(96)	0	0	0	0	0	0
8511-7420-70410 Aides & Orderlies Premium	20,533	21,210	29,487	17,312	25,268	22,455	16,097	14,125	18,838	18,776	11,681	22,439	15,086
8511-7500-70410 Aides & Orderlies Premium	2	(1)	0	0	0	0	0	0	0	0	0	0	0
8511-7660-70410 Aides & Orderlies Premium	0	0	0	0	0	0	0	0	0	0	0	0	4
8511-7760-70410 Aides & Orderlies Premium	(7)	0	0	0	159	74	736	995	662	(77)	18	(13)	992
8511-7775-70410 Aides & Orderlies Premium	9	27	13	43	10	14	7	0	0	12	(4)	0	8
8511-7801-70410 Aides & Orderlies Premium	121	(31)	153	50	3	61	(22)	26	0	0	0	70	(29)
8511-8350-70410 Aides & Orderlies Premium	(3)	1	43	429	18	(1)	22	6	26	56	(4)	92	(9)
8511-8370-70410 Aides & Orderlies Premium	2,137	774	1,740	579	907	2,343	1,987	3,017	3,049	4,081	2,737	4,338	1,457
8511-8440-70410 Aides & Orderlies Premium	(326)	0	1	0	0	0	0	0	352	(47)	0	0	0
8511-8661-70410 Aides & Orderlies Premium	134	320	(2)	13	0	19	8	0	0	0	0	0	0
8511-8720-70410 Aides & Orderlies Premium	0	0	0	0	0	0	139	(139)	39	0	0	0	(123)
Total: 70410 Aides & Orderlies Premium	57,749	49,298	59,262	54,359	52,238	57,859	56,020	47,330	45,869	47,667	31,926	48,012	36,780
70500 Clerical & Other Admin:													
8511-6010-70500 Clerical & Other Admin	8,786	9,104	8,949	8,597	7,014	5,614	8,423	8,479	9,116	9,276	9,382	8,787	8,793
8511-6070-70500 Clerical & Other Admin	14,295	14,185	14,373	16,732	10,593	17,927	13,113	13,270	13,663	9,791	14,177	19,306	29,459
8511-6151-70500 Clerical & Other Admin	3,164	2,250	564	4,056	3,073	4,088	(58)	2,756	(137)	213	3,263	2,476	2,390
8511-6179-70500 Clerical & Other Admin	0	0	2,483	3,277	2,670	2,820	2,393	2,856	2,657	2,367	2,399	2,842	2,648
8511-6182-70500 Clerical & Other Admin	5,901	7,978	5,149	6,508	6,619	6,788	6,632	4,676	4,770	6,876	7,655	5,280	7,657
8511-6184-70500 Clerical & Other Admin	4,765	5,742	4,528	3,998	5,330	4,532	4,388	5,613	4,969	3,861	5,127	4,670	4,477
8511-6187-70500 Clerical & Other Admin	8,250	6,674	8,559	7,959	7,465	8,124	10,254	9,637	7,171	7,991	8,622	7,646	8,078
8511-6188-70500 Clerical & Other Admin	3,101	3,721	2,036	3,597	3,573	3,143	3,385	3,402	2,731	3,272	3,269	2,855	3,288
8511-													



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7801-70500 Clerical & Other Admin	348	402	281	545	2,759	(766)	1,208	1,424	1,594	1,552	1,196	609	(136)
8511-8049-70500 Clerical & Other Admin	0	0	0	0	0	0	0	0	750	0	0	0	0
8511-8215-70500 Clerical & Other Admin	2,499	2,811	2,988	2,745	2,645	2,984	2,556	2,853	2,623	2,581	2,322	2,817	2,885
8511-8310-70500 Clerical & Other Admin	2,088	2,085	2,301	2,106	0	0	0	0	0	0	1,518	1,977	1,835
8511-8340-70500 Clerical & Other Admin	47,875	55,074	52,812	50,121	46,532	45,677	43,344	44,705	48,432	58,316	54,699	49,843	51,927
8511-8402-70500 Clerical & Other Admin	10,371	10,841	11,169	10,770	11,750	12,839	8,707	9,981	10,520	12,649	10,863	9,260	8,691
8511-8420-70500 Clerical & Other Admin	111	613	1,934	3,327	(834)	0	0	0	0	0	0	0	0
8511-8440-70500 Clerical & Other Admin	0	0	96	0	0	0	0	0	0	0	0	0	137
8511-8460-70500 Clerical & Other Admin	4,260	2,422	4,468	1,695	3,542	3,481	2,790	3,236	3,149	3,166	3,530	3,572	3,062
8511-8470-70500 Clerical & Other Admin	20,857	23,566	22,689	22,718	21,753	22,570	23,347	23,622	21,304	23,368	23,488	22,376	24,893
8511-8510-70500 Clerical & Other Admin	1,382	0	0	0	0	0	0	0	0	0	0	0	0
8511-8511-70500 Clerical & Other Admin	4,983	4,787	4,843	4,969	3,815	5,345	3,119	4,476	4,336	5,552	5,222	4,923	4,725
8511-8560-70500 Clerical & Other Admin	109,272	107,018	118,518	119,267	117,095	118,442	110,521	117,408	116,233	132,295	121,208	122,611	116,017
8511-8561-70500 Clerical & Other Admin	12,972	14,386	14,690	13,283	14,205	14,881	13,986	13,553	12,672	15,213	14,501	13,410	15,869
8511-8591-70500 Clerical & Other Admin	4,307	3,624	5,262	3,745	3,976	3,888	4,158	3,372	4,294	4,687	3,478	4,687	(1,814)
8511-8610-70500 Clerical & Other Admin	10,140	9,905	11,073	5,754	6,452	11,901	9,160	5,496	4,529	3,279	7,940	11,615	10,206
8511-8615-70500 Clerical & Other Admin	0	1,329	102	(5)	0	0	0	0	0	0	0	0	0
8511-8660-70500 Clerical & Other Admin	2,432	1,791	(156)	0	0	1,200	0	424	(94)	0	0	0	0
8511-8661-70500 Clerical & Other Admin	0	0	0	645	1,422	(113)	192	942	3,997	1,336	1,861	3,107	2,364
8511-8670-70500 Clerical & Other Admin	3,425	3,341	1,813	0	4,104	3,266	2,899	3,377	2,736	3,366	3,099	3,358	3,358
8511-8677-70500 Clerical & Other Admin	7,218	7,934	7,231	10,315	11,605	10,916	9,187	8,692	9,751	10,028	11,869	10,462	11,287
8511-8710-70500 Clerical & Other Admin	7,015	3,290	3,282	4,925	9,030	8,424	6,459	6,147	7,521	5,981	4,534	6,655	6,655
8511-8720-70500 Clerical & Other Admin	18,570	19,683	19,219	20,912	21,361	20,838	15,355	16,628	16,680	15,392	14,436	17,370	17,658
8511-8751-70500 Clerical & Other Admin	10,362	14,263	13,297	12,367	11,509	17,367	14,272	15,193	17,138	13,607	12,424	15,067	12,091
8511-8752-70500 Clerical & Other Admin	1,709	2,419	2,466	2,951	7,060	6,872	4,679	4,802	6,517	7,719	6,873	7,290	6,238
8511-8771-70500 Clerical & Other Admin	0	0	0	0	2,260	1,359	1,692	1,683	1,526	1,689	1,637	1,680	1,619
8511-9553-70500 Clerical & Other Admin	570	0	0	0	0	0	0	0	0	0	0	0	0
Total: 70500 Clerical & Other Admin	494,742	530,760	532,992	531,795	536,155	538,423	498,462	529,657	516,946	564,091	539,290	556,525	552,897
70510 Clerical & Other Admin Premium:													
8511-6010-70510 Clerical & Other Admin Premium	566	224	171	419	1,221	2,905	2,891	1,400	1,110	1,700	866	812	(16)
8511-6070-70510 Clerical & Other Admin Premium	368	564	264	775	259	465	462	460	158	307	155	606	744
8511-6151-70510 Clerical & Other Admin Premium	(135)	402	106	155	90	3	317	45	(8)	0	21	36	(17)
8511-6179-70510 Clerical & Other Admin Premium	0	0	1	571	(80)	15	9	7	5	1	20	(3)	0
8511-6182-70510 Clerical & Other Admin Premium	1,920	1,601	914	930	1,434	453	652	906	265	398	194	(13)	137
8511-6184-70510 Clerical & Other Admin Premium	110	112	37	75	61	7	64	64	66	89	81	52	(20)
8511-6187-70510 Clerical & Other Admin Premium	63	132	115	128	112	126	1,045	431	62	117	211	135	98
8511-6188-70510 Clerical & Other Admin Premium	5	31	1	12	13	6	32	5	0	3	43	(6)	(1)
8511-6290-70510 Clerical & Other Admin Premium	(6)	0	0	0	0	0	0	10	27	(6)	0	0	0
8511-6340-70510 Clerical & Other Admin Premium	(38)	1,001	1,063	250	82	20	765	385	124	(16)	217	17	0
8511-6380-70510 Clerical & Other Admin Premium	104	70	185	(35)	1,720	492	2,092	2,788	332	(67)	9	369	628
8511-6530-70510 Clerical & Other Admin Premium	86	10	0	91	63	330	186	136	17	11	259	(5)	0
8511-6580-70510 Clerical & Other Admin Premium	74	987	713	1,057	529	836	858	1,485	524	1,026	1,159	1,111	692
8511-7010-70510 Clerical & Other Admin Premium	2,605	4,498	3,126	3,425	5,367	7,466	5,473	4,574	2,135	3,947	4,637	2,648	3,188
8511-7011-70510 Clerical & Other Admin Premium	209	8	9	39	77	74	1,008	34	13	21	(5)	11	246
8511-7041-70510 Clerical & Other Admin Premium	27	894	62	432	320	(144)	4	42	(1)	50	40	31	84
8511-7075-70510 Clerical & Other Admin Premium	59	14	33	35	24	22	9	13	11	46	24	39	73
8511-7076-70510 Clerical & Other Admin Premium	332	272	231	99	320	1,284	(372)	133	59	92	218	61	147
8511-7080-70510 Clerical & Other Admin Premium	(21)	231	57	86	78	252	86	31	17	17	28	(10)	99
8511-7093-70510 Clerical & Other Admin Premium	0	31	19	6	46	2	0	0	14	(3)	0	123	8
8511-7268-70510 Clerical & Other Admin Premium	0	0	0	0	0	0	9	0	0	17	0	0	1
8511-7400-70510 Clerical & Other Admin Premium	1,027	1,779	588	1,587	1,266	1,902	1,486	743	1,422	1,146	1,121	1,906	1,008
8511-7420-70510 Clerical & Other Admin Premium	255	276	246	182	141	177	453	506	1,034	940	714	425	1,253
8511-7427-70510 Clerical & Other Admin Premium	(491)	5	738	(183)	57	242	110	488	230	826	401	444	(108)
8511-7429-70510 Clerical & Other Admin Premium	(24)	202	(3)	29	601	615	708	(12)	191	609	(71)	443	402
8511-7500-70510 Clerical & Other Admin Premium	758	624	927	1,047	808	990	964	973	899	1,311	1,241	267	0
8511-7520-70510 Clerical & Other Admin Premium	2	88	121	175	198	160	(23)	68	64	8	48	1,239	130
8511-7570-70510 Clerical & Other Admin Premium	0	0	0	0	0	0	0	0	0	0	1	1	9
8511-7591-70510 Clerical & Other Admin Premium	0	0	0	0	0	0	0	0	0	7	(2)	0	0
8511-7630-70510 Clerical & Other Admin Premium	14	18	11	145	12	41	(14)	0	67	1,544	1,052	1,619	2,021
8511-7642-70510 Clerical & Other Admin Premium	0	19	13	6	0	10	20	0	30	11	2	1	60
8511-7710-70510 Clerical & Other Admin Premium	19	2	12	(4)	0	55	89	31	(6)	0	10	10	0
8511-7720-70510 Clerical & Other Admin Premium	0	0	0	0	0	0	33	0	0	0	40	(8)	0
8511-7760-70510 Clerical & Other Admin Premium	0	0	0	0	0	0	0	0	0	0	0	70	223
8511-7775-70510 Clerical & Other Admin Premium	411	361	240	40	42	10	0	0	46	(10)	59	48	0
8511-7801-70510 Clerical & Other Admin Premium	0	0	10	0	12	(5)	0	87	57	39	2	47	0
8511-8215-70510 Clerical & Other Admin Premium	32	(17)	23	75	1	28	431	129	602	(6)	1,453	(146)	119
8511-8340-70510 Clerical & Other Admin Premium	1,382	3,726	3,044	3,307	5,807	3,839	8,004	5,080	6,403	6,039	5,159	6,161	4,995
8511-8402-70510 Clerical & Other Admin Premium	(1)	21	82	75	(15)	3	525	746	995	477	782	649	253
8511-8420-70510 Clerical & Other Admin Premium	371	73	1,522	501	75	0	0	0	0	0	0	0	0
8511-8460-70510 Clerical & Other Admin Premium	1,403	919	2,311	(64)	2,018	1,395	950	1,059	1,298	1,306	1,913	662	(304)
8511-8470-70510 Clerical & Other Admin Premium	729	860	804	1,997	92	382	1,617	1,871	532	789	584	1,770	(85)
8511-8511-70510 Clerical & Other Admin Premium	580	373	526	400	693	528	344	1,027	745	752	314	192	201
8511-8560-70510 Clerical & Other Admin Premium	20,799	13,831	15,911	14,755	16,862	22,307	17,148	16,779	11,822	13,991	15,736	8,478	15,458
8511-8561-70510 Clerical & Other Admin Premium	1,275	2,421	2,320	1,755	1,140	1,400	3,860	4,510	3,068	2,072	1,054	2,466	320
8511-8610-70510 Clerical & Other Admin Premium	10	23	7	0	0	293	316	202	185	57	77	265	(76)
8511-8660-70510 Clerical & Other Admin Premium	250	362	(19)	0	0	0	0	0	0	0	0	0	0
8511-8661-70510 Clerical & Other Admin Premium	0	0	0	1	8	0	0	27	9	1	4	12	4
8511-8670-70510 Clerical & Other Admin Premium	0	9	0	0	55	(22)	233	0	0	0	0	0	0
8511-8677-70510 Clerical & Other Admin Premium	(2)	3	0	3	15	64	23	45	22	32	24	15	30
8511-8710-70510 Clerical & Other Admin Premium	403	758	307	790	1,246	279	640	608	392	311	524	315	(46)
8511-8720-70510 Clerical & Other Admin Premium	119	247	415	238	149	109	1,158	900	565	687	1,860	684	698
8511-8751-70510 Clerical & Other Admin Premium	2,294	2,157	3,422	3,324	2,521	1,178	981	2,560	1,904	1,213	1,051	1,879	595
8511-8752-70510 Clerical & Other Admin Premium	225	1	82	96	144	160	528	163	161	228	162	212	35
8511-8771-70510 Clerical & Other Admin Premium	0	0	0	0	63	(20)	0	0	0	0	0	0	14
Total: 70510 Clerical & Other Admin Premium	38,167	40,223	40,766	38,823	45,747	50,733	56,171	51,539	37,869	42,127	43,492	36,131	33,304
70600 Environmental & Food Services:													
8511-6340-70600 Environmental & Food Services	0	0	0	0	0	0	0	466	(104)	0	0	0	0
8511-7420-70600 Environmental & Food Services	0	0	214	(56)	901	37	0	0	0	0	0	0	0
8511-8310-70600 Environmental & Food Services	3,616	2,659	4,055	3,419	4,306	4,126	3,400	3,838	3,643	3,713	4,240	3,745	3,613
8511-8340-70600 Environmental & Food Services	92,886	97,544	97,698	92,274	97,479	9							



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total: 70600 Environmental & Food Services	426,111	380,600	388,534	382,053	399,293	381,939	416,010	423,669	383,858	438,895	432,806	455,915	457,296
70610 Environmental & Food Services Premium:													
8511-6340-70610 Environmental & Food Services Premium	0	0	0	0	0	0	0	131	(29)	0	0	0	0
8511-7400-70610 Environmental & Food Services Premium	0	0	0	0	0	0	0	0	0	0	0	159	(73)
8511-7420-70610 Environmental & Food Services Premium	0	0	20	(5)	0	133	0	0	0	0	0	0	0
8511-8310-70610 Environmental & Food Services Premium	0	35	0	0	1	(1)	0	0	0	0	15	(6)	0
8511-8340-70610 Environmental & Food Services Premium	4,582	3,514	2,190	4,799	5,950	8,530	7,075	11,178	7,903	9,052	6,813	7,709	4,687
8511-8350-70610 Environmental & Food Services Premium	1,202	564	426	244	843	801	976	(6)	1,458	307	619	491	658
8511-8402-70610 Environmental & Food Services Premium	0	0	0	0	0	0	0	2,685	2,656	3,009	2,699	(610)	2,766
8511-8420-70610 Environmental & Food Services Premium	4,476	10,140	10,167	6,829	6,094	7,602	6,914	7,877	4,665	4,690	11,545	17,850	2,207
8511-8440-70610 Environmental & Food Services Premium	23,760	28,373	29,854	26,671	30,604	32,025	37,154	39,994	35,576	48,854	44,628	43,977	4,910
8511-8460-70610 Environmental & Food Services Premium	3,101	8,991	12,658	15,718	24,598	15,344	21,612	20,393	19,358	15,220	12,223	7,800	8,729
8511-8661-70610 Environmental & Food Services Premium	0	0	4	(1)	0	0	0	3	42	42	126	43	37
Total: 70610 Environmental & Food Services Premium	37,121	51,616	55,320	54,255	68,091	64,434	73,732	82,255	71,629	81,773	78,668	77,412	23,920
70800 Non-Phys Medical Practitioners:													
8511-7076-70800 Non-Phys Medical Practitioners	6,912	11,354	10,218	9,888	10,218	11,603	10,561	10,482	10,521	11,036	8,821	12,262	9,651
8511-7195-70800 Non-Phys Medical Practitioners	0	0	0	0	2,835	0	0	0	0	0	0	0	0
8511-7420-70800 Non-Phys Medical Practitioners	18,098	14,916	6,934	3,242	5,988	18,301	16,766	15,857	14,322	17,846	15,459	14,663	(3,865)
8511-8615-70800 Non-Phys Medical Practitioners	0	0	0	0	0	0	0	0	0	0	0	0	2,282
8511-8677-70800 Non-Phys Medical Practitioners	0	0	0	0	0	0	0	0	0	4,391	0	0	0
8511-8720-70800 Non-Phys Medical Practitioners	20,607	22,444	19,965	27,853	32,973	22,759	28,781	27,233	22,488	34,201	42,298	35,468	49,724
Total: 70800 Non-Phys Medical Practitioners	45,617	48,713	37,116	40,982	52,015	52,662	56,108	53,572	47,331	67,474	66,578	62,393	57,792
70810 Non-Phys Medical Practitioners Premium:													
8511-8677-70810 Non-Phys Medical Practitioners Premium	0	0	0	0	0	0	0	0	0	612	0	0	0
8511-8720-70810 Non-Phys Medical Practitioners Premium	10,934	15,154	16,027	22,719	13,226	17,382	11,118	17,969	12,113	11,283	16,052	15,219	15,140
Total: 70810 Non-Phys Medical Practitioners Premium	10,934	15,154	16,027	22,719	13,226	17,382	11,118	17,969	12,113	11,895	16,052	15,219	15,140
<b>Total Productive Salaries</b>	<b>10,932,680</b>	<b>11,459,168</b>	<b>11,324,426</b>	<b>11,505,997</b>	<b>11,689,181</b>	<b>11,408,287</b>	<b>11,335,249</b>	<b>12,637,937</b>	<b>11,487,743</b>	<b>12,340,449</b>	<b>11,629,360</b>	<b>11,681,278</b>	<b>11,137,865</b>
<b>Non-Productive Salaries:</b>													
71200 Vacation Holiday & Sick Leave:													
8511-6010-71200 Vacation Holiday & Sick Leave	102,173	109,833	108,915	110,957	121,114	121,533	118,101	147,731	134,824	131,760	116,398	119,311	133,890
8511-6070-71200 Vacation Holiday & Sick Leave	73,792	73,726	73,230	74,027	76,750	82,297	76,143	87,802	85,224	86,274	80,738	80,670	88,473
8511-6151-71200 Vacation Holiday & Sick Leave	75,527	78,771	74,273	79,245	83,644	86,221	73,549	87,072	87,366	86,313	90,461	90,684	91,230
8511-6179-71200 Vacation Holiday & Sick Leave	19,809	16,122	16,172	17,416	20,296	21,615	20,529	25,171	27,285	26,906	26,655	26,208	24,258
8511-6182-71200 Vacation Holiday & Sick Leave	40,225	37,389	33,437	36,635	42,313	41,384	36,036	42,766	43,178	40,609	39,570	42,871	44,671
8511-6184-71200 Vacation Holiday & Sick Leave	48,583	51,754	64,380	55,175	54,415	58,014	52,884	59,265	58,099	59,339	54,889	52,035	61,837
8511-6187-71200 Vacation Holiday & Sick Leave	61,846	61,977	62,752	63,242	66,880	72,011	68,894	73,710	72,421	69,202	69,283	70,150	78,871
8511-6188-71200 Vacation Holiday & Sick Leave	66,256	58,979	62,017	63,562	69,567	73,753	67,817	72,224	66,778	68,683	70,005	71,635	71,970
8511-6290-71200 Vacation Holiday & Sick Leave	13,517	15,524	15,957	16,536	17,916	19,401	15,002	21,470	20,084	18,211	17,960	18,429	15,614
8511-6340-71200 Vacation Holiday & Sick Leave	51,886	50,510	61,810	58,496	63,074	67,410	58,829	62,728	61,195	60,199	61,282	61,475	60,025
8511-6380-71200 Vacation Holiday & Sick Leave	87,491	85,181	86,295	93,775	97,223	95,418	90,760	95,892	97,637	92,974	87,865	96,495	95,465
8511-6382-71200 Vacation Holiday & Sick Leave	5,212	5,157	2,722	2,845	3,896	3,432	4,639	4,073	2,710	5,655	5,032	3,088	2,973
8511-6580-71200 Vacation Holiday & Sick Leave	21,753	21,071	21,942	22,507	25,801	28,000	26,698	31,535	27,476	26,044	24,321	25,801	26,672
8511-7010-71200 Vacation Holiday & Sick Leave	94,070	92,542	97,939	102,029	107,915	109,396	104,213	114,334	114,492	107,570	110,006	112,562	123,124
8511-7011-71200 Vacation Holiday & Sick Leave	8,072	12,608	8,901	9,029	8,074	9,057	10,404	9,343	4,822	7,526	9,332	8,941	11,134
8511-7012-71200 Vacation Holiday & Sick Leave	2,686	3,520	2,688	3,008	3,008	3,009	2,722	3,300	2,852	4,382	4,024	2,690	2,154
8511-7041-71200 Vacation Holiday & Sick Leave	2,010	2,926	1,367	2,667	2,715	2,799	1,969	2,848	1,008	2,813	2,641	2,689	2,126
8511-7075-71200 Vacation Holiday & Sick Leave	3,264	3,474	3,191	3,457	3,555	3,803	3,261	3,442	4,119	4,277	3,931	4,164	4,441
8511-7076-71200 Vacation Holiday & Sick Leave	4,332	4,994	4,858	4,976	5,038	6,598	5,757	5,620	6,073	5,708	4,775	5,631	5,060
8511-7080-71200 Vacation Holiday & Sick Leave	3,489	3,529	1,006	3,632	2,834	6,028	4,592	5,314	5,472	5,009	4,910	4,267	3,686
8511-7087-71200 Vacation Holiday & Sick Leave	4,448	4,680	5,386	5,140	5,618	7,019	4,991	5,244	5,109	4,916	4,943	5,168	5,242
8511-7093-71200 Vacation Holiday & Sick Leave	543	538	558	570	626	678	633	642	625	(78)	0	787	631
8511-7267-71200 Vacation Holiday & Sick Leave	3,391	4,253	2,763	3,591	3,880	3,987	2,911	2,177	2,589	2,424	2,498	1,361	1,754
8511-7268-71200 Vacation Holiday & Sick Leave	8,400	12,101	14,750	12,035	13,967	14,378	10,624	13,076	13,301	13,702	11,670	11,659	11,972
8511-7400-71200 Vacation Holiday & Sick Leave	85,094	77,336	84,087	77,827	81,903	90,128	78,371	93,923	97,644	91,545	82,676	86,195	86,388
8511-7420-71200 Vacation Holiday & Sick Leave	25,789	26,474	28,952	26,593	29,822	32,387	34,674	35,021	32,438	32,128	32,007	28,860	32,603
8511-7427-71200 Vacation Holiday & Sick Leave	6,282	5,037	6,079	4,906	7,001	4,807	7,269	6,742	7,969	7,454	7,121	7,673	7,914
8511-7429-71200 Vacation Holiday & Sick Leave	9,069	10,145	12,307	11,822	12,641	13,776	8,541	14,111	49,167	11,476	12,006	12,295	12,231
8511-7450-71200 Vacation Holiday & Sick Leave	0	0	0	208	2	1,149	901	841	818	788	774	799	260
8511-7470-71200 Vacation Holiday & Sick Leave	1,084	1,155	1,204	1,157	1,217	1,477	1,192	1,117	1,033	1,325	1,241	1,248	1,324
8511-7471-71200 Vacation Holiday & Sick Leave	7,254	7,719	8,238	8,027	8,633	11,174	9,029	9,170	8,794	8,409	7,503	8,851	8,917
8511-7500-71200 Vacation Holiday & Sick Leave	30,157	34,677	33,488	33,129	37,551	39,576	38,832	39,775	43,314	39,024	39,646	44,242	46,594
8511-7520-71200 Vacation Holiday & Sick Leave	1,029	830	1,204	1,181	1,076	597	1,145	1,363	1,322	1,273	1,250	1,224	1,302
8511-7570-71200 Vacation Holiday & Sick Leave	12,127	13,427	12,723	13,671	13,204	16,527	15,553	16,257	17,175	16,700	16,844	17,807	18,609
8511-7573-71200 Vacation Holiday & Sick Leave	7,642	6,934	8,713	7,495	8,053	8,497	9,295	9,108	7,954	7,731	9,086	7,010	7,819
8511-7591-71200 Vacation Holiday & Sick Leave	6,886	7,128	7,234	7,461	8,340	9,693	7,883	7,326	7,223	6,895	7,074	8,207	8,145
8511-7620-71200 Vacation Holiday & Sick Leave	0	0	0	0	0	474	597	606	589	567	557	576	653
8511-7630-71200 Vacation Holiday & Sick Leave	16,076	16,439	18,764	17,620	19,338	24,649	21,545	21,007	21,119	20,329	19,780	20,691	21,132
8511-7642-71200 Vacation Holiday & Sick Leave	6,377	6,361	5,292	6,891	7,401	8,806	7,158	7,445	5,411	7,389	7,034	7,263	7,435
8511-7650-71200 Vacation Holiday & Sick Leave	2,352	2,341	2,454	2,494	2,736	3,385	2,766	876	2,991	2,630	2,583	2,667	3,187
8511-7660-71200 Vacation Holiday & Sick Leave	2,037	2,236	2,319	2,358	1,733	3,510	2,886	3,792	2,957	2,480	3,867	3,641	3,784
8511-7670-71200 Vacation Holiday & Sick Leave	7,447	7,346	7,634	6,277	7,990	9,826	8,210	7,862	8,331	8,334	8,007	8,248	8,064
8511-7680-71200 Vacation Holiday & Sick Leave	4,417	6,405	6,189	5,720	6,466	9,308	7,483	7,682	7,407	7,149	7,018	7,548	6,966
8511-7690-71200 Vacation Holiday & Sick Leave	2,907	2,908	3,083	3,113	3,415	4,099	3,453	3,505	3,408	3,283	3,224	3,329	3,442
8511-7710-71200 Vacation Holiday & Sick Leave	32,229	39,471	32,940	31,782	38,644	41,825	38,432	40,171	39,819	37,799	36,173	38,831	36,506
8511-7720-71200 Vacation Holiday & Sick Leave	33,256	32,860	36,642	35,296	37,896	45,733	40,108	41,214	37,504	37,566	37,964	40,618	37,047
8511-7722-71200 Vacation Holiday & Sick Leave	8,354	8,816	9,088	9,164	10,110	11,116	9,699	10,140	10,496	11,042	10,604	11,396	11,833
8511-7760-71200 Vacation Holiday & Sick Leave	3,086	3,403	3,980	4,120	5,210	5,360	3,263	5,433	5,497	5,152	4,674	5,649	5,257
8511-7775-71200 Vacation Holiday & Sick Leave	10,327	11,121	9,064	9,576	12,579	11,213	10,517	11,101					



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-8510-71200 Vacation Holiday & Sick Leav	747	862	799	706	825	822	536	644	811	796	694	834	781
8511-8511-71200 Vacation Holiday & Sick Leav	602	1,737	1,789	1,803	1,579	1,408	1,435	1,736	1,252	1,729	1,494	1,567	841
8511-8560-71200 Vacation Holiday & Sick Leav	17,837	17,681	20,810	22,191	10,487	23,165	21,645	21,605	21,721	21,180	20,256	20,267	22,012
8511-8561-71200 Vacation Holiday & Sick Leav	787	764	1,008	1,381	1,321	1,344	1,229	1,078	1,454	1,574	1,614	1,549	1,812
8511-8591-71200 Vacation Holiday & Sick Leav	722	666	1,032	695	698	613	500	411	564	536	403	543	956
8511-8610-71200 Vacation Holiday & Sick Leav	275	1,877	1,690	898	954	1,516	1,223	706	603	2,139	2,897	3,529	4,437
8511-8615-71200 Vacation Holiday & Sick Leav	4,954	4,672	4,728	3,148	4,275	3,602	3,744	5,799	6,768	3,127	2,920	2,996	1,042
8511-8616-71200 Vacation Holiday & Sick Leav	387	640	598	620	864	631	631	680	738	694	684	774	733
8511-8650-71200 Vacation Holiday & Sick Leav	5,604	9,022	3,580	5,121	4,774	4,541	3,053	1,544	1,756	1,000	2,372	2,073	2,019
8511-8660-71200 Vacation Holiday & Sick Leav	662	963	815	1,056	1,110	1,782	1,109	1,150	1,118	1,077	1,058	1,092	1,129
8511-8661-71200 Vacation Holiday & Sick Leav	1,109	1,098	(26,370)	226	221	317	418	281	217	220	237	223	231
8511-8670-71200 Vacation Holiday & Sick Leav	384	372	20	0	0	0	0	0	0	0	0	0	0
8511-8677-71200 Vacation Holiday & Sick Leav	1,969	2,249	6,416	3,683	3,690	3,502	2,921	3,281	3,685	3,450	3,154	3,238	3,898
8511-8680-71200 Vacation Holiday & Sick Leav	1,387	1,616	235	1,738	1,495	1,260	1,787	1,750	1,998	2,057	1,670	2,242	1,508
8511-8710-71200 Vacation Holiday & Sick Leav	1,753	1,177	562	725	2,074	1,675	1,351	1,742	1,270	972	868	1,151	1,621
8511-8720-71200 Vacation Holiday & Sick Leav	14,231	16,321	12,951	16,053	16,026	14,771	15,690	16,340	16,107	15,075	14,724	14,679	17,667
8511-8751-71200 Vacation Holiday & Sick Leav	25,389	27,436	29,797	31,323	31,076	31,854	27,204	33,500	31,120	34,963	33,220	32,427	38,912
8511-8752-71200 Vacation Holiday & Sick Leav	6,571	9,752	6,216	6,557	6,442	8,181	6,474	6,686	7,627	7,511	7,325	8,368	8,009
8511-8754-71200 Vacation Holiday & Sick Leav	775	874	507	1,017	958	914	628	3,595	3,428	365	829	2,090	2,132
8511-8771-71200 Vacation Holiday & Sick Leav	1,245	781	1,582	1,492	1,411	1,399	1,014	1,216	1,496	1,441	1,415	1,461	944
Total: 71200 Vacation Holiday & Sick Leav	1,302,323	1,332,262	1,331,314	1,411,644	1,459,360	1,566,505	1,431,631	1,585,917	1,589,067	1,517,196	1,473,499	1,514,254	1,581,738
71275 BONUS:													
8511-6010-71275 BONUS	0	0	0	0	0	0	3,000	0	0	0	0	0	0
8511-6340-71275 BONUS	0	0	0	2,500	0	0	0	9,375	0	0	0	0	0
8511-7400-71275 BONUS	0	0	0	0	0	0	0	1,250	0	0	0	0	0
8511-7420-71275 BONUS	0	0	0	10,000	0	0	0	0	0	0	0	0	0
8511-7429-71275 BONUS	0	0	0	0	0	0	0	0	1,250	0	0	0	0
8511-7570-71275 BONUS	0	0	0	0	0	0	10,000	0	0	0	0	0	0
8511-8615-71275 BONUS	0	0	0	2,700	0	0	0	0	0	0	0	0	0
8511-8650-71275 BONUS	0	33,000	0	0	0	0	0	0	0	0	0	0	0
8511-8754-71275 BONUS	0	0	0	0	0	0	0	0	12,000	0	0	0	0
Total: 71275 BONUS	0	33,000	0	15,200	0	0	13,000	10,625	13,250	0	0	0	0
71277 IT Application Training:													
8511-6070-71277 IT Application Training	0	0	0	0	0	0	554	0	100	0	0	0	0
8511-6151-71277 IT Application Training	(133)	0	0	0	0	0	0	0	0	0	0	0	0
8511-6182-71277 IT Application Training	0	0	0	0	0	0	0	0	166	0	161	0	0
8511-6188-71277 IT Application Training	(1,206)	0	0	0	0	0	0	0	0	0	0	0	0
8511-6340-71277 IT Application Training	0	44	(5)	0	0	0	0	0	174	(58)	0	0	0
8511-7400-71277 IT Application Training	771	(371)	0	0	0	0	0	288	(64)	0	0	0	0
8511-7570-71277 IT Application Training	0	0	0	0	0	0	0	0	0	0	0	0	536
8511-8560-71277 IT Application Training	0	0	0	0	0	0	145	0	0	0	0	0	0
8511-9605-71277 IT Application Training	0	0	0	0	0	0	0	0	0	0	0	0	214
Total: 71277 IT Application Training	(569)	(327)	(5)	0	0	0	698	288	202	174	103	0	750
71950 Severance Pay:													
8511-7050-71950 Severance Pay	1,612	0	0	0	0	0	0	0	0	0	0	0	0
8511-7400-71950 Severance Pay	9,638	2,541	0	0	0	0	0	0	0	0	0	0	0
8511-7591-71950 Severance Pay	0	0	0	0	0	0	0	0	0	7,022	14,045	14,045	105,336
8511-7710-71950 Severance Pay	12,480	0	0	0	0	0	0	0	0	0	0	0	0
8511-8610-71950 Severance Pay	(2,542)	0	0	0	0	0	0	0	8,914	17,827	17,827	187,186	0
8511-8650-71950 Severance Pay	0	0	13,058	13,058	13,058	13,058	6,529	0	0	0	0	0	0
8511-8754-71950 Severance Pay	6,107	0	0	0	0	0	0	0	0	0	0	0	0
Total: 71950 Severance Pay	27,295	2,541	13,058	13,058	13,058	13,058	6,529	0	0	15,936	31,872	31,872	292,522
<b>Total Non- Productive Salaries</b>	<b>1,329,049</b>	<b>1,367,475</b>	<b>1,344,366</b>	<b>1,439,901</b>	<b>1,472,417</b>	<b>1,579,563</b>	<b>1,451,858</b>	<b>1,596,830</b>	<b>1,602,519</b>	<b>1,533,306</b>	<b>1,505,475</b>	<b>1,546,126</b>	<b>1,875,010</b>
<b>Total - Salaries &amp; Wages</b>	<b>12,261,729</b>	<b>12,826,643</b>	<b>12,668,792</b>	<b>12,945,898</b>	<b>13,161,598</b>	<b>12,987,850</b>	<b>12,787,108</b>	<b>14,234,767</b>	<b>13,090,262</b>	<b>13,873,755</b>	<b>13,134,834</b>	<b>13,227,404</b>	<b>13,012,875</b>
<b>Registry:</b>													
72500 Registry Nursing Personnel:													
8511-6010-72500 Registry Nursing Personnel	391,058	238,720	121,197	131,861	108,243	136,210	199,391	203,955	184,537	229,877	165,450	128,024	136,895
8511-6070-72500 Registry Nursing Personnel	640	659	0	0	0	0	0	0	0	0	0	0	0
8511-6151-72500 Registry Nursing Personnel	51,564	26,629	9,365	12,860	10,501	9,530	8,039	13,759	37,550	117,940	86,114	56,792	10,567
8511-6179-72500 Registry Nursing Personnel	57,385	62,739	27,231	18,323	20,202	6,019	1,986	(426)	25,827	43,475	40,731	15,213	3,276
8511-6182-72500 Registry Nursing Personnel	15,529	10,315	8,217	2,231	515	(132)	0	0	0	0	0	0	0
8511-6184-72500 Registry Nursing Personnel	19,673	888	0	0	0	0	0	0	0	0	0	0	0
8511-6187-72500 Registry Nursing Personnel	18,126	29,699	21,390	10,532	619	1,391	2,769	84	1,148	3,821	7,245	2,982	16,039
8511-6188-72500 Registry Nursing Personnel	24,663	14,322	1,131	(109)	0	1,549	3,537	13,899	14,636	2,100	3,793	2,910	0
8511-6382-72500 Registry Nursing Personnel	1,195	0	7,743	1,581	(1,025)	0	248	1,639	(149)	0	0	1,711	804
8511-6530-72500 Registry Nursing Personnel	88	0	0	0	0	0	0	0	0	0	0	0	0
8511-6580-72500 Registry Nursing Personnel	4,899	1,413	0	0	0	0	0	0	0	0	0	0	0
8511-7010-72500 Registry Nursing Personnel	43,484	55,121	57,588	84,520	93,723	132,389	99,779	133,091	220,098	191,957	125,108	113,784	67,960
8511-7011-72500 Registry Nursing Personnel	58,763	33,648	65,783	85,607	91,450	100,907	75,857	84,403	58,456	89,435	90,397	37,918	77,272
8511-7268-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	0	0	0	0	2,513
8511-7400-72500 Registry Nursing Personnel	36,120	44,653	83,482	131,660	134,735	131,593	124,301	130,704	142,789	148,370	130,850	114,876	92,000
8511-7420-72500 Registry Nursing Personnel	36,348	20,976	216	(293)	1,352	230	15,484	30,797	34,435	31,820	41,363	32,607	26,849
8511-7427-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	0	0	14,124	14,719	11,993
8511-7500-72500 Registry Nursing Personnel	0	0	53,330	77,662	49,074	0	11,385	0	0	11,420	28,546	10,239	71,370
8511-7570-72500 Registry Nursing Personnel	0	0	4,741	5,228	774	0	311	(30)	5,745	2,317	27,233	16,764	1,849
8511-7573-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	1,703	(550)	0	0	0	6,798
8511-7591-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	2,491	34,103	9,152	10,911	2,042	(858)
8511-7620-72500 Registry Nursing Personnel	0	0	6,445	11,855	5,837	0	0	15,207	(22,835)	8,766	0	0	0
8511-7720-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	0	0	40,068	15,954	31,433
8511-7775-72500 Registry Nursing Personnel	0	0	13,299	15,684	4,891	0	624	0	0	0	2,621	879	7,205
8511-8340-72500 Registry Nursing Personnel	0	0	0	0	1,357	0	0	0	0	0	0	0	0
8511-8460-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	0	0	0	1,397	(1,397)
8511-8560-72500 Registry Nursing Personnel	2,594	4,574	5,568	3,690	3,420	0	531	0	0	0	7,839	2,889	25,964
8511-8660-72500 Registry Nursing Personnel	0	3,357	2,509	12,237	6,798	0	0	0	0	0	0	0	0
8511-8720-72500 Registry Nursing Personnel	18,298	27,261	21,814	840	14,718	0	3,376	0	0	0	0	0	0
8511-8751-72500 Registry Nursing Personnel	12,530	13,076	12,841	(1,407)	8,984	0	0	0	0	4	11,016	2,652	37,256
8511-8752-72500 Registry Nursing Personnel	16,922	16,874	12,468	(1,133)	9,426	0	2,463	0	(700)	0	14,165	4,785	34,209
Total: 72500 Registry Nursing Personnel	809,878	604,924	536,359	603,428	565,594	518,136	548,092	619,211	736,008	902,439	845,879	580,021	662,907



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
72100 Medical-Therapists & Other:													
8511-7011-72100 Medical-Therapists & Other	0	21,581	0	0	0	0	0	0	24,997	7,983	10,431	21,272	(34,540)
8511-7268-72100 Medical-Therapists & Other	13,904	11,554	14,387	18,855	18,892	17,277	18,544	16,713	17,537	15,248	22,255	670	18,678
8511-7400-72100 Medical-Therapists & Other	0	0	0	0	3,818	4,929	5,752	5,207	(3,206)	0	0	0	0
8511-7420-72100 Medical-Therapists & Other	0	0	0	0	0	0	0	0	0	0	0	0	2,417
8511-7500-72100 Medical-Therapists & Other	43,332	64,455	12,437	(7,530)	29,167	57,298	33,589	53,437	49,827	49,087	5,886	30,064	(43,495)
8511-7570-72100 Medical-Therapists & Other	6	3,778	2,641	(5,533)	(887)	9,772	1,272	5,852	(5,372)	1,183	(46)	998	(1,114)
8511-7573-72100 Medical-Therapists & Other	0	0	0	0	0	0	0	1,173	(235)	0	0	0	0
8511-7620-72100 Medical-Therapists & Other	5,862	5,587	(156)	1,001	363	10,501	(822)	137	1,136	(1,136)	0	0	0
8511-7630-72100 Medical-Therapists & Other	0	0	0	1,454	801	(2,255)	0	0	0	0	0	0	0
8511-7720-72100 Medical-Therapists & Other	0	0	0	0	0	0	0	0	110,032	62,997	26,456	(16,020)	(19,874)
8511-7775-72100 Medical-Therapists & Other	11,578	14,820	38,247	31,795	46,936	50,854	52,537	59,414	43,257	52,424	53,203	52,631	46,407
8511-8340-72100 Medical-Therapists & Other	0	0	0	0	0	2,255	0	0	0	0	0	0	0
8511-8460-72100 Medical-Therapists & Other	0	0	0	0	0	0	1,303	(126)	0	0	0	(1,397)	1,397
8511-8560-72100 Medical-Therapists & Other	0	2,311	0	4,136	3,073	3,342	5,414	11,647	11,381	866	6,566	10,889	(15,282)
8511-8660-72100 Medical-Therapists & Other	0	0	11,696	(1,547)	5,211	(1,157)	0	0	0	0	0	0	0
8511-8720-72100 Medical-Therapists & Other	0	0	0	19,709	6,330	19,752	8,292	4,497	(570)	0	0	0	0
8511-8751-72100 Medical-Therapists & Other	0	0	0	10,643	4,866	(377)	(267)	2,834	16,159	17,114	3,479	17,420	(25,132)
8511-8752-72100 Medical-Therapists & Other	0	0	0	12,178	11,356	15,468	18,419	27,118	21,603	21,667	5,301	16,798	(23,820)
Total: 72100 Medical-Therapists & Other	74,682	124,085	79,254	85,161	129,927	187,659	144,034	187,904	286,546	227,434	133,530	133,323	(94,358)
<b>Total Registry Labor</b>	<b>884,560</b>	<b>729,010</b>	<b>615,612</b>	<b>688,588</b>	<b>695,521</b>	<b>705,796</b>	<b>692,126</b>	<b>807,115</b>	<b>1,023,154</b>	<b>1,129,873</b>	<b>979,410</b>	<b>713,345</b>	<b>568,549</b>
Contract Labor													
72600 Registry-Non Clinical:													
8511-6340-72600 Registry-Non Clinical	23,250	31,000	38,750	(7,750)	0	0	0	0	0	0	0	0	0
8511-7010-72600 Registry-Non Clinical	61,380	54,400	66,650	59,600	62,740	33,680	28,200	32,430	28,200	31,020	28,200	31,090	28,200
8511-7400-72600 Registry-Non Clinical	32,780	43,900	73,280	80,870	33,130	110,750	79,308	98,530	84,640	80,280	75,000	87,240	80,300
8511-7570-72600 Registry-Non Clinical	30,600	24,800	0	0	0	0	0	0	0	0	0	0	0
8511-8215-72600 Registry-Non Clinical	30,600	41,310	30,600	27,120	30,600	38,250	30,600	35,190	30,600	30,180	35,190	12,240	24,200
8511-8560-72600 Registry-Non Clinical	0	0	0	0	0	0	647	0	0	0	0	0	0
8511-8650-72600 Registry-Non Clinical	0	0	0	0	0	0	0	0	0	0	0	0	42,526
8511-8752-72600 Registry-Non Clinical	0	0	0	0	0	0	22,950	74,950	59,400	50,940	66,970	65,970	57,550
8511-8754-72600 Registry-Non Clinical	30,637	9,658	34,116	25,032	6,518	30,478	25,499	37,495	(11,094)	0	0	0	0
Total: 72600 Registry-Non Clinical	209,247	205,068	243,396	184,872	132,988	213,158	187,204	278,595	191,746	192,420	205,360	196,540	232,776
<b>Total - Contract Labor</b>	<b>209,247</b>	<b>205,068</b>	<b>243,396</b>	<b>184,872</b>	<b>132,988</b>	<b>213,158</b>	<b>187,204</b>	<b>278,595</b>	<b>191,746</b>	<b>192,420</b>	<b>205,360</b>	<b>196,540</b>	<b>232,776</b>
Benefits & Taxes:													
71000 FICA:													
8511-8881-71000 FICA	926,637	977,019	929,533	916,536	878,181	796,888	891,118	1,081,042	964,841	1,028,773	989,500	1,005,462	1,037,581
Total: 71000 FICA	926,637	977,019	929,533	916,536	878,181	796,888	891,118	1,081,042	964,841	1,028,773	989,500	1,005,462	1,037,581
71100 SUI - FUI:													
8511-8881-71100 SUI - FUI	19,191	19,200	59,434	22,000	21,900	6,000	22,263	22,300	22,300	(27,700)	(31,821)	(4,306)	10,100
Total: 71100 SUI - FUI	19,191	19,200	59,434	22,000	21,900	6,000	22,263	22,300	22,300	(27,700)	(31,821)	(4,306)	10,100
71101 SUI - RIF:													
8511-8881-71101 Unemployment - RIF	0	0	(43,387)	0	0	0	0	0	0	0	0	130	0
Total: 71101 SUI - RIF	0	0	(43,387)	0	0	0	0	0	0	0	0	130	0
71300 Group Health Insurance:													
8511-8881-71300 Group Health Insurance	1,062,397	1,160,115	1,194,695	1,522,944	1,188,732	1,122,261	1,131,058	701,328	750,737	699,265	717,734	712,255	(50,946)
Total: 71300 Group Health Insurance	1,062,397	1,160,115	1,194,695	1,522,944	1,188,732	1,122,261	1,131,058	701,328	750,737	699,265	717,734	712,255	(50,946)
71305 Group Health Self Insured:													
8511-8881-71305 Group Health Self Insured	216,875	184,068	174,120	220,045	189,552	154,733	141,161	149,607	362,376	791,111	885,938	726,841	1,683,263
Total: 71305 Group Health Self Insured	216,875	184,068	174,120	220,045	189,552	154,733	141,161	149,607	362,376	791,111	885,938	726,841	1,683,263
71310 Group Health Insured:													
8511-8881-71310 Group Health Insured	59,467	52,325	49,441	70,219	55,846	42,382	42,564	114,460	120,852	150,631	130,314	69,353	182,386
Total: 71310 Group Health Insured	59,467	52,325	49,441	70,219	55,846	42,382	42,564	114,460	120,852	150,631	130,314	69,353	182,386
71319 Employee Ben Exp FLEX Dollars:													
8511-8881-71319 Employee Ben Exp FLEX Dollars	10,613	11,759	11,528	10,978	11,327	11,225	11,897	11,386	10,288	12,349	13,131	13,790	13,954
Total: 71319 Employee Ben Exp FLEX Dollars	10,613	11,759	11,528	10,978	11,327	11,225	11,897	11,386	10,288	12,349	13,131	13,790	13,954
71320 Group Health Vision:													
8511-8881-71320 Group Health Vision	26,704	(753)	2,603	4,357	5,951	4,253	(11,530)	(1,777)	15,944	(8,597)	26,807	6,763	(17,081)
Total: 71320 Group Health Vision	26,704	(753)	2,603	4,357	5,951	4,253	(11,530)	(1,777)	15,944	(8,597)	26,807	6,763	(17,081)
71350 Dental Insured:													
8511-8881-71350 Dental Insured	91,421	46,619	93,246	(30,810)	(30,707)	(31,683)	(48,854)	(35,409)	(32,232)	(31,771)	(19,767)	(37,245)	(56,503)
Total: 71350 Dental Insured	91,421	46,619	93,246	(30,810)	(30,707)	(31,683)	(48,854)	(35,409)	(32,232)	(31,771)	(19,767)	(37,245)	(56,503)
71351 Dental Insured IBNR:													
8511-8881-71351 IBNR - Dental	(50,152)	(63,753)	(1,550)	111,638	106,781	107,032	108,107	105,822	104,817	53,286	101,275	139,496	110,732
Total: 71351 Dental Insured IBNR	(50,152)	(63,753)	(1,550)	111,638	106,781	107,032	108,107	105,822	104,817	53,286	101,275	139,496	110,732
71375 Life AD&D Bnf-Contract:													
8511-8881-71375 Life AD&D Bnf-Contract	(2,943)	14,763	1,940	1,968	1,696	1,803	304	1,912	1,976	1,978	1,938	1,965	408
Total: 71375 Life AD&D Bnf-Contract	(2,943)	14,763	1,940	1,968	1,696	1,803	304	1,912	1,976	1,978	1,938	1,965	408
71400 Group Life Insurance:													
8511-8881-71400 Group Life Insurance	17,431	(3,450)	19,171	18,320	16,177	16,415	3,642	20,018	20,265	19,502	18,852	19,220	5,778



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total: 71400 Group Life Insurance	17,431	(3,450)	19,171	18,320	16,177	16,415	3,642	20,018	20,265	19,502	18,852	19,220	5,778
71505 Retirement:													
8511-8880-71505 Retirement	0	0	0	0	0	0	0	0	0	0	0	0	0
8511-8881-71505 Retirement	306,667	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250
Total: 71505 Retirement	306,667	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250	95,250
71515 403B - Employer Match:													
8511-8881-71515 403B - Employer Match	77,064	148,925	146,933	144,102	141,880	248,105	140,936	130,243	146,164	158,640	152,323	155,070	158,900
Total: 71515 403B - Employer Match	77,064	148,925	146,933	144,102	141,880	248,105	140,936	130,243	146,164	158,640	152,323	155,070	158,900
71516 Retirement Plan - 401 A:													
8511-8881-71516 Verity Retirement Plan - 401 A	496,240	531,928	509,595	517,297	505,258	501,992	578,447	575,616	568,065	599,451	537,765	540,557	570,238
Total: 71516 Retirement Plan - 401 A	496,240	531,928	509,595	517,297	505,258	501,992	578,447	575,616	568,065	599,451	537,765	540,557	570,238
71720 Fringe Benefits:													
8511-8881-71720 Fringe Benefits	6,181	6,387	6,387	6,181	7,204	13,681	6,387	8,584	5,281	6,387	6,801	6,454	20,095
Total: 71720 Fringe Benefits	6,181	6,387	6,387	6,181	7,204	13,681	6,387	8,584	5,281	6,387	6,801	6,454	20,095
71600 Workers Compensation Insurance:													
8511-8881-71600 Workers Compensation Insuranc	288,883	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837
Total: 71600 Workers Compensation Insurance	288,883	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837	198,837
71601 WC - TPA & Other:													
8511-8881-71601 WC - TPA & Other	0	87,659	87,659	87,659	87,658	87,658	87,658	87,658	87,658	82,691	87,887	86,003	86,003
Total: 71601 WC - TPA & Other	0	87,659	87,659	87,659	87,658	87,658	87,658	87,658	87,658	82,691	87,887	86,003	86,003
71810 LTD:													
8511-8881-71810 LTD	15,875	16,001	17,722	17,744	17,638	19,470	17,238	15,182	22,697	20,423	19,754	20,353	16,021
Total: 71810 LTD	15,875	16,001	17,722	17,744	17,638	19,470	17,238	15,182	22,697	20,423	19,754	20,353	16,021
71900 Other Employee Benefits (Non-Payroll):													
8511-8880-71900 Other Employee Benefits (Non-P	0	0	0	0	0	0	536	(36)	0	450	(150)	0	0
8511-8881-71900 Other Employee Benefits (Non-P	(2,959)	0	0	0	0	0	0	0	0	(26,921)	16,446	(7,820)	(243,304)
Total: 71900 Other Employee Benefits (Non-Payroll)	(2,959)	0	0	0	0	0	536	(36)	0	(26,471)	16,296	(7,820)	(243,304)
71910 EAP:													
8511-8650-71910 EAP	404	2,342	4,848	3,586	3,579	3,555	3,528	3,600	3,741	3,697	3,708	3,726	3,711
Total: 71910 EAP	404	2,342	4,848	3,586	3,579	3,555	3,528	3,600	3,741	3,697	3,708	3,726	3,711
71930 Ed & Reimbrsmnt:													
8511-8880-71930 Ed & Reimbrsmnt	(43,731)	67,665	68,353	47,075	91,944	74,455	90,391	79,254	76,764	66,700	85,065	66,350	133,179
8511-8881-71930 Ed & Reimbrsmnt	196,376	31,030	25,913	43,826	(5,191)	29,407	29,089	71,874	44,140	40,956	28,699	79,694	72,749
Total: 71930 Ed & Reimbrsmnt	152,645	98,695	94,266	90,900	86,753	103,862	119,480	151,127	120,904	107,655	113,764	146,044	205,928
71932 Education - Application Training:													
8511-7010-71932 Education - Application Training	0	0	0	0	433	0	0	0	0	0	0	0	0
Total: 71932 Education - Application Training	0	0	0	0	433	0	0	0	0	0	0	0	0
<b>Total - Taxes &amp; Benefits</b>	<b>3,718,641</b>	<b>3,583,936</b>	<b>3,652,271</b>	<b>4,029,751</b>	<b>3,589,926</b>	<b>3,503,719</b>	<b>3,540,029</b>	<b>3,436,751</b>	<b>3,590,762</b>	<b>3,935,388</b>	<b>4,066,287</b>	<b>3,898,198</b>	<b>4,031,350</b>
<b>Total - Labor Costs</b>	<b>17,074,177</b>	<b>17,344,656</b>	<b>17,180,071</b>	<b>17,849,109</b>	<b>17,580,032</b>	<b>17,410,522</b>	<b>17,206,466</b>	<b>18,757,228</b>	<b>17,895,925</b>	<b>19,131,436</b>	<b>18,385,891</b>	<b>18,035,487</b>	<b>17,845,549</b>
<b>Medical Fees:</b>													
72000 Medical-Physicians:													
8511-7642-72000 MEDICAL-PHYSICIANS	0	15,446	19,541	2,400	0	0	0	13,023	10,972	23,508	42,416	39,741	(26,182)
8511-8610-72000 MEDICAL-PHYSICIANS	14,301	13,334	76,104	22,463	25,927	13,444	47,306	(24,437)	39,106	12,793	22,743	20,546	(109,604)
8511-8715-72000 MEDICAL-PHYSICIANS	285,236	271,627	269,190	299,839	253,784	284,028	274,610	296,249	260,167	267,524	282,129	238,720	275,617
8511-8715-72010 MEDICAL-PHYSICIAN SERVICES	0	(250)	0	0	0	0	0	0	0	0	0	0	0
Total: 72000 Medical-Physicians	299,537	300,156	364,836	324,702	279,711	297,471	321,916	284,835	310,244	303,824	347,288	299,007	139,831
72011 Medical-Physicians Administrat:													
8511-7014-72011 Medical-Physicians Administrat	0	0	0	0	0	0	0	0	0	0	0	0	85,806
8511-8715-72011 Medical-Physicians Administrat	136,045	126,816	138,664	132,793	132,664	128,912	149,637	94,284	151,846	185,164	148,664	(32,506)	38,453
Total: 72011 Medical-Physicians Administrat	136,045	126,816	138,664	132,793	132,664	128,912	149,637	94,284	151,846	185,164	148,664	(32,506)	124,260
72021 Medical-Phys Clinical Fees:													
8511-8715-72021 Medical-Phys Clinical Fees	822,933	856,258	853,746	840,121	865,258	855,683	963,371	879,783	872,142	934,033	897,474	262,187	1,118,542
Total: 72021 Medical-Phys Clinical Fees	822,933	856,258	853,746	840,121	865,258	855,683	963,371	879,783	872,142	934,033	897,474	262,187	1,118,542
<b>Total - Medical Fees</b>	<b>1,258,516</b>	<b>1,283,230</b>	<b>1,357,245</b>	<b>1,297,616</b>	<b>1,277,633</b>	<b>1,282,066</b>	<b>1,434,924</b>	<b>1,258,903</b>	<b>1,334,232</b>	<b>1,423,021</b>	<b>1,393,426</b>	<b>528,689</b>	<b>1,382,632</b>
<b>Supplies:</b>													
73100 Prosthesis:													
8511-6188-73100 Prosthesis	(11)	0	0	0	0	0	0	0	0	0	0	0	0
8511-7010-73100 Prosthesis	0	0	0	(86)	0	642	0	0	0	0	0	0	0
8511-7080-73100 Prosthesis	0	0	0	450	1,350	450	0	(455)	446	445	0	900	0
8511-7450-73100 Prosthesis	0	0	2,325	0	600	4,534	0	(600)	0	3,000	(297)	938	0
8511-7470-73100 Prosthesis	329,057	222,507	300,640	279,748	317,889	323,673	360,560	245,967	349,416	314,980	295,853	326,851	217,186
8511-7471-73100 Prosthesis	10,482	17,779	17,419	2,544	17,267	13,462	8,343	8,530	3,833	8,932	3,018	10,047	5,981
8511-7570-73100 Prosthesis	0	0	0	0	266	27	0	2,113	9,400	0	0	0	0
8511-7573-73100 Prosthesis	0	0	0	0	0	1,694	174	994	102	0	0	0	0
Total: 73100 Prosthesis	339,527	240,287	320,385	282,656	337,371	344,483	369,077	256,550	363,196	327,357	298,573	338,735	223,167



Verity Healt Systems  
 St Francis Medical Center  
 Trended Income Statement  
 June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
73101 Pacemakers:													
8511-7470-73101 Pacemakers	329	429	5,711	0	0	60	6	0	0	331	0	0	662
8511-7570-73101 Pacemakers	45,551	24,927	32,160	22,127	31,658	18,280	65,215	30,892	36,952	7,924	33,326	45,148	25,553
Total: 73101 Pacemakers	45,881	25,356	37,871	22,127	31,658	18,340	65,222	30,892	36,952	8,255	33,326	45,148	26,214
73102 IOL [Lens]:													
8511-7470-73102 IOL [Lens]	9,210	6,511	6,805	9,161	7,387	3,951	10,256	6,282	1,532	855	1,824	6,100	4,104
8511-7570-73102 IOL [Lens]	20	0	0	0	0	0	0	0	0	0	0	0	0
Total: 73102 IOL [Lens]	9,230	6,511	6,805	9,161	7,387	3,951	10,256	6,282	1,532	855	1,824	6,100	4,104
73103 Spinecare Hardware:													
8511-7450-73103 Spinecare Hardware	0	0	0	0	0	4,100	0	0	0	0	0	(4,100)	0
8511-7470-73103 Spinecare Hardware	49,989	200,713	141,346	105,707	95,040	48,203	70,538	87,501	111,782	70,542	107,230	95,744	30,352
Total: 73103 Spinecare Hardware	49,989	200,713	141,346	105,707	95,040	52,303	70,538	87,501	111,782	70,542	107,230	91,644	30,352
73104 Knees-Total:													
8511-7420-73104 Knees-Total	0	0	(3,000)	0	0	0	0	0	0	0	0	0	0
8511-7450-73104 Knees-Total	0	0	0	0	4,384	0	0	(4,384)	0	0	3,522	941	0
8511-7470-73104 Knees-Total	90,634	66,676	39,423	14,300	75,395	28,124	52,155	47,085	17,517	98,466	89,601	57,943	17,359
Total: 73104 Knees-Total	90,634	66,676	36,423	14,300	79,779	28,124	52,155	42,701	17,517	98,466	93,123	58,884	17,359
73105 Hips-Total:													
8511-7450-73105 Hips-Total	0	0	0	0	230	0	0	(230)	0	0	0	245	0
8511-7470-73105 Hips-Total	17,062	21,658	56,529	2,955	49,379	57,618	26,782	76,451	3,154	51,992	45,342	22,937	65,960
Total: 73105 Hips-Total	17,062	21,658	56,529	2,955	49,609	57,618	26,782	76,221	3,154	51,992	45,342	23,181	65,960
73106 Hips-Partial:													
8511-7470-73106 Hips-Partial	2,697	2,997	2,397	(2,697)	5,394	2,697	6,497	0	2,697	5,656	0	3,750	11,361
Total: 73106 Hips-Partial	2,697	2,997	2,397	(2,697)	5,394	2,697	6,497	0	2,697	5,656	0	3,750	11,361
73107 Hips-Compression:													
8511-7470-73107 Hips-Compression	0	4,689	50	2,162	0	11,722	0	0	0	2,261	2,261	0	0
Total: 73107 Hips-Compression	0	4,689	50	2,162	0	11,722	0	0	0	2,261	2,261	0	0
73108 Valves -Heart:													
8511-7470-73108 Valves -Heart	7,720	0	2,151	4,532	168	12,420	15,440	0	0	0	7,720	4,532	168
8511-7471-73108 Valves -Heart	0	0	0	0	0	0	0	0	7,720	0	0	0	0
Total: 73108 Valves -Heart	7,720	0	2,151	4,532	168	12,420	15,440	0	7,720	0	7,720	4,532	168
73109 Bone:													
8511-7470-73109 Bone	4,448	16,849	6,955	6,061	4,448	12,691	2,188	7,395	32,840	5,990	8,780	4,174	5,879
8511-7570-73109 Bone	0	0	0	0	0	0	0	0	0	0	653	0	0
Total: 73109 Bone	4,448	16,849	6,955	6,061	4,448	12,691	2,188	7,395	32,840	5,990	9,433	4,174	5,879
73110 AICD & Leads:													
8511-7470-73110 AICD & Leads	0	0	0	(67)	0	1,154	23,011	500	0	0	0	0	0
8511-7471-73110 AICD & Leads	0	0	75	0	0	0	0	0	0	0	0	0	0
8511-7509-73110 AICD & Leads	0	0	0	0	0	18,150	3	0	0	0	0	0	0
8511-7570-73110 AICD & Leads	126,707	86,866	113,846	150,574	91,074	126,179	152,973	68,728	85,624	171,212	86,812	89,196	80,410
Total: 73110 AICD & Leads	126,707	86,866	113,920	150,507	91,074	145,483	175,987	69,228	85,624	171,212	86,812	89,196	80,410
73111 Tissue:													
8511-7080-73111 Tissue	0	0	(122)	0	0	0	0	0	0	0	0	1,350	0
8511-7470-73111 Tissue	37,347	72,608	66,014	37,046	(220)	130,724	70,002	55,307	22,428	1,865	36,794	5,430	30,614
Total: 73111 Tissue	37,347	72,608	65,892	37,046	(220)	130,724	70,002	55,307	22,428	1,865	36,794	6,780	30,614
73112 Rings-Angioplasty:													
8511-7573-73112 Rings-Angioplasty	1,467	734	725	1,500	750	237	0	0	1,500	1,500	31	750	1,528
Total: 73112 Rings-Angioplasty	1,467	734	725	1,500	750	237	0	0	1,500	1,500	31	750	1,528
73114 Neuro Stimulators/ Leads:													
8511-7470-73114 Neuro Stimulators/ Leads	28,632	0	0	0	64,507	0	0	0	0	0	0	0	0
Total: 73114 Neuro Stimulators/ Leads	28,632	0	0	0	64,507	0	0	0	0	0	0	0	0
73115 Vascular Grafts:													
8511-7080-73115 Vascular Grafts	5,000	2,500	2,500	3,750	8,840	8,885	5,135	16,835	12,860	3,750	6,295	0	0
8511-7450-73115 Vascular Grafts	0	0	9,300	462	0	0	0	0	0	0	0	0	0
8511-7470-73115 Vascular Grafts	42,851	(7,680)	20,432	26,672	(5,127)	58,075	3,667	2,316	(19,146)	(28,361)	36,718	36,703	15,339
8511-7570-73115 Vascular Grafts	0	0	1,506	0	0	0	0	0	0	0	0	0	0
8511-7573-73115 Vascular Grafts	0	0	0	2,400	0	2,446	0	0	0	0	0	7,339	0
Total: 73115 Vascular Grafts	47,851	(5,180)	33,738	33,284	3,713	69,407	8,802	19,151	(6,286)	(24,611)	43,013	44,042	15,339
73116 Stents:													
8511-7450-73116 Stents	0	0	497	24	0	0	0	0	0	0	0	0	0
8511-7470-73116 Stents	25,163	5,621	27,960	16,104	56,388	55,244	18,472	19,270	18,775	19,976	43,293	12,287	76,715
8511-7570-73116 Stents	1,715	3,000	600	283	0	1,158	1,158	858	0	319	292	8,310	2,507
8511-7573-73116 Stents	4,444	0	14,165	0	14,650	6,200	10,288	9,405	2,350	7,334	5,607	10,256	2,355
8511-7760-73116 Stents	0	0	307	1,022	0	0	1,022	1,022	0	204	307	1,285	818
Total: 73116 Stents	31,321	8,621	43,518	17,432	71,038	62,602	30,940	30,554	21,125	27,834	49,499	32,138	82,395
73117 Stent DES:													
8511-7470-73117 Stent DES	0	0	0	0	0	0	0	0	0	0	0	0	5,625
8511-7570-73117 Stent DES	32,520	22,855	55,343	25,314	19,231	49,791	16,887	25,274	16,937	43,300	18,468	50,694	25,462
Total: 73117 Stent DES	32,520	22,855	55,343	25,314	19,231	49,791	16,887	25,274	16,937	43,300	18,468	50,694	31,087



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
73200 Sutures & Surgical Needles:													
8511-6010-73200 Sutures & Surgical Needles	0	513	469	99	0	0	0	0	0	0	0	0	0
8511-6070-73200 Sutures & Surgical Needles	0	0	0	0	0	0	0	0	45	48	0	0	0
8511-7010-73200 Sutures & Surgical Needles	2,175	608	1,690	1,072	3,758	2,098	2,265	1,610	1,866	1,690	1,733	1,368	3,826
8511-7011-73200 Sutures & Surgical Needles	0	348	0	0	401	0	0	0	0	0	0	0	0
8511-7400-73200 Sutures & Surgical Needles	2,758	2,273	2,791	2,817	1,770	2,460	1,998	2,148	3,849	3,115	1,183	2,344	3,588
8511-7450-73200 Sutures & Surgical Needles	0	0	0	0	0	0	0	0	331	0	0	0	(331)
8511-7470-73200 Sutures & Surgical Needles	44,933	29,291	35,880	19,931	50,734	22,910	11,550	9,061	19,717	14,894	17,164	12,667	17,619
8511-7471-73200 Sutures & Surgical Needles	609	1,331	76	296	0	1,007	98	98	248	296	523	726	0
8511-7570-73200 Sutures & Surgical Needles	226	442	1,202	276	1,383	699	109	187	454	511	99	105	0
8511-7573-73200 Sutures & Surgical Needles	0	52	720	0	1,181	602	0	165	1,574	159	215	469	0
8511-7680-73200 Sutures & Surgical Needles	0	650	0	33	0	0	0	0	0	0	0	340	39
8511-7690-73200 Sutures & Surgical Needles	0	59	0	0	1,606	0	0	(1,185)	790	0	1,508	0	0
Total: 73200 Sutures & Surgical Needles	50,700	35,567	42,827	24,524	60,834	29,775	16,020	12,084	28,875	20,712	22,425	18,016	24,741
73201 Endomechanicals:													
8511-6010-73201 Endomechanicals	(214)	14	99	0	0	14	0	0	7	42	120	0	0
8511-6070-73201 Endomechanicals	0	0	375	0	0	0	0	0	127	0	0	0	0
8511-6382-73201 Endomechanicals	0	0	0	0	0	42	0	0	0	0	0	0	0
8511-7010-73201 Endomechanicals	(368)	255	297	198	170	156	134	113	113	85	141	49	170
8511-7011-73201 Endomechanicals	269	141	276	212	99	99	198	148	85	346	177	127	127
8511-7400-73201 Endomechanicals	5,302	4,248	5,015	6,656	5,016	5,552	4,663	7,670	3,835	4,759	3,756	5,224	5,018
8511-7420-73201 Endomechanicals	0	0	0	0	0	2,481	0	0	0	0	0	0	0
8511-7450-73201 Endomechanicals	3,018	0	0	0	0	0	0	0	0	0	0	0	0
8511-7470-73201 Endomechanicals	79,131	87,769	67,436	57,847	106,026	146,096	67,354	38,131	59,498	80,581	86,542	68,215	52,063
8511-7471-73201 Endomechanicals	0	0	0	0	0	0	0	0	127	0	0	0	0
8511-7570-73201 Endomechanicals	0	0	1,308	0	5,578	0	0	0	0	0	0	0	0
8511-7573-73201 Endomechanicals	422	0	0	154	0	447	46	2,225	1,685	9,135	415	0	0
Total: 73201 Endomechanicals	87,560	92,427	74,806	65,067	116,889	154,888	72,395	48,288	65,477	94,949	91,151	73,616	57,377
73300 Surgical Packs & Sets:													
8511-6010-73300 Surgical Packs & Sets	(90)	106	237	90	106	90	344	316	393	668	519	390	443
8511-6070-73300 Surgical Packs & Sets	0	90	84	90	90	179	90	90	0	0	179	0	179
8511-6151-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	76	148	236	236	59
8511-6179-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	0	236	473	89	384
8511-6182-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	0	296	0	0	0
8511-6184-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	189	355	148	89	59
8511-6187-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	606	739	89	118	0
8511-6188-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	227	118	59	0	0
8511-6580-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	238	0	30	30	59	0
8511-7010-73300 Surgical Packs & Sets	568	757	757	682	940	712	606	682	736	532	562	701	739
8511-7400-73300 Surgical Packs & Sets	12,585	12,790	13,712	12,305	13,150	12,829	12,569	13,423	8,555	11,637	10,360	12,267	11,857
8511-7420-73300 Surgical Packs & Sets	106	106	0	0	167	214	0	(46)	153	0	0	0	0
8511-7429-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	42	0	0	0	0
8511-7470-73300 Surgical Packs & Sets	36,354	27,997	34,774	28,404	39,343	35,180	28,495	27,538	29,079	33,630	29,880	30,269	29,859
8511-7471-73300 Surgical Packs & Sets	0	0	(29)	58	0	0	0	0	(37)	369	0	48	0
8511-7520-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	0	90	0	90	0
8511-7570-73300 Surgical Packs & Sets	3,078	4,662	4,089	3,381	4,610	5,022	4,528	2,806	3,842	5,222	3,534	5,242	3,853
8511-7573-73300 Surgical Packs & Sets	3,378	3,283	3,940	3,831	4,389	3,405	3,607	2,821	2,111	3,318	2,286	4,790	3,336
8511-7591-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	0	90	0	0	0
8511-7680-73300 Surgical Packs & Sets	0	0	0	106	0	0	0	0	0	0	0	0	0
8511-7710-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	213	0	0	0	0
8511-7760-73300 Surgical Packs & Sets	122	50	130	260	0	173	0	260	79	87	39	497	79
Total: 73300 Surgical Packs & Sets	56,102	49,841	57,695	49,205	62,795	57,805	50,237	48,304	46,544	57,105	48,442	54,837	50,848
73400 Surgical Supplies-General:													
8511-6010-73400 Surgical Supplies-General	10,513	9,302	7,780	8,170	8,827	8,779	13,440	11,824	15,238	17,232	10,836	10,373	10,032
8511-6070-73400 Surgical Supplies-General	3,705	3,235	4,821	2,958	4,890	3,823	1,974	3,740	5,265	3,171	1,375	2,425	2,127
8511-6110-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	170	0	0	0	0
8511-6151-73400 Surgical Supplies-General	2,636	2,586	1,449	3,340	2,176	2,121	2,220	2,515	2,952	4,226	1,178	1,960	2,939
8511-6170-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	(127)	0	0	0	0
8511-6178-73400 Surgical Supplies-General	0	0	97	0	0	0	0	0	0	0	0	0	0
8511-6179-73400 Surgical Supplies-General	1,712	2,313	1,706	1,976	1,592	1,969	2,031	2,696	2,395	2,908	1,493	2,554	2,013
8511-6182-73400 Surgical Supplies-General	856	1,456	1,146	1,283	1,007	1,596	1,768	1,384	973	1,050	637	710	786
8511-6184-73400 Surgical Supplies-General	1,763	1,969	1,311	1,742	2,157	2,006	1,697	1,655	2,375	1,778	1,491	635	1,691
8511-6187-73400 Surgical Supplies-General	3,741	3,882	3,102	2,338	2,016	2,731	2,436	1,534	3,094	3,183	3,703	2,683	2,967
8511-6188-73400 Surgical Supplies-General	2,025	3,313	2,555	2,365	2,048	3,051	2,386	2,097	2,693	2,786	2,102	2,389	2,354
8511-6290-73400 Surgical Supplies-General	202	116	147	473	270	317	441	109	162	243	43	61	136
8511-6340-73400 Surgical Supplies-General	1,037	388	1,804	977	641	940	949	253	690	506	850	732	420
8511-6380-73400 Surgical Supplies-General	3,822	3,431	4,248	3,607	3,896	2,109	2,796	2,593	2,397	2,685	1,690	1,194	1,861
8511-6382-73400 Surgical Supplies-General	273	1,444	210	732	(10)	842	312	729	317	203	511	1,160	507
8511-6530-73400 Surgical Supplies-General	184	261	407	319	254	159	171	84	82	15	10	89	208
8511-6580-73400 Surgical Supplies-General	849	1,196	1,152	734	656	531	203	775	544	414	189	403	291
8511-7010-73400 Surgical Supplies-General	14,814	14,388	13,050	14,626	14,082	13,378	10,171	15,037	10,457	13,636	11,364	14,652	10,552
8511-7011-73400 Surgical Supplies-General	2,052	2,088	1,119	1,218	1,777	1,164	1,428	1,267	1,053	1,423	1,007	845	1,353
8511-7075-73400 Surgical Supplies-General	173	0	0	0	298	0	0	0	0	0	0	0	0
8511-7076-73400 Surgical Supplies-General	317	14	36	310	7	128	1	155	389	51	7	26	90
8511-7080-73400 Surgical Supplies-General	9,095	10,432	11,165	1,402	4,466	9,102	7,624	10,792	10,909	13,705	24,232	1,169	393
8511-7087-73400 Surgical Supplies-General	285	143	0	143	0	130	13	0	143	0	0	0	0
8511-7183-73400 Surgical Supplies-General	24	2	(47)	45	37	59	(49)	0	49	2	39	110	85
8511-7195-73400 Surgical Supplies-General	(8)	0	0	0	0	0	0	0	0	0	0	0	0
8511-7400-73400 Surgical Supplies-General	34,802												



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7660-73400 Surgical Supplies-General	888	9	127	137	59	804	139	127	79	48	1,287	128	179
8511-7670-73400 Surgical Supplies-General	292	287	131	400	632	171	381	445	137	356	54	7	473
8511-7680-73400 Surgical Supplies-General	2,457	2,344	473	2,551	2,419	507	206	1,042	1,589	155	386	2,498	349
8511-7690-73400 Surgical Supplies-General	1,347	2,430	2,025	3,315	2,815	7	2,865	3,528	2,360	1,783	248	1,673	4,626
8511-7710-73400 Surgical Supplies-General	22	40	44	98	29	11	0	11	44	11	11	67	131
8511-7720-73400 Surgical Supplies-General	4,763	3,856	6,496	5,859	6,610	3,342	3,428	8,490	5,441	8,100	11,286	9,147	6,312
8511-7722-73400 Surgical Supplies-General	967	10,052	3,779	3,019	4,962	7,275	515	(261)	1,146	985	1,893	4,433	6,491
8511-7730-73400 Surgical Supplies-General	6,220	5,778	7,414	9,260	163	13,374	59	8,450	9,477	2,735	7,705	0	1,522
8511-7760-73400 Surgical Supplies-General	4,574	11,382	13,865	22,209	2,270	16,634	8,939	12,087	8,506	15,318	10,224	23,354	13,076
8511-7775-73400 Surgical Supplies-General	0	0	0	0	211	0	0	0	0	0	0	0	0
8511-8400-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	(266)	266	0	0	0
8511-8402-73400 Surgical Supplies-General	0	0	0	0	38	0	0	0	0	0	0	0	0
8511-8440-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	114	286	0	89	114
8511-8460-73400 Surgical Supplies-General	0	0	0	0	0	0	1	0	41	8	10	0	0
8511-8560-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	0	0	(7)	0	0
8511-8561-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	35	0	0	0	0
8511-8569-73400 Surgical Supplies-General	21	4	21	34	8	13	42	43	30	60	0	0	0
8511-8610-73400 Surgical Supplies-General	0	0	0	0	0	0	0	21	0	0	0	0	0
8511-8660-73400 Surgical Supplies-General	0	0	0	0	0	62	0	128	0	195	375	230	128
8511-8700-73400 Surgical Supplies-General	0	0	0	0	0	0	21	0	0	0	2	(23)	0
8511-8751-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	0	0	0	2,168	489
8511-8752-73400 Surgical Supplies-General	0	0	0	0	3	0	0	0	0	0	0	5	0
8511-8771-73400 Surgical Supplies-General	37	17	0	0	0	0	0	0	0	14	40	7	0
Total: 73400 Surgical Supplies-General	365,847	351,557	417,522	381,615	411,356	456,314	409,217	436,265	408,452	443,090	474,241	435,490	439,041
73401 SURGICAL SUPPLIES - CV:													
8511-7470-73401 SURGICAL SUPPLIES - CV	17,663	5,839	11,810	9,172	5,796	12,111	11,240	4,676	19,554	8,446	11,451	2,398	24,655
8511-7570-73401 SURGICAL SUPPLIES - CV	0	0	0	0	0	0	0	0	(2)	2,636	0	0	0
8511-7573-73401 SURGICAL SUPPLIES - CV	0	7,225	4,779	0	0	16,272	245	0	0	2,636	6,649	13,070	850
Total: 73401 SURGICAL SUPPLIES - CV	17,663	13,064	16,588	9,172	5,796	28,383	11,485	4,676	19,552	13,719	18,100	15,469	25,505
73403 Ortho Supplies:													
8511-6010-73403 Ortho Supplies	0	0	0	0	0	0	0	276	0	2,729	909	1,144	610
8511-6151-73403 Ortho Supplies	0	0	0	0	0	0	0	43	0	92	79	137	214
8511-6179-73403 Ortho Supplies	0	0	0	0	0	0	0	61	0	414	178	297	90
8511-6182-73403 Ortho Supplies	0	0	0	0	0	0	0	0	0	36	0	31	76
8511-6184-73403 Ortho Supplies	0	0	0	0	0	0	0	138	0	176	0	18	0
8511-6187-73403 Ortho Supplies	0	0	0	0	0	0	0	14	0	220	0	384	141
8511-6188-73403 Ortho Supplies	0	0	0	0	31	115	71	231	53	1,552	616	679	368
8511-7010-73403 Ortho Supplies	4,191	2,227	3,228	2,770	2,060	1,086	109	852	567	3,943	2,834	2,723	3,025
8511-7011-73403 Ortho Supplies	32	16	0	0	0	0	0	8	0	0	0	0	0
8511-7050-73403 Ortho Supplies	(14)	0	0	(76)	0	0	0	0	0	0	0	0	0
8511-7076-73403 Ortho Supplies	95	9	287	474	122	119	0	635	(91)	139	195	1,012	290
8511-7080-73403 Ortho Supplies	47	0	205	117	72	32	153	39	110	32	47	63	32
8511-7400-73403 Ortho Supplies	0	8	0	0	0	0	0	0	0	0	0	0	0
8511-7420-73403 Ortho Supplies	(239)	26	268	0	0	0	1,478	(134)	375	451	0	0	0
8511-7450-73403 Ortho Supplies	153	0	(1,632)	0	820	0	0	(820)	0	0	441	918	0
8511-7470-73403 Ortho Supplies	33,564	26,330	53,448	51,307	45,504	61,884	64,493	32,213	43,558	44,014	47,893	50,599	41,438
8511-7471-73403 Ortho Supplies	2,813	2,535	2,832	2,041	1,848	1,944	(144)	1,682	1,591	2,473	1,461	1,917	1,845
8511-7570-73403 Ortho Supplies	170	0	156	326	16	170	450	196	16	322	53	276	161
8511-7775-73403 Ortho Supplies	0	0	0	0	0	0	0	0	0	0	261	0	0
Total: 73403 Ortho Supplies	40,811	31,150	58,792	56,958	50,473	65,349	66,810	35,434	46,178	56,591	54,968	60,200	48,288
73404 Heartport Supplies:													
8511-7570-73404 Heartport Supplies	0	0	0	0	0	0	0	0	0	25,000	50,000	0	0
Total: 73404 Heartport Supplies	0	0	0	0	0	0	0	0	0	25,000	50,000	0	0
73500 Anesthetic Materials:													
8511-6010-73500 Anesthetic Materials	16	41	15	37	32	12	46	370	57	32	1,511	41	32
8511-7010-73500 Anesthetic Materials	4	0	0	7	1,540	26	36	199	44	0	2,310	203	(8)
8511-7011-73500 Anesthetic Materials	6	13	39	13	53	26	26	0	0	40	0	40	0
8511-7400-73500 Anesthetic Materials	635	0	126	0	(210)	108	36	41	486	0	1,183	74	672
8511-7420-73500 Anesthetic Materials	0	0	0	0	0	26	0	0	(13)	0	0	0	0
8511-7427-73500 Anesthetic Materials	0	0	0	0	0	0	0	0	0	2	0	0	0
8511-7450-73500 Anesthetic Materials	1,116	2,468	1,500	3,281	1,137	2,191	3,059	2,263	4,817	4,667	2,043	4,474	2,374
8511-7470-73500 Anesthetic Materials	1,827	1,906	1,788	1,349	2,551	1,929	1,606	1,461	1,074	2,976	1,398	3,545	1,338
8511-7471-73500 Anesthetic Materials	609	386	412	375	321	455	336	305	467	446	555	435	310
8511-7570-73500 Anesthetic Materials	0	0	0	0	0	0	0	0	0	0	229	0	0
8511-7720-73500 Anesthetic Materials	0	20	0	0	0	0	0	0	0	0	0	0	0
Total: 73500 Anesthetic Materials	4,215	4,832	3,880	5,061	5,424	4,775	5,144	4,639	6,931	8,163	9,230	8,812	4,718
73600 Oxygen & Other Medical Gases:													
8511-7080-73600 Oxygen & Other Medical Gases	0	0	0	0	0	0	0	0	0	0	0	64	0
8511-7420-73600 Oxygen & Other Medical Gases	0	0	0	0	0	0	0	363	0	0	0	0	0
8511-7450-73600 Oxygen & Other Medical Gases	0	0	0	0	0	0	0	0	188	19	60	0	0
8511-7470-73600 Oxygen & Other Medical Gases	133	0	69	0	0	0	0	0	0	0	0	0	0
8511-7710-73600 Oxygen & Other Medical Gases	2,035	0	0	0	0	0	0	0	0	0	0	0	0
8511-7720-73600 Oxygen & Other Medical Gases	7,826	11,507	9,362	11,667	9,852	10,794	10,189	13,076	15,725	14,565	15,007	12,137	24,444
Total: 73600 Oxygen & Other Medical Gases	9,993	11,507	9,431	11,667	9,852	10,794	10,189	13,439	15,913	14,584	15,068	12,202	24,444
73700 IV Solutions:													
8511-6010-73700 IV Solutions	10,501	11,452	10,734	11,405	11,012	11,065	11,891	10,800	10,940	10,757	10,542	9,979	9,420
8511-6070-73700 IV Solutions	1,155	1,881	917	1,304	867	1,015	1,100	779	2,216	1,040	982	1,324	2,974
8511-6110-73700 IV Solutions	0	0	0	0	0	0	0	0	33	0	0	2	0
8511-6151-73700 IV Solutions	3,820	4,383	4,714	4,412	4,350	4,882	4,865	4,412	4,738	4,658	3,085	4,023	4,692
8511-6179-73700 IV Solutions	2,909	3,247	3,018	2,649	3,394	3,585	3,837	4,412	4,480	4,246	3,056	5,082	3,637
8511-6182-73700 IV Solutions	3,038	2,991	2,605	2,142	3,293	2,457	2,129	2,475	1,901	1,858	1,636	2,293	2,244
8511-6184-73700 IV Solutions	2,203	2,656	2,482	2,650	2,289	2,323	2,877	2,260	2,572	2,306	2,017	2,047	2,253
8511-6187-73700 IV Solutions	4,301	4,039	4,034	4,430	3,607	3,630	4,063	3,941	4,232	4,137	3,430	3,916	4,369
8511-6188-73700 IV Solutions	3,868	4,114	4,048	3,814	3,925	3,601	4,211	3,685	3,518	3,466	3,262	3,651	4,464
8511-6290-73700 IV Solutions	308	131	222	360	335	228	257	160	262	457	246	209	290
8511-6380-73700 IV Solutions	748	723	645	1,986	1,244	1,360	1,905	715	785	566	254	366	793
8511-6382-73700 IV Solutions	166	289	5	257	232	632	609	166	101	53	134	394	429
8511-6530-73700 IV Solutions	58	16	30	32	0	48	20	0	26	0	0	30	9
8511-6580-73700 IV Solutions	1,056	1,224	1,191	985	1,027	370	362	832	432	454	327	317	422



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7010-73700 IV Solutions	17,876	17,513	14,814	16,975	17,003	15,906	18,732	17,533	16,080	17,932	12,669	18,367	17,798
8511-7011-73700 IV Solutions	2,413	1,747	2,109	2,621	2,822	2,428	2,393	1,933	1,383	2,263	2,298	2,245	2,578
8511-7076-73700 IV Solutions	0	0	0	42	0	0	0	76	0	0	0	0	0
8511-7080-73700 IV Solutions	21	0	19	76	0	79	39	21	0	22	173	0	0
8511-7183-73700 IV Solutions	1,049	2,083	902	1,014	1,359	2,403	872	1,390	1,097	1,231	962	1,058	648
8511-7400-73700 IV Solutions	9,689	11,814	13,048	11,513	9,666	11,383	9,981	10,028	9,030	10,180	8,688	9,133	10,080
8511-7420-73700 IV Solutions	45	0	0	0	232	181	0	85	(22)	809	213	0	0
8511-7427-73700 IV Solutions	459	295	224	230	233	305	183	185	101	875	235	347	157
8511-7429-73700 IV Solutions	4,526	4,182	5,225	5,232	5,763	4,079	4,975	4,931	4,067	4,192	4,279	5,510	5,224
8511-7450-73700 IV Solutions	269	324	320	0	240	0	640	132	240	510	720	212	0
8511-7470-73700 IV Solutions	6,353	4,731	6,048	5,025	5,955	6,944	5,887	5,094	4,376	4,834	4,331	4,891	8,041
8511-7471-73700 IV Solutions	7,071	3,612	4,787	908	3,613	4,057	1,658	2,313	1,383	377	3,599	5,705	1,112
8511-7500-73700 IV Solutions	(373)	570	570	737	810	589	591	1,381	998	26	872	873	122
8511-7570-73700 IV Solutions	1,087	537	1,161	1,178	1,020	896	713	1,526	573	939	848	732	261
8511-7573-73700 IV Solutions	792	360	1,532	696	1,491	620	1,112	1,927	505	1,801	2,024	1,046	1,012
8511-7591-73700 IV Solutions	160	563	0	0	0	160	0	149	548	640	0	182	0
8511-7630-73700 IV Solutions	246	589	391	534	412	0	0	121	0	0	121	121	0
8511-7642-73700 IV Solutions	160	0	0	0	212	0	0	0	0	0	80	0	0
8511-7650-73700 IV Solutions	0	0	0	0	0	0	0	0	0	0	269	0	0
8511-7660-73700 IV Solutions	142	142	0	0	0	0	0	0	0	0	0	0	14
8511-7670-73700 IV Solutions	283	580	819	425	0	0	680	70	0	0	0	0	215
8511-7680-73700 IV Solutions	1,014	553	283	996	443	356	43	101	138	269	0	326	1,108
8511-7710-73700 IV Solutions	35,465	29,548	32,520	44,703	25,667	23,038	33,190	37,043	31,752	34,348	28,580	22,673	30,522
8511-7720-73700 IV Solutions	111	41	132	99	147	404	10	103	6	0	121	0	42
8511-7722-73700 IV Solutions	0	148	0	(120)	8	241	0	10	0	107	179	59	28
8511-7730-73700 IV Solutions	29	0	0	0	0	29	0	29	0	0	0	0	0
8511-7760-73700 IV Solutions	103	199	303	359	207	273	160	367	222	788	465	625	296
8511-8569-73700 IV Solutions	59	149	133	163	144	188	39	137	237	285	0	0	0
Total: 73700 IV Solutions	123,181	117,424	119,983	129,832	113,023	109,755	120,024	121,326	108,950	116,428	100,700	107,737	115,256
73800 Pharmaceuticals:													
8511-7420-73800 Pharmaceuticals	0	106	0	0	0	0	0	140	135	0	0	0	0
8511-7470-73800 Pharmaceuticals	66	0	0	0	1,183	2,447	0	0	0	0	1,381	0	0
8511-7500-73800 Pharmaceuticals	11,463	0	11,243	0	11,517	0	11,511	11,241	0	0	0	11,687	0
8511-7710-73800 Pharmaceuticals	682,605	616,891	618,974	613,347	621,684	597,337	549,500	530,244	619,584	1,284,223	638,117	511,001	822,944
8511-7760-73800 Pharmaceuticals	0	0	1,030	0	0	0	0	628	0	0	0	1,105	0
8511-8610-73800 Pharmaceuticals	0	0	0	0	0	0	0	0	0	0	2,618	(2,618)	0
Total: 73800 Pharmaceuticals	694,134	616,997	631,247	613,347	634,384	599,784	561,011	542,253	619,719	1,284,223	642,116	521,175	822,944
73900 Radioactive Materials:													
8511-6070-73900 Radioactive Materials	64	0	0	0	0	0	0	133	0	0	64	0	63
8511-7076-73900 Radioactive Materials	40	0	0	0	0	0	0	50	0	0	24	0	24
8511-7420-73900 Radioactive Materials	228	0	0	0	0	0	0	415	0	0	216	0	221
8511-7450-73900 Radioactive Materials	48	0	0	0	0	0	0	111	0	0	35	0	35
8511-7570-73900 Radioactive Materials	268	0	0	0	0	0	0	552	0	0	275	0	301
8511-7630-73900 Radioactive Materials	504	0	0	0	0	0	0	1,135	0	0	632	0	539
8511-7650-73900 Radioactive Materials	17,750	25,505	7,159	24,039	10,147	30,235	20,249	16,109	19,684	15,950	28,486	12,033	29,659
8511-7680-73900 Radioactive Materials	74	0	0	0	0	0	0	131	0	0	59	0	88
8511-7690-73900 Radioactive Materials	16	0	0	0	0	0	0	33	0	0	16	0	16
8511-7730-73900 Radioactive Materials	138	0	0	0	0	0	0	283	0	0	150	0	161
8511-7760-73900 Radioactive Materials	48	0	0	0	0	0	0	100	0	0	59	0	55
8511-7775-73900 Radioactive Materials	8	0	0	0	0	0	0	22	0	0	16	0	25
Total: 73900 Radioactive Materials	19,186	25,505	7,159	24,039	10,147	30,235	20,249	19,074	19,684	15,950	30,031	12,033	31,187
74000 Radiology Films:													
8511-7680-74000 Radiology Films	434	388	590	530	308	475	695	395	347	226	294	380	212
8511-7690-74000 Radiology Films	69	17	0	0	86	69	17	0	137	24	0	0	0
Total: 74000 Radiology Films	503	405	590	530	394	544	712	395	485	250	294	380	212
74100 Other Medical Care Materials & Supplies:													
8511-6010-74100 Other Medical Care Materials &	23,832	24,694	27,433	26,129	23,024	24,845	24,520	31,342	29,261	32,807	32,218	28,449	22,084
8511-6070-74100 Other Medical Care Materials &	12,089	11,476	13,950	13,382	12,280	15,430	13,826	14,072	14,321	8,835	11,703	17,550	15,685
8511-6110-74100 Other Medical Care Materials &	0	0	0	0	0	0	0	0	335	0	0	38	0
8511-6151-74100 Other Medical Care Materials &	8,941	9,657	8,832	8,706	6,620	10,542	7,396	10,891	10,743	12,420	10,095	11,602	10,302
8511-6170-74100 Other Medical Care Materials &	0	0	0	0	0	0	0	0	135	0	0	0	18
8511-6179-74100 Other Medical Care Materials &	5,441	6,150	7,161	7,992	5,558	7,631	6,320	9,481	7,949	9,425	6,825	8,052	7,968
8511-6182-74100 Other Medical Care Materials &	7,377	3,986	5,727	4,275	5,216	3,809	4,231	4,969	5,166	5,499	4,043	3,916	4,284
8511-6184-74100 Other Medical Care Materials &	5,932	4,873	4,419	4,944	5,005	4,407	4,555	6,344	4,522	4,384	4,989	4,960	4,512
8511-6187-74100 Other Medical Care Materials &	11,031	9,521	10,559	8,566	9,345	9,716	8,360	11,252	10,018	9,255	9,232	10,049	9,526
8511-6188-74100 Other Medical Care Materials &	9,347	8,347	10,165	7,937	7,969	7,196	7,939	9,028	7,552	7,955	8,307	9,045	8,309
8511-6290-74100 Other Medical Care Materials &	637	283	420	726	518	699	1,267	190	1,106	1,226	810	539	625
8511-6340-74100 Other Medical Care Materials &	454	247	919	654	411	1,797	1,113	(60)	271	938	1,598	1,236	661
8511-6380-74100 Other Medical Care Materials &	12,874	10,627	12,845	11,136	14,935	11,978	15,853	13,517	7,858	15,573	7,285	11,621	12,113
8511-6382-74100 Other Medical Care Materials &	175	472	347	251	141	606	244	245	131	186	274	558	335
8511-6530-74100 Other Medical Care Materials &	1,480	1,834	4,500	2,816	1,631	1,659	931	858	2,234	305	91	879	1,674
8511-6580-74100 Other Medical Care Materials &	3,098	3,186	2,759	3,605	4,062	2,643	1,220	1,645	1,944	3,313	1,224	2,807	2,047
8511-7010-74100 Other Medical Care Materials &	36,039	43,103	46,978	41,388	45,286	41,035	48,250	57,259	47,502	41,432	44,793	44,849	52,889
8511-7011-74100 Other Medical Care Materials &	2,493	11,882	1,647	3,057	2,485	2,912	3,669	2,917	1,410	2,165	2,030	1,955	2,214
8511-7075-74100 Other Medical Care Materials &	0	509	(32)	0	618	0	0	0	1,252	58	0	0	0
8511-7076-74100 Other Medical Care Materials &	452	0	37	158	47	433	35	560	56	415	81	0	205
8511-7080-74100 Other Medical Care Materials &	677	573	704	1,096	492	1,490	1,475	1,032	493	1,160			



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7591-74100 Other Medical Care Materials &	315	502	25	220	405	626	259	523	177	139	198	305	914
8511-7620-74100 Other Medical Care Materials &	0	0	806	544	118	273	26	533	520	48	993	25	808
8511-7630-74100 Other Medical Care Materials &	1,940	1,617	1,115	497	1,199	1,447	1,219	1,768	147	981	194	2,141	493
8511-7642-74100 Other Medical Care Materials &	206	48	32	25	415	4	12	690	(59)	62	43	8	256
8511-7650-74100 Other Medical Care Materials &	0	0	900	97	972	336	0	42	938	326	945	48	856
8511-7660-74100 Other Medical Care Materials &	43	787	94	37	757	353	182	52	69	49	367	226	198
8511-7670-74100 Other Medical Care Materials &	4,665	4,152	7,438	5,892	6,202	4,364	2,750	5,903	4,142	4,418	3,512	3,841	5,445
8511-7680-74100 Other Medical Care Materials &	12,968	9,179	13,782	10,567	10,544	7,298	7,726	15,870	6,938	9,456	10,252	16,727	12,400
8511-7690-74100 Other Medical Care Materials &	1,485	593	370	401	1,706	296	124	(938)	433	269	512	2,934	1,946
8511-7710-74100 Other Medical Care Materials &	7,133	8,214	8,593	10,070	7,625	8,693	9,757	4,456	1,890	1,123	257	507	696
8511-7720-74100 Other Medical Care Materials &	7,647	10,900	10,897	9,653	12,644	9,085	9,488	22,549	13,651	8,992	10,107	7,286	7,905
8511-7722-74100 Other Medical Care Materials &	2,862	11,705	5,219	3,553	4,315	11,358	2,234	714	1,433	3,056	2,945	6,126	5,612
8511-7730-74100 Other Medical Care Materials &	0	0	0	559	0	176	119	810	176	288	1,958	0	97
8511-7750-74100 Other Medical Care Materials &	0	0	0	0	0	12	0	0	0	0	0	0	0
8511-7760-74100 Other Medical Care Materials &	3,602	2,140	987	7,307	2,012	4,014	719	1,941	2,614	2,754	2,595	3,858	3,921
8511-7775-74100 Other Medical Care Materials &	0	137	205	217	378	141	23	(729)	570	24	274	349	105
8511-7801-74100 Other Medical Care Materials &	3,413	0	1,266	0	1,901	728	3,364	1,292	2,307	574	1,388	1,430	1,628
8511-8340-74100 Other Medical Care Materials &	1,674	1,587	1,687	1,973	893	1,989	801	2,550	1,478	2,263	1,303	1,461	1,074
8511-8370-74100 Other Medical Care Materials &	134	119	134	89	45	138	74	93	242	89	0	0	134
8511-8400-74100 Other Medical Care Materials &	0	0	0	0	0	0	0	0	(638)	638	0	0	28,882
8511-8420-74100 Other Medical Care Materials &	0	0	0	0	0	0	0	0	0	0	9	0	0
8511-8440-74100 Other Medical Care Materials &	0	0	0	0	0	0	0	93	0	0	0	0	0
8511-8460-74100 Other Medical Care Materials &	45	45	0	0	0	127	3	(79)	0	35	0	0	0
8511-8465-74100 Other Medical Care Materials &	0	0	0	45	0	0	0	0	3,666	0	0	0	0
8511-8470-74100 Other Medical Care Materials &	0	0	5	5	0	0	7	12	0	0	0	0	0
8511-8561-74100 Other Medical Care Materials &	0	0	0	0	22	0	20	36	0	0	0	0	0
8511-8569-74100 Other Medical Care Materials &	15	12	102	78	127	32	123	52	206	119	0	0	0
8511-8660-74100 Other Medical Care Materials &	4	0	37	44	72	81	0	27	0	0	2	0	42
8511-8700-74100 Other Medical Care Materials &	5	0	0	45	6	10	14	8	18	0	1	(102)	0
8511-8752-74100 Other Medical Care Materials &	0	15	0	0	2	0	0	0	0	0	0	0	0
8511-8771-74100 Other Medical Care Materials &	917	0	40	0	150	32	0	0	0	26	1,341	174	180
Total: 74100 Other Medical Care Materials & Supplies	314,204	323,812	344,965	328,468	330,442	334,264	299,559	390,208	328,285	338,665	300,909	363,269	375,748
74101 Syringes:													
8511-6010-74101 Syringes	433	559	617	436	687	633	429	668	707	556	515	338	279
8511-6070-74101 Syringes	2,127	1,386	3,139	1,111	1,762	1,535	1,494	1,588	2,704	796	1,272	1,779	2,214
8511-6151-74101 Syringes	199	197	459	537	437	488	193	566	694	525	324	443	482
8511-6170-74101 Syringes	0	0	0	0	0	0	0	0	(143)	0	0	0	0
8511-6179-74101 Syringes	58	168	308	509	180	496	246	564	168	322	282	321	197
8511-6182-74101 Syringes	493	173	574	145	390	158	144	309	466	155	309	173	174
8511-6184-74101 Syringes	205	277	109	362	370	228	160	258	80	123	129	154	245
8511-6187-74101 Syringes	386	691	367	571	388	556	526	407	516	428	596	433	380
8511-6188-74101 Syringes	679	359	433	394	508	479	428	585	555	237	323	552	244
8511-6290-74101 Syringes	22	15	0	2	52	0	21	0	1	0	0	0	0
8511-6340-74101 Syringes	0	0	30	184	0	0	0	0	124	71	0	0	0
8511-6380-74101 Syringes	131	160	494	115	52	129	127	181	82	75	52	67	147
8511-6382-74101 Syringes	0	0	0	0	0	2	0	0	0	0	0	0	0
8511-6530-74101 Syringes	46	24	(117)	0	0	0	48	0	15	0	0	0	15
8511-6580-74101 Syringes	77	293	218	319	237	154	41	103	128	186	45	145	74
8511-7010-74101 Syringes	500	551	554	539	413	655	480	571	(237)	878	498	548	555
8511-7011-74101 Syringes	6	9	5	9	11	80	11	10	6	7	8	6	5
8511-7076-74101 Syringes	45	0	0	0	16	0	0	61	6	0	15	0	0
8511-7183-74101 Syringes	44	66	96	66	74	81	0	44	29	99	30	29	15
8511-7400-74101 Syringes	65	171	454	337	561	99	281	248	341	872	903	153	331
8511-7420-74101 Syringes	0	0	0	0	0	12	0	0	0	(30)	0	0	0
8511-7427-74101 Syringes	0	1	0	62	0	0	16	0	16	29	55	59	0
8511-7429-74101 Syringes	0	0	0	0	0	43	0	23	0	21	0	0	0
8511-7450-74101 Syringes	442	222	383	185	1,456	215	250	323	291	478	697	183	502
8511-7470-74101 Syringes	651	77	181	540	769	914	161	601	366	583	270	234	489
8511-7471-74101 Syringes	55	4	9	14	3	71	181	(20)	(43)	106	126	(56)	615
8511-7500-74101 Syringes	484	543	664	382	523	459	348	630	463	509	433	224	401
8511-7570-74101 Syringes	133	111	241	125	110	81	298	79	165	144	124	116	245
8511-7573-74101 Syringes	704	402	57	39	125	52	369	475	277	105	15	125	241
8511-7591-74101 Syringes	0	0	0	0	0	0	0	0	0	0	0	8	7
8511-7620-74101 Syringes	0	0	0	0	0	0	0	0	0	8	0	0	25
8511-7630-74101 Syringes	0	3	15	0	0	0	0	0	0	0	0	0	0
8511-7642-74101 Syringes	0	0	15	15	0	0	0	0	0	0	0	0	0
8511-7650-74101 Syringes	0	0	14	0	0	27	0	7	0	70	0	0	3
8511-7660-74101 Syringes	0	0	15	(15)	0	0	0	0	90	8	17	8	0
8511-7670-74101 Syringes	0	0	616	0	186	12	0	0	0	765	0	6	0
8511-7680-74101 Syringes	1,389	1,372	1,583	845	1,969	871	335	1,224	253	825	788	1,662	1,306
8511-7710-74101 Syringes	420	678	505	495	894	607	633	717	724	824	618	805	539
8511-7720-74101 Syringes	0	0	0	0	0	0	0	8	0	0	0	0	0
8511-7760-74101 Syringes	0	7	7	47	0	14	7	12	21	26	28	21	0
8511-8340-74101 Syringes	475	396	475	442	426	497	241	511	525	429	380	317	301
8511-8660-74101 Syringes	62	0	103	90	60	107	0	0	0	41	21	0	62
Total: 74101 Syringes	10,329	8,914	12,625	8,903	12,660	9,754	7,466	10,751	9,388	10,270	8,873	8,853	10,093
74102 Gloves:													
8511-6010-74102 Gloves	4,739	5,047	3,882	4,949	4,545	4,121	4,398	5,483	5,281	5,483	4,085	4,278	3,853
8511-6070-74102 Gloves	1,244	1,084	1,354	773	1,059								



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7420-74102 Gloves	1,395	534	2,500	1,434	1,622	1,154	1,624	(1,863)	480	(592)	7,226	960	2,424
8511-7427-74102 Gloves	0	0	0	110	0	0	0	0	0	92	0	74	0
8511-7429-74102 Gloves	324	369	396	368	414	368	92	322	368	368	534	488	277
8511-7450-74102 Gloves	113	0	0	0	0	0	0	0	0	0	0	0	0
8511-7470-74102 Gloves	2,624	1,197	1,936	1,332	896	2,496	965	886	1,750	2,328	2,273	1,798	1,152
8511-7471-74102 Gloves	882	830	947	957	2,022	920	1,003	1,325	1,297	1,453	1,334	2,051	1,169
8511-7500-74102 Gloves	1,391	828	946	1,119	636	1,104	931	460	1,399	1,316	351	1,455	830
8511-7570-74102 Gloves	130	28	324	123	64	74	46	74	37	156	37	74	64
8511-7573-74102 Gloves	771	693	904	857	976	530	219	579	612	739	1,084	302	714
8511-7591-74102 Gloves	56	46	18	55	18	55	9	46	64	0	74	55	0
8511-7630-74102 Gloves	316	110	313	184	221	138	184	276	193	166	230	156	55
8511-7642-74102 Gloves	46	0	46	83	0	55	37	46	46	74	28	101	28
8511-7650-74102 Gloves	0	0	55	46	0	0	0	18	0	55	0	37	92
8511-7660-74102 Gloves	48	79	105	99	101	55	84	79	55	99	122	84	110
8511-7670-74102 Gloves	84	155	129	37	92	74	37	92	97	55	93	84	74
8511-7680-74102 Gloves	622	184	395	188	531	133	426	515	276	439	526	248	431
8511-7690-74102 Gloves	28	0	37	0	55	28	0	41	18	37	9	55	0
8511-7710-74102 Gloves	861	184	766	2,608	(1,062)	1	0	55	37	574	614	(7)	350
8511-7720-74102 Gloves	84	93	92	55	64	37	55	64	55	28	37	92	46
8511-7730-74102 Gloves	19	0	0	0	0	0	0	0	0	0	0	0	0
8511-7760-74102 Gloves	111	0	179	129	92	156	156	166	129	230	28	156	120
8511-7775-74102 Gloves	0	0	18	0	0	0	0	0	0	0	0	138	0
8511-8370-74102 Gloves	0	0	0	0	0	0	0	0	18	0	0	0	9
8511-8440-74102 Gloves	9	0	9	0	9	0	0	0	0	0	0	18	0
8511-8460-74102 Gloves	0	0	0	0	0	0	0	0	0	37	0	0	0
8511-8465-74102 Gloves	0	0	0	0	0	0	0	0	0	0	0	0	18
8511-8470-74102 Gloves	37	37	0	0	0	0	18	74	0	0	28	0	0
8511-8561-74102 Gloves	0	0	0	0	18	0	399	15	0	0	0	28	0
8511-8660-74102 Gloves	0	0	9	78	28	9	0	46	60	18	46	0	37
8511-8677-74102 Gloves	0	0	0	18	0	0	0	0	0	0	0	0	0
8511-8771-74102 Gloves	0	46	0	0	0	0	0	0	0	0	0	0	0
Total: 74102 Gloves	41,580	39,457	43,300	37,391	36,777	35,017	32,789	32,700	35,372	36,940	43,198	35,595	34,370
74103 Angio/Diagnostic Caths:													
8511-6010-74103 Angio/Diagnostic Caths	73	117	167	42	92	67	184	251	142	92	8	(220)	226
8511-6070-74103 Angio/Diagnostic Caths	448	171	336	114	545	826	15	830	336	384	490	803	427
8511-6151-74103 Angio/Diagnostic Caths	2	0	0	0	0	0	0	0	0	0	0	0	0
8511-6179-74103 Angio/Diagnostic Caths	1	1	0	0	0	0	0	0	0	0	0	0	0
8511-6188-74103 Angio/Diagnostic Caths	3	1	0	0	0	0	0	0	0	0	0	0	0
8511-6290-74103 Angio/Diagnostic Caths	13	2	1	4	12	0	16	21	34	22	39	11	(21)
8511-6380-74103 Angio/Diagnostic Caths	0	34	4	0	0	0	0	0	0	0	0	0	0
8511-6530-74103 Angio/Diagnostic Caths	0	0	0	0	0	111	0	0	0	0	0	4	0
8511-6580-74103 Angio/Diagnostic Caths	0	1	0	0	0	0	0	0	0	0	0	0	0
8511-7010-74103 Angio/Diagnostic Caths	149	20	265	158	459	561	110	546	371	40	10	0	0
8511-7011-74103 Angio/Diagnostic Caths	0	0	0	0	0	0	0	0	0	0	0	0	245
8511-7400-74103 Angio/Diagnostic Caths	2,468	2,313	2,284	2,119	1,550	2,592	1,662	2,926	2,309	1,488	1,888	1,289	1,691
8511-7420-74103 Angio/Diagnostic Caths	0	0	0	0	0	0	(223)	0	0	0	0	0	0
8511-7427-74103 Angio/Diagnostic Caths	8	0	0	0	0	0	0	0	0	0	0	0	0
8511-7450-74103 Angio/Diagnostic Caths	0	0	0	418	0	0	0	0	353	0	0	374	0
8511-7470-74103 Angio/Diagnostic Caths	18,858	17,720	39,212	25,656	13,823	24,923	29,132	22,567	15,860	14,404	13,710	26,770	24,217
8511-7471-74103 Angio/Diagnostic Caths	1,692	688	1,002	1,634	1,027	2,165	868	1,650	1,952	1,120	3,049	3,288	1,369
8511-7570-74103 Angio/Diagnostic Caths	25,253	17,388	34,613	15,436	21,335	14,916	32,802	21,325	20,059	30,622	14,491	11,555	21,534
8511-7573-74103 Angio/Diagnostic Caths	53,767	49,068	71,148	55,053	67,376	53,481	44,997	47,278	32,627	38,883	54,307	62,784	53,940
8511-7670-74103 Angio/Diagnostic Caths	0	231	374	121	121	0	0	0	0	121	0	0	0
8511-7680-74103 Angio/Diagnostic Caths	2,428	3,135	3,760	249	3,412	573	745	3,992	2,080	1,601	334	6,184	3,055
8511-7690-74103 Angio/Diagnostic Caths	0	0	2,201	0	1,560	0	0	0	0	641	0	0	0
Total: 74103 Angio/Diagnostic Caths	105,162	90,890	155,266	101,003	111,311	100,214	110,308	101,386	76,123	89,417	88,327	112,842	106,882
74104 Guidewires:													
8511-7470-74104 Guidewires	9,783	5,286	17,950	21,180	20,831	14,361	13,233	12,495	8,529	16,815	5,037	11,258	13,797
8511-7570-74104 Guidewires	9,433	799	6,577	5,047	1,103	5,061	5,679	2,905	3,069	3,219	3,913	3,711	2,714
8511-7573-74104 Guidewires	6,561	2,752	4,735	5,773	5,875	3,465	3,923	4,187	2,109	5,110	2,605	4,333	930
8511-7760-74104 Guidewires	0	0	711	0	0	0	0	0	0	0	0	0	0
Total: 74104 Guidewires	25,777	8,838	29,973	32,000	27,808	22,887	22,835	19,587	13,707	25,144	11,556	19,302	17,441
74105 Sheath Sets/Dilators:													
8511-7470-74105 Sheath Sets/Dilators	1,582	1,190	5,007	3,921	7,099	2,562	1,166	565	2,862	3,089	1,006	2,832	3,940
8511-7471-74105 Sheath Sets/Dilators	0	0	0	0	0	0	0	0	44	0	0	0	0
8511-7570-74105 Sheath Sets/Dilators	286	498	612	69	988	555	151	262	185	575	103	190	816
8511-7573-74105 Sheath Sets/Dilators	112	0	1,017	614	3,053	3,309	3,160	684	2,600	370	2,600	2,149	157
8511-7760-74105 Sheath Sets/Dilators	0	0	0	0	0	0	640	907	0	0	0	0	0
Total: 74105 Sheath Sets/Dilators	1,980	1,688	6,636	4,604	11,140	6,426	5,117	2,418	5,691	4,034	3,709	5,171	4,913
74107 Balloon Cor. Dilation:													
8511-7420-74107 Balloon Cor. Dilation	0	0	0	0	0	0	0	0	0	0	0	0	6,840
8511-7470-74107 Balloon Cor. Dilation	30,669	33,711	51,471	54,745	84,387	62,847	28,479	21,562	42,961	41,436	39,298	37,148	25,346
8511-7570-74107 Balloon Cor. Dilation	17,896	18,211	19,430	12,947	14,540	13,382	21,604	23,880	26,538	15,624	9,614	13,571	16,980
8511-7573-74107 Balloon Cor. Dilation	2,057	1,551	455	1,173	1,613	568	564	3,949	2,096	0	485	94	5,615
8511-7760-74107 Balloon Cor. Dilation	0	0	528	0	0	0	0	0	0	0	479	29	0
Total: 74107 Balloon Cor. Dilation	50,621	53,474	71,884	68,866	100,540	76,797	50,647	49,392	71,594	57,060	49,875	50,843	54,781
74108 Inflation Devices:													
8511-7570-74108 Inflation Devices	1,710	680	1,496	85	769	2,077	680	769	833	680	1,230	390	1,529
8511-7573-74108 Inflation Devices	439	706	309	240	529	441	400	110	0	400	173	400	909
Total: 74108 Inflation Devices	2,149	1,386	1,805	325	1,298	2,518	1,080	878	833	1,080	1,403	790	2,438
74109 Atherectomy Devices:													
8511-7470-74109 Atherectomy Devices	0	0	0	0	0	0	0	6,300	6,403	0	3,395	348	12,743
Total: 74109 Atherectomy Devices	0	0	0	0	0	0	0	6,300	6,403	0	3,395	348	12,743
74110 Vascular Interventions:													
8511-7470-74110 Vascular Interventions	6,363	11,343	30,805	63,934	50,014	28,832	6,141	23,838	7,153	25,753	13,781	28,537	64,137
8511-7570-74110 Vascular Interventions	1,381	4,285	1,381	1,381	2,762	1,381	4,143	8,286	6,712	2,724	0	0	2,762
8511-7573-74110 Vascular Interventions	3,897	0	0	6,957	2,400	0	0	0	0	0	1,200	0	2,666



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

74124 Phlebotomy.



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7500-74124 Phlebotomy	3,292	3,161	4,562	3,731	4,002	2,459	2,581	5,359	3,351	3,114	2,970	3,936	2,801
Total: 74124 Phlebotomy	3,292	3,161	4,562	3,731	4,002	2,459	2,581	5,359	3,351	3,114	2,970	3,936	2,801
74125 Histology:													
8511-7500-74125 Histology	0	139	0	139	0	139	0	0	0	248	33	116	12
Total: 74125 Histology	0	139	0	139	0	139	0	0	0	248	33	116	12
74130 EPS-Ablation Catheters:													
8511-7470-74130 EPS-Ablation Catheters	0	0	0	0	0	0	0	0	0	0	300	0	0
Total: 74130 EPS-Ablation Catheters	0	0	0	0	0	0	0	0	0	0	300	0	0
74150 Blood Supplies:													
8511-7500-74150 Blood Supplies	3,166	3,587	3,034	2,838	2,861	5,398	3,143	(1,031)	3,130	2,909	3,156	3,150	2,581
8511-7540-74150 Blood Supplies	222,860	211,678	187,607	189,339	291,295	192,150	198,436	183,773	188,089	194,256	187,845	166,928	251,682
Total: 74150 Blood Supplies	226,026	215,265	190,641	192,177	294,156	197,548	201,578	182,742	191,219	197,165	191,002	170,078	254,263
74151 Blood Processing:													
8511-7500-74151 Blood Processing	459	251	421	82	517	421	469	567	253	424	649	364	433
Total: 74151 Blood Processing	459	251	421	82	517	421	469	567	253	424	649	364	433
74160 IV Sets andSupplies:													
8511-6010-74160 IV SETS AND SUPPLIES	0	0	0	0	2	0	0	3	0	0	8	0	0
8511-6070-74160 IV SETS AND SUPPLIES	8	6	2	6	75	2	0	3	0	138	57	9	78
8511-7400-74160 IV SETS AND SUPPLIES	(3)	6	14	1	8	16	9	12	0	0	0	0	0
8511-7470-74160 IV SETS AND SUPPLIES	206	0	0	0	0	0	0	0	99	0	0	0	0
8511-7573-74160 IV SETS AND SUPPLIES	0	105	0	105	0	309	0	0	105	0	0	0	0
8511-7591-74160 IV SETS AND SUPPLIES	0	104	0	0	0	0	0	0	0	0	0	0	0
8511-7650-74160 IV SETS AND SUPPLIES	0	0	0	351	0	0	0	0	0	0	0	0	0
8511-7680-74160 IV SETS AND SUPPLIES	0	105	0	0	0	105	0	105	0	0	0	105	0
Total: 74160 IV Sets andSupplies	211	325	15	358	190	123	318	123	99	242	65	114	78
74195 Inventory Adjustments:													
8511-6010-74195 INVENTORY ADJUSTMENTS	(4,183)	0	0	0	0	0	0	0	0	0	0	0	(12,376)
8511-6070-74195 INVENTORY ADJUSTMENTS	(6,771)	0	0	0	0	0	0	0	0	0	0	0	5,974
8511-6151-74195 INVENTORY ADJUSTMENTS	(2,880)	0	0	0	0	0	0	0	0	0	0	0	3,161
8511-6182-74195 INVENTORY ADJUSTMENTS	(2,880)	0	0	0	0	0	0	0	0	0	0	0	3,161
8511-6184-74195 INVENTORY ADJUSTMENTS	(2,880)	0	0	0	0	0	0	0	0	0	0	0	3,161
8511-6187-74195 INVENTORY ADJUSTMENTS	(2,880)	0	0	0	0	0	0	0	0	0	0	0	3,161
8511-6188-74195 INVENTORY ADJUSTMENTS	(2,880)	0	0	0	0	0	0	0	0	0	0	0	3,161
8511-6380-74195 INVENTORY ADJUSTMENTS	(6,534)	0	0	0	0	0	0	0	0	0	0	0	881
8511-7010-74195 INVENTORY ADJUSTMENTS	14,909	0	0	0	0	0	0	0	0	0	0	0	(4,592)
8511-7183-74195 INVENTORY ADJUSTMENTS	2,441	0	0	0	0	0	0	0	0	0	0	0	(756)
8511-7400-74195 INVENTORY ADJUSTMENTS	(12,748)	0	0	0	0	0	0	0	0	0	0	0	(18,897)
8511-7450-74195 INVENTORY ADJUSTMENTS	(9,622)	0	0	0	0	0	0	0	0	0	0	0	(2,133)
8511-7470-74195 INVENTORY ADJUSTMENTS	(479,633)	0	0	0	0	0	0	0	0	0	0	0	181,907
8511-7471-74195 INVENTORY ADJUSTMENTS	(3,713)	5,683	2,700	6,413	1,777	6,299	5,664	(1,140)	3,721	6,544	6,449	5,254	17,715
8511-7500-74195 INVENTORY ADJUSTMENTS	(8,484)	0	0	0	0	0	0	0	0	0	0	0	(17,131)
8511-7570-74195 INVENTORY ADJUSTMENTS	(22,865)	(36,646)	0	0	0	0	0	0	0	0	0	0	(3,819)
8511-7573-74195 INVENTORY ADJUSTMENTS	(95,362)	0	0	0	0	0	0	0	0	0	0	0	77,491
8511-7630-74195 INVENTORY ADJUSTMENTS	9,547	0	0	0	0	0	0	0	0	0	0	0	(14,826)
8511-7650-74195 INVENTORY ADJUSTMENTS	(1,507)	0	0	0	0	0	0	0	0	0	0	0	767
8511-7710-74195 INVENTORY ADJUSTMENTS	(151,668)	0	0	0	0	0	0	0	0	0	0	0	(152,129)
8511-7720-74195 INVENTORY ADJUSTMENTS	(509)	0	0	0	0	0	0	0	0	0	0	0	(30,539)
8511-7722-74195 INVENTORY ADJUSTMENTS	(3,533)	0	0	0	0	0	0	0	0	0	0	0	28,448
8511-7760-74195 INVENTORY ADJUSTMENTS	(9,311)	0	0	0	0	0	0	0	0	0	0	0	(10,497)
8511-8340-74195 INVENTORY ADJUSTMENTS	10,205	0	0	0	0	0	0	0	0	0	0	0	(4,853)
8511-8400-74195 INVENTORY ADJUSTMENTS	31,628	51,322	58,227	14,265	39,628	44,905	37,800	14,392	8,184	73,055	50,878	39,673	78,513
Total: 74195 Inventory Adjustments	(762,411)	20,360	60,928	20,678	41,405	51,204	43,464	13,252	11,905	79,599	57,327	44,927	134,951
74300 Food-Other:													
8511-6010-74300 Food-Other	1,334	1,625	1,806	1,664	1,778	1,687	1,326	1,942	1,612	1,773	1,104	1,363	1,496
8511-6070-74300 Food-Other	170	205	289	266	195	141	160	214	325	54	10	37	139
8511-6151-74300 Food-Other	1,697	1,890	2,198	1,853	1,925	1,853	1,704	1,963	1,836	1,483	1,450	1,417	1,235
8511-6172-74300 Food-Other	15	0	0	102	0	0	0	0	0	0	0	0	0
8511-6182-74300 Food-Other	906	968	1,034	945	1,262	1,258	1,208	1,393	1,216	989	1,129	1,123	1,270
8511-6184-74300 Food-Other	868	852	1,038	1,091	1,188	1,300	1,267	1,444	1,182	1,138	1,195	1,265	1,155
8511-6187-74300 Food-Other	1,122	1,128	1,301	1,255	1,356	1,359	1,340	1,815	1,278	1,217	1,164	1,255	1,208
8511-6188-74300 Food-Other	1,286	1,352	1,417	1,420	1,476	1,413	1,284	1,517	1,357	1,202	1,181	1,177	1,118
8511-6290-74300 Food-Other	143	161	347	330	270	238	111	135	131	106	71	79	90
8511-6340-74300 Food-Other	2,822	3,177	3,137	3,242	3,120	3,358	2,804	3,354	2,473	3,292	3,588	4,253	3,772
8511-6380-74300 Food-Other	2,112	2,234	2,548	2,523	2,387	2,386	2,244	2,662	2,383	2,170	2,188	2,333	2,121
8511-6580-74300 Food-Other	793	676	772	953	900	637	618	744	709	703	683	656	590
8511-7010-74300 Food-Other	4,607	5,069	5,329	5,330	5,414	5,240	4,628	4,943	4,978	4,846	5,017	5,730	5,581
8511-7011-74300 Food-Other	13	5	5	0	0	37	74	37	0	0	0	0	0
8511-7041-74300 Food-Other	50	58	0	16	16	21	5	25	29	20	172	17	69
8511-7075-74300 Food-Other	70	29	0	0	154	0	325	0	196	0	0	65	0
8511-7076-74300 Food-Other	0	0	0	0	0	0	11	7	14	14	15	14	14
8511-7400-74300 Food-Other	2,280	2,096	2,465	2,862	2,640	2,573	2,265	2,572	2,546	2,692	2,637	2,608	3,023
8511-7420-74300 Food-Other	3,224	2,314	3,095	3,008	3,443	2,877	2,727	2,272	1,849	3,462	2,440	2,492	2,694
8511-7470-74300 Food-Other	0	0	157	0	0	0	0	0	0	0	0	0	0
8511-7642-74300 Food-Other	0	17	0	0	0	0	0	0	0	18	0	0	0
8511-7650-74300 Food-Other	24	0	23	0	0	7	0	7	0	7	0	7	0
8511-7680-74300 Food-Other	0	19	0	74	0	0	31	0	25	0	39	0	36
8511-7775-74300 Food-Other	80	0	0	0	12	12	0	0	0	0	38	0	2
8511-8031-74300 Food-Other	47	51	76	16	31	0	0	0	8	0	24	0	0
8511-8215-74300 Food-Other	194	284	288	144	127	472	172	101	101	101	156	101	53
8511-8310-74300 Food-Other	0	0	0	0	0	0	0	0	20	0	0	0	0
8511-8340-74300 Food-Other	7,411	6,349	6,934	5,537	5,564	5,621	4,527	4,888	5,791	6,555	5,989	5,949	6,157
8511-8440-74300 Food-Other	61	167	88	71	52	34	10	74	49	29	28	38	259
8511-8460-74300 Food-Other	29	0	0	0	0	65	11	0	0	0	0	0	0
8511-8480-74300 Food-Other	0	0	0	0	0	0	0	0	0	0	0	0	297
8511-8591-74300 Food-Other	0	35	0	0	0	0	0	0	0	0	0	0	0
8511-8610-74300 Food-Other	10,418	12,332	10,893	11,157	12,884	14,821	22,306	22,060	11,952	12,920	12,980	11,356	11,604
8511-8615-74300 Food-Other	1,473	1,007	965	1,142	729	1,311	321	561	561	403	335	577	284



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-8616-74300 Food-Other	0	0	0	0	0	130	0	0	0	0	0	0	0
8511-8638-74300 Food-Other	1,979	110	0	100	0	85	954	0	0	117	0	0	89
8511-8650-74300 Food-Other	279	320	471	350	188	200	2,559	200	288	618	885	386	401
8511-8670-74300 Food-Other	2,409	2,709	5,132	3,148	2,282	2,549	1,838	1,914	2,093	2,752	3,841	2,499	2,525
8511-8672-74300 Food-Other	0	0	0	0	0	0	0	0	0	0	6	0	0
8511-8677-74300 Food-Other	473	437	419	641	168	35	15	667	760	391	1,080	37	15
8511-8680-74300 Food-Other	520	460	446	410	437	466	484	619	476	592	566	412	384
8511-8700-74300 Food-Other	232	0	0	0	0	39	0	59	34	20	61	(212)	6
8511-8710-74300 Food-Other	1,046	11,088	8,993	9,119	14,972	13,634	11,940	11,535	11,667	13,282	16,771	19,967	16,514
8511-8720-74300 Food-Other	0	41	0	0	0	377	0	0	0	0	0	3,697	0
8511-8752-74300 Food-Other	0	0	0	0	95	3	0	0	0	0	0	0	0
8511-8757-74300 Food-Other	0	0	0	0	0	0	0	0	0	0	0	0	2
Total: 74300 Food-Other	50,187	59,353	61,664	58,868	65,066	66,238	69,266	69,724	57,937	62,066	66,843	70,698	64,203
74400 Linen & Bedding:													
8511-6010-74400 Linen & Bedding	1,410	0	0	0	0	750	0	0	0	0	894	0	537
8511-6151-74400 Linen & Bedding	569	0	0	0	0	686	0	0	0	0	596	0	471
8511-6182-74400 Linen & Bedding	85	0	0	0	0	255	0	0	0	0	80	0	96
8511-6184-74400 Linen & Bedding	69	0	0	0	0	96	0	0	0	0	133	0	80
8511-6187-74400 Linen & Bedding	239	0	0	0	0	168	0	0	0	0	144	0	141
8511-6188-74400 Linen & Bedding	271	0	0	0	0	295	0	0	0	0	431	0	181
8511-6290-74400 Linen & Bedding	0	0	0	0	0	27	0	0	0	0	37	0	27
8511-6340-74400 Linen & Bedding	319	0	0	0	0	90	0	0	0	0	261	0	5
8511-6380-74400 Linen & Bedding	146	0	0	0	0	53	0	0	0	0	64	0	32
8511-6382-74400 Linen & Bedding	0	0	0	0	0	43	0	0	0	0	0	0	0
8511-6530-74400 Linen & Bedding	0	0	0	0	0	11	0	0	0	0	0	0	0
8511-6580-74400 Linen & Bedding	0	0	0	0	0	0	0	0	0	0	0	0	32
8511-7400-74400 Linen & Bedding	604	0	0	0	0	926	0	0	0	0	622	0	527
8511-7420-74400 Linen & Bedding	0	0	0	0	0	0	0	0	0	0	16	0	0
8511-7429-74400 Linen & Bedding	27	0	0	0	0	85	0	0	0	0	59	0	0
8511-7570-74400 Linen & Bedding	0	0	0	0	0	0	0	0	0	0	5	0	0
8511-7573-74400 Linen & Bedding	0	0	0	0	0	0	0	0	0	0	0	0	5
8511-7591-74400 Linen & Bedding	0	0	0	0	0	0	0	0	0	0	0	0	16
8511-7630-74400 Linen & Bedding	11	0	0	0	0	27	0	0	0	0	11	0	11
8511-8350-74400 Linen & Bedding	0	0	0	0	4,825	(1,736)	3,092	(3,089)	0	0	(3,092)	0	0
Total: 74400 Linen & Bedding	3,751	0	0	0	4,825	1,775	3,092	(3,089)	0	0	260	0	2,160
74500 Cleaning Supplies:													
8511-6010-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	40	0	0	0	0
8511-6070-74500 Cleaning Supplies	429	247	0	0	433	455	397	503	821	395	477	536	559
8511-6179-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	1,749
8511-6182-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	14	0	0	95	0
8511-6188-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	972
8511-6290-74500 Cleaning Supplies	0	0	0	0	20	47	57	92	136	95	66	37	25
8511-6340-74500 Cleaning Supplies	34	157	1,138	238	273	0	416	330	172	15	472	281	281
8511-6380-74500 Cleaning Supplies	0	0	0	0	434	419	526	558	437	866	550	745	738
8511-6382-74500 Cleaning Supplies	0	0	0	0	1	62	15	77	20	4	0	14	0
8511-6530-74500 Cleaning Supplies	0	0	0	0	108	236	128	398	457	83	169	70	219
8511-7010-74500 Cleaning Supplies	0	0	0	0	209	324	273	350	387	240	189	343	158
8511-7011-74500 Cleaning Supplies	0	0	0	0	0	(24)	0	24	0	15	0	0	15
8511-7076-74500 Cleaning Supplies	0	0	0	0	0	124	13	0	0	0	0	0	0
8511-7400-74500 Cleaning Supplies	30	0	29	29	29	63	60	119	71	31	31	81	10
8511-7429-74500 Cleaning Supplies	0	0	0	0	2	0	0	0	0	0	0	0	22
8511-7450-74500 Cleaning Supplies	0	0	0	0	345	0	0	0	45	312	377	0	0
8511-7471-74500 Cleaning Supplies	3,073	4,098	3,607	2,768	2,711	3,077	2,117	1,984	4,128	2,254	2,778	3,789	1,193
8511-7500-74500 Cleaning Supplies	0	0	0	66	0	0	0	0	0	66	11	0	0
8511-7520-74500 Cleaning Supplies	0	0	0	54	0	0	0	54	0	0	0	0	0
8511-7573-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	22	0	0
8511-7630-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	380	91	0
8511-7710-74500 Cleaning Supplies	0	0	0	0	0	0	0	451	731	184	0	1,319	267
8511-8440-74500 Cleaning Supplies	2,427	2,804	5,988	3,285	5,100	301	2,990	6,126	2,292	1,371	3,302	5,041	2,954
8511-8465-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	71	0	0	0
8511-8660-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	45
Total: 74500 Cleaning Supplies	5,993	7,307	10,763	6,440	9,665	5,086	6,993	11,065	9,752	6,001	8,824	12,445	9,208
74600 Office & Administrative Supplies:													
8511-6010-74600 Office & Administrative Suppli	3,537	132	2,182	696	532	481	81	2,419	688	620	2,399	661	3,801
8511-6070-74600 Office & Administrative Suppli	946	59	368	90	56	108	52	37	45	100	415	89	202
8511-6151-74600 Office & Administrative Suppli	2,103	243	796	1,986	392	1,355	920	2,727	425	525	1,751	1,012	2,161
8511-6179-74600 Office & Administrative Suppli	1,185	791	330	717	259	219	160	147	63	242	104	181	170
8511-6182-74600 Office & Administrative Suppli	3,683	63	1,134	215	506	255	142	768	153	96	663	508	807
8511-6184-74600 Office & Administrative Suppli	855	10	138	534	501	31	263	761	141	243	393	1,057	247
8511-6187-74600 Office & Administrative Suppli	2,400	(773)	2,585	1,732	(435)	433	207	1,073	113	183	1,280	853	2,141
8511-6188-74600 Office & Administrative Suppli	1,573	245	1,142	579	636	289	144	914	265	165	1,245	1,412	1,154
8511-6290-74600 Office & Administrative Suppli	608	25	10	0	0	0	9	10	0	10	589	36	0
8511-6340-74600 Office & Administrative Suppli	2,385	27	3,293	2,218	1,097	1,656	1,066	1,686	142	129	3,601	1,332	2,275
8511-6380-74600 Office & Administrative Suppli	2,309	1,037	1,164	2,882	1,587	843	3,632	509	567	1,347	905	3,691	1,958
8511-6530-74600 Office & Administrative Suppli	670	12	196	132	576	45	105	1,512	21	0	1,092	328	1,899
8511-6580-74600 Office & Administrative Suppli	963	76	658	2,093	859	65	485	740	40	106	1,159	169	845
8511-7010-74600 Office & Administrative Suppli	6,787	0	4,190	3,042	1,752	1,455	913	3,822	0	37	5,344	2,073	4,019
8511-7011-74600 Office & Administrative Suppli	332	253	659	117	179	0	146	458	0	0	885	0	156
8511-7012-74600 Office & Administrative Suppli	0	0	0	0	377	0	0	0	0	0	0	0	0
8511-7050-74600 Office & Administrative Suppli	0	0	0	109	63	124	74	280	0	0	240	124	415
8511-7075-74600 Office & Administrative Suppli	4,227	0	465	512	858	274	230	1,432	0	129	2,271	379	1,864
8511-7076-74600 Office & Administrative Suppli	429	0	987	116	(272)	350	166	638	926	91	246	322	215
8511-7080-74600 Office & Administrative Suppli	178	42	294	97	21	0	42	0	94	0	37	42	80
8511-7268-74600 Office & Administrative Suppli	1,004	0	234	384	180	198	169	489	0	0	791	(2)	644
8511-7320-74600 Office & Administrative Suppli	0	0	0	27	0	0	0	0	0	0	0	0	0
8511-7400-74600 Office & Administrative Suppli	3,428	(146)	1,025	5,665	2,706	1,265	944	2,045	219	914	2,357	644	2,538
8511-7420-74600 Office & Administrative Suppli	2,093	0	776	774	5,368	542	932	(583)	402	0	1,466	143	362
8511-7427-74600 Office & Administrative Suppli	0	0	168	0	0	0	0	0	0	0	0	0	0
8511-7429-74600 Office & Administrative Suppli	1,105	84	126	315	650	558	159	1,502	262	(68)	2,168	1,104	1,278
8511-7470-74600 Office & Administrative Suppli	0	0	0	0	0	0	0	0	0	0	0	402	402
8511-7471-74600 Office & Administrative Suppli	616	361	1,036	558	1,065	477	2,152	1,078	0	222	896	503	627
8511-7500-74600 Office & Administrative Suppli	2,950	378	1,543	2,279	1,152	965	748	1,691	758	733	1,814	719	2,710
8511-7520-74600 Office & Administrative Suppli	291	0	37	0	0	0	0	0	0	0	0	0	0
8511-7570-74600 Office & Administrative Suppli	459	31	199	155	0	31	79	0	21	21	354	621	322
8511-7573-74600 Office & Administrative Suppli	104	0	0	58	0	16	0	52	40	0	0	0	21



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7591-74600 Office & Administrative Suppli	269	263	147	521	83	5	65	430	5	21	254	31	147
8511-7630-74600 Office & Administrative Suppli	1,997	547	1,246	886	1,396	685	435	2,060	64	0	2,837	972	2,235
8511-7640-74600 Office & Administrative Suppli	0	0	127	0	0	0	0	0	0	0	0	0	0
8511-7642-74600 Office & Administrative Suppli	881	0	0	58	351	0	357	246	0	0	43	89	216
8511-7660-74600 Office & Administrative Suppli	0	0	178	0	0	0	254	0	0	0	0	0	0
8511-7680-74600 Office & Administrative Suppli	36	95	331	0	0	(65)	254	0	0	0	0	0	0
8511-7690-74600 Office & Administrative Suppli	89	18	51	0	18	45	0	0	0	129	64	9	0
8511-7710-74600 Office & Administrative Suppli	4,011	3,239	3,525	3,861	3,720	3,813	4,210	3,702	3,180	2,739	3,887	3,711	4,279
8511-7720-74600 Office & Administrative Suppli	444	253	599	244	194	0	87	388	0	50	459	164	545
8511-7722-74600 Office & Administrative Suppli	143	253	26	0	0	0	0	0	0	0	0	0	0
8511-7760-74600 Office & Administrative Suppli	0	0	243	(12)	442	47	0	(120)	0	0	0	53	0
8511-7775-74600 Office & Administrative Suppli	136	253	195	27	0	0	156	301	0	0	406	125	204
8511-8215-74600 Office & Administrative Suppli	531	253	421	248	152	0	0	0	357	0	281	0	959
8511-8310-74600 Office & Administrative Suppli	177	142	185	141	78	78	8	357	93	8	68	183	1,302
8511-8340-74600 Office & Administrative Suppli	2,384	0	1,983	386	531	425	338	1,817	287	0	2,012	968	1,180
8511-8360-74600 Office & Administrative Suppli	0	0	0	566	1,012	580	393	1,643	0	0	2,364	925	1,149
8511-8380-74600 Office & Administrative Suppli	0	0	0	0	0	0	0	90	0	0	132	0	0
8511-8400-74600 Office & Administrative Suppli	0	0	69	22	0	10	0	0	0	0	51	406	0
8511-8402-74600 Office & Administrative Suppli	78	0	16	708	219	73	325	278	24	2	84	323	447
8511-8420-74600 Office & Administrative Suppli	178	0	51	0	0	323	0	472	0	494	641	310	630
8511-8440-74600 Office & Administrative Suppli	0	253	26	0	0	0	0	0	0	150	15	0	0
8511-8460-74600 Office & Administrative Suppli	1,401	0	29	218	165	113	0	962	0	0	1,316	673	768
8511-8465-74600 Office & Administrative Suppli	0	0	0	0	0	0	0	0	0	18	56	9	0
8511-8470-74600 Office & Administrative Suppli	98	0	1,815	724	90	0	0	316	0	0	302	170	130
8511-8480-74600 Office & Administrative Suppli	394	0	0	0	0	0	0	0	0	0	0	0	101
8511-8486-74600 Office & Administrative Suppli	0	0	0	0	0	0	0	0	0	0	0	0	37
8511-8510-74600 Office & Administrative Suppli	0	0	0	0	0	0	0	0	0	0	0	0	181
8511-8530-74600 Office & Administrative Suppli	0	0	0	6,898	946	749	301	1,860	395	1,388	1,814	(14,350)	805
8511-8560-74600 Office & Administrative Suppli	5,857	418	3,825	262	601	1,662	975	3,013	377	340	4,866	2,760	3,188
8511-8561-74600 Office & Administrative Suppli	4,860	0	408	10,037	1,080	2,128	0	1,689	180	2,670	278	6,408	181
8511-8591-74600 Office & Administrative Suppli	0	0	179	0	0	0	0	0	0	0	0	0	0
8511-8610-74600 Office & Administrative Suppli	4,786	951	2,637	587	1,862	961	872	5,246	35,843	24,697	(57,579)	1,363	5,344
8511-8615-74600 Office & Administrative Suppli	887	0	0	0	0	0	0	0	0	0	403	0	93
8511-8616-74600 Office & Administrative Suppli	0	0	1,268	(26)	0	0	0	0	0	0	15	0	213
8511-8630-74600 Office & Administrative Suppli	36	551	4	0	0	0	0	0	0	0	0	0	0
8511-8638-74600 Office & Administrative Suppli	255	0	546	0	51	18	35	46	0	0	167	141	0
8511-8639-74600 Office & Administrative Suppli	0	0	0	0	0	0	0	134	0	0	0	0	0
8511-8650-74600 Office & Administrative Suppli	423	106	345	249	265	835	114	260	0	0	534	152	191
8511-8660-74600 Office & Administrative Suppli	0	0	(20)	290	78	0	0	187	0	0	68	0	52
8511-8670-74600 Office & Administrative Suppli	105	0	102	0	0	0	0	0	0	0	0	0	0
8511-8672-74600 Office & Administrative Suppli	93	0	8	59	92	92	83	7	0	0	11	150	7
8511-8677-74600 Office & Administrative Suppli	133	0	0	410	43	0	0	86	0	0	59	47	371
8511-8680-74600 Office & Administrative Suppli	0	0	0	27	0	0	0	0	0	0	301	0	0
8511-8700-74600 Office & Administrative Suppli	8,075	9	2,269	3,409	3,681	1,172	1,994	5,725	586	389	9,599	(28,824)	5,222
8511-8710-74600 Office & Administrative Suppli	2,606	0	1,362	695	102	526	113	523	0	0	845	116	534
8511-8720-74600 Office & Administrative Suppli	174	0	0	116	540	92	0	0	0	0	262	0	267
8511-8751-74600 Office & Administrative Suppli	2,145	0	2,032	0	0	0	82	0	0	262	0	0	0
8511-8752-74600 Office & Administrative Suppli	102	382	26	0	110	32	37	689	0	0	290	61	0
8511-8754-74600 Office & Administrative Suppli	98	0	332	0	0	0	0	71	0	0	0	55	47
8511-8757-74600 Office & Administrative Suppli	496	0	137	276	0	0	0	79	0	0	534	225	187
8511-8771-74600 Office & Administrative Suppli	0	0	61	0	124	0	0	356	0	0	0	87	0
8511-8780-74600 Office & Administrative Suppli	0	0	0	151	738	0	271	770	79	75	1,266	380	1,392
Total: 74600 Office & Administrative Supplies	91,598	10,927	52,515	60,121	39,430	26,436	25,777	59,892	46,853	39,279	13,467	(3,704)	65,912
74640 Supplies-Photocopy:													
8511-8310-74640 SUPPLIES PHOTOCOPY	0	0	0	0	0	0	0	0	0	0	0	157	16
8511-8480-74640 SUPPLIES PHOTOCOPY	48	72	(72)	0	0	0	0	0	0	0	0	0	0
8511-8561-74640 SUPPLIES PHOTOCOPY	0	0	0	0	0	0	57	0	0	0	0	0	0
Total: 74640 Supplies-Photocopy	48	72	(72)	0	0	0	57	0	0	0	0	157	16
74650 Forms:													
8511-6010-74650 Forms	357	373	909	342	285	426	660	415	390	1,338	481	515	582
8511-6070-74650 Forms	395	51	216	58	290	163	389	86	219	453	80	140	228
8511-6151-74650 Forms	471	799	754	936	180	540	280	1,229	843	670	796	880	1,136
8511-6179-74650 Forms	41	30	128	219	248	372	92	190	312	205	372	117	158
8511-6182-74650 Forms	403	267	187	96	462	70	394	363	153	355	123	177	259
8511-6184-74650 Forms	117	335	148	265	379	109	179	164	130	252	53	148	323
8511-6187-74650 Forms	511	567	684	517	527	429	349	554	312	373	699	639	1,292
8511-6188-74650 Forms	230	305	204	61	113	251	104	254	266	46	182	281	165
8511-6290-74650 Forms	16	27	0	0	37	0	10	11	78	2	0	22	899
8511-6340-74650 Forms	140	112	412	298	29	(9)	0	112	0	151	309	138	1,317
8511-6380-74650 Forms	788	166	566	642	318	666	134	715	446	187	188	439	263
8511-6381-74650 Forms	0	0	0	0	0	101	0	0	0	0	0	0	0
8511-6530-74650 Forms	7	83	0	0	0	0	0	0	0	0	0	0	11
8511-6580-74650 Forms	63	44	104	52	34	2	0	43	3	107	81	84	92
8511-7010-74650 Forms	128	211	99	234	217	310	190	410	330	274	387	265	501
8511-7011-74650 Forms	12	64	167	84	19	90	21	86	120	24	37	13	190
8511-7041-74650 Forms	0	0	0	0	0	0	0	0	0	0	0	22	72
8511-7075-74650 Forms	188	46	19	15	51	0	0	31	122	0	108	0	76
8511-7076-74650 Forms	0	31	129	132	44	40	89	269	14	40	45	0	13
8511-7080-74650 Forms	0	60	3	89	36	124	0	130	125	0	4	72	143
8511-7093-74650 Forms	0	0	0	0	0	0	0	8	0	0	0	0	0
8511-7268-74650 Forms	201	0	0	0	20	77	0	0	0	0	28	0	0
8511-7400-74650 Forms	505	205	523	431	136	502	474	420	189	439	290	123	339
8511-7420-74650 Forms	0	0	(4)	48	0	0	4	0	0	8	90	0	42
8511-7427-74650 Forms	70	0	35	53	0	13	18	104	77	0	0	35	35
8511-7429-74650 Forms	657	467	961	718	785	924	586	375	700	499	619	1,217	780
8511-7471-74650 Forms	0	24	13	19	74	17	11	80	14	46	15	33	0
8511-7500-74650 Forms	421	227	452	148	382	302	235	173	383	203	373	452	235
8511-7520-74650 Forms	4	0	0	0	0	0	0	2	0	0	0	4	0
8511-7570-74650 Forms	52	44	67	32	18	85	0	78	35	43	108	1	16
8511-7573-74650 Forms	0	21	14	12	0	0	13	15	14	4	83	4	13
8511-7591-74650 Forms	26	18	10	0	10	3	113	2	0	0	11	11	146
8511-7620-74650 Forms	0	23	0	0	0	0	0	0	0	0	0	0	0
8511-7630-74650 Forms	27	11	18	12	20	4	45	21	26	14	7	7	13
8511-7642-74650 Forms	(7)	0	15	9	0	46	0	0	0	0	19	0	0
8511-7650-74650 Forms	0	0	0	1	0	0	0	0	0	0	0	0	0
8511-7660-74650 Forms	0	0	0	0	0	0	1	0	0	0	0	0	0
8511-7670-74650 Forms	29	0	18	0	47	1	0	26	1	1	20	1	0



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7680-74650 Forms	0	39	0	0	1	0	0	1	0	0	7	1	0
8511-7690-74650 Forms	0	35	0	0	3	0	0	2	2	1	5	0	0
8511-7710-74650 Forms	0	42	5	16	51	27	0	135	67	34	0	40	18
8511-7720-74650 Forms	2	2	3	0	2	9	0	236	0	68	2	3	0
8511-7722-74650 Forms	7	0	0	0	0	0	0	0	0	0	0	0	0
8511-7760-74650 Forms	0	0	14	41	0	4	9	0	14	0	21	18	66
8511-7775-74650 Forms	20	0	38	0	0	0	15	7	0	75	1	0	0
8511-7801-74650 Forms	443	0	0	0	203	0	0	101	0	0	0	0	0
8511-8049-74650 Forms	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-8215-74650 Forms	11	22	190	45	33	27	24	1	49	66	97	372	1
8511-8340-74650 Forms	536	485	398	226	282	224	292	534	381	562	464	445	333
8511-8360-74650 Forms	0	0	0	0	15	0	0	0	0	0	0	0	0
8511-8370-74650 Forms	0	0	0	0	0	0	0	0	0	0	0	0	6
8511-8400-74650 Forms	0	0	(7)	0	0	15	0	0	0	23	0	0	0
8511-8402-74650 Forms	0	0	23	0	0	0	0	0	0	0	13	0	0
8511-8420-74650 Forms	0	0	0	0	0	0	0	60	19	0	0	0	20
8511-8440-74650 Forms	155	162	162	157	157	154	0	0	52	160	152	0	78
8511-8460-74650 Forms	0	0	18	13	0	14	0	0	7	14	0	29	72
8511-8465-74650 Forms	0	7	0	0	0	0	0	0	0	0	0	0	7
8511-8470-74650 Forms	28	9	2	0	0	2	3	4	0	0	40	0	0
8511-8480-74650 Forms	0	0	0	0	0	0	0	0	0	0	0	0	24
8511-8530-74650 Forms	382	0	0	386	0	0	0	232	0	0	350	(967)	0
8511-8560-74650 Forms	2,261	1,960	1,149	1,063	1,660	1,452	1,035	1,440	829	1,123	1,212	1,185	1,029
8511-8561-74650 Forms	0	0	92	23	0	0	91	2	0	0	0	117	0
8511-8610-74650 Forms	373	31	14	0	200	73	1	10	75	31	0	0	175
8511-8614-74650 Forms	0	0	0	4	0	0	0	0	0	0	0	0	0
8511-8615-74650 Forms	48	43	283	7	0	0	46	51	94	90	0	21	0
8511-8616-74650 Forms	11	0	0	0	38	83	0	0	0	0	0	5	0
8511-8630-74650 Forms	44	117	28	200	131	76	86	78	20	0	127	44	4
8511-8638-74650 Forms	(722)	0	14	0	0	0	0	0	17	0	0	0	0
8511-8639-74650 Forms	0	0	15	0	0	0	0	0	0	0	0	0	0
8511-8640-74650 Forms	0	0	0	0	9	0	0	0	0	0	0	0	0
8511-8650-74650 Forms	170	563	34	174	100	158	61	100	111	280	880	487	166
8511-8660-74650 Forms	0	0	45	88	24	0	0	0	0	57	0	0	5
8511-8670-74650 Forms	97	49	9	59	11	56	0	25	54	53	24	33	30
8511-8672-74650 Forms	0	0	0	0	0	0	0	0	0	0	73	170	17
8511-8677-74650 Forms	96	0	0	0	299	0	12	11	23	0	193	397	45
8511-8700-74650 Forms	(250)	350	53	413	66	24	134	80	0	15	182	(1,317)	0
8511-8710-74650 Forms	79	16	6	210	162	28	9	1	302	99	3	148	17
8511-8715-74650 Forms	0	0	0	0	0	0	0	0	0	0	0	21	0
8511-8720-74650 Forms	0	18	160	225	0	10	0	192	0	0	180	152	329
8511-8726-74650 Forms	0	6	0	0	178	0	0	0	0	0	60	0	0
8511-8751-74650 Forms	7	15	385	14	3	15	3	15	0	0	0	0	329
8511-8752-74650 Forms	64	93	1	126	0	37	0	0	0	0	8	7	29
8511-8754-74650 Forms	0	0	0	0	0	0	0	0	14	1	0	0	0
8511-8771-74650 Forms	5	16	10	3	3	28	18	3	104	15	63	0	6
8511-8780-74650 Forms	289	0	333	428	1,266	73	0	9	0	0	231	219	517
8511-9601-74650 Forms	0	0	0	0	18	0	0	0	5	(23)	0	0	14
Total: 74650 Forms	10,010	8,692	10,329	9,443	9,673	8,248	6,230	9,697	7,539	8,478	9,992	7,470	12,684
74660 Paper & Toner Computer:													
8511-6151-74660 PAPER & TONER COMPUTERPHOTOCO	0	0	0	0	0	0	0	66	0	0	0	0	0
8511-6179-74660 PAPER & TONER COMPUTERPHOTOCO	0	0	0	0	796	0	0	0	0	398	0	398	0
8511-6184-74660 PAPER & TONER COMPUTERPHOTOCO	0	0	321	0	161	0	0	176	0	0	0	0	353
8511-6188-74660 PAPER & TONER COMPUTERPHOTOCO	14	321	0	161	161	146	15	558	398	414	0	398	0
8511-6340-74660 PAPER & TONER COMPUTERPHOTOCO	0	0	0	0	0	0	0	0	361	37	0	0	0
8511-8310-74660 PAPER & TONER COMPUTERPHOTOCO	(1,638)	(1,430)	(960)	(1,107)	110	(1,309)	(668)	2,093	(1,188)	(135)	(3,979)	(1,963)	655
8511-8340-74660 PAPER & TONER COMPUTERPHOTOCO	0	0	0	482	0	583	1,225	119	0	0	0	0	0
8511-8402-74660 PAPER & TONER COMPUTERPHOTOCO	0	35	0	0	0	0	0	0	100	0	0	0	0
8511-8480-74660 PAPER & TONER COMPUTERPHOTOCO	(188)	0	0	0	0	0	0	0	0	0	0	0	0
8511-8630-74660 PAPER & TONER COMPUTERPHOTOCO	265	0	32	0	0	0	0	0	0	0	0	0	0
8511-8639-74660 PAPER & TONER COMPUTERPHOTOCO	0	0	0	0	0	0	0	88	0	0	0	0	0
Total: 74660 Paper & Toner Computer	(1,546)	(1,074)	(607)	(464)	1,227	(580)	572	3,101	(329)	715	(3,979)	(1,167)	1,008
74700 Employee Wearing Apparel:													
8511-6010-74700 Employee Wearing Apparel	845	1,034	1,600	1,113	1,515	1,391	2,102	3,059	1,482	1,924	1,484	828	1,312
8511-6070-74700 Employee Wearing Apparel	501	360	450	306	334	487	348	556	334	391	560	392	366
8511-6110-74700 Employee Wearing Apparel	(70)	0	0	0	0	0	0	0	0	0	0	0	0
8511-6151-74700 Employee Wearing Apparel	348	292	445	464	195	362	306	389	436	864	280	84	13
8511-6179-74700 Employee Wearing Apparel	362	569	765	694	389	668	512	1,026	764	1,168	491	618	509
8511-6182-74700 Employee Wearing Apparel	97	56	153	70	209	56	209	250	306	364	252	168	68
8511-6184-74700 Employee Wearing Apparel	723	556	431	487	793	556	306	389	627	476	392	456	431
8511-6187-74700 Employee Wearing Apparel	1,071	876	626	786	728	946	523	236	697	867	463	196	640
8511-6188-74700 Employee Wearing Apparel	417	405	612	515	97	467	489	773	745	336	224	217	456
8511-6290-74700 Employee Wearing Apparel	0	28	0	0	0	14	42	14	56	56	28	0	0
8511-6380-74700 Employee Wearing Apparel	0	0	0	0	42	0	0	0	0	0	0	0	0
8511-6530-74700 Employee Wearing Apparel	83	292	278	83	111	83	139	0	83	0	0	0	182
8511-6580-74700 Employee Wearing Apparel	264	195	181	111	250	0	14	56	70	14	112	84	327
8511-7010-74700 Employee Wearing Apparel	1,110	551	868	727	679	652	541	799	489	225	573	685	443
8511-7075-74700 Employee Wearing Apparel	2,875	20	122	(1,380)	1,653	0	0	0	0	0	0	0	0
8511-7400-74700 Employee Wearing Apparel	1,663	1,448	1,639	1,476	1,443	1,278	1,376	1,333	1,461	1,277	939	999	1,458
8511-7420-74700 Employee Wearing Apparel	907	518	831	2,921	1,462	928	674	615	856	861	518	509	615
8511-7427-74700 Employee Wearing Apparel	0	0	0	25	0	0	0	0	0	0	0	0	0
8511-7429-74700 Employee Wearing Apparel	82	82	90	76	49	112	49	74	58	44	228	33	44
8511-7450-74700 Employee Wearing Apparel	0	0	0	0	0	(58)	0	0	0	0	0	0	0
8511-7470-74700 Employee Wearing Apparel	95	246	197	143	90	148	197	189	4	236	478	287	95
8511-7471-74700 Employee Wearing Apparel	383	311	318	355	424	473	220	609	592	609	470	576	283
8511-7500-74700 Employee Wearing Apparel	369	224	469	175	515	498	476	737	576	541	266	671	594
8511-7520-74700 Employee Wearing Apparel	10	10	10	7	14	7	10	12	7	231	9	7	23
8511-7570-74700 Employee Wearing Apparel	41	35	49	150	57	81	60	25	68	22	33	33	27
8511-7573-74700 Employee Wearing Apparel	25	0	25	16	25	8	25	33	0	22	0	16	5
8511-7620-74700 Employee Wearing Apparel	0	0	0	0	0	0	56	0	0	15	0	0	0
8511-7630-74700 Employee Wearing Apparel	0	14	28	0	0	0	0	14	14	0	28	28	0
8511-7710-74700 Employee Wearing Apparel	241	303	194	292	177	316	16	269	160	207	115	116	128
8511-7760-74700 Employee Wearing Apparel	0	0	8	138	138	0	138	16	0	0	0	5	5
8511-8340-74700 Employee Wearing Apparel	208	140	0	418	73	194	288	0	651	0	423	413	563
8511-8350-74700 Employee Wearing Apparel	0	0	0	0	2,159	0	0	(105)	0	0	0	(2,054)	0
8511-8420-74700 Employee Wearing Apparel	569	0	2,664	0	399	2,185	410	24	1,341	478	3,719	519	0
8511-8460-74700 Employee Wearing Apparel	1,003	0	0	0	0	0	0	0	0	0	0	0	0



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

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0	0	0	4,674	0	0	0	0	0	0	0	0	0
14,223	8,566	13,052	14,842	14,020	11,839	9,524	11,393	11,879	11,227	12,085	5,886	8,587
2,033	3,627	1,947	1,710	1,748	5,554	865	3,627	1,360	6,248	3,492	4,943	2,805
0	0	0	0	0	768	428	0	0	0	0	0	0
83	0	0	0	0	0	0	0	0	0	0	0	0
0	0	9	18	14	1,665	0	0	0	14,749	25	25	0
0	0	0	0	0	0	0	0	17	31	0	0	0
0	0	0	0	0	0	0	0	0	0	17	0	0
0	0	0	9	18	25	0	0	0	47	17	0	17
0	0	0	9	18	0	0	0	17	0	0	17	0
0	0	18	0	9	640	0	0	17	34	17	25	21
275	460	47	254	357	1,190	118	0	0	230	507	24	693
0	0	239	0	0	0	1,554	0	0	0	0	0	0
1,098	0	43	17	7,081	756	669	282	329	449	258	666	0
0	0	0	0	5,108	3,127	0	0	0	0	0	2,443	346
0	0	0	0	0	14	1	0	0	0	0	0	63
0	180	500	699	800	821	220	149	1,144	625	42	104	0
12,523	4,855	7,959	2,061	7,613	3,383	3,914	12,315	7,114	833	14,270	5,556	7,213
896	103	0	350	36	772	0	0	0	36	0	0	0
11,290	3,493	805	374	1,519	1,086	578	595	188	305	4,332	947	4,779
960	1,621	1,293	543	8,241	1,753	(1,234)	1,757	768	1,016	1,619	744	727
0	177	5	0	(160)	0	0	0	0	0	0	0	0
0	177	(5)	0	(145)	0	0	0	0	0	0	0	256
0	0	0	0	0	0	0	0	0	0	0	12	0
0	1,004	166	0	0	0	0	0	0	0	0	0	0
0	0	0	254	0	230	24	0	0	0	0	0	0
511	851	1,026	684	855	684	855	684	684	2,052	0	1,647	1,348
0	0	0	0	0	0	0	0	0	0	0	0	73
29,670	16,547	14,053	6,981	33,110	22,467	7,992	19,409	11,637	26,617	24,595	17,151	18,342
715	348	3,569	487	0	926	49	1,224	2,975	1,417	29	2,970	718
0	0	0	0	0	221	0	238	1,203	84	289	733	65
283	248	(7)	0	546	221	168	759	426	491	64	0	2,216
0	0	649	1,001	202	201	142	2,638	849	2,460	5,507	564	2,719
0	195	0	0	0	724	811	0	220	0	0	0	452
133	195	0	0	0	221	0	0	220	0	0	0	413
0	195	0	1,360	761	0	0	(502)	1,486	2,420	(6)	87	6,873
0	195	506	0	1,144	291	146	5	1,007	552	0	0	0
950	83	0	0	0	0	336	34	0	0	0	169	0
1,203	0	0	0	0	767	0	0	0	97	0	129	497
5,894	8,485	5,374	6,963	6,008	6,785	4,303	6,498	2,947	6,620	3,665	5,554	5,646
0	0	0	0	0	0	0	250	0	0	0	0	0
71	0	0	0	0	0	0	0	277	1,009	56	1	0
390	613	1,184	2,131	(210)	6,936	1,056	1,815	0	187	450	323	1,064
0	2,280	285	0	0	1,882	678	49	0	771	978	113	0
0	0	0	0	0	0	0	0	0	0	0	0	312
0	0	0	0	567	0	0	390	349	0	0	0	0
0	0	0	0	45	0	0	163	0	36	4	0	0
0	0	0	0	0	503	49	0	0	188	0	0	0
0	0	0	0	0	545	0	0	0	0	0	0	0
114	320	1,803	1,006	(109)	949	374	0	0	(386)	0	0	1,347
0	0	4,457	343	419	0	0	2,691	3,065	1,442	3,209	0	1,688
0	0	0	0	0	0	105	0	0	529	0	0	0
0	0	0	0	0	0	0	0	0	6,113	(880)	0	0
149	0	0	0	0	0	0	0	0	0	0	0	0
141	141	0	129	488	42	284	140	17	0	129	27	156
1,734	313	50	11	3,605	822	95	790	1,675	4,576	7,695	3,413	541
0	0	0	0	0	0	0	281	1,416	0	0	0	602
0	267	0	0	0	0	3,998	548	475	1	48	0	487
42	474	160	711	0	320	855	30	0	0	0	0	0
0	0	0	0	0	0	0	480	0	0	0	0	0
0	0	0	0	0	0	0	0	0	94	0	546	0
0	0	0	0	0	0	0	0	11	0	0	0	0
0	0	584	0	0	0	150	0	0	0	0	0	0
13	0	149	0	0	0	149	0	132	14	0	0	0
0	0	0	0	0	0	520	0	0	0	0	0	0
0	351	1,830	49	0	527	176	1,004	49	695	1,575	1,316	881
0	0	0	0	0	0	0	1,273	1,045	0	0	0	0
0	0	0	0	0	532	0	0	1,486	0	0	0	0
0	0	0	0	0	444	45	313	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	869	115
260	0	300	1,159	0	904	911	248	500	400	0	370	387
271	0	(502)	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	126	0
0	0	0	0	0	0	0	0	0	0	9,757	0	1,000
0	0	0	0	0	0	0	0	0	0	0	0	484
4,982	2,164	9,041	1,457	6,642	1,549	1,178	562	6,264	1,503	0	3,297	8,484
0	2,193	2,750	1,665	0	0	0	817	0	0	0	0	0
0	490	0	0	823	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	983	0
0	0	428	0	0	0	252	133	1,275	74	102	16	0
6,330	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	2,790	0	0	0	4,000	0	0	0	2,929	0
0	0	0	0	2,454	0	0	1,267	0	0	0	0	0
458	40	1,540	0	0	0	1,119	(429)	488	0	0	1,797	392
0	0	0	0	0	0	0	1,620	360	1,793	1,980	54	120
907	492	445	0	5,119	1,882	989	3,537	206	891	1,913	876	0
0	0	0	944	144	2,996	540	0	1,547	0	(6,171)	0	0
(14,123)	0	556	1,761	0	0	0	0	0	540	6,405	0	0
(115)	668	(730)	931	(931)	0	0	0	0	0	0	62	0
0	0	2,339	0	0	0	0	0	0	0	0	0	0
0	0	0	0	1,518	1,108	2,327	1,704	634	0	0	0	0
0	0	0	0	540	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	247	0
0	0	0	0	0	0	0	0	0	0	0	0	1,993



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total: 74900 Other Minor Equip	10,804	20,752	36,763	24,900	24,654	35,535	22,696	32,024	34,387	35,473	41,947	22,435	38,089
74950 Software Computer:													
8511-6151-74950 SOFTWARE COMPUTER	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-6179-74950 SOFTWARE COMPUTER	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-6184-74950 SOFTWARE COMPUTER	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-6187-74950 SOFTWARE COMPUTER	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-6188-74950 SOFTWARE COMPUTER	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-6380-74950 SOFTWARE COMPUTER	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-7268-74950 SOFTWARE COMPUTER	0	0	351	0	0	0	29	131	0	0	0	0	0
8511-7400-74950 SOFTWARE COMPUTER	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-7710-74950 SOFTWARE COMPUTER	0	0	351	0	0	0	0	0	0	0	0	0	0
8511-8440-74950 SOFTWARE COMPUTER	0	0	0	320	640	0	0	(640)	0	0	0	0	0
8511-8470-74950 SOFTWARE COMPUTER	0	0	0	320	0	0	0	0	0	0	0	0	0
8511-8480-74950 SOFTWARE COMPUTER	320	0	0	0	0	0	0	0	0	0	0	0	0
8511-8591-74950 SOFTWARE COMPUTER	0	435	0	0	0	0	0	0	0	0	0	0	0
8511-8610-74950 SOFTWARE COMPUTER	0	435	0	0	0	0	0	0	0	0	0	0	0
Total: 74950 Software Computer	340	870	702	640	640	0	29	(509)	0	0	0	0	0
74960 Hardware Computer:													
8511-6010-74960 HARDWARE COMPUTER	21	0	0	0	0	0	0	0	0	236	0	0	56
8511-6070-74960 HARDWARE COMPUTER	0	0	1,428	0	0	0	0	(1,428)	0	1,656	0	0	0
8511-6151-74960 HARDWARE COMPUTER	0	0	0	0	0	0	0	0	0	107	11	0	0
8511-6187-74960 HARDWARE COMPUTER	0	0	0	128	0	0	0	0	0	0	0	0	0
8511-6188-74960 HARDWARE COMPUTER	0	141	0	0	0	0	0	0	29	0	0	0	0
8511-6580-74960 HARDWARE COMPUTER	0	379	0	0	0	0	0	0	0	0	0	0	0
8511-7010-74960 HARDWARE COMPUTER	0	0	0	0	0	0	0	1,160	118	0	0	0	0
8511-7075-74960 HARDWARE COMPUTER	7	0	0	0	0	0	0	0	0	0	0	0	0
8511-7400-74960 HARDWARE COMPUTER	0	0	76	8	0	0	0	0	0	0	0	0	0
8511-7420-74960 HARDWARE COMPUTER	0	0	0	0	0	0	1,522	143	0	0	0	0	0
8511-7500-74960 HARDWARE COMPUTER	0	120	0	119	0	0	108	11	0	0	125	0	125
8511-7570-74960 HARDWARE COMPUTER	0	0	0	0	0	0	192	0	0	0	0	598	0
8511-7630-74960 HARDWARE COMPUTER	0	445	0	0	(211)	0	0	0	0	0	0	0	0
8511-7760-74960 HARDWARE COMPUTER	0	0	0	0	100	25	0	0	0	0	0	0	0
8511-7801-74960 HARDWARE COMPUTER	0	0	0	0	168	0	0	0	0	0	0	0	0
8511-8010-74960 HARDWARE COMPUTER	0	560	57	0	0	0	0	0	0	0	0	0	0
8511-8400-74960 HARDWARE COMPUTER	3	0	0	0	0	0	0	0	0	0	0	0	0
8511-8420-74960 HARDWARE COMPUTER	0	0	0	0	0	1,158	0	0	219	(569)	945	0	0
8511-8465-74960 HARDWARE COMPUTER	0	0	0	0	0	0	0	0	0	0	0	249	1,701
8511-8480-74960 HARDWARE COMPUTER	3,598	178	(178)	0	0	0	0	0	0	0	0	0	0
8511-8610-74960 HARDWARE COMPUTER	429	873	2,410	0	0	0	0	(5)	0	0	0	0	0
8511-8650-74960 HARDWARE COMPUTER	29	0	0	0	213	0	0	0	0	0	0	0	0
8511-8700-74960 HARDWARE COMPUTER	0	0	58	0	0	194	0	(152)	0	199	0	(298)	0
8511-8710-74960 HARDWARE COMPUTER	3	156	22	0	0	0	0	0	0	0	0	0	0
8511-8720-74960 HARDWARE COMPUTER	0	0	0	0	0	0	75	0	0	0	0	0	0
8511-8751-74960 HARDWARE COMPUTER	505	0	0	0	0	0	0	0	0	0	0	0	0
Total: 74960 Hardware Computer	4,596	2,850	3,873	255	269	1,376	1,897	(272)	366	1,629	1,081	548	1,881
75000 Other Non-Medical Supplies:													
8511-6010-75000 Other Non-Medical Supplies	3,166	2,222	2,537	747	2,891	603	750	5,125	2,276	1,687	1,193	894	2,799
8511-6070-75000 Other Non-Medical Supplies	592	184	264	266	275	1,257	1,102	3,501	558	225	269	192	644
8511-6150-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	31	3
8511-6151-75000 Other Non-Medical Supplies	1,230	784	588	1,233	799	1,301	1,217	870	970	1,001	993	1,029	802
8511-6179-75000 Other Non-Medical Supplies	183	308	205	196	171	231	654	369	252	382	275	391	1,033
8511-6182-75000 Other Non-Medical Supplies	358	182	370	211	959	315	532	339	316	303	170	279	284
8511-6184-75000 Other Non-Medical Supplies	155	209	231	168	204	348	312	439	307	369	198	271	245
8511-6187-75000 Other Non-Medical Supplies	470	600	1,243	407	747	842	639	566	652	707	737	845	619
8511-6188-75000 Other Non-Medical Supplies	970	433	401	399	383	445	177	366	357	351	352	402	417
8511-6290-75000 Other Non-Medical Supplies	490	32	47	24	54	2,637	612	97	63	77	93	2,333	259
8511-6340-75000 Other Non-Medical Supplies	247	111	365	88	68	409	653	111	189	111	205	927	4
8511-6380-75000 Other Non-Medical Supplies	183	193	1,122	109	1,001	3,471	2,080	797	811	376	775	974	363
8511-6382-75000 Other Non-Medical Supplies	22	22	7	24	13	138	46	77	37	41	64	106	86
8511-6530-75000 Other Non-Medical Supplies	88	82	298	43	66	2,566	297	1,278	197	0	2	55	72
8511-6580-75000 Other Non-Medical Supplies	403	166	470	(165)	801	103	35	218	51	172	168	438	104
8511-7010-75000 Other Non-Medical Supplies	2,001	2,202	2,065	4,586	2,146	2,795	2,855	2,370	2,380	2,769	4,113	3,798	3,188
8511-7011-75000 Other Non-Medical Supplies	1,722	703	411	617	1,182	308	463	568	418	4,249	4,133	949	463
8511-7041-75000 Other Non-Medical Supplies	333	0	0	0	0	0	0	0	0	0	0	0	0
8511-7075-75000 Other Non-Medical Supplies	1,866	1,940	1,027	931	650	1,658	1,406	890	0	894	2,344	1,609	1,148
8511-7076-75000 Other Non-Medical Supplies	122	0	103	163	239	77	0	238	200	81	79	388	88
8511-7080-75000 Other Non-Medical Supplies	0	0	24	24	5	358	74	2	624	0	52	0	48
8511-7087-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	621	0
8511-7183-75000 Other Non-Medical Supplies	16	40	80	40	44	56	16	36	40	20	8	12	60
8511-7268-75000 Other Non-Medical Supplies	10	13	0	0	28	0	0	51	0	0	0	0	0
8511-7400-75000 Other Non-Medical Supplies	634	1,448	1,670	1,732	1,283	4,312	2,288	1,363	1,087	2,841	1,340	263	3,349
8511-7420-75000 Other Non-Medical Supplies	2,402	1,012	1,108	2,064	1,464	2,413	1,458	771	1,518	2,489	1,136	1,348	666
8511-7427-75000 Other Non-Medical Supplies	3	5	3	2	6	3	204	3	7	4	2	2	5
8511-7429-75000 Other Non-Medical Supplies	74	62	72	76	93	91	157	52	83	81	168	62	72
8511-7450-75000 Other Non-Medical Supplies	0	0	228	305	0	0	0	0	7	39	0	0	25
8511-7470-75000 Other Non-Medical Supplies	932	634	1,033	713	2,227	1,561	525	2,256	1,481	421	1,250	1,315	1,479
8511-7471-75000 Other Non-Medical Supplies	9,370	8,835	5,224	5,595	6,500	5,146	5,120	6,122	4,821	5,717	5,015	9,158	7,011
8511-7500-75000 Other Non-Medical Supplies	2,227	224	1,068	1,153	1,739	1,119	2,764	2,496	1,949	4,216	3,233	568	410
8511-7520-75000 Other Non-Medical Supplies	41	0	0	0	0	656	0	0	3	622	0	38	38
8511-7570-75000 Other Non-Medical Supplies	8	1	24	10	10	3	19	142	3	20	6	12	23
8511-7573-75000 Other Non-Medical Supplies	28	17	10	20	13	9	12	23	29	21	12	9	8
8511-7591-75000 Other Non-Medical Supplies	18	46	29	33	32	40	24	77	32	11	48	301	90
8511-7620-75000 Other Non-Medical Supplies	0	0	0	346	0	0	26	0	0	12	0	360	0
8511-7630-75000 Other Non-Medical Supplies	1,774	1,108	787	1,988	1,407	1,466	1,406	1,275	1,082	2,228	1,512	842	1,846
8511-7642-75000 Other Non-Medical Supplies	20	0	53	707	129	75	0	50	52	179	4	80	44
8511-7650-75000 Other Non-Medical Supplies	0	0	0	0	0	13	0	0	0	1	0	0	0
8511-7660-75000 Other Non-Medical Supplies	15	8	12	16	21	18	8	19	12	142	21	27	10
8511-7670-75000 Other Non-Medical Supplies	5	0	2,175	0	18	2,734	749	219	744	25	49	37	395
8511-7680-75000 Other Non-Medical Supplies	24	64	48	48	72	72	67	32	48	190	48	267	64
8511-7690-75000 Other Non-Medical Supplies	344	110	87	105	102	238	30	354	116	288	371	235	5
8511-7710-75000 Other Non-Medical Supplies	9,360	3,146	19,016	11,755	7,230	13,147	14,605	19,921	22,038	7,904	18,756	30,665	(52)
8511-7720-75000 Other Non-Medical Supplies	103	16	52	414	380	145	0	42	48	68	40	43	56
8511-7722-75000 Other Non-Medical Supplies	0	1	0	0	0	567	240	612	40	(567)	0	93	0
8511-7730-75000 Other Non-Medical Supplies	2	0	0	0	0	0	0	0	91	0	0	0	9
8511-7760-75000 Other Non-Medical Supplies	1,210	24	560	348	1,120	400	1,970	(435)	3,554	3,746	2,976	2,129	973
8511-7775-75000 Other Non-Medical Supplies	0	0	8	181	(306)	16	3	70	192	0	0	24	0



Verity Healt Systems  
 St Francis Medical Center  
 Trended Income Statement  
 June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-8049-75000 Other Non-Medical Supplies	0	0	0	0	0	640	0	0	0	0	0	0	0
8511-8215-75000 Other Non-Medical Supplies	278	0	0	0	170	0	0	0	0	0	7	0	0
8511-8310-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	1,147	115
8511-8340-75000 Other Non-Medical Supplies	721	752	5	4,884	0	0	0	7	1,843	0	8	5	142
8511-8370-75000 Other Non-Medical Supplies	8	8	16	24	0	0	0	0	16	8	0	0	8
8511-8400-75000 Other Non-Medical Supplies	0	0	0	0	0	0	512	52	(114)	114	0	0	0
8511-8401-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
8511-8402-75000 Other Non-Medical Supplies	0	304	0	0	0	0	535	509	40	0	19	2	0
8511-8420-75000 Other Non-Medical Supplies	4	1	0	0	0	0	195	0	3,224	68	900	3,431	422
8511-8440-75000 Other Non-Medical Supplies	2	1,892	11	399	4	0	673	811	30	0	37	369	0
8511-8460-75000 Other Non-Medical Supplies	896	8	199	10	18	1,374	15	1,829	132	6,065	338	616	30
8511-8465-75000 Other Non-Medical Supplies	7	0	6	11	0	0	0	1,077	1,097	1,093	895	121	112
8511-8470-75000 Other Non-Medical Supplies	25	56	33	41	3	21	39	68	0	793	129	0	3
8511-8480-75000 Other Non-Medical Supplies	4	7	(7)	0	0	0	0	0	0	0	0	0	0
8511-8560-75000 Other Non-Medical Supplies	1,028	1,444	1,002	921	1,708	1,104	992	1,402	1,090	1,084	1,577	966	921
8511-8561-75000 Other Non-Medical Supplies	0	0	0	0	1	0	25	4	12	24	0	17	32
8511-8569-75000 Other Non-Medical Supplies	3	0	3	6	1	15	4	5	6	2	0	0	0
8511-8610-75000 Other Non-Medical Supplies	10,479	328	664	631	0	0	0	11	631	0	1,280	1,215	0
8511-8615-75000 Other Non-Medical Supplies	0	0	0	3,904	1,395	0	0	0	0	0	0	0	0
8511-8630-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	1	0	0	0
8511-8640-75000 Other Non-Medical Supplies	0	0	0	0	22	0	0	0	0	0	0	0	0
8511-8650-75000 Other Non-Medical Supplies	0	0	3,556	0	(28)	1,050	0	0	0	0	0	0	0
8511-8660-75000 Other Non-Medical Supplies	0	0	0	0	1	8	0	0	0	321	164	0	4
8511-8677-75000 Other Non-Medical Supplies	15	0	0	8	0	0	511	0	0	0	0	0	219
8511-8680-75000 Other Non-Medical Supplies	59	84	107	5	56	0	0	44	28	25	0	0	62
8511-8700-75000 Other Non-Medical Supplies	1	0	48	1	40	0	0	26	28	1	13	(156)	49
8511-8710-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	509	0
8511-8720-75000 Other Non-Medical Supplies	0	0	0	0	0	0	16	0	0	0	232	7	0
8511-8752-75000 Other Non-Medical Supplies	0	0	8	2,113	105	0	0	0	7	0	0	13	0
8511-8757-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	4	0
8511-8771-75000 Other Non-Medical Supplies	0	4	0	0	0	0	0	1	142	50	149	8	467
8511-8780-75000 Other Non-Medical Supplies	0	0	21	0	16	0	16	0	16	16	0	20	0
Total: 75000 Other Non-Medical Supplies	56,747	32,076	50,795	50,548	39,778	58,376	49,127	59,614	57,963	53,917	57,953	72,720	31,842
75005 Cost Reduction - Rebate & Discount:													
8511-8400-75005 Cost Reduction - Rebate & Discount	(226,421)	(20,600)	(24,048)	(26,037)	(29,576)	(36,812)	(36,526)	(54,298)	(34,962)	(34,319)	(50,226)	(89,910)	(26,218)
Total: 75005 Cost Reduction - Rebate & Discount	(226,421)	(20,600)	(24,048)	(26,037)	(29,576)	(36,812)	(36,526)	(54,298)	(34,962)	(34,319)	(50,226)	(89,910)	(26,218)
75050 Books & Manuals:													
8511-6070-75050 BOOKS & MANUALS	83	0	0	0	0	0	0	0	0	0	0	0	0
8511-6340-75050 BOOKS & MANUALS	0	0	0	0	0	0	420	0	55	0	0	0	0
8511-7010-75050 BOOKS & MANUALS	0	0	0	0	0	0	266	28	0	0	0	0	0
8511-7075-75050 BOOKS & MANUALS	0	0	317	0	0	0	317	0	0	0	0	0	0
8511-7500-75050 BOOKS & MANUALS	0	140	0	197	0	0	0	0	0	0	217	0	0
8511-7630-75050 BOOKS & MANUALS	0	0	0	0	0	0	0	115	0	0	0	0	0
8511-7642-75050 BOOKS & MANUALS	14	0	14	0	0	0	14	0	14	0	0	0	0
8511-7710-75050 BOOKS & MANUALS	0	0	0	0	0	0	668	0	0	0	0	0	0
8511-8215-75050 BOOKS & MANUALS	1,482	499	3,708	0	1,059	0	0	211	2,875	2,700	567	(3)	468
8511-8610-75050 BOOKS & MANUALS	0	0	0	0	0	0	0	0	448	0	0	0	0
8511-8700-75050 BOOKS & MANUALS	0	0	0	0	3,040	89	468	49	0	0	0	(3,645)	0
8511-8752-75050 BOOKS & MANUALS	341	0	0	0	0	0	0	0	0	0	0	0	0
8511-8771-75050 BOOKS & MANUALS	0	0	0	0	0	0	0	0	0	0	51	0	0
Total: 75050 Books & Manuals	1,920	639	4,039	197	4,099	89	2,153	404	3,392	2,700	835	(3,648)	468
75220 Freight:													
8511-6010-75220 Freight	5	37	84	113	0	35	8	391	49	0	157	0	330
8511-6070-75220 Freight	258	26	123	348	152	60	101	315	62	63	104	0	345
8511-6151-75220 Freight	(8)	3	0	0	0	11	0	42	1	24	86	0	9
8511-6179-75220 Freight	15	0	15	8	0	10	10	15	0	45	9	0	24
8511-6182-75220 Freight	24	3	0	0	0	17	0	52	13	0	90	0	19
8511-6184-75220 Freight	17	3	0	0	0	2	0	0	0	0	0	0	7
8511-6187-75220 Freight	0	3	0	32	8	10	0	(15)	0	0	9	0	45
8511-6188-75220 Freight	0	3	8	0	15	12	0	10	9	15	95	0	52
8511-6290-75220 Freight	0	18	0	17	8	8	0	52	0	9	9	0	34
8511-6340-75220 Freight	0	14	0	0	0	0	0	0	0	0	39	0	0
8511-6380-75220 Freight	54	8	67	52	34	44	17	112	34	0	77	100	123
8511-6530-75220 Freight	0	0	23	25	0	0	0	0	0	0	9	0	0
8511-6580-75220 Freight	0	0	18	0	0	0	0	0	0	10	19	0	0
8511-7010-75220 Freight	128	56	196	143	60	145	43	761	182	43	117	61	589
8511-7011-75220 Freight	(24)	267	34	12	12	132	43	260	9	0	0	0	469
8511-7041-75220 Freight	11	0	0	0	0	0	0	0	0	0	0	0	18
8511-7075-75220 Freight	11	0	0	13	0	0	0	13	0	0	25	0	18
8511-7076-75220 Freight	88	17	0	0	0	0	21	0	0	0	9	0	9
8511-7080-75220 Freight	(8)	0	0	0	8	0	0	0	0	0	108	0	0
8511-7087-75220 Freight	17	0	0	0	0	0	0	17	0	0	9	0	141
8511-7093-75220 Freight	(11)	0	0	26	0	0	0	26	0	0	35	0	0
8511-7183-75220 Freight	0	0	0	0	0	15	0	0	0	14	0	0	0
8511-7268-75220 Freight	(11)	0	24	0	24	0	0	317	0	0	0	0	39
8511-7400-75220 Freight	149	129	168	438	127	72	53	253	108	30	83	0	491
8511-7420-75220 Freight	593	84	127	396	79	419	93	596	151	191	465	0	460
8511-7429-75220 Freight	0	0	0	0	0	0	0	114	0	9	0	0	0
8511-7450-75220 Freight	45	43	16	26	30	17	19	31	29	18	36	0	225
8511-7470-75220 Freight	5,613	1,498	3,331	5,923	1,911	1,862	1,400	8,015	2,491	1,169	3,076	1,500	7,663
8511-7471-75220 Freight	1,088	323	1,041	1,603	762	302	569	2,403	550	390	1,530	0	3,049
8511-7500-75220 Freight	2,547	781	2,831	3,447	1,807	1,027	194	5,727	1,192	2,202	4,817	(99)	7,110
8511-7520-75220 Freight	(11)	0	21	11	12	0	45	50	0	0	41	0	26
8511-7570-75220 Freight	376	43	411	617	229	187	177	1,205	233	36	600	0	693
8511-7573-75220 Freight	3,403	1,042	2,346	3,079	236	1,688	713	4,027	444	551	1,881	0	4,770
8511-7591-75220 Freight	10	8	10	0	10	0	0	28	0	0	15	0	19
8511-7620-75220 Freight	19	0	0	19	0	0	0	34	0	0	0	0	45
8511-7630-75220 Freight	78	0	80	47	59	24	84	108	0	11	0	0	80
8511-7642-75220 Freight	4	0	0	0	0	19	0	82	0	9	9	0	49
8511-7650-75220 Freight	12	0	35	0	0	0	0	44	0	0	13	0	26
8511-7660-75220 Freight	24	0	9	0	0	14	0	13	0	0	0	0	21
8511-7670-75220 Freight	134	0	81	48	50	34	17	35	83	46	32	0	68
8511-7680-75220 Freight	378	73	304	213	174	22	8	461	49	0	155	0	635
8511-7690-75220 Freight	44	8	26	25	81	49	0	34	0	24	58	0	144
8511-7710-75220 Freight	34	8	24	47	10	23	29	148	0	15	216	0	81



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7720-75220 Freight	391	147	602	495	250	141	83	892	127	69	450	0	757
8511-7722-75220 Freight	150	37	344	176	141	288	25	491	92	51	75	0	561
8511-7730-75220 Freight	251	42	32	75	70	10	33	159	0	0	137	0	87
8511-7750-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	236
8511-7760-75220 Freight	445	82	180	488	282	145	65	434	58	224	579	0	799
8511-7775-75220 Freight	11	0	0	0	0	0	6	19	0	(6)	0	0	11
8511-7801-75220 Freight	35	0	17	17	0	17	0	53	46	0	29	0	38
8511-8215-75220 Freight	53	0	0	80	0	0	23	0	0	0	13	0	28
8511-8310-75220 Freight	(18)	(31)	(57)	78	1	0	(8)	8	0	(94)	9	0	0
8511-8335-75220 Freight	0	0	0	101	0	0	0	0	0	0	0	0	0
8511-8340-75220 Freight	8	0	0	0	0	0	15	11	0	127	38	0	0
8511-8360-75220 Freight	8	30	15	0	0	0	0	16	0	0	0	0	0
8511-8370-75220 Freight	0	0	30	0	0	0	0	0	0	0	0	0	70
8511-8400-75220 Freight	2,841	727	1,727	2,589	1,073	828	547	5,913	1,068	1,865	3,594	0	14,153
8511-8402-75220 Freight	50	0	346	0	0	0	0	0	0	0	0	0	34
8511-8420-75220 Freight	(21)	0	0	0	0	0	0	30	0	23	0	35	84
8511-8440-75220 Freight	0	0	13	0	15	0	0	8	0	0	0	0	63
8511-8460-75220 Freight	107	0	193	153	8	64	16	132	0	48	0	0	659
8511-8465-75220 Freight	(184)	0	0	0	0	0	0	313	77	9	125	6	167
8511-8470-75220 Freight	305	84	24	193	49	15	0	134	16	9	49	0	190
8511-8480-75220 Freight	19	24	(24)	0	0	0	0	0	0	0	0	0	0
8511-8486-75220 Freight	0	0	0	0	0	0	0	0	0	0	9	0	0
8511-8510-75220 Freight	0	0	0	0	0	0	0	0	0	0	13	0	0
8511-8530-75220 Freight	(269)	12	0	34	0	0	0	66	0	29	65	(205)	0
8511-8550-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	13
8511-8560-75220 Freight	0	0	0	8	0	0	0	0	0	0	0	0	0
8511-8561-75220 Freight	198	0	0	0	0	0	0	0	0	0	0	0	0
8511-8591-75220 Freight	212	23	122	220	48	48	12	73	0	0	0	0	0
8511-8610-75220 Freight	676	190	588	822	305	264	109	884	137	94	520	25	1,691
8511-8615-75220 Freight	0	0	0	0	82	32	0	0	0	0	0	0	0
8511-8625-75220 Freight	(18)	0	0	0	0	0	0	0	0	0	0	0	0
8511-8630-75220 Freight	0	0	0	12	0	0	0	0	0	0	0	0	0
8511-8638-75220 Freight	37	12	65	25	32	12	0	36	0	0	56	0	21
8511-8640-75220 Freight	0	0	0	8	0	0	0	0	0	0	0	0	0
8511-8650-75220 Freight	203	168	317	379	250	131	34	663	78	66	580	0	837
8511-8680-75220 Freight	0	0	0	0	0	0	0	0	9	0	0	0	0
8511-8700-75220 Freight	730	238	1,003	1,156	379	280	201	1,104	192	229	395	(5,178)	1,459
8511-8710-75220 Freight	79	23	195	344	34	46	96	108	15	31	173	0	840
8511-8720-75220 Freight	0	0	45	0	0	0	0	0	0	0	0	0	19
8511-8751-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	168
8511-8752-75220 Freight	0	0	0	0	11	15	0	0	0	0	0	0	0
8511-8754-75220 Freight	68	242	12	139	34	0	0	38	0	38	0	0	65
8511-8755-75220 Freight	0	0	0	0	0	0	0	0	0	13	0	0	69
8511-8771-75220 Freight	(63)	0	0	0	0	0	0	0	0	0	0	0	9
8511-9553-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	13
Total: 75220 Freight	21,395	6,546	17,241	24,323	8,962	8,594	4,900	37,361	7,602	7,746	20,940	(3,755)	51,062
75300 Obseleance PSO:													
8511-8400-75300 Obseleance-PSO	0	0	0	0	0	0	0	0	1,091	0	0	0	0
Total: 75300 Obseleance PSO	0	0	0	0	0	0	0	0	1,091	0	0	0	0
75990 Maintenance Supplies:													
8511-7400-75990 MAINTENANCE SUPPLIES	0	6	0	0	0	0	0	0	0	0	0	0	0
8511-8460-75990 MAINTENANCE SUPPLIES	478	1,272	333	(458)	1,178	1,089	93	31	555	0	435	227	11
Total: 75990 Maintenance Supplies	478	1,278	333	(458)	1,178	1,089	93	31	555	0	435	227	11
79300 Tfr To Othr CC-Supplies:													
8511-7710-79300 Tfr To Othr CC-Supplies	(55,578)	(44,473)	(61,576)	(63,556)	(50,541)	(62,352)	(54,615)	(62,883)	(59,514)	(31,752)	(32,160)	(42,238)	(33,511)
Total: 79300 Tfr To Othr CC-Supplies	(55,578)	(44,473)	(61,576)	(63,556)	(50,541)	(62,352)	(54,615)	(62,883)	(59,514)	(31,752)	(32,160)	(42,238)	(33,511)
79700 Tfr Fm Othr CC-Supplies:													
8511-6010-79700 Tfr Fm Othr CC-Supplies	1,846	1,853	1,778	2,008	1,851	1,658	1,945	1,434	267	361	226	313	261
8511-6070-79700 Tfr Fm Othr CC-Supplies	272	0	0	33	0	10	0	30	0	52	0	408	0
8511-6151-79700 Tfr Fm Othr CC-Supplies	860	705	1,027	1,012	851	780	706	622	0	115	124	75	0
8511-6182-79700 Tfr Fm Othr CC-Supplies	125	595	660	540	427	627	486	248	127	19	105	0	66
8511-6184-79700 Tfr Fm Othr CC-Supplies	1,051	576	352	535	527	560	487	469	227	56	85	0	56
8511-6187-79700 Tfr Fm Othr CC-Supplies	843	740	1,034	999	1,034	1,026	846	715	84	96	124	85	133
8511-6188-79700 Tfr Fm Othr CC-Supplies	1,075	707	1,009	891	799	1,262	726	663	257	190	169	237	132
8511-6290-79700 Tfr Fm Othr CC-Supplies	0	115	0	69	0	61	69	0	0	0	0	19	0
8511-6380-79700 Tfr Fm Othr CC-Supplies	1,046	649	591	1,202	794	1,052	919	551	133	124	113	0	124
8511-6530-79700 Tfr Fm Othr CC-Supplies	401	421	35	12	0	19	7	0	64	269	604	518	265
8511-6580-79700 Tfr Fm Othr CC-Supplies	366	419	329	362	540	465	321	262	0	77	0	0	96
8511-7010-79700 Tfr Fm Othr CC-Supplies	2,317	2,460	1,932	2,252	2,700	2,895	2,507	1,547	953	763	759	936	874
8511-7076-79700 Tfr Fm Othr CC-Supplies	387	435	763	107	807	65	711	531	528	428	448	0	391
8511-7080-79700 Tfr Fm Othr CC-Supplies	0	383	561	1,785	807	625	188	1,199	1,651	0	0	1,016	1,957
8511-7093-79700 Tfr Fm Othr CC-Supplies	0	0	0	0	0	8,435	2,812	12,653	12,653	7,055	1,418	0	0
8511-7183-79700 Tfr Fm Othr CC-Supplies	2,462	2,654	2,927	2,397	1,654	1,337	997	1,081	956	1,169	637	850	637
8511-7400-79700 Tfr Fm Othr CC-Supplies	0	0	0	0	0	0	0	0	118	79	118	196	236
8511-7420-79700 Tfr Fm Othr CC-Supplies	12,499	8,974	6,297	9,903	8,490	6,629	4,955	3,730	5,804	7,151	3,177	0	7,213
8511-7429-79700 Tfr Fm Othr CC-Supplies	0	0	88	0	0	0	21	26	0	0	0	0	0
8511-7470-79700 Tfr Fm Othr CC-Supplies	0	0	0	0	0	0	0	0	0	0	0	0	34
8511-7500-79700 Tfr Fm Othr CC-Supplies	12,498	1,035	15,312	3,178	12,277	1,040	12,551	11,241	11,241	1,090	1,040	12,579	943
8511-7570-79700 Tfr Fm Othr CC-Supplies	1,630	3,936	5,333	6,057	1,606	5,486	4,269	3,041	4,072	0	3,714	3,890	555
8511-7573-79700 Tfr Fm Othr CC-Supplies	632	3,292	1,646	0	1,896	1,125	920	1,104	1,104	2,409	2,646	1,109	2,218
8511-7591-79700 Tfr Fm Othr CC-Supplies	42	0	0	42	42	0	63	42	0	0	0	0	0
8511-7630-79700 Tfr Fm Othr CC-Supplies	1,577	656	1,800	340	1,175	0	4,955	3,730	4,525	575	5,181	819	1,820
8511-7650-79700 Tfr Fm Othr CC-Supplies	0	0	61	0	42	0	42	0	0	0	0	0	19
8511-7660-79700 Tfr Fm Othr CC-Supplies	2,860	1,840	2,872	3,352	1,697	1,532	1,683	4,815	1,923	1,187	0	8,807	3,103
8511-7680-79700 Tfr Fm Othr CC-Supplies	8,455	9,360	12,224	9,892	9,782	11,757	9,901	9,585	10,024	4,702	9,925	8,077	10,101
8511-7720-79700 Tfr Fm Othr CC-Supplies	597	533	145	882	409	532	519	1,080	1,376	2,342	660	53	1,418
8511-7730-79700 Tfr Fm Othr CC-Supplies	0	0	535	0	0	0	0	0	0	0	0	0	0
8511-7760-79700 Tfr Fm Othr CC-Supplies	21	575	937	0	68	763	1,009	255	255	26	212	1,171	185
8511-8660-79700 Tfr Fm Othr CC-Supplies	1,093	1,275	828	15,706	0	12,611	0	2,185	1,170	1,269	676	1,079	674
8511-8720-79700 Tfr Fm Othr CC-Supplies	623	286	0	0	0	0	0	0	0	0	0	0	0
8511-8752-79700 Tfr Fm Othr CC-Supplies	0	0	499	0	0	0	0	0	0	149	0	0	0
8511-8771-79700 Tfr Fm Othr CC-Supplies	0	0	0	0	266	0	0	0	0	0	0	0	0



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

[illegible]



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7500-76200 Purch Serv-Repairs & Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	610
8511-7722-76200 Purch Serv-Repairs & Maintenance	0	0	0	0	0	0	0	0	908	0	0	58	0
8511-8340-76200 Purch Serv-Repairs & Maintenance	80	80	0	0	0	20	0	0	40	0	0	0	0
8511-8420-76200 Purch Serv-Repairs & Maintenance	0	0	0	0	2,906	540	0	0	0	0	0	0	0
8511-8460-76200 Purch Serv-Repairs & Maintenance	0	0	0	0	0	75	0	0	0	0	0	41,760	0
8511-8465-76200 Purch Serv-Repairs & Maintenance	15,935	0	0	0	0	0	0	0	129	0	123	6	0
8511-9250-76200 Purch Serv-Repairs & Maintenance	0	0	0	0	0	0	0	0	0	0	0	2,080	125
Total: 76200 Purch Serv-Repairs & Maintenance	16,015	80	296	280	3,558	635	217	0	1,077	0	123	48,596	7,135
76250 Repairs & Maintenance Other Contract:													
8511-6010-76250 Repairs & Maintenance Other Contract	8,602	1,867	10,003	4,613	4,705	1,246	2,705	3,331	992	375	6,444	206	43,304
8511-6070-76250 Repairs & Maintenance Other Contract	10	17	186	20	100	20	14	16	18	145	13	1,564	227
8511-6151-76250 Repairs & Maintenance Other Contract	895	495	2,113	169	585	566	4,180	9,410	7,375	2,820	2,534	2,338	3,927
8511-6178-76250 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	0	0	668	0
8511-6179-76250 Repairs & Maintenance Other Contract	0	0	450	714	335	0	0	0	0	0	617	668	1,089
8511-6182-76250 Repairs & Maintenance Other Contract	7	103	47	35	37	3,134	50	46	568	45	2,112	209	43
8511-6184-76250 Repairs & Maintenance Other Contract	46	44	48	34	36	44	35	48	36	37	910	1,368	839
8511-6187-76250 Repairs & Maintenance Other Contract	5,859	(4,102)	98	77	69	102	87	1,476	1,631	177	1,952	2,225	4,746
8511-6188-76250 Repairs & Maintenance Other Contract	967	124	48	39	789	769	2,842	307	734	331	2,072	2,387	903
8511-6290-76250 Repairs & Maintenance Other Contract	0	0	0	0	594	0	63	0	0	0	0	0	0
8511-6340-76250 Repairs & Maintenance Other Contract	2,756	9,045	672	285	999	301	3,756	1,413	2,937	390	799	191	727
8511-6380-76250 Repairs & Maintenance Other Contract	5,459	275	63	137	662	116	187	549	128	77	749	1,231	584
8511-6382-76250 Repairs & Maintenance Other Contract	0	0	0	0	594	0	63	0	0	0	0	0	0
8511-6530-76250 Repairs & Maintenance Other Contract	1	8	48	6	14	6	25	104	4	28	1	27	1
8511-6580-76250 Repairs & Maintenance Other Contract	14	786	10	9	547	3	4	1,420	7	475	2	4	4
8511-7010-76250 Repairs & Maintenance Other Contract	1,113	320	199	758	170	4,426	2,517	1,695	769	4,174	2,945	948	9,844
8511-7011-76250 Repairs & Maintenance Other Contract	46	37	49	53	49	69	61	3,728	168	22,526	3,644	256	61
8511-7041-76250 Repairs & Maintenance Other Contract	1,034	1,034	1,034	1,034	1,034	1,065	1,065	1,065	9,565	1,065	1,065	1,065	1,065
8511-7075-76250 Repairs & Maintenance Other Contract	3	78	33	41	41	31	6	48	24	20	28	35	32
8511-7076-76250 Repairs & Maintenance Other Contract	450	0	0	0	0	0	0	0	0	0	0	0	1,295
8511-7080-76250 Repairs & Maintenance Other Contract	20	17	24	16	18	26	26	27	33	25	49	673	23
8511-7087-76250 Repairs & Maintenance Other Contract	113	126	148	73	36	47	31	37	48	37	66	45	2,449
8511-7183-76250 Repairs & Maintenance Other Contract	0	4	7	13	6	5	3	21	1	12	1	6	1
8511-7195-76250 Repairs & Maintenance Other Contract	86	102	112	96	784	112	115	293	1,162	231	140	124	498
8511-7268-76250 Repairs & Maintenance Other Contract	41	61	78	57	61	60	977	51	48	118	62	616	82
8511-7400-76250 Repairs & Maintenance Other Contract	13,564	(12,370)	2,257	715	9,068	2,104	(162)	2,050	2,209	1,391	3,620	1,932	25,078
8511-7420-76250 Repairs & Maintenance Other Contract	6,690	5,314	6,523	12,200	6,255	12,370	21,471	24,608	10,301	15,476	8,373	11,526	15,663
8511-7427-76250 Repairs & Maintenance Other Contract	63	84	88	68	52	79	76	72	79	89	80	100	106
8511-7429-76250 Repairs & Maintenance Other Contract	36	34	44	385	97	59	40	153	46	166	67	46	965
8511-7450-76250 Repairs & Maintenance Other Contract	1,026	0	1,671	0	0	437	691	78	0	1,016	691	0	2,069
8511-7470-76250 Repairs & Maintenance Other Contract	2,184	1,363	964	0	462	1,254	0	0	616	917	2,520	975	1,599
8511-7471-76250 Repairs & Maintenance Other Contract	7	7	8	15	6	1,851	1,982	8,805	1,411	6,809	28,836	12,851	4,639
8511-7500-76250 Repairs & Maintenance Other Contract	2,890	2,897	2,577	2,490	4,167	2,519	877	7,888	2,695	905	3,646	13,869	32,143
8511-7570-76250 Repairs & Maintenance Other Contract	5	77	30	26	28	36	1,435	490	33	1,112	444	164	4,619
8511-7573-76250 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	0	0	0	14,338
8511-7591-76250 Repairs & Maintenance Other Contract	10	61	39	32	37	44	35	397	33	2,324	9,726	362	(868)
8511-7620-76250 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	0	804	132	0
8511-7630-76250 Repairs & Maintenance Other Contract	5,068	185	109	939	184	(4,895)	91	82	82	93	2,415	16,610	17,228
8511-7642-76250 Repairs & Maintenance Other Contract	41	281	39	99	41	41	35	33	39	40	60	44	41
8511-7650-76250 Repairs & Maintenance Other Contract	1,119	0	0	0	1,763	0	0	0	0	0	0	8,415	302
8511-7660-76250 Repairs & Maintenance Other Contract	0	0	0	0	0	450	0	0	0	3,330	0	22,645	735
8511-7670-76250 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	1,200	2,650	272	2,469	0	2,800
8511-7680-76250 Repairs & Maintenance Other Contract	0	0	0	0	1,056	0	0	0	0	0	0	2,090	3,737
8511-7690-76250 Repairs & Maintenance Other Contract	1	16	15	9	593	12	5	9	8	5	11	7	3
8511-7710-76250 Repairs & Maintenance Other Contract	312	684	2,764	140	156	1,562	2,597	(854)	170	1,249	229	1,068	2,281
8511-7720-76250 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	264	0	94	6,219	92	517
8511-7722-76250 Repairs & Maintenance Other Contract	0	360	44	0	0	0	1,446	69	275	691	1,141	0	1,877
8511-7730-76250 Repairs & Maintenance Other Contract	7,627	510	0	0	0	5,004	0	0	1,995	0	204	0	0
8511-7760-76250 Repairs & Maintenance Other Contract	501	4,983	11,579	581	4,206	492	51	(1,142)	1	7,536	7,425	2,377	4,436
8511-7775-76250 Repairs & Maintenance Other Contract	2	47	27	22	22	28	23	29	2,014	23	38	26	21
8511-8215-76250 Repairs & Maintenance Other Contract	71	43	57	39	49	41	48	45	971	37	39	31	67
8511-8310-76250 Repairs & Maintenance Other Contract	3,243	1,786	2,098	1,967	1,538	1,954	3,059	2,611	2,580	2,101	3,220	3,509	3,958
8511-8340-76250 Repairs & Maintenance Other Contract	45,568	(1,190)	1,190	7,515	3,849	8,855	19,032	1,611	15,754	2,911	20,590	827	42,920
8511-8360-76250 Repairs & Maintenance Other Contract	19	22	28	25	20	27	23	25	28	34	34	24	18
8511-8400-76250 Repairs & Maintenance Other Contract	26	34	29	22	27	28	31	28	36	27	34	35	36
8511-8402-76250 Repairs & Maintenance Other Contract	24	24	(973)	1,042	24	30	25	23	23	24	36	27	1,156
8511-8410-76250 Repairs & Maintenance Other Contract	8,250	8,250	8,700	7,800	8,250	8,250	8,250	9,150	7,374	8,254	8,246	8,246	(8)
8511-8420-76250 Repairs & Maintenance Other Contract	1,311	0	1,245	435	(333)	0	(435)	2,020	1,470	11,041	1,851	10,186	13,476
8511-8430-76250 Repairs & Maintenance Other Contract	350	0	0	0	0	0	0	0	0	0	0	0	0
8511-8440-76250 Repairs & Maintenance Other Contract	6,620	0	1,375	6,018	1,217	984	450	160	6,138	19,087	8,276	12,621	197
8511-8460-76250 Repairs & Maintenance Other Contract	309,474	160,719	193,936	308,814	221,921	131,393	180,206	250,207	460,426	381,739	410,387	438,401	450,469
8511-8465-76250 Repairs & Maintenance Other Contract	2	2	3	1	4	2	1	3	6	750	1,316	215	4
8511-8470-76250 Repairs & Maintenance Other Contract	36,836	8,452	5,400	5,390	5,395	5,416	5,403	196	52	36	71	45	1,175
8511-8480-76250 Repairs & Maintenance Other Contract	7,025	81	(81)	0	0	3	0	0	(3)	0	21	(1)	23
8511-8486-76250 Repairs & Maintenance Other Contract	6	3	3	1	2	1	5	2	3	4	29	6	4
8511-8510-76250 Repairs & Maintenance Other Contract	3	0	5	7	5	6	4	8	6	4	4	5	4
8511-8530-76250 Repairs & Maintenance Other Contract	71	705	40	89	224	342	298	298	297	309	411	(2,712)	278
8511-8560-76250 Repairs & Maintenance Other Contract	584	663	606	507	508	619	532	468	543	506	770	590	559
8511-8591-76250 Repairs & Maintenance Other Contract	21	23	23	23	10	10	0	4	3	4	4	7	0
8511-8610-76250 Repairs & Maintenance Other Contract	(209)	4,444	15,221	5,006	5,963	3,904	2,539	2,939	2,970	18,835	5,037	(369)	37,228
8511-8615-76250 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	450	0	154	671	0
8511-8630-76250 Repairs & Maintenance Other Contract	661	11	9	11	9	9	9	9	16	11	12	11	9
8511-8640-76250 Repairs & Maintenance Other Contract	7,335	0	0	0	0	0	0	0	0	0	0	0	0
8511-8650-76250 Repairs & Maintenance Other Contract	80	79	110	72	53	89	88	84	89	73	125	334	96
8511-8660-76250 Repairs & Maintenance Other Contract	10	8	14	8	7	11	10	13	19	10	22	19	29
8511-8670-76250 Repairs & Maintenance Other Contract	18	22	14	28	12	25	11	8	10	5	162	172	13
8511-8677-76250 Repairs & Maintenance Other Contract	0	0	0	0	0	745	0	0	0	0	0	0	0
8511-8680-76250 Repairs & Maintenance Other Contract	7	1	1	4	1	4	3	8	99	71	0	0	8
8511-8690-76250 Repairs & Maintenance Other Contract	1	1	0	0	0	0	1	1	0	2	0	0	0
8511-8700-76250 Repairs & Maintenance Other Contract	2,439	2,226	2,646	2,198	2,621	2,510	2,209	1,716	1,418	1,380	1,680	(18,491)	1,627
8511-8710-76250 Repairs & Maintenance Other Contract	41	48	58	43	47	76	40	44	36	32	66	68	41
8511-8720-76250 Repairs & Maintenance Other Contract	248	22	179	139	153	207	166	184</					



Verity Health Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total: 76250 Repairs & Maintenance Other Contract	499,327	201,986	276,718	373,666	292,597	201,891	272,617	341,748	552,481	525,240	568,779	567,390	760,489
76500 Purch Serv-Collection Agencies:													
8511-8530-76500 Purch Serv-Collection Agencies	0	0	(45)	48,923	0	16,734	(32,347)	15,739	0	15,090	23,591	(87,686)	0
8511-9590-76500 Purch Serv-Collection Agencies	1,801	133	0	189	0	0	0	0	0	0	0	0	0
Total: 76500 Purch Serv-Collection Agencies	1,801	133	(45)	49,112	0	16,734	(32,347)	15,739	0	15,090	23,591	(87,686)	0
76900 Purch Serv-Outside Organizatio:													
8511-6010-76900 Purch Serv-Outside Organizatio	105	32	41	899	32	32	32	36	36	41	32	1,218	107
8511-6151-76900 Purch Serv-Outside Organizatio	211	65	81	81	65	65	65	73	73	81	(81)	81	192
8511-6179-76900 Purch Serv-Outside Organizatio	0	0	2,750	0	0	0	0	0	0	0	0	0	0
8511-6182-76900 Purch Serv-Outside Organizatio	53	16	20	20	16	16	16	18	18	20	(20)	20	53
8511-6184-76900 Purch Serv-Outside Organizatio	111	32	41	41	32	32	32	36	36	41	(41)	41	301
8511-6187-76900 Purch Serv-Outside Organizatio	(2,782)	32	41	41	24	24	32	32	41	49	(41)	32	72
8511-6188-76900 Purch Serv-Outside Organizatio	211	65	81	81	65	65	65	73	73	81	(81)	81	196
8511-6290-76900 Purch Serv-Outside Organizatio	684	16	20	20	16	16	16	18	18	20	(20)	20	53
8511-6340-76900 Purch Serv-Outside Organizatio	105	32	41	41	32	32	32	36	36	32	(41)	41	176
8511-6380-76900 Purch Serv-Outside Organizatio	1,800	146	182	182	117	117	146	150	178	207	2,693	182	370
8511-6530-76900 Purch Serv-Outside Organizatio	49	16	20	20	16	16	16	18	18	20	(20)	20	53
8511-6580-76900 Purch Serv-Outside Organizatio	925	0	0	0	0	199	0	0	0	0	0	0	0
8511-7010-76900 Purch Serv-Outside Organizatio	42,774	15,194	16,130	17,563	15,232	15,024	33,915	14,427	22,740	17,703	14,210	19,190	(1,557)
8511-7011-76900 Purch Serv-Outside Organizatio	0	1,000	2,200	1,000	3,400	8,785	1,000	5,712	6,195	1,000	1,000	7,372	1,074
8511-7040-76900 Purch Serv-Outside Organizatio	2,062	697	0	314	575	0	0	0	0	935	0	0	520
8511-7041-76900 Purch Serv-Outside Organizatio	0	0	0	1,350	0	3,000	0	900	0	0	550	365	0
8511-7050-76900 Purch Serv-Outside Organizatio	20,312	3,863	3,693	1,847	(5,540)	5,540	0	0	0	0	0	0	0
8511-7052-76900 Purch Serv-Outside Organizatio	98,652	100,711	95,012	82,725	64,123	87,396	92,965	100,440	107,738	105,894	90,008	100,816	105,989
8511-7076-76900 Purch Serv-Outside Organizatio	1,699	1,582	1,598	1,606	91	65	90	12,782	348	19,503	(72)	119	205
8511-7080-76900 Purch Serv-Outside Organizatio	9,846	(11,101)	(2,024)	6,721	2,434	2,416	9,161	4,123	(2,082)	2,678	(7,756)	61	91
8511-7090-76900 Purch Serv-Outside Organizatio	(4,770)	900	0	0	239	0	0	0	0	0	0	0	11,568
8511-7129-76900 Purch Serv-Outside Organizatio	0	0	65	(65)	0	0	0	0	0	41	(41)	0	0
8511-7183-76900 Purch Serv-Outside Organizatio	207,734	177,914	226,237	242,110	241,376	246,486	204,341	224,333	200,231	222,512	174,007	225,780	168,741
8511-7192-76900 Purch Serv-Outside Organizatio	53	16	20	20	16	16	16	18	18	20	(20)	20	53
8511-7195-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	0	0	0
8511-7268-76900 Purch Serv-Outside Organizatio	(355)	4,281	2,082	1,923	3,147	4,359	5,332	3,888	3,800	2,520	10,674	10,585	2,521
8511-7400-76900 Purch Serv-Outside Organizatio	3,515	227	755	284	2,661	489	227	247	263	5,204	(284)	755	1,779
8511-7420-76900 Purch Serv-Outside Organizatio	109	3	5,857	(4,520)	117	51	(1)	41	165	29	(41)	12,299	681
8511-7427-76900 Purch Serv-Outside Organizatio	53	16	(4,630)	4,670	16	16	16	18	18	20	(20)	20	53
8511-7429-76900 Purch Serv-Outside Organizatio	215	77	29	174	81	69	77	91	71	94	(77)	104	208
8511-7450-76900 Purch Serv-Outside Organizatio	5,899	0	0	0	0	0	0	0	0	0	0	0	0
8511-7470-76900 Purch Serv-Outside Organizatio	8,178	(1,400)	2,150	1,400	(1,400)	1,830	3,519	300	0	350	850	0	7,575
8511-7471-76900 Purch Serv-Outside Organizatio	53	116	20	20	16	16	16	18	18	20	(20)	20	53
8511-7500-76900 Purch Serv-Outside Organizatio	3,068	10,335	2,906	2,906	2,886	2,886	3,301	2,966	4,597	2,976	2,773	5,304	5,395
8511-7509-76900 Purch Serv-Outside Organizatio	150,191	95,354	90,384	27,989	98,838	97,243	56,550	75,608	87,457	45,914	107,368	76,115	105,357
8511-7520-76900 Purch Serv-Outside Organizatio	2,771	16	650	616	451	637	595	299	2,234	333	952	524	360
8511-7540-76900 Purch Serv-Outside Organizatio	0	0	6,300	6,430	93	0	0	0	0	0	0	0	0
8511-7570-76900 Purch Serv-Outside Organizatio	53	16	20	20	16	16	16	18	18	2,143	(20)	2,606	3,004
8511-7573-76900 Purch Serv-Outside Organizatio	30,892	33,467	30,892	36,067	32,422	(182,228)	23,685	15,375	21,875	2,120	(7,658)	7,112	9,284
8511-7591-76900 Purch Serv-Outside Organizatio	1,233	60	72	3,327	1,085	32	60	4,691	1,426	3,565	1,354	2,587	2,628
8511-7620-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	0	1,050	0
8511-7630-76900 Purch Serv-Outside Organizatio	437	130	162	162	158	1,002	130	160	4,282	134	(162)	158	660
8511-7642-76900 Purch Serv-Outside Organizatio	10,069	17,054	11,299	12,700	12,281	12,262	11,404	12,961	11,855	12,808	9,165	28,697	15,144
8511-7650-76900 Purch Serv-Outside Organizatio	128	3,616	20	20	1,465	343	59	18	18	20	3,621	6,003	3,595
8511-7660-76900 Purch Serv-Outside Organizatio	854	3,750	0	0	2,790	0	0	1,141	0	0	0	5,732	1,750
8511-7670-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	0	0	858
8511-7680-76900 Purch Serv-Outside Organizatio	2,400	0	1,750	0	0	0	0	0	1,750	0	0	0	8,679
8511-7690-76900 Purch Serv-Outside Organizatio	2,509	1,349	2,247	4,404	2,852	2,729	3,882	6,190	2,240	94	2,586	2,001	2,437
8511-7710-76900 Purch Serv-Outside Organizatio	11,143	5,275	3,121	586	2,394	2,419	49	510	585	61	2,266	5,806	4,017
8511-7720-76900 Purch Serv-Outside Organizatio	105	32	166	41	32	32	32	36	36	41	(41)	1,897	308
8511-7722-76900 Purch Serv-Outside Organizatio	53	16	820	20	925	16	16	18	18	20	(20)	1,828	53
8511-7760-76900 Purch Serv-Outside Organizatio	73	16	20	20	16	16	16	18	18	20	(20)	55	53
8511-7771-76900 Purch Serv-Outside Organizatio	0	32	32	0	0	0	0	0	0	0	0	0	0
8511-7775-76900 Purch Serv-Outside Organizatio	73	16	20	93	56	16	62	56	18	1,093	6,784	94	(6,697)
8511-7801-76900 Purch Serv-Outside Organizatio	1,298	0	575	0	649	743	920	1,767	1,074	61	465	770	880
8511-7900-76900 Purch Serv-Outside Organizatio	233,344	225,391	230,208	284,212	247,940	301,143	251,746	304,796	247,972	201,178	283,746	272,108	333,264
8511-8049-76900 Purch Serv-Outside Organizatio	13,418	65,318	20,195	3,425	28,824	77,053	200	20,585	250	90,954	57,092	69,074	90,430
8511-8215-76900 Purch Serv-Outside Organizatio	7,994	434	20,484	25,574	9,934	20,004	19,300	16,469	16,930	11,740	14,490	12,538	13,250
8511-8310-76900 Purch Serv-Outside Organizatio	166	38	41	41	32	32	32	74	1,616	32	185	36	97
8511-8340-76900 Purch Serv-Outside Organizatio	264,712	231,001	211,901	234,211	202,551	211,736	189,266	194,447	36,345	213,054	195,341	177,569	149,162
8511-8350-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	(2,346)	0	0	0	0	0	199
8511-8360-76900 Purch Serv-Outside Organizatio	0	0	3,520	8,395	9,953	7,664	11,184	7,664	7,685	7,664	7,664	0	25,828
8511-8370-76900 Purch Serv-Outside Organizatio	2,403	0	0	0	0	0	0	0	0	0	0	0	0
8511-8400-76900 Purch Serv-Outside Organizatio	53	25,144	20	20	16	78	16	18	18	(42)	(20)	20	53
8511-8420-76900 Purch Serv-Outside Organizatio	60,983	39,075	45,864	42,056	40,386	40,386	138,818	55,968	52,329	57,670	54,513	73,857	22,322
8511-8440-76900 Purch Serv-Outside Organizatio	202,287	128,659	161,173	153,119	148,214	155,963	207,622	88,293	164,447	158,408	120,922	164,895	180,534
8511-8460-76900 Purch Serv-Outside Organizatio	24,287	1,235	5,691	4,345	25,148	(20,345)	16,838	(1,669)	5,555	5,495	310	2,894	27,033
8511-8465-76900 Purch Serv-Outside Organizatio	22,223	157,455	164,879	132,295	132,417	133,772	114,660	349,664	0	0	0	0	0
8511-8470-76900 Purch Serv-Outside Organizatio	14,868	0	0	0	0	0	0	2,455	0	0	0	1,002	500
8511-8480-76900 Purch Serv-Outside Organizatio	158	49	(49)	0	109	(109)	0	0	0	0	0	0	217
8511-8510-76900 Purch Serv-Outside Organizatio	10,998	7,547	5,806	260	16	222	750	343	(1,279)	227	4	2,113	433
8511-8511-76900 Purch Serv-Outside Organizatio	0	0	0	1,718	0	0	0	0	0	0	0	0	0
8511-8530-76900 Purch Serv-Outside Organizatio	1,970	188	243	101	518	215	279	3,969	712	305	774	(7,187)	259
8511-8560-76900 Purch Serv-Outside Organizatio	441	130	162	162	170	170	130	166	126	122	(162)	150	324
8511-8570-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	0	0	2,230
8511-8591-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	0	18	10
8511-8610-76900 Purch Serv-Outside Organizatio	29,775	52,736	38,150	38,331	38,117	74,544	52,540	38,491	44,159	92,112	72,644	80,145	87,991
8511-8615-76900 Purch Serv-Outside Organizatio	0	0	0	1,189	(239)	0	289	0	315	53	0	0	0
8511-8630-76900 Purch Serv-Outside Organizatio	0	0	0	117	0	0	0	0	0	0	0	0	376
8511-8635-76900 Purch Serv-Outside Organizatio	0	0	157	0	0	0	0	0	0	0	0	0	0
8511-8638-76900 Purch Serv-Outside Organizatio	(4,801)	16	20	20	16	16	16	18	18	20	(20)	20	53
8511-8640-76900 Purch Serv-Outside Organizatio	0	217	(217)	0	0	0	0	0	0	305	0	0	0
8511-8650-76900 Purch Serv-Outside Organizatio	2,922	2,853	(113)	21,495	(449)	32	32	41	36	41	76	41	2,729
8511-8													



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-8751-76900 Purch Serv-Outside Organizatio	9,652	2,879	6,754	11,061	5,693	2,015	506	417	23,071	5,721	(16)	22,576	25,431
8511-8752-76900 Purch Serv-Outside Organizatio	10,881	8,644	8,649	4,032	6,694	12,923	8,954	16,539	6,722	7,167	6,024	30,455	2,482
8511-8754-76900 Purch Serv-Outside Organizatio	0	0	0	97	0	0	0	0	0	1,160	150	350	0
8511-8756-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	4,878	5,834	5,846	(16,558)	0	4,366	6,128	16,384
8511-8757-76900 Purch Serv-Outside Organizatio	53	16	20	20	16	16	16	18	18	16	(20)	20	53
8511-8771-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	294	0	232	200	0	0	195	0
8511-8780-76900 Purch Serv-Outside Organizatio	53	16	20	20	20	16	41	42	49	534	21	70	53
8511-8820-76900 Purch Serv-Outside Organizatio	2,870	2,221	1,494	5,453	5,226	3,870	(3,870)	0	0	0	0	0	0
8511-9250-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	1,233	0	6,909	860	653	8,540	1,753	4,594
8511-9550-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	214	0	0
Total: 76900 Purch Serv-Outside Organizatio	1,578,183	1,451,457	1,446,910	1,484,713	1,436,755	1,366,686	1,495,389	1,641,206	1,122,357	1,354,592	1,309,018	1,219,027	1,472,013
76906 CHFT Pledge:													
8511-9610-76906 Purch Svs - CHFT Pledge	0	0	0	0	1,197,396	0	594,989	(319,647)	21,018	21,018	21,018	355,391	226,667
Total: 76906 CHFT Pledge	0	0	0	0	1,197,396	0	594,989	(319,647)	21,018	21,018	21,018	355,391	226,667
76907 PURCHASED SERVICES- LINEN:													
8511-6010-76907 PURCHASED SERVICES- LINEN	8,796	7,505	6,690	8,009	6,067	6,708	5,212	7,321	5,575	8,005	6,125	7,394	5,316
8511-6070-76907 PURCHASED SERVICES- LINEN	1,852	1,061	1,250	1,333	1,093	1,383	1,264	1,591	1,062	1,101	1,024	1,462	814
8511-6151-76907 PURCHASED SERVICES- LINEN	7,060	4,514	7,330	9,188	7,057	7,351	5,887	7,113	7,220	8,082	7,253	8,383	6,491
8511-6162-76907 PURCHASED SERVICES- LINEN	4,505	5,555	2,007	853	581	537	549	1,162	673	1,543	857	1,766	2,151
8511-6184-76907 PURCHASED SERVICES- LINEN	250	5,019	3,247	2,017	3,237	2,318	4,227	3,267	3,020	2,455	2,593	2,788	3,535
8511-6187-76907 PURCHASED SERVICES- LINEN	347	4,826	4,839	3,087	4,716	2,902	5,153	4,355	4,244	4,085	4,337	4,259	5,374
8511-6188-76907 PURCHASED SERVICES- LINEN	416	6,829	5,170	3,830	5,796	3,170	4,937	4,969	4,455	5,092	5,060	5,901	8,509
8511-6290-76907 PURCHASED SERVICES- LINEN	65	579	692	309	779	558	815	1,022	753	695	383	317	100
8511-6340-76907 PURCHASED SERVICES- LINEN	432	3,553	2,658	1,204	2,595	1,445	2,655	1,800	2,557	2,072	1,981	1,871	2,300
8511-6390-76907 PURCHASED SERVICES- LINEN	340	3,560	3,797	2,397	4,089	2,104	3,174	3,513	2,957	1,977	2,787	2,978	3,644
8511-6530-76907 PURCHASED SERVICES- LINEN	30	175	743	400	484	343	964	387	114	0	0	46	329
8511-6580-76907 PURCHASED SERVICES- LINEN	6,240	2,619	3,807	4,797	4,035	4,055	2,743	2,221	2,164	2,613	1,942	3,053	1,891
8511-7010-76907 PURCHASED SERVICES- LINEN	10,693	9,609	8,319	10,720	8,629	9,460	7,067	9,067	7,204	10,492	8,892	10,403	8,205
8511-7050-76907 PURCHASED SERVICES- LINEN	0	0	19	0	0	0	0	0	0	0	0	0	0
8511-7080-76907 PURCHASED SERVICES- LINEN	0	53	67	129	125	21	142	39	140	69	163	123	0
8511-7400-76907 PURCHASED SERVICES- LINEN	12,847	9,895	9,162	10,529	8,599	9,651	9,341	10,471	7,791	9,777	8,487	10,065	7,364
8511-7420-76907 PURCHASED SERVICES- LINEN	2,122	1,666	2,603	3,544	3,866	2,192	3,800	2,672	2,364	2,929	3,216	4,096	3,537
8511-7427-76907 PURCHASED SERVICES- LINEN	315	169	493	668	617	248	697	499	465	496	511	623	457
8511-7429-76907 PURCHASED SERVICES- LINEN	67	177	88	15	119	65	58	34	56	75	63	42	41
8511-7471-76907 PURCHASED SERVICES- LINEN	628	1,122	1,048	808	1,032	487	861	566	732	820	868	1,227	1,328
8511-7570-76907 PURCHASED SERVICES- LINEN	235	412	255	283	457	195	334	289	380	380	198	177	272
8511-7573-76907 PURCHASED SERVICES- LINEN	216	137	90	75	240	354	262	30	76	382	304	308	73
8511-7591-76907 PURCHASED SERVICES- LINEN	318	153	143	16	144	204	151	103	145	82	79	102	46
8511-7630-76907 PURCHASED SERVICES- LINEN	3,798	1,150	2,859	2,022	2,216	2,726	3,073	2,675	2,622	1,790	1,330	1,983	1,138
8511-7642-76907 PURCHASED SERVICES- LINEN	1,721	168	710	400	887	1,037	797	659	661	535	565	1,076	223
8511-7650-76907 PURCHASED SERVICES- LINEN	457	129	152	112	284	194	287	90	244	164	160	217	133
8511-7660-76907 PURCHASED SERVICES- LINEN	538	189	259	432	588	687	250	203	263	241	230	560	332
8511-7670-76907 PURCHASED SERVICES- LINEN	1,478	62	874	715	802	1,160	974	782	673	750	688	942	471
8511-7680-76907 PURCHASED SERVICES- LINEN	1,772	561	880	683	979	1,295	1,309	1,086	864	855	708	1,021	621
8511-7690-76907 PURCHASED SERVICES- LINEN	763	182	269	183	522	517	456	339	374	379	303	372	94
8511-7720-76907 PURCHASED SERVICES- LINEN	184	82	41	32	122	160	129	123	120	161	141	149	100
8511-7760-76907 PURCHASED SERVICES- LINEN	198	365	131	47	358	91	148	72	204	256	157	221	296
8511-7775-76907 PURCHASED SERVICES- LINEN	609	94	235	124	347	688	437	466	512	241	392	649	85
8511-8350-76907 PURCHASED SERVICES- LINEN	5,856	12,484	(5,321)	11,116	9,183	5,324	11,415	7,981	9,342	(651)	(63,632)	(4,533)	2,326
Total: 76907 PURCHASED SERVICES- LINEN	75,148	84,653	65,605	80,079	80,644	69,629	79,565	77,569	70,028	67,940	(1,834)	70,039	67,684
76910 Printing & Forms:													
8511-8616-76910 Printing & Forms	0	0	0	0	0	0	0	0	0	0	0	288	0
Total: 76910 Printing & Forms	0	0	0	0	0	0	0	0	0	0	0	288	0
76911 Software Support & Maintenance:													
8511-7268-76911 Software Support & Maintenance	1,250	0	2,500	1,212	1,212	0	0	0	0	0	0	0	0
8511-7500-76911 Software Support & Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6,106
8511-8480-76911 Software Support & Maintenance	17,753	12,088	(12,088)	0	0	4,656	(4,656)	0	897	(897)	897	(897)	0
8511-8530-76911 Software Support & Maintenance	(8,100)	0	0	0	0	0	0	0	0	9,990	0	(9,990)	0
Total: 76911 Software Support & Maintenance	10,903	12,088	(9,588)	1,212	1,212	4,656	(4,656)	0	897	9,093	897	(10,887)	6,106
76921 Purch Serv - Accretion Exp Fin#7:													
8511-8890-76921 Purch Serv - Accretion Exp - Fin#7	9,810	0	0	0	0	0	0	0	0	0	0	0	0
Total: 76921 Purch Serv - Accretion Exp Fin#7	9,810	0	0	0	0	0	0	0	0	0	0	0	0
Total - P/S - Other	2,195,712	1,810,417	1,878,038	2,079,291	3,101,339	1,739,822	2,449,056	1,809,245	1,839,517	2,044,630	2,011,309	2,230,583	2,623,755
Rental & Leases:													
77500 Rental/Lease Costs-Buildings:													
8511-7195-77500 Rental/Lease Costs-Buildings	4,756	0	160	0	0	0	0	0	4,756	4,756	4,756	0	9,511
8511-7268-77500 Rental/Lease Costs-Buildings	7,809	7,809	7,809	8,746	7,965	7,809	7,809	6,809	7,809	8,590	7,965	16,727	9,365
8511-8610-77500 Rental/Lease Costs-Buildings	2,901	3,129	3,129	3,129	3,129	3,129	3,129	3,129	3,129	3,129	3,129	4,878	4,032
8511-8820-77500 Rental/Lease Costs-Buildings	83,439	83,248	74,326	74,326	74,326	74,496	74,496	79,995	76,372	85,615	80,939	80,119	79,441
Total: 77500 Rental/Lease Costs-Buildings	98,905	94,186	85,425	86,202	85,421	85,434	85,434	89,933	92,066	102,090	96,789	101,724	102,349
77510 Rental Cost - Parking Fees:													
8511-8820-77510 RENALT COST - PARKING FEES	20,033	20,033	10,867	20,033	20,033	20,033	20,033	20,033	20,033	20,033	20,783	29,200	15,450
Total: 77510 Rental Cost - Parking Fees	20,033	20,033	10,867	20,033	20,033	20,033	20,033	20,033	20,033	20,033	20,783	29,200	15,450
77600 Rental/Lease Costs-Equip:													
8511-6010-77600 Rental/Lease Costs-Equip	(4,254)	5,258	5,007	(4,653)	202	289	585	3,046	1,526	6,682	5,438	11,353	32,450
8511-6151-77600 Rental/Lease Costs-Equip	6,560	5,648	7,407	(75)	4,517	8,414	1,372	7,841	5,153	7,956	7,310	13,253	9,365
8511-6179-77600 Rental/Lease Costs-Equip	3,134	1,715	20	5,140	2,965	6,626	5,225	5,084	5,589	6,569	6,569	8,228	6,151
8511-6182-77600 Rental/Lease Costs-Equip	12,201	8,108	6,767	8,242	7,850	4,793	6,198	6,030	5,951	4,375	4,375	9,176	6,545
8511-6184-77600 Rental/Lease Costs-Equip	1,468	2,430	41	6,312	3,003	2,508	2,876	4,855	2,274	1,618	1,618	4,551	3,358
8511-6187-77600 Rental/Lease Costs-Equip	573	2,600	30	5,766	3,830	5,775	5,500	4,626	3,715	3,477	3,477	8,452	6,043
8511-6188-77600 Rental/Lease Costs-Equip	1,308	1,524	17	5,178	2,580	4,147	2,529	1,143	2,283	1,270	1,270	5,798	4,193
8511-6580-77600 Rental/Lease Costs-Equip	6,007	3,752	4,518	771	4,244	1,379	9,199	702	1,897	1,439	1,439	4,708	(14,59)
8511-7010-77600 Rental/Lease Costs-Equip	(72)	1,046	1,633	240	132	0	0	0	0	0	0	0	14,676



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7075-77600 Rental/Lease Costs-Equip	445	203	203	203	203	0	203	224	0	224	609	203	203
8511-7400-77600 Rental/Lease Costs-Equip	33,314	11,424	4,052	11,287	11,640	3,102	2,926	2,926	2,926	2,574	14,065	11,538	21,504
8511-7420-77600 Rental/Lease Costs-Equip	117,220	23,444	23,444	23,444	23,444	(163,895)	31,558	25,356	38,271	8,762	40,624	23,551	23,551
8511-7450-77600 Rental/Lease Costs-Equip	0	0	0	0	0	0	0	102	0	430	(6)	212	211
8511-7470-77600 Rental/Lease Costs-Equip	1,910	23,091	9,351	(3,207)	20,453	1,339	6,100	3,412	6,478	350	5,350	4,105	67
8511-7471-77600 Rental/Lease Costs-Equip	210	10	245	245	110	515	345	110	135	110	380	0	0
8511-7480-77600 Rental/Lease Costs-Equip	82,856	56,164	46,566	46,075	70,210	72,774	63,016	69,792	66,818	73,006	42,448	88,835	3,092
8511-7500-77600 Rental/Lease Costs-Equip	504	504	539	539	539	539	70	1,008	500	70	1,008	505	500
8511-7570-77600 Rental/Lease Costs-Equip	0	0	4,950	436	0	0	0	0	4,274	0	0	23,960	12,668
8511-7630-77600 Rental/Lease Costs-Equip	0	(578)	0	0	0	0	0	0	0	0	0	0	0
8511-7680-77600 Rental/Lease Costs-Equip	39,052	3,054	20,980	3,001	25,202	3,277	3,051	14,511	14,387	13,532	23,136	14,240	26,934
8511-7710-77600 Rental/Lease Costs-Equip	37,601	37,620	37,138	36,803	36,478	38,411	36,478	37,126	36,479	36,525	36,478	36,478	36,478
8511-7720-77600 Rental/Lease Costs-Equip	5,017	352	3,058	6,757	7,236	8,321	6,066	4,037	4,192	16,869	22,692	11,157	2,238
8511-7722-77600 Rental/Lease Costs-Equip	2,333	4,219	785	5,656	1,544	(348)	182	5,947	2,280	2,081	3,926	10,679	11,961
8511-8310-77600 Rental/Lease Costs-Equip	4,903	0	0	184	0	2,521	0	2,548	0	0	2,548	0	0
8511-8402-77600 Rental/Lease Costs-Equip	12,736	59	12,980	6,535	6,535	6,535	6,535	6,535	6,535	6,535	6,632	6,567	6,696
8511-8460-77600 Rental/Lease Costs-Equip	0	(578)	0	0	0	0	0	0	0	0	0	0	0
8511-8510-77600 Rental/Lease Costs-Equip	0	0	0	0	0	0	0	0	0	0	0	0	237,983
8511-8610-77600 Rental/Lease Costs-Equip	31,171	34,813	41,462	33,199	31,873	26,151	0	67,005	33,503	33,503	33,503	33,503	(67,005)
8511-8720-77600 Rental/Lease Costs-Equip	2,951	(306)	1,175	1,175	1,175	0	0	0	0	0	0	0	0
<b>Total: 77600 Rental/Lease Costs-Equip</b>	<b>399,148</b>	<b>225,578</b>	<b>232,368</b>	<b>199,250</b>	<b>265,965</b>	<b>33,171</b>	<b>190,014</b>	<b>273,964</b>	<b>245,163</b>	<b>227,956</b>	<b>264,889</b>	<b>331,151</b>	<b>398,404</b>
77605 Copy Machine Leases:													
8511-6010-77605 COPY MACHINE LEASES	25	341	170	130	141	164	174	138	179	167	188	178	196
8511-6070-77605 COPY MACHINE LEASES	19	27	300	38	95	27	23	26	29	233	18	117	15
8511-6151-77605 COPY MACHINE LEASES	192	146	341	180	134	171	123	147	124	126	183	147	123
8511-6182-77605 COPY MACHINE LEASES	13	167	75	67	56	86	84	75	71	72	86	63	63
8511-6184-77605 COPY MACHINE LEASES	87	72	77	64	55	71	59	78	59	60	90	50	56
8511-6187-77605 COPY MACHINE LEASES	193	132	158	146	104	165	145	158	139	132	200	118	141
8511-6188-77605 COPY MACHINE LEASES	120	85	78	73	66	91	56	52	50	73	84	60	59
8511-6340-77605 COPY MACHINE LEASES	67	792	388	388	316	486	417	329	322	290	360	260	314
8511-6380-77605 COPY MACHINE LEASES	134	212	102	260	102	187	206	163	137	123	179	131	127
8511-6530-77605 COPY MACHINE LEASES	1	13	78	12	21	9	41	15	7	46	1	37	1
8511-6580-77605 COPY MACHINE LEASES	27	429	16	18	168	5	7	200	11	83	3	6	6
8511-7010-77605 COPY MACHINE LEASES	273	305	224	227	167	266	264	197	207	203	295	193	67
8511-7011-77605 COPY MACHINE LEASES	88	61	79	101	74	111	101	106	117	86	125	83	89
8511-7075-77605 COPY MACHINE LEASES	6	126	53	79	61	51	10	78	41	33	38	47	46
8511-7080-77605 COPY MACHINE LEASES	37	27	38	31	27	43	43	45	56	40	67	31	34
8511-7087-77605 COPY MACHINE LEASES	212	205	239	139	54	75	52	61	79	59	91	61	72
8511-7183-77605 COPY MACHINE LEASES	0	7	11	25	9	9	5	34	2	19	1	8	2
8511-7195-77605 COPY MACHINE LEASES	162	166	180	182	1,183	180	190	481	1,942	372	191	169	721
8511-7268-77605 COPY MACHINE LEASES	77	99	126	108	92	98	83	83	81	190	84	96	118
8511-7400-77605 COPY MACHINE LEASES	16	19	3	132	12	18	15	9	18	0	5	163	6
8511-7420-77605 COPY MACHINE LEASES	251	170	188	194	185	225	204	154	176	138	230	134	120
8511-7427-77605 COPY MACHINE LEASES	118	137	143	130	78	128	126	118	131	143	110	137	154
8511-7429-77605 COPY MACHINE LEASES	68	55	70	733	147	95	66	251	77	267	89	63	355
8511-7471-77605 COPY MACHINE LEASES	13	12	14	29	9	23	21	16	17	23	16	21	5
8511-7500-77605 COPY MACHINE LEASES	222	198	188	192	150	209	149	157	181	167	206	185	187
8511-7570-77605 COPY MACHINE LEASES	9	124	49	49	42	59	58	49	54	54	74	59	60
8511-7591-77605 COPY MACHINE LEASES	19	99	63	61	56	71	58	54	55	50	52	43	47
8511-7630-77605 COPY MACHINE LEASES	120	301	176	96	206	177	151	134	137	149	191	147	152
8511-7642-77605 COPY MACHINE LEASES	77	67	63	60	62	67	58	54	65	64	82	60	60
8511-7690-77605 COPY MACHINE LEASES	1	26	25	18	12	20	9	15	14	8	14	10	5
8511-7710-77605 COPY MACHINE LEASES	249	274	247	267	236	313	243	317	284	236	312	195	202
8511-7760-77605 COPY MACHINE LEASES	1	1	44	13	6	0	1	13	2	0	1	52	14
8511-7775-77605 COPY MACHINE LEASES	3	77	47	41	34	45	38	47	49	37	52	35	31
8511-8215-77605 COPY MACHINE LEASES	133	70	91	74	74	66	79	74	105	80	53	42	97
8511-8310-77605 COPY MACHINE LEASES	4,705	2,899	3,387	3,745	3,147	3,153	5,078	4,283	3,412	3,359	4,392	4,786	4,816
8511-8340-77605 COPY MACHINE LEASES	154	0	8	0	422	221	159	178	167	1,773	157	129	150
8511-8360-77605 COPY MACHINE LEASES	36	36	46	48	31	43	38	41	47	55	46	33	27
8511-8400-77605 COPY MACHINE LEASES	50	55	46	42	41	46	51	46	61	44	46	48	53
8511-8402-77605 COPY MACHINE LEASES	45	39	43	44	36	48	41	38	39	39	48	36	38
8511-8460-77605 COPY MACHINE LEASES	30	23	39	44	39	47	39	44	40	30	67	38	31
8511-8465-77605 COPY MACHINE LEASES	4	4	4	3	6	3	2	5	10	7	23	9	6
8511-8470-77605 COPY MACHINE LEASES	103	79	80	77	67	107	88	68	87	58	97	61	74
8511-8480-77605 COPY MACHINE LEASES	13	10	(10)	0	0	5	(5)	5	(5)	0	29	(29)	34
8511-8486-77605 COPY MACHINE LEASES	11	5	5	2	3	2	8	3	6	7	39	8	5
8511-8510-77605 COPY MACHINE LEASES	6	0	8	14	8	9	6	13	10	6	5	6	6
8511-8530-77605 COPY MACHINE LEASES	134	1,144	65	170	339	551	495	489	496	497	561	(4,396)	402
8511-8560-77605 COPY MACHINE LEASES	1,101	1,076	978	965	766	998	884	768	908	815	1,050	805	810
8511-8591-77605 COPY MACHINE LEASES	40	37	33	43	16	15	1	7	5	6	6	9	0
8511-8610-77605 COPY MACHINE LEASES	233	228	1,056	594	1,712	716	249	310	300	458	349	808	(57,783)
8511-8630-77605 COPY MACHINE LEASES	20	19	15	20	13	15	15	14	28	18	17	14	13
8511-8650-77605 COPY MACHINE LEASES	150	128	177	137	80	143	146	138	149	117	171	109	140
8511-8660-77605 COPY MACHINE LEASES	20	13	23	16	10	18	17	21	32	16	30	26	42
8511-8670-77605 COPY MACHINE LEASES	35	36	22	54	19	41	18	13	17	8	26	19	19
8511-8680-77605 COPY MACHINE LEASES	14	2	1	8	1	6	5	13	7	0	0	1	12
8511-8690-77605 COPY MACHINE LEASES	2	1	0	0	1	0	1	1	0	3	0	0	0
8511-8700-77605 COPY MACHINE LEASES	3,238	2,443	3,106	2,811	2,537	2,886	2,469	2,825	2,371	2,222	2,291	(23,080)	2,357
8511-8710-77605 COPY MACHINE LEASES	77	78	94	78	71	123	66	62	59	51	90	93	60
8511-8720-77605 COPY MACHINE LEASES	241	231	290	265	231	333	275	302	279	156	117	99	96
8511-8751-77605 COPY MACHINE LEASES	342	289	367	414	450	628	498	502	495	486	510	414	444
8511-8752-77605 COPY MACHINE LEASES	128	102	65	77	63	176	117	120	144	124	135	107	148
8511-8754-77605 COPY MACHINE LEASES	7	10	3	6	6	21	17	2	5	8	9	8	17
8511-8757-77605 COPY MACHINE LEASES	114	83	72	83	85	137	182	73	87	89	113	87	110
8511-8771-77605 COPY MACHINE LEASES	0	0	0	0	0	0	0	0	1	2	1	0	1
8511-8780-77605 COPY MACHINE LEASES	402	371	362	300	242	256	223	239	267	293	354	278	668
<b>Total: 77605 Copy Machine Leases</b>	<b>14,486</b>	<b>14,486</b>	<b>14,529</b>	<b>14,416</b>	<b>14,678</b>	<b>14,553</b>	<b>14,543</b>	<b>14,553</b>	<b>14,543</b>	<b>14,548</b>	<b>14,553</b>	<b>(16,270)</b>	<b>(43,658)</b>
<b>Total - Rental &amp; Leases</b>	<b>532,572</b>	<b>354,283</b>	<b>343,188</b>	<b>319,901</b>	<b>386,097</b>	<b>153,192</b>	<b>310,025</b>	<b>398,483</b>	<b>371,805</b>	<b>364,627</b>	<b>397,014</b>	<b>445,806</b>	<b>472,545</b>
<b>Other Expenses:</b>													
78300 Licenses & Taxes:													
8511-6070-78300 Licenses & Taxes	0	0	0	0	975	0							



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7500-78300 Licenses & Taxes	842	842	842	842	842	4,433	842	875	875	875	875	875	875
8511-7570-78300 Licenses & Taxes	0	0	850	0	0	0	0	0	0	0	0	0	2,100
8511-7573-78300 Licenses & Taxes	0	0	450	0	0	0	0	0	0	0	0	0	0
8511-7630-78300 Licenses & Taxes	549	549	549	549	549	549	549	549	549	549	16,813	549	549
8511-7650-78300 Licenses & Taxes	0	0	0	0	0	0	0	0	0	4,320	0	8,295	0
8511-7710-78300 Licenses & Taxes	0	0	0	0	0	0	1,996	0	0	0	0	0	0
8511-7720-78300 Licenses & Taxes	0	0	0	315	0	0	0	0	0	0	0	0	0
8511-7722-78300 Licenses & Taxes	0	0	0	0	0	0	1,561	0	0	0	0	0	0
8511-8400-78300 Licenses & Taxes	0	0	0	0	0	0	0	0	0	344	0	0	0
8511-8420-78300 Licenses & Taxes	0	222	0	0	0	0	0	300	0	0	0	0	602
8511-8440-78300 Licenses & Taxes	1,239	1,239	1,239	1,239	1,239	2,639	1,239	1,239	6,093	1,265	2,761	1,639	1,639
8511-8460-78300 Licenses & Taxes	96	0	5,457	18,706	8,232	20,785	6,339	6,410	6,784	6,465	6,339	6,339	6,339
8511-8510-78300 Licenses & Taxes	0	0	0	0	0	0	0	0	0	0	0	180	0
8511-8610-78300 Licenses & Taxes	24,651	14,538	14,531	14,586	14,531	22,490	74,059	26,614	26,771	34,184	27,425	26,375	28,385
8511-8754-78300 Licenses & Taxes	0	0	0	20	0	285	0	6,627	0	3	0	0	0
8511-8771-78300 Licenses & Taxes	0	0	0	0	113	0	0	0	0	0	0	0	398
8511-8850-78300 Licenses & Taxes	0	0	1,508	0	0	0	0	0	0	0	0	0	0
Total: 78300 Licenses & Taxes	10,574	17,389	26,322	36,256	26,480	51,878	87,283	43,311	42,744	48,703	54,910	44,949	41,584
78310 Property Taxes:													
8511-7268-78310 Property Taxes	0	0	0	0	0	0	0	0	0	6,809	0	0	0
8511-7710-78310 Property Taxes	0	0	0	0	0	0	3,282	0	0	0	0	0	0
8511-8402-78310 Property Taxes	0	0	0	0	0	0	854	0	0	0	0	0	0
8511-8850-78310 Property Taxes	10,380	10,380	4,050	4,050	4,050	14,756	44,097	11,422	11,422	735	12,142	12,142	12,142
Total: 78310 Property Taxes	10,380	10,380	4,050	4,050	4,050	14,756	48,232	11,422	11,422	7,544	12,142	12,142	12,142
78400 Other Costs:													
8511-8510-78400 Other Costs	8,582	7,885	(15,587)	18,240	10,863	1,009	(266)	18,914	11,857	14,302	13,949	12,925	5,936
8511-8610-78400 Other Costs	1,483	0	0	0	0	0	0	0	0	0	0	0	0
Total: 78400 Other Costs	10,065	7,885	(15,587)	18,240	10,863	1,009	(266)	18,914	11,857	14,302	13,949	12,925	5,936
78500 Telephone/Telegraph:													
8511-6010-78500 Telephone/Telegraph	18	18	18	18	24	18	18	18	18	18	18	0	0
8511-6070-78500 Telephone/Telegraph	6	6	6	6	0	6	6	6	6	6	6	0	0
8511-6151-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-6182-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	12	6	0	0
8511-6184-78500 Telephone/Telegraph	6	6	6	6	6	1,095	748	6	6	6	6	0	0
8511-6187-78500 Telephone/Telegraph	18	18	18	18	18	18	18	18	18	18	18	0	0
8511-6188-78500 Telephone/Telegraph	12	12	12	12	12	12	12	12	12	12	12	0	0
8511-6290-78500 Telephone/Telegraph	12	12	12	12	12	12	12	12	12	12	12	0	0
8511-6340-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-6380-78500 Telephone/Telegraph	6	12	12	6	6	6	408	6	6	6	6	0	0
8511-6382-78500 Telephone/Telegraph	6	0	0	6	6	6	0	6	6	6	6	0	0
8511-6530-78500 Telephone/Telegraph	0	0	0	0	0	6	0	6	0	0	0	0	0
8511-6580-78500 Telephone/Telegraph	6	6	6	6	6	24	6	6	6	6	6	0	0
8511-7010-78500 Telephone/Telegraph	24	24	24	24	24	125	24	24	24	24	24	0	0
8511-7011-78500 Telephone/Telegraph	125	125	125	125	125	0	125	125	125	125	125	0	0
8511-7050-78500 Telephone/Telegraph	12	12	12	12	12	12	12	12	12	12	12	0	0
8511-7075-78500 Telephone/Telegraph	4,419	761	2,821	0	0	0	0	0	0	0	0	0	0
8511-7076-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-7195-78500 Telephone/Telegraph	0	6	0	0	0	0	0	0	0	0	0	0	0
8511-7268-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-7400-78500 Telephone/Telegraph	18	18	18	143	10,930	2,350	711	698	18	18	18	0	0
8511-7420-78500 Telephone/Telegraph	125	125	125	0	125	125	125	125	125	125	125	0	0
8511-7427-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-7429-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-7450-78500 Telephone/Telegraph	30	30	30	30	30	30	30	30	30	30	30	0	0
8511-7500-78500 Telephone/Telegraph	54	54	54	54	54	54	54	54	54	54	54	0	0
8511-7570-78500 Telephone/Telegraph	137	137	137	137	137	137	137	137	137	137	137	0	0
8511-7573-78500 Telephone/Telegraph	12	12	12	12	12	12	12	12	12	12	12	0	0
8511-7591-78500 Telephone/Telegraph	36	36	36	36	36	36	36	36	36	36	36	0	0
8511-7620-78500 Telephone/Telegraph	0	54	0	0	54	0	0	0	0	0	0	0	0
8511-7630-78500 Telephone/Telegraph	54	0	54	54	0	54	54	54	54	54	54	0	0
8511-7642-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-7680-78500 Telephone/Telegraph	12	12	12	12	12	12	12	12	12	12	12	0	0
8511-7720-78500 Telephone/Telegraph	42	42	42	42	42	42	42	42	42	42	42	0	0
8511-7760-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-7775-78500 Telephone/Telegraph	24	24	24	24	24	24	24	24	24	24	24	0	0
8511-8310-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-8340-78500 Telephone/Telegraph	12	6	6	6	6	6	6	6	6	6	6	0	0
8511-8370-78500 Telephone/Telegraph	101	101	101	101	101	101	101	101	101	101	101	0	0
8511-8380-78500 Telephone/Telegraph	(6)	0	0	0	0	0	0	0	0	0	0	0	0
8511-8400-78500 Telephone/Telegraph	12	12	12	12	12	12	12	12	12	12	12	0	0
8511-8402-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	6	6	0	0
8511-8420-78500 Telephone/Telegraph	12	12	12	12	12	12	12	12	12	12	12	0	0
8511-8440-78500 Telephone/Telegraph	374	374	374	374	374	374	374	374	374	374	374	0	0
8511-8460-78500 Telephone/Telegraph	178	178	178	178	178	178	178	178	178	178	178	0	0
8511-8470-78500 Telephone/Telegraph	60,824	10,570	25,242	26,914	29,829	30,955	29,063	(45,857)	14,398	11,138	26,382	21,220	15,803
8511-8480-78500 Telephone/Telegraph	85	(418)	418	0	0	0	0	0	0	0	0	0	0
8511-8560-78500 Telephone/Telegraph	24	24	24	24	24	24	24	24	24	24	24	0	0
8511-8561-78500 Telephone/Telegraph	0	6	0	0	0	0	0	0	0	0	0	0	0
8511-8610-78500 Telephone/Telegraph	6	6	12	6	6	6	6	12	6	12	6	0	0
8511-8620-78500 Telephone/Telegraph	0	0	0	6	6	6	6	6	6	0	6	0	0
8511-8680-78500 Telephone/Telegraph	24	24	24	24	24	24	24	24	24	24	24	0	0
8511-8720-78500 Telephone/Telegraph	6	6	6	6	6	6	6	6	6	0	6	0	0
8511-8751-78500 Telephone/Telegraph	6	0	0	0	0	0	0	0	0	0	0	0	0
8511-8752-78500 Telephone/Telegraph	71	71	71	71	71	71	71	71	71	71	71	0	0
8511-8780-78500 Telephone/Telegraph	0	0	359	353	0	359	0	0	238	0	0	0	0
Total: 78500 Telephone/Telegraph	67,005	12,591	30,517	28,944	42,419	36,413	32,572	(43,499)	16,314	12,816	26,060	21,220	15,803
78502 Mobile Phones Service:													
8511-7075-78502 Mobile Phones Service	0	2,829	0	3,135	3,685	2,813	0	3,165	6,056	2,885	3,173	0	7,605
8511-8470-78502 Mobile Phones Service	0	4,885	0	0	177	4,218	131	7,872	9,514	0	4,329	12,978	5,125
8511-8780-78502 Mobile Phones Service	0	353	(116)	0	177	0	0	707	116	360	361	360	354
Total: 78502 Mobile Phones Service	0	8,067	(116)	3,135	4,038	7,031	131	11,744	15,685	3,246	7,863	13,338	13,084
78600 Dues & Subscriptions:													



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-6070-78600 Dues & Subscriptions	833	833	833	833	833	833	833	833	833	833	833	833	833
8511-7011-78600 Dues & Subscriptions	0	0	0	0	0	4,000	0	0	0	0	0	0	0
8511-7041-78600 Dues & Subscriptions	100	0	0	0	0	0	0	0	0	100	0	0	0
8511-7076-78600 Dues & Subscriptions	0	393	0	540	0	0	0	0	0	0	0	0	0
8511-7471-78600 Dues & Subscriptions	0	0	0	0	0	0	0	0	0	0	0	3,500	0
8511-7500-78600 Dues & Subscriptions	0	0	0	198	1,858	660	0	0	0	699	0	0	0
8511-7540-78600 Dues & Subscriptions	0	0	0	0	0	0	3,235	0	0	0	0	0	0
8511-7591-78600 Dues & Subscriptions	0	0	0	0	0	0	3,650	0	0	0	0	0	0
8511-7630-78600 Dues & Subscriptions	0	0	0	0	0	172	0	0	0	0	0	0	0
8511-7642-78600 Dues & Subscriptions	0	0	0	0	14	0	0	0	0	0	0	0	14
8511-7710-78600 Dues & Subscriptions	1,650	0	0	0	0	0	0	0	0	0	0	0	0
8511-7720-78600 Dues & Subscriptions	0	408	0	0	888	0	0	(1,296)	0	0	0	0	(402)
8511-7722-78600 Dues & Subscriptions	0	408	0	0	816	3,282	0	(1,632)	0	(414)	0	0	(414)
8511-8215-78600 Dues & Subscriptions	300	0	0	0	0	0	0	0	0	0	0	0	0
8511-8340-78600 Dues & Subscriptions	0	280	0	291	(146)	0	0	50	0	0	0	0	0
8511-8610-78600 Dues & Subscriptions	867	10	0	0	0	295	455	0	4,500	750	750	3,885	750
8511-8616-78600 Dues & Subscriptions	250	0	0	0	0	0	0	0	0	0	0	0	0
8511-8650-78600 Dues & Subscriptions	0	1,175	0	0	0	195	0	1,175	0	0	0	0	1,175
8511-8680-78600 Dues & Subscriptions	0	0	0	0	10	0	0	109	0	0	123	114	90
8511-8752-78600 Dues & Subscriptions	1,402	1,182	1,182	1,182	1,182	967	1,182	0	160	0	399	0	2,851
Total: 78600 Dues & Subscriptions	5,402	4,688	2,015	3,044	5,456	10,404	9,355	(761)	5,493	1,968	2,105	8,332	4,897
78620 RETAIL FLOWERS:													
8511-8650-78620 RETAIL FLOWERS	0	0	0	0	0	0	582	0	0	0	0	0	0
Total: 78620 RETAIL FLOWERS	0	0	0	0	0	0	582	0	0	0	0	0	0
78700 Outside Training Sessions:													
8511-6580-78700 Outside Training Sessions	0	1,074	0	0	0	0	0	0	0	0	0	0	0
8511-7041-78700 Outside Training Sessions	0	0	0	0	0	0	900	0	0	0	0	0	0
8511-7075-78700 Outside Training Sessions	0	0	0	0	0	0	0	0	0	0	0	0	567
8511-7076-78700 Outside Training Sessions	0	705	0	0	0	0	0	0	0	0	0	0	0
8511-7268-78700 Outside Training Sessions	0	0	0	0	0	4,852	0	35	0	0	0	0	0
8511-8340-78700 Outside Training Sessions	0	0	0	0	0	0	0	0	675	0	0	0	0
8511-8610-78700 Outside Training Sessions	0	0	0	1,585	0	0	0	0	0	0	0	0	0
8511-8650-78700 Outside Training Sessions	0	0	0	0	0	0	0	159	0	0	0	0	0
Total: 78700 Outside Training Sessions	0	1,779	0	1,585	0	4,852	900	0	194	675	0	0	567
78750 Meetings & Conventions:													
8511-6340-78750 Meetings & Conventions	0	0	345	0	0	0	1,670	0	0	0	0	0	0
8511-7075-78750 Meetings & Conventions	0	0	0	0	0	0	0	0	0	0	0	0	290
8511-7268-78750 Meetings & Conventions	0	0	0	0	0	0	0	0	0	0	0	36	0
8511-7630-78750 Meetings & Conventions	0	0	0	0	0	0	0	0	0	0	0	0	1,740
8511-8616-78750 Meetings & Conventions	199	99	0	0	0	0	0	0	0	0	0	0	0
8511-8720-78750 Meetings & Conventions	0	0	0	0	0	0	0	0	0	0	0	0	775
8511-8752-78750 Meetings & Conventions	0	0	0	599	0	0	0	0	0	0	0	0	0
Total: 78750 Meetings & Conventions	199	99	345	599	0	0	1,670	0	0	0	0	36	2,805
78800 Travel:													
8511-8610-78800 Travel	0	0	0	1,500	142	3,221	10,610	(9,223)	219	(1,351)	8,264	287	4,044
8511-8615-78800 Travel	343	21	300	450	364	343	43	300	2,271	129	1,093	964	1,243
8511-8650-78800 Travel	0	0	0	0	0	0	0	0	0	0	0	0	2,883
8511-8677-78800 Travel	392	160	112	162	111	81	212	53	135	133	170	532	160
Total: 78800 Travel	735	181	412	2,112	618	3,645	10,865	(8,869)	2,625	(1,089)	9,527	1,783	8,330
78801 Travel Transportation:													
8511-7500-78801 Travel Transportation	0	0	0	0	0	0	0	0	0	0	0	0	126
8511-8231-78801 Rail & Public Transportation	0	0	0	0	0	0	18	0	0	0	0	0	0
8511-8510-78801 Travel Transportation	0	0	196	0	0	0	0	0	0	0	0	0	0
Total: 78801 Travel Transportation	0	0	196	0	0	0	18	0	0	0	0	0	126
78802 Airfare & Rail:													
8511-6188-78802 Airfare	0	0	0	0	0	0	196	0	0	0	0	0	0
8511-6580-78802 Airfare	0	667	0	0	0	0	0	0	0	0	0	0	0
8511-7500-78802 Airfare	0	0	0	0	0	0	0	0	0	0	0	0	672
8511-7630-78802 Airfare	0	0	0	0	0	0	0	0	0	0	133	0	0
8511-8231-78802 Airfare	0	0	0	0	0	0	347	0	0	0	0	0	0
8511-8560-78802 Airfare	0	0	0	0	0	0	79	0	0	0	178	0	0
8511-8610-78802 Airfare	200	832	965	0	901	209	0	0	198	0	0	0	1,571
8511-8650-78802 Airfare	0	0	0	0	268	0	0	0	525	0	0	0	0
8511-8720-78802 Airfare	0	0	0	0	134	0	0	0	0	0	0	0	487
8511-8752-78802 Airfare	0	0	0	468	0	0	0	0	0	0	0	0	0
8511-8754-78802 Airfare	0	0	0	0	0	0	0	0	0	268	284	292	0
Total: 78802 Airfare & Rail	200	1,499	965	468	1,303	209	544	79	723	268	595	292	2,730
78803 Car Rental:													
8511-7500-78803 Car Rental	0	0	0	0	0	0	0	0	0	0	0	0	102
8511-8610-78803 Car Rental	0	0	0	0	111	141	0	0	0	0	0	0	0
8511-8754-78803 Car Rental	0	0	0	0	0	0	0	0	0	0	0	136	0
Total: 78803 Car Rental	0	0	0	0	111	141	0	0	0	0	0	136	102
78804 Gasoline:													
8511-7075-78804 Gasoline	0	0	0	0	0	0	0	0	0	10	0	0	0
8511-8310-78804 Gasoline	0	0	0	0	0	0	0	0	0	0	0	0	98
8511-8420-78804 Gasoline	0	0	0	0	0	0	0	0	0	0	0	0	60
8511-8610-78804 Gasoline	0	0	0	0	24	0	0	0	0	0	0	0	0
Total: 78804 Gasoline	0	0	0	0	24	0	0	0	0	10	0	0	158
78805 Mileage:													
8511-6010-78805 Mileage	0	0	0	0	47	0	0	0	0	0	0	0	0
8511-6070-78805 Mileage	0	0	0	0	24	0	0	0	0	0	0	0	0
8511-6380-78805 Mileage	0	0	0	0	8	0	0	0	0	0	0	0	0



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-7041-78805 Mileage	0	159	0	0	288	34	0	34	0	0	34	0	0
8511-7075-78805 Mileage	245	209	81	81	74	268	310	85	55	153	6	37	202
8511-7268-78805 Mileage	71	184	135	153	121	181	120	197	382	382	224	359	219
8511-7400-78805 Mileage	0	0	0	0	12	0	0	0	0	0	0	0	0
8511-8510-78805 Mileage	0	0	0	0	0	0	0	0	0	0	0	0	14
8511-8615-78805 Mileage	0	15	0	0	0	0	0	0	0	0	0	0	0
8511-8650-78805 Mileage	0	0	0	0	0	0	311	0	15	0	0	0	0
8511-8677-78805 Mileage	0	0	0	0	41	0	0	0	0	29	0	0	0
8511-8710-78805 Mileage	0	0	0	0	0	0	0	0	0	0	0	42	0
8511-8754-78805 Mileage	0	0	0	0	0	0	0	0	0	0	0	117	0
8511-8771-78805 Mileage	0	0	0	0	0	0	0	0	0	0	55	0	21
Total: 78805 Mileage	315	567	216	235	615	482	740	315	452	564	319	555	455
78806 Parking & Tolls:													
8511-6340-78806 Parking & Tolls	0	0	10	0	0	0	0	0	0	0	0	0	0
8511-7075-78806 Parking & Tolls	105	41	7	0	0	83	63	4	7	48	0	0	42
8511-7076-78806 Parking & Tolls	0	0	111	0	0	0	0	0	0	0	0	0	0
8511-7268-78806 Parking & Tolls	0	15	0	6	0	40	0	6	0	0	0	0	0
8511-7570-78806 Parking & Tolls	0	0	0	0	0	0	0	0	0	0	0	0	60
8511-8231-78806 Parking	0	0	0	0	0	0	40	0	0	0	0	0	0
8511-8560-78806 Parking & Tolls	0	0	0	0	0	0	0	0	0	0	57	0	0
8511-8610-78806 Parking & Tolls	0	0	0	0	0	0	209	0	30	0	0	0	0
8511-8615-78806 Parking & Tolls	16	0	0	0	0	0	0	0	0	0	0	0	0
8511-8650-78806 Parking & Tolls	0	0	0	0	0	0	76	0	30	0	0	0	0
8511-8720-78806 Parking & Tolls	0	0	0	0	43	15	0	0	0	0	0	0	0
8511-8754-78806 Parking & Tolls	0	0	0	0	0	0	0	0	0	48	0	0	0
Total: 78806 Parking & Tolls	121	56	128	6	43	138	388	10	67	96	57	0	102
78808 Lodging & Hotels:													
8511-6188-78808 Hotels & Lodging	0	0	0	0	0	0	998	0	0	0	0	0	0
8511-6340-78808 Lodging & Hotels	0	0	0	0	0	0	707	0	0	0	0	0	0
8511-6580-78808 Hotels & Lodging	0	985	0	0	0	0	0	0	0	0	0	0	0
8511-7076-78808 Lodging & Hotels	0	0	656	0	0	0	0	0	0	0	0	0	0
8511-7500-78808 Lodging & Hotels	0	0	0	0	0	0	0	0	0	0	0	0	539
8511-7570-78808 Lodging & Hotels	0	0	0	0	0	0	0	0	0	0	0	0	153
8511-7591-78808 Lodging & Hotels	0	285	0	0	0	0	0	0	0	0	0	0	0
8511-7630-78808 Lodging & Hotels	0	0	0	0	0	0	0	0	0	0	153	0	0
8511-8560-78808 Lodging & Hotels	0	0	0	0	0	0	483	0	0	483	0	0	0
8511-8610-78808 Lodging & Hotels	0	0	0	0	882	234	1,304	0	0	0	0	0	0
8511-8650-78808 Lodging & Hotels	0	0	0	0	0	0	369	0	276	0	0	0	0
8511-8720-78808 Lodging & Hotels	0	334	347	150	1,027	180	260	0	418	0	134	307	1,220
8511-8752-78808 Lodging & Hotels	0	0	0	333	0	0	0	0	0	0	0	0	0
8511-8754-78808 Lodging & Hotels	0	0	0	0	0	0	0	0	0	101	224	261	0
Total: 78808 Lodging & Hotels	0	1,604	1,003	483	1,909	414	3,638	483	695	101	994	568	1,912
78810 Business Meals:													
8511-6188-78810 Business Meals - Attendees	0	0	0	0	0	0	135	0	0	0	0	0	0
8511-6340-78810 Business Meals - Attendees	0	0	0	0	0	0	120	0	0	0	0	0	0
8511-7075-78810 Business Meals - Attendees	0	0	250	164	(82)	0	0	0	0	0	0	0	0
8511-7076-78810 Business Meals - Attendees	0	0	83	0	0	0	0	1,054	0	0	0	0	0
8511-7500-78810 Business Meals - Attendees	0	0	0	0	0	0	0	0	0	0	0	0	91
8511-7570-78810 Business Meals - Attendees	0	0	0	0	0	0	0	0	0	0	0	0	101
8511-7630-78810 Business Meals - Attendees	0	0	0	0	0	0	0	0	0	44	0	0	0
8511-8231-78810 Business Meals - Attendees	0	0	0	0	0	0	42	0	0	0	0	0	0
8511-8560-78810 Business Meals - Attendees	0	0	0	0	0	0	0	0	0	22	0	0	0
8511-8610-78810 Business Meals - Attendees	0	0	161	239	74	0	0	0	17	83	0	80	0
8511-8650-78810 Business Meals - Attendees	0	0	0	0	0	0	0	0	35	0	0	0	0
8511-8752-78810 Business Meals - Attendees	0	0	0	170	0	0	0	0	0	0	0	0	0
8511-8754-78810 Business Meals - Attendees	0	0	0	0	0	0	0	0	0	0	13	0	0
Total: 78810 Business Meals	0	0	494	573	(8)	0	297	1,054	52	83	79	80	192
78811 Catering & Business Meals:													
8511-7075-78811 Catering and Business Meals	0	0	0	0	0	0	200	0	0	0	0	0	0
8511-7427-78811 Catering and Business Meals	250	0	0	0	0	0	0	0	0	0	0	0	0
8511-8610-78811 Catering and Business Meals	0	0	0	0	0	0	0	0	0	0	0	1,400	1,141
Total: 78811 Catering & Business Meals	250	0	0	0	0	0	200	0	0	0	0	1,400	1,141
78813 Individual Meals:													
8511-6188-78813 Taxi	0	0	0	0	0	0	130	0	0	0	0	0	0
8511-7570-78813 Individual Meals	0	0	0	0	0	0	0	0	0	0	0	0	55
8511-8231-78813 Taxi	0	0	0	0	0	0	59	0	0	0	0	0	0
8511-8610-78813 Individual Meals	0	0	202	0	194	0	0	0	22	268	0	86	0
8511-8650-78813 Individual Meals	0	0	0	0	56	0	0	0	46	0	0	0	0
8511-8720-78813 Individual Meals	0	0	0	0	84	0	0	0	0	0	0	0	0
8511-8752-78813 Individual Meals	0	0	0	62	0	0	0	0	0	0	0	0	0
8511-8754-78813 Individual Meals	0	0	0	0	0	0	0	0	0	79	81	0	0
Total: 78813 Individual Meals	0	0	202	62	334	0	188	0	68	347	81	86	55
78814 Entertainment - Staff:													
8511-7075-78814 Entertainment - Staff	12	0	0	0	0	0	0	0	0	0	0	0	0
Total: 78814 Entertainment - Staff	12	0	0	0	0	0	0	0	0	0	0	0	0
78900 Recruiting:													
8511-6179-78900 Recruiting	612	0	0	0	0	0	0	0	0	0	0	0	0
8511-8610-78900 Recruiting	17,025	(525)	1,050	525	1,530	0	0	0	0	(20,000)	5,000	0	0
8511-8650-78900 Recruiting	2,131	2,730	0	0	(5,342)	4,410	3,697	84,389	4,843	10,690	0	93,654	71,600
Total: 78900 Recruiting	19,768	2,205	1,050	525	(3,812)	4,410	3,697	84,389	4,843	(9,310)	5,000	93,654	71,600
78911 Physician Recruitment:													
8511-8610-78911 PHYSICIAN RECRUITMENT	(46,071)	16,447	13,572	10,981	14,544	(55,545)	0	0	0	0	0	0	0
Total: 78911 Physician Recruitment	(46,071)	16,447	13,572	10,981	14,544	(55,545)	0	0	0	0	0	0	0
79000 Other Expenses:													



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-6182-79000 Other Expenses	114	0	0	0	0	0	0	0	0	0	0	0	0
8511-6184-79000 Other Expenses	0	0	0	0	0	0	0	0	1,915	0	0	0	0
8511-6188-79000 Other Expenses	0	0	0	0	0	0	0	0	0	0	0	250	0
8511-6340-79000 Other Expenses	0	0	0	0	158	0	0	0	0	0	0	0	0
8511-6382-79000 Other Expenses	0	0	0	0	0	0	0	0	250	0	0	0	0
8511-6580-79000 Other Expenses	0	0	0	0	0	0	0	125	0	0	0	0	0
8511-7010-79000 Other Expenses	0	0	0	0	0	0	0	0	792	0	18	0	0
8511-7011-79000 Other Expenses	0	0	0	0	715	2,400	0	1,940	0	715	0	0	0
8511-7041-79000 Other Expenses	701	0	0	0	0	0	0	0	0	0	0	0	0
8511-7075-79000 Other Expenses	62	0	7	8	16	23	18	97	11	10	14	65	23
8511-7076-79000 Other Expenses	0	0	0	0	0	367	0	0	0	0	0	0	0
8511-7268-79000 Other Expenses	0	0	167	0	0	0	0	0	0	0	0	0	0
8511-7400-79000 Other Expenses	0	0	0	0	0	0	0	0	250	0	0	0	0
8511-7420-79000 Other Expenses	300	0	0	0	0	0	0	0	0	0	0	529	0
8511-7500-79000 Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	88
8511-7570-79000 Other Expenses	0	0	0	0	0	0	0	0	0	0	0	0	6
8511-7710-79000 Other Expenses	0	0	0	120	0	0	1,780	0	0	0	0	0	0
8511-8049-79000 Other Expenses	0	0	0	15	0	0	0	0	1,125	0	0	0	200
8511-8340-79000 Other Expenses	0	50	296	82	(23)	0	152	0	15	45	81	135	
8511-8610-79000 Other Expenses	89,135	0	(1,773)	2,556	3,544	28,308	208	0	18,445	68,717	38,446	(937)	2,484,009
8511-8615-79000 Other Expenses	76	15	0	0	0	0	0	0	0	0	0	0	0
8511-8650-79000 Other Expenses	0	0	0	0	0	0	0	0	649	0	0	0	0
8511-8670-79000 Other Expenses	0	0	0	0	0	0	0	0	0	1,484	0	0	0
8511-8720-79000 Other Expenses	0	0	0	0	0	0	0	0	0	1,700	0	0	5,712
8511-8771-79000 Other Expenses	375	0	0	0	0	0	0	0	0	0	0	0	408
8511-8891-79000 Miscellaneous Expenses	0	0	0	0	0	0	1,251	0	0	25	3,725	0	0
8511-9590-79000 Other Expenses	454	223	0	238	0	0	0	0	0	0	0	0	968
Total: 79000 Other Expenses	91,218	238	(1,303)	3,020	4,410	31,098	3,409	2,162	23,436	71,952	42,247	(11)	2,491,549
79003 Gifts & Entertainment:													
8511-7076-79003 Gifts & Entertainment	0	0	0	0	0	0	0	154	0	0	0	0	0
Total: 79003 Gifts & Entertainment	0	0	0	0	0	0	0	154	0	0	0	0	0
79004 Children Outreach:													
8511-8049-79004 Children Outreach	0	0	0	400	0	0	0	0	0	0	0	0	0
Total: 79004 Children Outreach	0	0	0	400	0	0	0	0	0	0	0	0	0
79010 Postage:													
8511-8310-79010 Postage	3,806	3,120	6,966	4,298	4,119	9,398	4,313	7,355	9,408	6,789	12,287	6,031	2,490
8511-8610-79010 Postage	0	0	0	0	0	500	0	0	0	0	0	0	0
Total: 79010 Postage	3,806	3,120	6,966	4,298	4,119	9,898	4,313	7,355	9,408	6,789	12,287	6,031	2,490
79011 Loss of Property Reimbursement:													
8511-6010-79011 LOSS PROPERTY REIMBURSEMENT	0	0	0	0	100	0	0	0	0	0	0	0	0
8511-6151-79011 LOSS PROPERTY REIMBURSEMENT	0	0	0	0	100	0	0	0	0	0	0	0	0
8511-7010-79011 LOSS PROPERTY REIMBURSEMENT	0	0	0	0	600	0	0	0	0	0	0	0	0
8511-7420-79011 LOSS PROPERTY REIMBURSEMENT	0	0	0	0	147	0	0	0	0	0	0	0	0
Total: 79011 Loss of Property Reimbursement	0	0	0	0	947	0	0	0	0	0	0	0	0
79016 Bad Debt - Non Patient:													
8511-8201-79016 BAD DEBT - NON PATIENT	(6,637)	(1,137)	(1,026)	(1,429)	(1,414)	(1,119)	(1,009)	(152)	(2,428)	(832)	(1,053)	(727)	(934)
8511-8202-79016 BAD DEBT - NON PATIENT	(1,079)	(509)	(899)	(729)	(429)	80	(250)	0	(550)	(240)	(200)	(440)	(190)
Total: 79016 Bad Debt - Non Patient	(7,716)	(1,646)	(1,925)	(2,158)	(1,842)	(1,039)	(1,259)	(152)	(2,978)	(1,072)	(1,253)	(1,167)	(1,124)
79030 Miscellaneous Bank Fees:													
8511-8610-79030 Miscellaneous Bank Fees	216	0	0	0	0	0	0	0	0	0	0	0	0
Total: 79030 Miscellaneous Bank Fees	216	0	0	0	0	0	0	0	0	0	0	0	0
79050 Community Benefit Expenses:													
8511-7400-79050 Community Benefit Expenses	0	0	0	0	273	0	0	0	0	0	254	0	292
8511-8610-79050 Community Benefit Expenses	0	0	0	4,695	0	0	0	0	0	0	0	0	0
8511-8630-79050 Community Benefit Expenses	75	0	0	0	0	0	0	0	0	0	0	0	0
8511-8751-79050 Community Benefit Expenses	0	0	0	0	0	0	16	0	0	0	0	0	0
Total: 79050 Community Benefit Expenses	75	0	0	4,695	273	0	16	0	0	0	254	0	292
79060 Charity:													
8511-8780-79060 Charity	7,136	7,440	7,744	7,440	7,641	7,641	7,641	7,641	7,641	7,641	7,641	7,641	7,641
Total: 79060 Charity	7,136	7,440	7,744	7,440	7,641	7,641	7,641	7,641	7,641	7,641	7,641	7,641	7,641
79073 Contribution Fees:													
8511-8890-79073 Contribution Fees	0	0	0	0	8,972,392	0	25,518,137	1,671,124	2,170,294	2,170,294	2,170,294	5,204,150	4,036,200
Total: 79073 Contribution Fees	0	0	0	0	8,972,392	0	25,518,137	1,671,124	2,170,294	2,170,294	2,170,294	5,204,150	4,036,200
79090 Advertising:													
8511-8610-79090 Advertising	2,000	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	(8,000)	15,720
8511-8630-79090 Advertising	200	300	0	0	0	0	0	0	0	0	0	0	0
8511-8650-79090 Advertising	(2,000)	2,000	0	0	0	0	0	0	0	0	0	0	0
Total: 79090 Advertising	200	2,300	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	(8,000)	15,720
79890 Cash - AP Offset Account:													
8511-9998-79890 Cash - AP Offset Account	(339,194)	0	0	0	0	0	0	0	0	0	0	0	(299,827)
Total: 79890 Cash - AP Offset Account	(339,194)	0	0	0	0	0	0	0	0	0	0	0	(299,827)
79893 Cash - PPE Purchase Temp Acct - Accrual:													
8511-9998-79893 Cash - PPE Purchase Temp Acct	339,194	0	0	0	0	0	0	0	0	0	0	0	299,827
Total: 79893 Cash - PPE Purchase Temp Acct - Accrual	339,194	0	0	0	0	0	0	0	0	0	0	0	299,827
79896 Cash - Repayment Temp Acct:													



**Verity Healt Systems**  
**St Francis Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-9998-79896 Cash - Repayment Temp Acct	303,492	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627
Total: 79896 Cash - Repayment Temp Acct	303,492	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627	316,627
79898 Cash - Contra Offset Acct:													
8511-9998-79898 Cash - Contra Offset Acct	(303,492)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)
Total: 79898 Cash - Contra Offset Acct	(303,492)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)	(316,627)
Total - Other Expenses	173,887	96,887	79,265	130,994	9,098,926	129,836	25,735,293	1,808,878	2,323,039	2,337,929	2,369,150	5,420,141	6,736,490
Total - P/S & Other Expenses	11,275,436	13,002,443	12,814,762	12,022,967	24,556,413	14,578,308	38,902,207	15,998,970	15,967,551	16,612,682	16,106,431	19,855,293	20,503,046
Bad Debt Expense:													
Insurance:													
78100 Insurance-Professional Liability:													
8511-8830-78100 Insurance-Professional Liabil	369,394	233,132	278,343	279,806	292,497	288,359	277,799	260,372	52,640	188,331	269,216	256,154	256,681
Total: 78100 Insurance-Professional Liability	369,394	233,132	278,343	279,806	292,497	288,359	277,799	260,372	52,640	188,331	269,216	256,154	256,681
78200 Insurance-Other:													
8511-8840-78200 Insurance-Other	(82,119)	99,708	87,493	87,493	93,663	93,663	94,489	93,663	93,663	93,663	82,804	82,804	82,804
Total: 78200 Insurance-Other	(82,119)	99,708	87,493	87,493	93,663	93,663	94,489	93,663	93,663	93,663	82,804	82,804	82,804
78250 Reinsurance Premium:													
8511-7900-78250 REINSURANCE PREMIUM	56,868	40,060	40,060	29,430	26,496	34,011	30,270	33,064	32,839	32,839	169,224	67,475	68,626
Total: 78250 Reinsurance Premium	56,868	40,060	40,060	29,430	26,496	34,011	30,270	33,064	32,839	32,839	169,224	67,475	68,626
Total - Insurance	344,143	372,900	405,896	396,728	412,656	416,034	402,558	387,099	179,142	314,834	521,244	406,433	408,111
Utilities:													
77700 Utilities-Electricity:													
8511-7268-77700 Utilities-Electricity	553	0	0	0	0	0	0	59	109	0	0	0	0
8511-8460-77700 Utilities-Electricity	232,951	321,721	327,501	331,110	255,281	202,832	213,430	189,579	201,399	209,901	212,611	228,179	290,030
8511-9250-77700 Utilities-Electricity	0	0	0	0	0	541	101	1,412	599	0	1,154	2,636	676
Total: 77700 Utilities-Electricity	233,504	321,721	327,501	331,110	255,281	203,374	213,531	191,050	202,106	209,901	213,765	230,815	290,706
77800 Utilities-Gas:													
8511-8460-77800 Utilities-Gas	29,533	28,762	26,889	20,287	17,834	27,554	33,659	46,268	88,104	89,805	56,786	41,524	6,610
8511-9250-77800 Utilities-Gas	0	0	0	0	0	0	24	0	0	0	154	0	20
Total: 77800 Utilities-Gas	29,533	28,762	26,889	20,287	17,834	27,554	33,683	46,268	88,104	89,805	56,940	41,524	6,630
77900 Utilities-Water:													
8511-7195-77900 Utilities-Water	(290)	0	0	0	0	0	208	75	53	72	80	73	72
8511-7268-77900 Utilities-Water	75	815	0	53	40	35	35	35	35	53	35	175	87
8511-8460-77900 Utilities-Water	19,985	15,589	15,970	27,189	19,108	22,354	23,968	21,332	18,815	14,784	22,610	(4,548)	74,412
Total: 77900 Utilities-Water	19,770	16,404	15,970	27,242	19,148	22,389	24,210	21,441	18,903	14,909	22,724	(4,301)	74,571
Total - Utilities	282,807	366,888	370,360	378,638	292,263	253,316	271,424	258,760	309,113	314,615	293,429	268,038	371,907
Depreciation													
77100 Depr&Amort-L& Improvements:													
8511-8810-77100 Depr -Land Improvements	14,125	13,980	13,980	13,980	14,015	14,015	14,015	14,014	14,015	14,014	14,015	14,014	14,015
Total: 77100 Depr&Amort-L& Improvements	14,125	13,980	13,980	13,980	14,015	14,015	14,015	14,014	14,015	14,014	14,015	14,014	14,015
77200 Depr&Amort-Buildings & Improve:													
8511-8811-77200 Depr&Amort-Buildings & Improve	456,507	449,639	448,123	448,113	447,914	447,795	447,375	428,225	428,541	426,855	426,877	424,382	437,251
Total: 77200 Depr&Amort-Buildings & Improve	456,507	449,639	448,123	448,113	447,914	447,795	447,375	428,225	428,541	426,855	426,877	424,382	437,251
77201 Depreciation Expense - FIN47:													
8511-8811-77201 Depreciation Expense - FIN47	61	61	61	61	61	61	61	61	61	61	61	61	61
Total: 77201 Depreciation Expense - FIN47	61	61	61	61	61	61	61	61	61	61	61	61	61
77400 Depr&Amort-Equip:													
8511-8810-77400 Depr&Amort-Equip	319,599	296,300	319,137	310,485	287,148	291,562	319,829	280,401	263,379	262,613	265,517	285,018	333,430
Total: 77400 Depr&Amort-Equip	319,599	296,300	319,137	310,485	287,148	291,562	319,829	280,401	263,379	262,613	265,517	285,018	333,430
Total - Depreciation	790,291	759,980	781,301	772,639	749,138	753,433	781,280	722,701	705,995	703,543	706,469	723,475	784,757
Amortization:													
77000 Depr&Amort-Intangible Assets:													
8511-8891-77000 Depr & Amort-Intangible Assets	0	0	0	0	0	65,366	23,281	10,741	17,808	33,984	38,612	6,669	59,566
Total: 77000 Depr&Amort-Intangible Assets	0	0	0	0	0	65,366	23,281	10,741	17,808	33,984	38,612	6,669	59,566
Total Amortization	0	0	0	0	0	65,366	23,281	10,741	17,808	33,984	38,612	6,669	59,566
Interest Expense:													
78410 Interest Expense - Long Term Debt:													
8511-8860-78410 Interest Expense - Long & ShortTerm Debt	356,496	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454
Total: 78410 Interest Expense - Long Term Debt	356,496	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454	339,454
78490 Interest Expense-Other:													



Verity Healt Systems  
St Francis Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8511-8870-78490 Interest Expense-Other	(1,145)	(9,155)	(11,970)	(11,904)	(12,027)	(12,644)	(7,521)	(8,200)	(7,051)	(8,261)	(12,800)	(13,600)	(6,979)
Total: 78490 Interest Expense-Other	(1,145)	(9,155)	(11,970)	(11,904)	(12,027)	(12,644)	(7,521)	(8,200)	(7,051)	(8,261)	(12,800)	(13,600)	(6,979)
<b>Total - Interest Expense</b>	<b>355,350</b>	<b>330,299</b>	<b>327,484</b>	<b>327,550</b>	<b>327,428</b>	<b>326,810</b>	<b>331,933</b>	<b>331,255</b>	<b>332,403</b>	<b>331,193</b>	<b>326,655</b>	<b>325,854</b>	<b>332,475</b>
<b>Total Expenses</b>	<b>33,976,629</b>	<b>36,646,081</b>	<b>36,963,370</b>	<b>36,358,784</b>	<b>48,938,777</b>	<b>38,897,094</b>	<b>62,729,412</b>	<b>41,032,440</b>	<b>39,982,116</b>	<b>43,068,138</b>	<b>41,298,503</b>	<b>43,345,860</b>	<b>45,513,312</b>
<b>Operating Income</b>	<b>2,046,934</b>	<b>(2,189,703)</b>	<b>(2,454,272)</b>	<b>(767,473)</b>	<b>47,014,055</b>	<b>(3,762,587)</b>	<b>19,156,075</b>	<b>899,543</b>	<b>(3,128,316)</b>	<b>(5,379,280)</b>	<b>(6,131,633)</b>	<b>16,008,513</b>	<b>5,082,955</b>
<b>Investment Income:</b>													
Investment Earnings:													
8511-9063-59610 INVESTMENT INCOME - OTHER	1	2	0	2	4	0	0	6	2	2	0	5	2
Total: Investment Earnings	1	2	0	2	4	0	0	6	2	2	0	5	2
<b>Total - Investment Income</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>2</b>
<b>Net Income</b>	<b>2,046,935</b>	<b>(2,189,701)</b>	<b>(2,454,272)</b>	<b>(767,472)</b>	<b>47,014,059</b>	<b>(3,762,587)</b>	<b>19,156,075</b>	<b>899,549</b>	<b>(3,128,314)</b>	<b>(5,379,278)</b>	<b>(6,131,633)</b>	<b>16,008,518</b>	<b>5,082,957</b>

8/9/2018 11:39:52 AM



Verity Health System  
St Francis Medical Center  
Balance Sheet  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Assets</b>													
<b>Current Assets:</b>													
Cash	\$27,888,083	\$8,517,300	\$8,711,888	\$4,434,294	\$20,773,070	\$12,794,920	\$10,644,128	\$12,094,822	\$6,987,738	\$7,822,489	\$4,685,124	\$20,540,710	\$17,966,543
Accounts Receivable	540,923,987	554,816,215	564,923,180	593,972,635	599,661,650	617,198,798	621,162,879	631,020,921	619,976,624	584,338,630	570,882,657	524,747,714	524,796,748
Contractual Allowances	(440,451,180)	(450,948,699)	(459,585,828)	(494,025,087)	(489,025,527)	(508,816,692)	(513,148,566)	(522,144,838)	(512,218,588)	(479,964,699)	(470,259,041)	(431,052,554)	(437,767,110)
Allowance for Uncollectible Accounts	(13,257,012)	(16,700,860)	(16,700,860)	(19,180,885)	(22,047,114)	(23,786,069)	(24,439,007)	(25,832,059)	(25,918,107)	(25,412,088)	(24,445,799)	(25,745,506)	(25,745,506)
Net Accounts Receivable	87,215,795	88,361,456	88,556,965	90,246,663	88,589,010	84,795,447	83,575,307	83,247,475	80,864,967	74,455,825	70,281,508	65,279,381	65,284,602
Due from Governmental Agencies	5,527,926	8,403,961	9,023,239	14,181,433	17,004,739	19,828,405	11,830,284	8,863,810	9,573,119	8,015,204	1,997,195	4,095,853	4,513,103
Due from Related Corporations	316,474,161	326,929,124	324,175,492	320,073,349	311,697,468	336,324,051	340,453,188	335,302,077	339,250,695	334,533,860	340,894,912	346,756,315	346,862,652
Supplies Inventories, at cost	6,476,567	6,457,280	6,454,681	6,422,119	6,415,860	6,382,561	6,378,259	6,340,963	6,330,921	6,303,945	6,401,788	6,287,798	6,287,798
Other Current Assets	30,112,574	27,452,143	26,904,703	25,557,177	50,290,064	25,635,648	75,187,354	83,244,288	86,971,665	67,890,076	52,397,717	43,769,208	39,365,198
Total Current Assets	473,695,105	466,120,284	463,826,958	460,915,037	494,770,211	485,760,673	528,075,913	529,760,771	530,079,058	499,114,734	476,450,005	488,845,235	498,280,195
<b>Board-designated for -</b>													
<b>Net Operating Property, Plant &amp; Equipment</b>													
Land	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699	1,819,699
Land Improvements	5,175,559	5,175,559	5,175,559	5,175,559	5,200,324	5,200,324	5,200,324	5,200,324	5,200,324	5,200,324	5,200,324	5,200,324	5,200,324
Buildings/LHI	172,714,109	172,734,049	172,737,513	173,003,126	173,073,526	173,073,526	173,073,526	173,203,480	173,203,480	173,203,480	173,203,730	173,203,730	173,684,016
Buildings/Supplies Equipment	18,740,654	18,740,654	18,752,110	18,775,788	18,775,788	18,775,788	18,881,120	18,881,120	18,881,120	18,881,120	18,881,120	18,881,120	18,881,120
Equipment	122,793,504	122,831,641	122,920,931	122,943,917	122,965,404	123,024,848	124,180,239	124,380,973	124,475,319	124,647,336	124,815,292	125,741,291	126,495,114
Construction in Progress	1,862,073	2,040,536	2,568,520	2,562,649	2,442,518	2,551,507	1,585,541	1,787,679	1,895,607	2,150,490	2,430,421	3,124,777	2,165,325
Total Fixed Assets	323,105,597	323,342,137	323,974,331	324,280,938	324,297,258	324,445,692	324,740,448	325,273,274	325,475,549	325,902,449	326,350,585	327,970,940	328,245,598
Less - Accumulated Depreciation	(228,132,896)	(228,892,876)	(229,671,095)	(230,432,772)	(231,192,872)	(231,946,305)	(232,716,622)	(233,439,324)	(234,143,467)	(234,847,010)	(235,553,479)	(236,276,954)	(237,061,711)
Net Operating PP&E	94,972,701	94,449,261	94,303,236	93,848,165	93,104,386	92,499,387	92,023,826	91,833,950	91,332,083	91,055,439	90,797,106	91,693,986	91,183,887
<b>Other Assets:</b>													
Notes Receivable LT	58,467	18,510	(56,652)	70,303	70,303	126,683	58,210	148,491	232,476	188,144	195,993	223,458	233,006
Other LT Assets	39,722	23,322	23,322	23,322	23,322	23,322	23,322	23,322	23,322	23,322	23,322	23,322	23,322
Total Other Assets	98,189	41,832	(33,330)	93,625	93,625	150,005	81,532	171,813	255,798	211,466	219,315	246,780	256,328
Total Assets	568,765,996	560,611,357	558,096,864	554,856,827	587,968,222	578,410,064	620,181,271	621,766,534	621,666,939	590,381,640	567,466,426	580,786,002	589,720,411
<b>Liabilities and Fund Balances</b>													
<b>Current Liabilities:</b>													
Current maturities of long-term debt	3,799,527	3,799,527	3,799,527	3,799,527	3,799,527	3,799,527	3,799,527	3,799,527	3,799,527	3,799,527	3,799,527	3,799,527	4,076,286
Accounts Payable	1,334,740	11,409,030	13,011,442	14,838,797	12,663,084	9,521,859	10,346,432	11,164,802	11,722,376	11,183,874	8,788,858	9,379,780	7,865,734
Due to governmental agencies	2,529,404	2,671,005	3,156,883	3,202,301	3,388,099	7,445,441	901,119	1,172,720	1,115,163	1,293,999	1,652,011	1,752,608	2,038,739
Due to related entities	1,315,000	1,306,000	1,321,000	1,328,500	1,336,000	1,345,000	1,357,000	1,372,000	1,376,500	1,408,700	1,428,400	1,438,400	1,324,456
<b>Accrued Liabilities-</b>													
Payroll	5,835,455	5,426,109	2,379,092	3,729,285	4,498,895	5,686,179	1,032,175	6,924,145	6,922,158	4,125,881	4,461,440	5,191,703	7,097,144
Vacation & Other Compensated Absences	9,207,785	8,961,247	8,942,167	9,218,081	9,609,689	9,921,559	9,493,391	9,562,914	10,026,444	10,417,972	10,504,524	10,519,330	10,557,943
Other	53,158,708	48,871,727	50,001,218	51,473,743	43,336,902	42,025,098	68,273,542	68,124,393	70,298,077	50,843,799	35,881,738	31,432,746	38,864,960
Total Current Liabilities	87,180,620	82,444,645	82,611,349	87,590,234	78,612,376	73,045,477	101,203,187	102,120,802	105,260,246	83,073,151	66,516,498	64,053,095	71,845,261
<b>Other Liabilities:</b>													
Pension Plan LT	103,787,000	103,882,250	103,977,500	101,640,250	97,045,008	97,140,258	92,676,008	92,770,258	92,849,748	89,452,998	89,548,248	89,643,498	77,944,000
Other Liabilities LT	183,431	183,431	183,431	183,431	183,431	183,431	183,431	183,431	183,431	183,431	183,431	183,431	183,431
Total Other Liabilities	103,970,431	104,065,681	104,160,931	101,832,681	97,228,439	97,323,689	92,858,439	92,953,689	93,033,179	89,636,429	89,731,679	89,826,929	78,127,431
<b>Long-Term Debt:</b>													
Bonds Payable	68,184,206	67,867,579	67,550,952	67,234,325	66,917,697	66,601,070	66,284,443	65,967,815	65,651,188	65,334,561	65,017,934	64,701,306	64,107,921
Total Long-Term Debt	68,184,206	67,867,579	67,550,952	67,234,325	66,917,697	66,601,070	66,284,443	65,967,815	65,651,188	65,334,561	65,017,934	64,701,306	64,107,921
<b>NET ASSETS:</b>													
Unrestricted	240,180,305	308,379,031	308,379,031	303,578,005	303,591,581	303,591,581	302,841,581	302,841,581	302,841,581	302,841,581	302,841,581	302,841,581	311,193,750
YTD Net Income	69,198,726	(2,189,701)	(4,643,974)	(5,411,445)	41,602,613	37,840,027	56,996,102	57,895,651	54,767,337	49,388,059	43,256,426	59,264,944	64,347,901
Temporarily Restricted	51,707	44,121	38,574	33,027	15,516	8,221	(2,480)	(12,703)	113,408	107,858	102,309	98,147	98,147
Total Net Assets	309,430,738	306,233,452	303,773,632	298,199,587	345,209,710	341,439,828	359,835,202	360,724,529	357,722,326	352,337,498	346,200,316	362,204,672	375,639,798
TOTAL LIABILITIES AND FUND BALANCE	568,765,996	560,611,357	558,096,864	554,856,827	587,968,222	578,410,064	620,181,271	621,766,534	621,666,939	590,381,640	567,466,426	580,786,002	589,720,411
Total Assets	568,765,996	560,611,357	558,096,864	554,856,827	587,968,222	578,410,064	620,181,271	621,766,534	621,666,939	590,381,640	567,466,426	580,786,002	589,720,411
Total Liabilities	259,335,259	254,323,250	254,323,250	256,657,236	242,758,212	226,970,236	280,346,088	281,042,008	283,944,611	239,044,141	221,266,110	219,581,310	214,060,310
Total Equity	309,430,738	306,233,452	303,773,632	298,199,587	345,209,710	341,439,828	359,835,202	360,724,529	357,722,326	352,337,498	346,200,316	362,204,672	375,639,798

8/9/2018  
11:38:24 AM



**Verity Health System  
St Francis Medical Center  
Balance Sheet  
June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Assets</b>													
<b>Current Assets:</b>													
<b>Cash:</b>													
8511-1001-10008 Cash - BoFA LockBox	\$1,715,465	\$3,637,852	\$1,668,590	\$1,912,015	\$19,083,154	\$2,640,628	\$1,520,188	\$2,465,580	\$1,876,040	\$2,519,409	\$1,365,114	\$1,535,786	\$1,513,772
8511-1001-10018 Disbursement Checking - DDC	0	0	0	0	0	0	0	0	0	0	0	1,540	1,540
8511-1001-10025 Cash - Disbursement Checking - E	25,286,087	5,569,540	6,299,940	1,662,003	1,792,634	10,428,033	8,520,337	6,196,699	319,452	4,887,975	3,040,867	19,559,112	16,059,040
8511-1002-10020 Cash - Payroll Checking	167,261	(1,750,280)	89,436	95,162	146,133	147,888	150,062	4,316,851	4,292,156	167,469	184,460	189,962	184,345
8511-1003-10017 Cash - HCLA	0	0	0	0	0	0	0	0	2,137	2,137	2,137	2,137	2,137
8511-1003-10031 Cash - FSA Checking	133,369	136,820	156,350	163,930	169,487	177,964	185,483	203,999	196,798	188,166	185,559	185,559	185,559
8511-1003-10032 CASH - US BANK DEPOSITORY	9,005	9,738	10,089	11,642	12,009	13,627	15,036	16,246	17,548	19,307	19,308	19,308	19,308
8511-1003-10033 CASH - US BANK SFOCC NORTH	14,800	15,159	16,058	16,768	17,216	17,136	17,386	17,586	17,936	18,176	18,376	18,816	19,106
8511-1003-10037 Cash - CMS Cap Management	186,569	502,417	76,684	194,637	(113,302)	(974,183)	(89,625)	(362,157)	(53,647)	(354,755)	(489,794)	(675,854)	(654,837)
8511-1003-10038 Cash - AppleCare	367,250	385,775	386,657	369,698	(343,681)	(334,028)	316,841	(768,402)	282,177	328,824	311,955	(479,263)	(473,123)
8511-1003-10039 Cash Mgmt/IRVS - CHMSO	0	0	0	0	0	0	0	0	28,721	36,721	145,234	154,541	154,541
8511-1004-10040 Impairment - Cash Funds	3,500	3,500	3,500	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642
8511-1009-10035 Cash - MOB MANAGEMENT CHE	4,778	4,778	4,778	4,778	4,778	4,778	4,778	4,778	4,778	4,778	4,778	4,778	4,778
Total: Cash	27,888,083	8,517,300	8,711,888	4,434,294	20,773,070	12,794,920	10,644,128	12,094,822	6,987,738	7,822,849	4,685,124	20,540,710	17,966,543
<b>Accounts Receivable:</b>													
8511-1020-10200 Patient Accounts Receivable	541,753,923	556,136,453	566,427,544	595,673,140	599,899,575	617,217,968	621,164,009	631,084,425	620,050,889	584,338,630	571,317,360	524,831,634	524,806,377
8511-1028-10280 AR-Home Health	(829,937)	(1,320,239)	(1,504,365)	(1,700,506)	(237,925)	(19,169)	(1,130)	(63,504)	(74,266)	0	(334,703)	(83,920)	(9,625)
Total: Accounts Receivable	540,923,987	554,816,215	564,923,180	593,972,635	599,661,650	617,198,798	621,162,879	631,020,921	619,976,624	584,338,630	570,982,657	524,747,714	524,796,748
<b>Contractual Allowances:</b>													
8511-1042-11141 ALLOW - CA ACUTE MCARE FF	(29,682,216)	(29,245,499)	(28,992,997)	(29,514,825)	(29,521,177)	(30,890,545)	(31,440,594)	(32,848,640)	(28,062,601)	(26,598,356)	(28,139,013)	(23,945,800)	(20,296,150)
8511-1042-14541 ALLOW - CA OP MCARE	(5,828,955)	(5,743,773)	(5,000,439)	(5,079,926)	(5,343,647)	(5,882,279)	(6,841,656)	(6,352,130)	(6,117,580)	(4,992,444)	(4,920,058)	(4,456,766)	(4,354,109)
8511-1043-11142 ALLOW - CA ACUTE MCARE MC	(161,688,485)	(182,230,978)	(189,487,950)	(206,800,991)	(207,075,750)	(214,985,145)	(220,269,524)	(208,678,876)	(206,018,143)	(197,144,675)	(183,222,142)	(161,708,176)	(165,183,253)
8511-1043-14542 ALLOW - CA OP MCARE MOD C	(89,804,194)	(97,298,957)	(93,080,763)	(92,462,859)	(95,240,539)	(96,714,354)	(95,274,589)	(94,174,589)	(94,192,324)	(90,568,908)	(98,791,658)	(104,124,704)	(104,243,065)
8511-1043-14543 ALLOW - CA OP MCARE RISK	(45,108,647)	(44,594,255)	(50,550,255)	(60,897,020)	(64,533,931)	(68,853,375)	(65,846,686)	(61,575,952)	(63,593,586)	(48,349,554)	(36,778,427)	(32,592,852)	(32,592,852)
8511-1044-11151 ALLOW - CA ACUTE MCAL FFS	(65,185,907)	(52,814,548)	(54,946,655)	(48,325,894)	(47,898,244)	(45,704,922)	(52,836,538)	(68,127,431)	(63,002,074)	(47,686,157)	(46,760,894)	(45,760,963)	(52,113,481)
8511-1044-14551 ALLOW - CA OP MCAL FFS	(1,052,629)	(11,771,804)	(11,321,941)	(11,041,458)	(11,522,192)	(11,870,225)	(15,282,912)	(16,759,385)	(16,426,389)	(14,468,003)	(14,053,286)	(12,548,591)	(13,881,905)
8511-1046-11171 ALLOW - CA ACUTE COUNTY T	1,863,936	3,424,886	2,492,051	4,938,965	4,832,833	257,010	2,615,306	2,666,172	3,595,550	4,052,760	2,264,142	2,904,510	2,931,333
8511-1049-10420 Allowance For Charity	(6,808,060)	(7,928,452)	(7,363,454)	(7,363,454)	(7,363,454)	(7,908,587)	(8,277,422)	(8,977,815)	(9,107,815)	(10,802,658)	(12,293,688)	(13,455,987)	(13,455,987)
8511-1049-11122 Allowance for Other Indigent	(7,805,092)	(8,484,988)	(8,442,178)	(9,698,758)	(9,014,552)	(10,669,542)	(10,749,392)	(10,894,679)	(10,551,328)	(10,026,968)	(9,204,056)	(8,347,878)	(8,180,940)
8511-1049-11161 ALLOW - CA ACUTE OTHER GC	(15,876,931)	(13,897,283)	(12,999,520)	(11,509,265)	(14,366,641)	(15,598,697)	(15,666,381)	(14,823,892)	(14,372,298)	(17,379,738)	(16,595,131)	(26,606,446)	(27,639,180)
Total: Contractual Allowances	(440,451,180)	(450,948,699)	(459,585,528)	(484,545,087)	(489,025,527)	(508,616,692)	(513,148,566)	(522,144,838)	(512,218,448)	(479,964,696)	(470,259,014)	(431,052,554)	(433,767,110)
Allowance for Uncollectible Accounts:													
8511-1041-10407 BAD DEBT RECEIVABLES	(3,516,051)	(3,567,440)	(3,596,635)	(3,626,974)	(3,650,226)	(3,663,715)	(3,691,946)	(3,722,933)	(3,763,445)	(3,802,685)	(3,840,564)	(3,852,902)	(3,894,634)
8511-1041-10410 Allowance for Bad Debt	(9,740,961)	(11,938,619)	(13,184,051)	(15,553,910)	(18,396,888)	(20,129,455)	(20,747,061)	(21,905,675)	(23,129,624)	(26,115,422)	(28,601,544)	(24,562,897)	(21,850,402)
Total: Allowance for Uncollectible Accounts	(13,257,012)	(15,506,060)	(16,780,666)	(19,180,885)	(22,047,114)	(23,796,660)	(24,439,007)	(25,628,608)	(26,893,069)	(29,918,107)	(30,442,108)	(28,415,799)	(25,745,036)
Net Accounts Receivable	87,215,795	88,361,456	88,566,956	90,246,663	88,589,010	84,705,440	83,575,307	83,247,475	80,864,967	74,455,825	70,281,508	65,279,361	65,284,602
<b>Due from Governmental Agencies</b>													
8511-1051-10510 Rec from Third-Party-Medicare	952,256	1,004,985	1,013,270	849,763	849,763	849,763	849,763	849,763	849,763	849,763	849,763	849,763	849,763
8511-1052-10520 Rec from Third-Party-Medicaid	3,915,357	5,938,080	7,780,803	12,181,922	14,104,648	16,027,368	7,129,024	7,359,650	7,168,375	4,708,877	4,525,781	952,294	5,028,253
8511-1053-10530 Rec from Third-Party - SB 251	(6,808,060)	(7,928,452)	(7,363,454)	(7,363,454)	(7,363,454)	(7,908,587)	(8,277,422)	(8,977,815)	(9,107,815)	(10,802,658)	(12,293,688)	(13,455,987)	(13,455,987)
8511-1053-10531 Rec from Third-Party - SB 1732 Cf	660,312	843,645	(1,185,335)	(1,002,002)	(618,669)	(635,336)	(452,003)	(268,670)	(65,337)	97,996	281,329	464,662	(1,364,913)
8511-1053-10532 Rec from Third-Party - SB 474	0	75,583	151,167	226,750	302,333	377,917	453,500	529,083	604,687	680,250	755,833	831,417	0
Total: Due from Governmental Agencies	5,527,926	8,403,961	9,023,239	14,181,433	17,004,739	19,828,045	11,830,284	8,863,810	9,573,119	8,015,204	1,997,195	4,095,853	4,513,103
<b>Due from Related Corporations:</b>													
8511-1090-10905 I/C AR - Selson 6011	31,184,996	30,684,996	30,684,996	30,639,824	30,439,824	37,939,824	37,939,824	37,939,824	37,939,824	37,939,824	37,939,824	37,939,824	37,939,824
8511-1090-10906 I/C AR - Verity Holding LLC 8054	50,567	56,399	62,508	60,000	67,738	71,416	71,416	107,686	107,686	219,474	219,474	219,474	219,474
8511-1090-10910 I/C AR - Selson Coastside 6012	1,804,176	1,804,176	2,154,176	2,153,197	2,453,197	2,953,197	2,953,197	2,953,197	2,953,197	2,953,197	2,953,197	2,953,197	3,015,289
8511-1090-10932 I/C AR - VBS 8050	1,622,268	1,884,791	2,093,840	1,360,213	1,574,263	2,155,982	2,050,942	1,566,421	1,709,766	3,323,676	5,530,744	4,356,814	3,223,471
8511-1090-10960 I/C AR - St. Vincent 9510	108,661,663	107,664,204	107,673,062	105,801,310	106,729,413	108,010,532	107,457,978	107,423,371	107,365,461	107,345,340	107,292,640	107,263,055	107,260,807
8511-1090-10965 I/C AR - O'Connor 8010	92,365,581	91,384,983	89,885,293	87,336,330	84,336,330	84,336,040	84,316,900	84,314,975	84,314,975	86,314,951	88,314,169	88,313,507	88,313,280
8511-1090-10966 I/C AR - St. Louise 8011	15,789,638	14,789,344	15,727,905	15,727,905	15,727,905	15,727,905	15,727,905	15,727,905	15,727,905	15,727,905	15,727,905	15,727,905	15,727,905
8511-1090-10971 I/C AR - Verity Health System 80	57,060,971	70,448,821	68,543,327	68,656,561	61,367,630	75,990,252	80,543,058	76,397,054	79,364,045	73,264,352	75,342,673	84,812,803	101,630,305
8511-1090-10975 I/CAR - St. Vincent Foundation 8	0	0	0	0	0	0	0	5,000	5,000	5,000	5,000	5,000	5,000
8511-1090-10976 I/C AR - St. Francis Foundation 8	7,914,230	8,210,441	8,288,675	8,788,008	9,452,653	9,589,903	9,840,968	9,945,290	10,192,747	7,890,140	7,819,286	7,616,735	8,197,070
Total: Due from Related Corporations	316,474,161	326,928,124	324,175,482	320,073,349	311,697,468	336,324,051	340,453,188	335,932,077	339,250,605	334,533,860	340,694,912	348,758,315	364,862,952
<b>Supplies Inventories, at cost:</b>													
8511-1081-10810 Inventory - General Stores	255,797	255,943	239,218	229,772	238,548	230,682	236,295	231,749	278,413	214,984	224,460	228,884	187,270
8511-1082-10820 Inventory - Pharmacy	950,287	950,287	950,287	950,287	950,287	950,287	950,287	950,287	950,287	950,287	950,287	950,287	1,102,416
8511-1083-10830 Inventory - Central Supply	68,666	70,722	90,289	88,088	93,079	83,223	80,600	78,366	84,366	113,754	100,904	104,720	81,093
8511-1084-10840 Inventory - Dietary	36,147	36,147	36,147	36,147	36,147	36,147	36,147	36,147	36,147	36,147	36,147	36,147	47,000
8511-1088-10880 Inventory - Surgery	3,455,997	3,455,997	3,455,997	3,455,997	3,455,997	3,455,997	3,455,997	3,455,997	3,455,997	3,455,997	3,455,997	3,455,997	3,123,191
8511-1088-10882 INVENTORY ECR	53,912	53,912	53,912	53,912	53,912	53,912	53,912	53,912	53,912	53,912	53,912	53,912	51,505
8511-1088-10890 Inventory - Other	630,922	630,922	630,922	630,922	630,922	630,922	630,922	630,922	630,922	630,922	630,922	649,614	610,000
8511-1088-10891 INVENTORY RADIOLOGY	459,074	459,074	459,074	459,074	459,074	459,074	459,074	459,074	459,074	459,074	459,074	459,074	396,408
8511-1088-10892 INVENTORY CATH LAB	357,750	338,261	330,925	289,878	289,878	274,302	274,302	273,829	273,829	273,829	273,829	272,255	272,255
8511-1088-10893 INVENTORY LABORATORY	208,914	208,914	208,914	208,914	208,914	208,914	208,914	208,914	208,914	208,914	208,914		



Verify Health System St Francis Medical Center Balance Sheet June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Total: Equipment</b>	<b>122,793,504</b>	<b>122,831,641</b>	<b>122,920,931</b>	<b>122,943,917</b>	<b>122,985,404</b>	<b>123,024,848</b>	<b>124,180,239</b>	<b>124,380,973</b>	<b>124,475,319</b>	<b>124,647,336</b>	<b>124,815,292</b>	<b>125,741,291</b>	<b>126,495,114</b>
Construction in Progress:													
8511-1251-12015 CIP - FYE 2015	250	250	0	(1,155)	(1,155)	(1,155)	(1,155)	(1,155)	8,818	0	0	0	0
8511-1251-12016 CIP - FYE 2016	221,453	222,606	230,489	231,878	232,866	234,399	235,932	237,124	237,124	237,124	240,703	241,896	(250)
8511-1251-12017 CIP - FYE 2017	1,640,369	1,817,680	2,338,031	2,332,325	2,198,262	2,248,035	1,272,660	1,324,986	1,395,499	1,434,849	1,453,552	1,636,904	1,397,810
8511-1251-12018 CIP - FYE 2018	0	0	0	0	12,543	70,228	78,104	226,723	254,165	478,517	736,166	1,245,977	767,764
<b>Total: Construction in Progress</b>	<b>1,862,073</b>	<b>2,040,536</b>	<b>2,568,520</b>	<b>2,562,849</b>	<b>2,442,518</b>	<b>2,551,507</b>	<b>1,585,541</b>	<b>1,787,679</b>	<b>1,895,607</b>	<b>2,150,490</b>	<b>2,430,421</b>	<b>3,124,777</b>	<b>2,165,325</b>
<b>Total Fixed Assets</b>	<b>323,105,597</b>	<b>323,342,137</b>	<b>323,974,331</b>	<b>324,280,938</b>	<b>324,297,258</b>	<b>324,445,692</b>	<b>324,740,448</b>	<b>325,273,274</b>	<b>325,475,549</b>	<b>325,902,449</b>	<b>326,350,585</b>	<b>327,970,940</b>	<b>328,245,598</b>
<b>Less - Accumulated Depreciation:</b>													
8511-1260-12600 Accum Depr - Land Improvement.	(4,764,290)	(4,778,270)	(4,792,250)	(4,806,230)	(4,820,245)	(4,834,259)	(4,848,274)	(4,862,288)	(4,876,303)	(4,890,317)	(4,904,332)	(4,918,346)	(4,932,361)
8511-1271-12710 Accum Depr - Hospital Building	(111,242,048)	(111,691,687)	(112,139,810)	(112,587,923)	(113,035,837)	(113,483,632)	(113,931,007)	(114,359,232)	(114,787,773)	(115,214,628)	(115,641,505)	(116,068,887)	(116,503,138)
8511-1271-12711 Accum Depr - FHM7	(24,901)	(24,961)	(24,922)	(24,983)	(25,044)	(25,105)	(25,166)	(25,226)	(25,287)	(25,348)	(25,409)	(25,469)	(25,530)
8511-1282-10000 ACCUM DEPN - SYSTEM OFFIC	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)	(3,126,861)
8511-1291-12910 Accum Depr - Major Movable	(108,974,896)	(109,271,196)	(109,587,252)	(109,886,775)	(110,184,886)	(110,478,448)	(110,785,315)	(111,065,716)	(111,327,243)	(111,589,856)	(111,855,373)	(112,140,391)	(112,473,821)
<b>Total: Less - Accumulated Depreciation</b>	<b>(228,132,896)</b>	<b>(228,892,876)</b>	<b>(229,671,095)</b>	<b>(230,432,772)</b>	<b>(231,192,872)</b>	<b>(231,946,305)</b>	<b>(232,716,622)</b>	<b>(233,430,324)</b>	<b>(234,143,467)</b>	<b>(234,847,010)</b>	<b>(235,553,479)</b>	<b>(236,276,954)</b>	<b>(237,061,711)</b>
<b>Net Operating PP&amp;E</b>	<b>94,972,701</b>	<b>94,449,261</b>	<b>94,303,236</b>	<b>93,848,165</b>	<b>93,104,386</b>	<b>92,499,387</b>	<b>92,023,826</b>	<b>91,833,950</b>	<b>91,332,083</b>	<b>91,055,439</b>	<b>90,797,106</b>	<b>91,693,986</b>	<b>91,183,887</b>
<b>Other Assets:</b>													
Notes Receivable LT:													
8511-1331-13310 Notes Receivable - Long Term	58,467	18,510	(56,652)	70,303	70,303	126,683	58,210	148,491	232,476	188,144	195,993	223,458	233,006
<b>Total: Notes Receivable LT</b>	<b>58,467</b>	<b>18,510</b>	<b>(56,652)</b>	<b>70,303</b>	<b>70,303</b>	<b>126,683</b>	<b>58,210</b>	<b>148,491</b>	<b>232,476</b>	<b>188,144</b>	<b>195,993</b>	<b>223,458</b>	<b>233,006</b>
<b>Other LT Assets:</b>													
8511-1350-13505 Deposit - Long Term	36,991	20,591	20,591	20,591	20,591	20,591	20,591	20,591	20,591	20,591	20,591	20,591	20,591
8511-1350-13555 Prepaid Expense - Long Term	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731
<b>Total: Other LT Assets</b>	<b>39,722</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>	<b>23,322</b>
<b>Total Other Assets</b>	<b>98,189</b>	<b>41,832</b>	<b>(33,330)</b>	<b>93,625</b>	<b>93,625</b>	<b>150,005</b>	<b>81,532</b>	<b>171,813</b>	<b>255,798</b>	<b>211,466</b>	<b>219,315</b>	<b>246,780</b>	<b>256,328</b>
<b>Total Assets</b>	<b>568,765,996</b>	<b>560,611,357</b>	<b>558,096,864</b>	<b>554,856,827</b>	<b>587,988,222</b>	<b>578,410,064</b>	<b>620,181,271</b>	<b>621,766,534</b>	<b>621,666,939</b>	<b>590,381,640</b>	<b>567,466,426</b>	<b>580,786,002</b>	<b>589,720,411</b>
<b>Liabilities and Fund Balances</b>													
<b>Current Liabilities:</b>													
Current maturities of long-term debt:													
8511-2014-20141 CURRENT PORTION SERIES 2C	2,030,004	2,030,004	2,030,004	2,030,004	2,030,004	2,030,004	2,030,004	2,030,004	2,030,004	2,030,004	2,030,004	2,030,004	2,200,004
8511-2014-20142 CURRENT PORTION SERIES 2C	980,004	980,004	980,004	980,004	980,004	980,004	980,004	980,004	980,004	980,004	980,004	980,004	1,055,004
8511-2014-20143 Current Portion Series 2005A	789,519	789,519	789,519	789,519	789,519	789,519	789,519	789,519	789,519	789,519	789,519	789,519	821,278
<b>Total: Current maturities of long-term debt</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>3,799,527</b>	<b>4,078,286</b>
Accounts Payable:													
8511-2021-20210 ACCOUNTS PAYABLE	7,813,968	8,004,850	9,488,117	10,008,255	9,495,433	6,830,733	7,948,458	8,377,829	9,178,983	7,205,387	4,888,727	5,390,411	5,131,103
8511-2021-20214 AP Cardinal Invoices	230,108	295,327	301,427	246,701	413,083	332,798	38,106	(167,542)	(38,577)	725,962	314,524	211,592	271,631
8511-2029-20290 Other Accounts Payable	2,983,591	1,948,198	1,961,720	1,935,769	1,580,743	1,946,076	1,817,313	2,262,335	1,761,692	2,451,317	2,947,535	2,616,722	1,778,013
8511-2029-20294 PATIENT REFUNDS PAYABLE	7,471	7,471	7,471	7,540	7,540	4,161	4,086	3,686	4,036	3,470	3,470	3,470	595
8511-2029-20295 AP - ASAP Program	189,320	189,320	189,320	189,320	189,320	189,320	189,320	189,320	189,320	189,320	189,320	189,320	189,320
8511-2029-20295 AP - Unclaimed Checks	146,640	146,640	146,640	146,640	146,640	146,640	146,640	146,640	146,640	146,640	146,640	146,640	146,640
8511-2029-20299 Patient Credit Balances	653,642	817,224	916,747	2,304,572	820,325	70,130	202,509	312,564	481,281	461,778	296,641	561,624	368,432
<b>Total: Accounts Payable</b>	<b>11,334,740</b>	<b>11,409,030</b>	<b>13,011,442</b>	<b>14,838,797</b>	<b>12,663,084</b>	<b>9,521,859</b>	<b>10,346,432</b>	<b>11,164,802</b>	<b>11,722,376</b>	<b>11,183,874</b>	<b>8,788,858</b>	<b>9,319,780</b>	<b>7,885,734</b>
Due to governmental agencies:													
8511-2061-22015 Mcare Stentm 2015	91,097	91,097	91,097	91,097	91,097	91,097	91,097	91,097	0	0	0	0	0
8511-2061-22016 Mcare Stentm 2016	0	0	133,664	133,664	133,664	133,664	133,664	133,664	133,664	133,664	133,664	133,664	133,664
8511-2061-22017 Mcare Stentm 2017	2,438,307	2,438,307	2,631,572	2,631,572	2,631,572	0	0	0	0	13,933	13,933	13,933	13,933
8511-2061-22018 Mcare Stentm 2018	0	141,601	300,549	345,967	511,764	520,682	676,357	947,957	981,498	1,146,401	1,504,413	1,605,010	1,891,141
<b>Total: Due to governmental agencies</b>	<b>2,529,404</b>	<b>2,671,005</b>	<b>3,156,883</b>	<b>3,202,301</b>	<b>3,368,099</b>	<b>745,444</b>	<b>901,119</b>	<b>1,172,720</b>	<b>1,115,163</b>	<b>1,293,999</b>	<b>1,652,011</b>	<b>1,752,608</b>	<b>2,038,739</b>
Due to related entities:													
8511-2090-20906 I/C A/P - Verity Medical Foundatio	15,000	6,000	21,000	28,500	36,000	45,000	57,000	72,000	76,500	108,700	128,400	138,400	18,038
8511-2090-20908 I/C A/P - Verity Holding LLC 8 05	0	0	0	0	0	0	0	0	0	0	0	0	6,418
8511-2090-20973 I/C A/P - SVMC Dialysis 8530	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
<b>Total: Due to related entities</b>	<b>1,315,000</b>	<b>1,306,000</b>	<b>1,321,000</b>	<b>1,328,500</b>	<b>1,336,000</b>	<b>1,345,000</b>	<b>1,357,000</b>	<b>1,372,000</b>	<b>1,376,500</b>	<b>1,408,700</b>	<b>1,428,400</b>	<b>1,438,400</b>	<b>1,324,456</b>
<b>Accrued Liabilities- Payroll:</b>													
8511-2031-20310 Accrued Payroll	5,213,212	4,515,191	2,059,226	2,810,308	3,994,763	4,996,309	4,118,135	5,936,556	5,926,897	3,058,209	3,937,131	5,154,895	4,269,660
8511-2035-20350 Federal Income Taxes Withheld	0	0	0	0	0	0	777,491	203	203	203	207	0	729,244
8511-2036-20360 FICA Social Security Taxes Withh	315,691	48,826	119,650	163,968	219,686	244,040	753,933	107,032	108,620	185,864	238,716	312,130	748,546
8511-2036-20361 MEDICARE FICA PAYABLE	74,388	11,700	29,412	42,011	59,149	71,594	176,743	25,452	25,823	44,005	56,616	73,968	180,498
8511-2037-20370 State Income Taxes Withheld	0	0	0	0	0	0	287,865	0	0	0	0	0	287,990
8511-2038-20380 Unemployment Taxes Payable	101,087	120,287	43,900	65,900	87,800	93,800	66,800	89,100	111,400	83,700	24,500	20,200	30,300
8511-2039-20100 SDI PAYABLE	0	0	0	0	(148)	(148)	52,568	(148)	(148)	(148)	(130)	0	59,294
8511-2039-25005 Other P/R Ded - Union Dues UNF	0	44,459	0	0	0	0	43,893	0	0	0	0	0	43,050
8511-2039-25013 Other P/R Ded - Garnishments	0	9,448	0	0	(8,976)	6,386	20,002	6,406	6,386	3,529	3,529	3,529	14,113
8511-2039-25016 Other P/R Ded - SEIU Union Dues	0	27,416	0	0	0	0	27,330	0	0	0	0	0	31,326
8511-2039-25017 Other P/R Ded - Career College T	0	25	0	0	0	0	25	25	25	25	25	25	25
8511-2039-25019 Other P/R Ded - Misc Sales Payro	1,293	6,381	7,010	7,010	7,010	7,010	7,010	7,010	7,010	14,496	14,496	14,496	27,186
8511-2039-25026 Other P/R Ded - VOLB	0	4,751	0	0	0	0	6,587	0	0	0	0	0	10,305
8511-2039-25030 Other P/R Ded - Long Term Care I	0	1,659	0	0	0	0	18	0	0	0	0	0	1,488
8511-2039-25031 Other P/R Ded-Short Term Care L	0	3,604	(952)	(5,436)	(9,351)	(12,473)	2,348	(1,368)	(5,608)	(9,824)	(13,305)	(17,736)	(2,324)
8511-2039-25045 Other P/R Ded - HLTH Care Reim	27,213	43,259	49,709	55,848	60,548	67,103	87,927	97,200	88,744	87,052	91,718	103,411	118,786
8511-2039-2504													



Verity Health System St Francis Medical Center Balance Sheet June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total Other Liabilities	103,970,431	104,065,681	104,160,931	101,832,681	97,228,439	97,323,689	92,858,439	92,953,689	93,033,179	89,636,429	89,731,679	89,826,929	78,127,431
<b>Long-Term Debt:</b>													
Bonds Payable:													
8511-2250-22503 LONG TERM PORTION SERIES	8,824,996	8,655,829	8,486,663	8,317,496	8,148,329	7,979,163	7,809,996	7,640,829	7,471,663	7,302,496	7,133,329	6,964,163	6,624,996
8511-2250-22504 LONG TERM PORTION SERIES	8,004,996	7,923,329	7,841,663	7,759,996	7,678,329	7,596,663	7,514,996	7,433,329	7,351,663	7,269,996	7,188,329	7,106,663	6,949,996
8511-2250-22507 LTD-CSCDA Series 2005A	51,354,214	51,288,421	51,222,627	51,156,833	51,091,039	51,025,245	50,959,451	50,893,657	50,827,863	50,762,069	50,696,275	50,630,481	50,532,929
Total: Bonds Payable	66,184,206	67,867,579	67,550,952	67,234,325	66,917,697	66,601,070	66,284,443	65,967,815	65,651,188	65,334,561	65,017,934	64,701,306	64,107,921
Total Long-Term Debt	68,184,206	67,867,579	67,550,952	67,234,325	66,917,697	66,601,070	66,284,443	65,967,815	65,651,188	65,334,561	65,017,934	64,701,306	64,107,921
<b>NET ASSETS:</b>													
Unrestricted:													
8511-2310-33100 URF-Unrestricted Net Assets	316,905,076	385,103,802	385,103,802	380,302,776	380,302,776	380,302,776	379,552,776	379,552,776	379,552,776	379,552,776	379,552,776	379,552,776	379,518,523
8511-2310-33132 URF-DCHS Pension	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(78,769,000)	(70,432,000)
8511-2331-33310 Donated Property Plant & Equipm	2,044,230	2,044,230	2,044,230	2,044,230	2,057,805	2,057,805	2,057,805	2,057,805	2,057,805	2,057,805	2,057,805	2,057,805	2,107,226
Total: Unrestricted	240,180,305	308,379,031	308,379,031	303,578,005	303,591,581	303,591,581	302,841,581	302,841,581	302,841,581	302,841,581	302,841,581	302,841,581	311,193,750
Temporarily Restricted:													
8511-2570-35548 TRF - LA County Trauma Surge &	51,707	44,121	38,574	33,027	15,516	8,221	(2,480)	(12,703)	113,408	107,858	102,309	98,147	98,147
Total: Temporarily Restricted	51,707	44,121	38,574	33,027	15,516	8,221	(2,480)	(12,703)	113,408	107,858	102,309	98,147	98,147
Total Net Assets	309,430,738	306,233,452	303,773,632	298,199,587	345,209,710	341,439,828	359,835,202	360,724,529	357,722,326	352,337,498	346,200,316	362,204,672	375,639,798
TOTAL LIABILITIES AND FUND BALANCE	568,765,996	560,611,357	558,096,864	554,856,827	587,968,222	578,410,064	620,181,271	621,766,534	621,666,939	590,381,640	567,466,426	580,786,002	589,720,411



<b>Verity Health System</b> <b>Seton Medical Center Coastsides</b> <b>Balance Sheet</b> <b>June 30, 2018</b>													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Assets</b>													
<b>Current Assets:</b>													
Cash	\$164,234	\$386,571	\$500,652	\$628,477	\$675,596	\$887,726	\$1,180,564	\$1,302,456	\$1,097,193	\$922,094	\$626,312	\$715,170	\$886,658
Accounts Receivable	12,788,723	13,395,142	17,737,117	20,077,869	14,442,131	12,948,412	12,742,725	12,305,085	12,679,876	13,815,373	14,441,945	29,514,855	14,937,809
Contractual Allowances	(8,629,134)	(9,118,864)	(12,154,819)	(15,044,722)	(9,716,735)	(8,736,806)	(8,506,094)	(7,900,215)	(8,126,266)	(8,812,172)	(9,447,827)	(24,537,208)	(9,821,247)
Allowance for Uncollectible Accounts	(227,192)	(237,609)	(240,936)	(308,903)	(391,885)	(289,014)	(292,019)	(440,497)	(465,515)	(571,717)	(650,989)	(651,536)	(550,261)
Net Accounts Receivable	3,912,397	4,038,668	5,341,362	4,724,244	4,333,511	3,922,592	3,944,412	3,964,372	4,088,095	4,431,484	4,343,129	4,316,113	4,566,301
Due from Related Corporations	45,757	45,757	48,257	48,456	297,585	48,456	48,456	48,456	48,456	48,456	48,456	48,456	48,456
Supplies Inventories, at cost	103,256	103,256	103,256	103,256	103,256	103,256	103,256	103,256	103,256	103,256	103,256	103,256	97,223
Other Current Assets	274,270	204,278	212,221	228,890	256,691	276,347	223,113	225,486	213,717	156,499	223,606	247,520	197,279
Total Current Assets	4,499,914	4,778,530	6,205,748	5,733,324	5,666,639	5,238,378	5,499,801	5,644,027	5,550,718	5,661,790	5,344,758	5,430,515	5,795,915
<b>Board-designated for -</b>													
<b>Net Operating Property, Plant &amp; Equipment</b>													
Buildings/LHI	0	0	0	0	0	0	0	0	0	216,307	216,307	216,307	216,307
Buildings Service Equipment	1,567	1,567	1,567	1,567	1,567	1,567	1,567	1,567	1,567	1,567	1,567	1,567	1,567
Equipment	3,085,825	3,014,226	3,017,828	3,020,293	3,020,548	3,021,099	3,075,595	3,081,291	3,082,815	3,108,500	3,121,135	3,132,922	3,146,616
Construction in Progress	73,137	227,158	260,118	265,743	284,857	286,177	239,733	241,909	254,495	55,387	77,654	101,049	116,791
Total Fixed Assets	3,160,529	3,242,952	3,279,513	3,287,603	3,306,972	3,308,843	3,316,895	3,324,767	3,338,878	3,381,761	3,416,664	3,451,845	3,481,281
Less - Accumulated Depreciation	(2,665,294)	(2,676,242)	(2,687,614)	(2,699,428)	(2,711,128)	(2,722,846)	(2,735,487)	(2,748,128)	(2,754,356)	(2,764,622)	(2,775,100)	(2,785,764)	(2,797,366)
Net Operating PP&E	495,235	566,709	591,900	588,175	595,844	586,998	581,408	576,639	584,522	617,139	641,564	666,081	683,915
<b>Other Assets:</b>													
Other LT Assets	2,636	2,636	2,636	2,636	2,636	2,636	2,636	0	0	0	0	0	0
Total Other Assets	2,636	2,636	2,636	2,636	2,636	2,636	2,636	0	0	0	0	0	0
Total Assets	4,997,785	5,347,875	6,800,283	6,324,135	6,265,119	5,827,012	6,083,845	6,220,665	6,135,239	6,278,929	5,986,322	6,096,597	6,479,830
<b>Liabilities and Fund Balances</b>													
<b>Current Liabilities:</b>													
Accounts Payable	127,399	259,925	164,677	231,110	233,301	191,365	382,293	325,811	237,732	311,860	121,782	147,075	167,557
Due to related entities	19,235,180	19,742,359	21,449,500	21,277,888	21,285,808	21,168,870	21,373,582	21,808,900	21,969,249	22,606,982	22,731,853	23,002,124	23,513,160
<b>Accrued Liabilities-</b>													
Payroll	418,959	578,234	564,000	277,849	321,117	385,313	474,390	602,965	600,415	287,703	317,082	406,601	509,929
Vacation & Other Compensated Absences	904,860	836,038	857,738	888,686	811,487	853,672	847,446	877,293	901,137	968,029	993,528	1,031,796	1,014,195
Other	536,792	649,133	605,848	649,921	580,756	519,044	542,440	469,725	488,817	446,619	515,363	614,433	903,832
Total Current Liabilities	21,223,191	22,065,690	23,641,762	23,325,455	23,232,470	23,118,264	23,620,150	24,084,694	24,197,350	24,621,193	24,679,607	25,202,030	26,108,674
<b>Other Liabilities:</b>													
Pension Plan LT	27,000	24,833	27,333	27,500	27,667	27,833	28,000	28,167	28,333	28,500	28,667	28,833	24,000
Total Other Liabilities	27,000	24,833	27,333	27,500	27,667	27,833	28,000	28,167	28,333	28,500	28,667	28,833	24,000
<b>Long-Term Debt:</b>													
<b>NET ASSETS:</b>													
Unrestricted	(16,204,529)	(16,252,406)	(16,252,406)	(16,252,406)	(16,077,917)	(16,077,917)	(16,077,917)	(16,074,519)	(16,074,519)	(16,074,519)	(16,074,519)	(16,074,519)	(16,074,519)
YTD Net Income	(47,877)	(490,242)	(616,406)	(776,414)	(917,100)	(1,241,169)	(1,486,388)	(1,817,676)	(2,015,925)	(2,296,244)	(2,647,432)	(3,059,748)	(3,578,325)
Total Net Assets	(16,252,406)	(16,742,648)	(16,868,812)	(17,028,820)	(16,995,017)	(17,319,086)	(17,564,305)	(17,892,195)	(18,090,444)	(18,370,764)	(18,721,952)	(19,134,267)	(19,652,844)
TOTAL LIABILITIES AND FUND BALANCE	4,997,785	5,347,875	6,800,283	6,324,135	6,265,119	5,827,012	6,083,845	6,220,665	6,135,239	6,278,929	5,986,322	6,096,597	6,479,830
Total Assets	4,997,785	5,347,875	6,800,283	6,324,135	6,265,119	5,827,012	6,083,845	6,220,665	6,135,239	6,278,929	5,986,322	6,096,597	6,479,830
Total Liabilities	21,250,191	22,090,523	23,669,096	23,352,955	23,260,136	23,146,097	23,648,150	24,112,860	24,225,684	24,649,693	24,708,274	25,230,864	26,132,674
Total Equity	(16,252,406)	(16,742,648)	(16,868,812)	(17,028,820)	(16,995,017)	(17,319,086)	(17,564,305)	(17,892,195)	(18,090,444)	(18,370,764)	(18,721,952)	(19,134,267)	(19,652,844)

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Verity Health System Seton Medical Center Coastside Balance Sheet June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6012-2039-25000 Other P/R Ded - SDI Withheld	0	3,689	3,292	0	0	21	3,671	4,398	4,358	(7)	(7)	(7)	4,072
6012-2039-25010 Other P/R Ded - Union Dues	(584)	2,954	(1,007)	0	0	34	4,001	3,968	3,849	(43)	(43)	(43)	3,602
6012-2039-25020 Other P/R Ded - Flex Spending	9,112	9,804	9,882	10,060	9,387	9,757	10,771	8,893	10,678	12,462	14,247	16,012	11,561
6012-2039-25026 Other P/R Ded - VOLB	594	694	1,007	0	0	0	406	413	443	(40)	(40)	(40)	541
6012-2039-25031 Other P/R Ded-Short Term Care Liab	(417)	1,034	(3)	19	(291)	(469)	142	(5)	(128)	(264)	(414)	(579)	93
6012-2039-25070 Other P/R Ded - Defer Comp	5,451	50,906	2,717	52,089	4,189	14,707	50,274	54,862	53,993	52,859	5,547	6,884	53,715
6012-2039-25080 Other P/R Ded - Donations	35	35	70	140	175	210	315	385	455	525	595	685	850
6012-2039-25090 Other P/R Ded - Healthcare Reimb	9,653	13,799	11,827	14,602	15,019	17,299	21,167	22,449	23,921	24,239	27,856	31,415	23,452
6012-2039-25100 Other P/R Ded - Garnishments	0	714	529	529	0	0	1,523	1,523	1,523	529	0	0	1,361
Total: Payroll	418,959	578,234	564,000	277,849	321,117	385,313	474,390	602,965	600,415	287,703	317,082	406,601	509,929
Vacation & Other Compensated Absences:													
6012-2032-20320 Accrued Vacation Holiday & Sick Pay	904,860	836,038	857,738	888,686	811,487	853,672	847,446	877,293	901,137	968,029	993,528	1,031,796	1,014,195
I: Vacation & Other Compensated Absences	904,860	836,038	857,738	888,686	811,487	853,672	847,446	877,293	901,137	968,029	993,528	1,031,796	1,014,195
Other:													
6012-2049-20465 RPHE Pension Funding	7,214	10,821	0	4,893	9,786	14,679	19,572	24,465	10,193	14,639	19,468	5,132	9,961
6012-2049-20466 DCHS Retirement Plan - 401 A	16,962	20,761	6,661	25,734	12,177	15,211	36,942	25,302	27,803	30,809	15,204	19,070	42,827
6012-2049-20490 Other Accrued Expenses Payable	501,593	608,366	577,860	576,045	499,742	424,645	411,316	283,604	328,043	233,419	289,598	334,269	464,334
6012-2049-20492 IBNR Accrued Liability - Medical	4,681	803	2,465	6,910	17,358	25,909	28,953	92,460	75,665	137,753	172,432	222,409	337,614
6012-2049-20493 Other Accrd Liab- Sales Tax	80	36	18	85	32	21	7	36	27	19	19	23	91
6012-2049-20494 IBNR Accrued Liability - Dental	0	0	0	22,029	23,980	26,321	28,656	30,998	30,922	17,737	4,599	18,712	32,857
6012-2049-20495 IBNR Accrued Liability - Vision	0	0	0	0	0	0	0	0	0	0	0	0	701
6012-2131-21310 Deferred Income - Patient Deposits	6,263	8,348	18,845	14,225	17,680	12,257	16,994	12,860	16,164	12,242	14,042	14,818	15,448
Total: Other	536,792	649,133	605,848	649,921	580,756	519,044	542,440	469,725	488,817	446,619	515,363	614,433	903,832
Total Current Liabilities	21,223,191	22,065,690	23,641,762	23,325,455	23,232,470	23,118,264	23,620,150	24,084,694	24,197,350	24,621,193	24,679,607	25,202,030	26,108,674
Other Liabilities:													
Pension Plan LT:													
6012-2272-22715 Post Retirement, Bene - SEIU Long Term	27,000	24,833	27,333	27,500	27,667	27,833	28,000	28,167	28,333	28,500	28,667	28,833	24,000
Total: Pension Plan LT	27,000	24,833	27,333	27,500	27,667	27,833	28,000	28,167	28,333	28,500	28,667	28,833	24,000
Total Other Liabilities	27,000	24,833	27,333	27,500	27,667	27,833	28,000	28,167	28,333	28,500	28,667	28,833	24,000
Long-Term Debt:													
NET ASSETS:													
Unrestricted:													
6012-2310-33100 URF-Unrestricted Net Assets	(17,641,379)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)	(17,689,257)
6012-2331-33310 Donated Property Plant & Equipment	1,436,851	1,436,851	1,436,851	1,436,851	1,611,339	1,611,339	1,611,339	1,614,737	1,614,737	1,614,737	1,614,737	1,614,737	1,614,737
Total: Unrestricted	(16,204,529)	(16,252,406)	(16,252,406)	(16,252,406)	(16,077,917)	(16,077,917)	(16,077,917)	(16,074,519)	(16,074,519)	(16,074,519)	(16,074,519)	(16,074,519)	(16,074,519)
Total Net Assets	(16,252,406)	(16,742,648)	(16,868,812)	(17,028,820)	(16,995,017)	(17,319,086)	(17,564,305)	(17,892,195)	(18,090,444)	(18,370,764)	(18,721,952)	(19,134,267)	(19,652,844)
TOTAL LIABILITIES AND FUND BALANCE	4,997,785	5,347,875	6,800,283	6,324,135	6,265,119	5,827,012	6,083,845	6,220,665	6,135,239	6,278,929	5,986,322	6,096,597	6,479,830



Verity Health Systems Seton Medical Center Coastside Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
REVENUE													
Other	(\$1,030)	(\$3,488)	\$4,348	(\$4,488)	\$10,812	(\$7,320)	(\$2,116)	\$20,013	\$5,744	(\$16,843)	\$10,345	(\$4,633)	\$1,798
<b>Total Acute</b>	<b>(3,930)</b>	<b>(3,488)</b>	<b>4,348</b>	<b>(4,486)</b>	<b>10,812</b>	<b>(7,320)</b>	<b>(2,116)</b>	<b>20,013</b>	<b>5,744</b>	<b>(16,843)</b>	<b>10,345</b>	<b>(4,633)</b>	<b>1,798</b>
SNF:													
Self Pay	989	0	11,040	54,194	54,025	1,623	0	0	10,220	0	0	0	0
Comen Ins	126,179	220,158	174,008	143,816	100,112	129,445	140,152	112,807	186,237	259,717	228,760	278,681	274,688
Comen Mgt/Care	62,012	271,076	321,262	310,743	261,354	151,973	133,146	128,935	70,263	30,440	79,285	85,660	21,446
Medicare	190,179	242,183	322,269	136,070	149,013	240,386	255,273	243,262	245,541	460,127	300,391	207,648	156,559
Medicare Mgt/Care	142,044	37,844	0	25,116	8,524	26,763	20,500	0	0	0	0	0	0
Med-Cal	2,800,621	2,737,172	2,705,053	2,702,577	2,891,417	2,780,004	2,448,781	3,115,975	2,626,443	3,214,127	3,142,562	3,251,107	3,215,947
Med-Cal Mgt/Care	1,665,628	1,546,077	1,571,364	1,605,767	1,605,245	1,628,212	1,625,291	1,535,513	1,433,633	1,603,314	1,414,056	1,642,430	1,604,461
<b>Total SNF</b>	<b>4,995,953</b>	<b>5,066,490</b>	<b>5,105,755</b>	<b>5,002,302</b>	<b>5,159,588</b>	<b>4,950,832</b>	<b>5,112,378</b>	<b>5,267,523</b>	<b>4,884,077</b>	<b>5,576,778</b>	<b>5,325,712</b>	<b>5,515,968</b>	<b>5,279,122</b>
<b>Total Gross Inpatient Revenue</b>	<b>4,991,122</b>	<b>5,053,002</b>	<b>5,110,103</b>	<b>4,997,815</b>	<b>5,170,401</b>	<b>4,943,512</b>	<b>5,110,262</b>	<b>5,287,536</b>	<b>4,889,822</b>	<b>5,559,935</b>	<b>5,336,057</b>	<b>5,511,335</b>	<b>5,280,920</b>
Gross Outpatient Revenue:													
Outpatient:													
Self Pay	59,529	57,003	57,248	62,335	66,603	47,382	52,922	72,235	75,103	45,206	49,211	72,424	63,600
Comen Ins	19,945	26,634	20,659	31,170	33,512	21,261	21,261	41,259	17,748	13,566	15,435	12,043	8,300
Comen Mgt/Care	289,239	316,655	283,556	170,834	258,351	243,917	268,971	288,530	264,240	210,421	221,182	249,608	220,008
WCC Comp	24,853	11,277	17,623	22,254	22,236	12,580	12,533	21,222	17,362	31,218	11,157	12,060	17,046
Medicare	171,726	125,119	89,863	115,714	108,835	131,346	146,762	168,169	53,791	187,356	157,564	125,794	121,445
Medicare Mgt/Care	26,264	8,614	6,027	13,886	8,953	14,524	4,910	17,785	21,509	11,050	19,297	5,928	15,378
Med-Cal	31,103	29,198	34,812	34,816	12,839	26,662	27,400	38,907	42,404	37,966	33,358	46,475	76,875
Med-Cal Mgt/Care	235,623	231,291	214,851	206,195	193,624	246,437	318,176	298,903	264,166	284,732	226,711	292,277	283,231
Other	20,569	20,208	33,905	39,224	25,869	(3,514)	60,280	(37,061)	38,640	(9,704)	(3,304)	30,111	19,547
<b>Total OIP</b>	<b>858,148</b>	<b>806,206</b>	<b>760,154</b>	<b>677,177</b>	<b>729,530</b>	<b>753,346</b>	<b>893,216</b>	<b>888,008</b>	<b>752,602</b>	<b>811,891</b>	<b>730,611</b>	<b>836,911</b>	<b>825,490</b>
<b>Total Gross Outpatient Revenue</b>	<b>858,148</b>	<b>806,206</b>	<b>760,154</b>	<b>677,177</b>	<b>729,530</b>	<b>753,346</b>	<b>893,216</b>	<b>888,008</b>	<b>752,602</b>	<b>811,891</b>	<b>730,611</b>	<b>836,911</b>	<b>825,490</b>
<b>Total Gross Revenue</b>	<b>5,849,270</b>	<b>5,859,208</b>	<b>5,870,257</b>	<b>5,674,992</b>	<b>5,899,930</b>	<b>5,696,858</b>	<b>6,003,478</b>	<b>6,175,543</b>	<b>5,642,424</b>	<b>6,371,826</b>	<b>6,066,667</b>	<b>6,348,246</b>	<b>6,106,411</b>
Deductions from Revenue													
Inpatient Contractual Allowances:													
Medicare Traditional	(71,053)	226,007	396,160	242,821	(605,189)	(480,145)	(106,633)	42,627	77,900	366,900	386,020	162,240	101,008
Medicare - Managed Care	177,234	118,522	112,320	114,921	106,391	152,010	109,661	182,452	104,118	157,306	157,460	113,440	146,708
Medicaid Traditional	2,910,126	2,844,134	2,794,105	2,767,535	3,724,979	3,675,169	3,309,053	3,163,386	2,787,224	3,075,355	2,916,379	3,286,184	3,312,718
HMO	213,264	309,119	345,230	173,889	225,080	227,156	165,435	(86,674)	381,599	337,683	341,108	474,402	274,821
<b>Total - Inpatient Contractual Allowances</b>	<b>3,229,561</b>	<b>3,597,782</b>	<b>3,647,857</b>	<b>3,299,157</b>	<b>3,432,161</b>	<b>3,574,789</b>	<b>3,477,516</b>	<b>3,329,791</b>	<b>3,350,832</b>	<b>3,927,154</b>	<b>3,780,967</b>	<b>4,036,356</b>	<b>3,835,255</b>
Outpatient Contractual Allowances:													
Medicaid Traditional	243,672	246,780	254,507	215,982	198,607	204,266	347,946	321,142	264,366	333,629	280,063	331,417	353,719
HMO	156,674	155,652	118,504	138,225	194,242	108,149	179,390	114,902	145,005	101,290	112,232	122,232	157,661
<b>Total - Outpatient Contractual Allowances</b>	<b>400,646</b>	<b>402,432</b>	<b>373,101</b>	<b>349,207</b>	<b>362,849</b>	<b>402,435</b>	<b>527,336</b>	<b>436,134</b>	<b>429,371</b>	<b>435,119</b>	<b>377,882</b>	<b>463,649</b>	<b>511,380</b>
ER Contractual Allowances:													
Provider Fees:													
Day/Share Pymt													
<b>Total - Contractual Allowances</b>	<b>3,630,207</b>	<b>4,000,214</b>	<b>4,020,957</b>	<b>3,648,364</b>	<b>3,795,010</b>	<b>3,977,224</b>	<b>4,004,853</b>	<b>3,765,925</b>	<b>3,780,203</b>	<b>4,362,273</b>	<b>4,158,848</b>	<b>4,500,005</b>	<b>4,346,634</b>
Charity:													
Charity	9,002	(3,360)	8,053	4,870	6,532	5,423	5,826	12,834	8,960	8,738	9,027	12,617	9,002
<b>Total - Charity Allowances</b>	<b>9,002</b>	<b>(3,360)</b>	<b>8,053</b>	<b>4,870</b>	<b>6,532</b>	<b>5,423</b>	<b>5,826</b>	<b>12,834</b>	<b>8,960</b>	<b>8,738</b>	<b>9,027</b>	<b>12,617</b>	<b>9,002</b>
Other:													
Other	44,238	34,407	23,880	34,441	14,163	12,147	5,065	375,307	20,393	18,568	8,528	19,310	14,064
<b>Total - Other Allowances</b>	<b>44,238</b>	<b>34,407</b>	<b>23,880</b>	<b>34,441</b>	<b>14,163</b>	<b>12,147</b>	<b>5,065</b>	<b>375,307</b>	<b>20,393</b>	<b>18,568</b>	<b>8,528</b>	<b>19,310</b>	<b>14,064</b>
DSH:													
Total - Deductions From Revenue	3,683,447	4,031,261	4,052,890	3,687,675	3,815,704	3,994,793	4,015,744	4,154,067	3,809,556	4,389,580	4,176,403	4,531,933	4,369,700
Pat. Rev. Net of Contractuals & Other Deduti	2,165,823	1,827,947	1,817,366	1,987,318	2,084,226	1,702,064	1,987,734	2,021,477	1,832,868	1,982,246	1,890,264	1,816,314	1,736,710
Provision for Doubtful Accounts	23,639	37,345	23,386	93,282	103,446	(85,336)	58,198	168,439	46,807	138,446	100,801	25,911	(94,897)
<b>Net Patient Revenue</b>	<b>2,142,184</b>	<b>1,790,602</b>	<b>1,793,980</b>	<b>1,894,036</b>	<b>1,980,780</b>	<b>1,787,400</b>	<b>1,929,536</b>	<b>1,853,038</b>	<b>1,786,061</b>	<b>1,843,800</b>	<b>1,789,463</b>	<b>1,790,403</b>	<b>1,831,607</b>
Other Revenue:													
Other Revenue	20,187	71,461	132,031	58,706	73,398	35,815	(9,792)	(4,259)	21,542	29,519	62,033	47,123	61,797
<b>Total Other Revenue</b>	<b>20,187</b>	<b>71,461</b>	<b>132,031</b>	<b>58,706</b>	<b>73,398</b>	<b>35,815</b>	<b>(9,792)</b>	<b>(4,259)</b>	<b>21,542</b>	<b>29,519</b>	<b>62,033</b>	<b>47,123</b>	<b>61,797</b>
Unrestricted Contributions:													
<b>Total Revenues</b>	<b>2,162,371</b>	<b>1,862,062</b>	<b>1,926,012</b>	<b>1,952,742</b>	<b>2,054,177</b>	<b>1,823,215</b>	<b>1,919,744</b>	<b>1,848,778</b>	<b>1,807,603</b>	<b>1,873,319</b>	<b>1,851,496</b>	<b>1,837,526</b>	<b>1,893,404</b>
EXPENSES:													
Productive Salaries:													
70500 Mgmt & Supervision	43,663	46,851	45,869	37,343	46,322	45,310	57,087	48,731	46,966	70,018	95,439	36,106	34,968
70510 Technician & Specialist	62,389	91,064	62,441	73,276	80,864	78,086	73,785	70,536	70,897	88,489	83,506	78,537	84,840
70110 Tech & Spec Prem Pay	10,369	13,318	4,616	18,784	9,396	7,369	11,834	8,166	6,822	8,865	4,778	9,406	9,406
70500 Registered Nurses	162,837	209,268	203,011	191,914	208,539	162,035	184,672	170,487	202,303	184,823	189,471	203,338	203,338
70210 Registered Nurses Premium	63,703	65,540	63,527	43,858	43,858	24,824	64,440	69,912	56,779	59,457	62,666	57,701	62,666
70500 Licensed Vocational Nurses	102,694	101,317	94,144	102,162	106,538	114,232	107,439	108,739	60,834	97,351	76,108	55,317	67,079
70510 Licensed Vocational Nurses Premium	29,007	25,714	38,633	16,340	15,636	35,266	66,201	68,436	24,515	26,371	64,550	30,749	30,749
70400 Aides & Orderlies	141,321	169,297	155,812	172,625	166,623	171,662	205,611	194,290	177,634	221,338	215,725	217,439	189,657
70410 Aides & Orderlies Premium	51,033	45,265	51,670	44,153	50,224	58,917	51,339	60,443	47,322	56,237	52,802	49,203	65,665
70500 Clerical & Other Admin	65,916	67,810	76,085	61,364	66,998	66,998	66,007	68,264	66,722	77,346	67,311	76,431	68,547
70510 Clerical & Other Admin Premium	4,882	3,650	2,890	6,214	5,018	4,477	13,052	7,413	3,270	1,286	1,373	1,552	2,861
70600 Environmental & Food Services	51,033	45,265	51,670	44,153	50,224	58,917	51,339	60,443	47,322	56,237	52,802	49,203	65,665
70610 Environmental & Food Services Premium	6,263	6,947	6,596	13,759	4,894	3,179	6,022	9,367	5,867	1,023	2,232	3,919	6,265
70600 Other Salaries & Wages	14,145	13,685	12,466	7,825	7,867	12,022	11,315	10,558	15,318	12,437	15,184	12,414	12,414
70610 Other Salaries & Wages Premium	800	3,312	1,473	2,880	3,544	99	3,037	3,097	2,357	(412)	1,001	1,761	4,038
<b>Total Productive Salaries</b>	<b>930,228</b>	<b>994,777</b>	<b>970,085</b>	<b>946,913</b>	<b>958,013</b>	<b>885,066</b>	<b>1,008,596</b>	<b>1,014,494</b>	<b>899,258</b>	<b>1,014,080</b>	<b>934,645</b>	<b>958,548</b>	<b>976,979</b>
Non-Productive Salaries:													
71000 Vacation Holiday & Sick Leave	116,988	122,603	104,616	109,944	110,390	127,226	99,629						



**Verity Health Systems**  
**Seton Medical Center Coastsiders**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
71300 Group Health Insurance	155,552	193,700	202,885	195,265	194,447	177,546	213,346	44,858	46,881	42,442	32,595	33,321	51,634
71301 EMP Medical Cost - Credit	0	0	0	0	0	0	0	2,110,486	0	0	0	0	0
71303 EMP Medical Cost - Credit	0	0	0	0	0	0	0	(2,110,486)	0	0	0	0	0
71305 Group Health Insured	7,786	350	16,838	15,700	10,738	8,551	3,044	63,537	70,000	125,779	190,303	213,430	310,801
71310 Group Health Insured	8,878	7,873	(10,891)	14,021	14,021	14,021	14,021	14,481	15,485	14,931	14,931	7,524	10,387
71320 Group Health Vision	5,339	1,598	800	(529)	486	790	761	2,601	177	3,886	2,886	(2,695)	(2,695)
71350 Dental Insured	12,250	8,382	11,403	(1,499)	(1,503)	(1,445)	(2,256)	(1,480)	(1,550)	(1,541)	(1,522)	(1,558)	(2,353)
71351 Dental Insured (Net)	4,529	6,510	(1,198)	11,474	11,736	11,736	11,741	11,894	10,934	(2,937)	10,186	14,528	14,548
71360 Medical Brl-Contract	(332)	(483)	(322)	(322)	(322)	(322)	(745)	(947)	(947)	(947)	(947)	(947)	(1,270)
71365 Dental Brl-Contract	(1,115)	0	0	0	0	0	0	0	0	0	0	0	0
71375 Life AD&D Brl-Contract	0	0	228	52	60	54	54	70	70	70	70	70	70
71400 Group Life Insurance	1,351	932	1,509	1,449	1,449	1,449	1,449	1,732	1,732	1,732	1,681	1,681	671
71500 Pension	3,807	3,807	2,754	4,893	4,893	4,893	4,893	4,893	4,893	4,446	4,829	4,829	4,829
71510 Retiree Health	(321,000)	(2,187)	2,500	187	187	187	187	187	187	187	187	187	(4,833)
71515 401K - Employer Match	10,081	11,334	10,360	10,429	10,484	18,975	10,284	11,026	9,788	9,834	11,009	12,160	28,261
71516 Retirement Plan - 401K	30,331	42,078	39,174	38,174	40,822	38,071	41,786	42,228	44,208	44,208	46,188	41,174	42,800
71720 Fringe Benefits	(5,052)	5,000	0	0	0	0	0	0	0	0	0	0	0
71800 Workers Compensation Insurance	18,182	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527
71901 WC - TPA & Other	0	0	0	0	0	0	0	0	0	0	0	0	0
71910 LTD	(443)	2,110	1,940	1,880	1,830	1,695	1,454	1,609	1,609	1,609	1,607	1,574	1,453
71922 Able Eng Benefits	3,465	3,534	5,060	3,530	3,568	3,089	3,639	5,052	4,193	3,839	4,365	3,428	3,521
71950 Other Employee Benefits (Non-Payroll)	1,877	821	1,173	1,237	1,333	1,362	875	995	609	(400)	1,679	913	(16,678)
71910 EMP	35	256	256	256	256	256	256	256	256	256	256	256	256
71930 Ed & Reimbursement	0	0	2,000	2,229	0	0	0	368	0	0	0	0	0
<b>Total - Taxes &amp; Benefits</b>	<b>14,174</b>	<b>386,377</b>	<b>367,933</b>	<b>352,262</b>	<b>373,887</b>	<b>338,769</b>	<b>356,484</b>	<b>299,490</b>	<b>283,647</b>	<b>330,698</b>	<b>412,807</b>	<b>417,684</b>	<b>552,141</b>
<b>Total - Labor Costs</b>	<b>1,041,199</b>	<b>1,540,596</b>	<b>1,455,191</b>	<b>1,425,015</b>	<b>1,461,590</b>	<b>1,382,746</b>	<b>1,472,098</b>	<b>1,449,312</b>	<b>1,315,239</b>	<b>1,494,933</b>	<b>1,498,668</b>	<b>1,523,047</b>	<b>1,679,804</b>
<b>Medical Fees:</b>													
72011 Medical-Physicians Administrative	1,888	1,688	1,688	1,688	311,888	79,188	79,188	79,188	79,188	79,188	79,188	79,188	79,188
72021 Medical-Psy Phs	82,300	82,300	72,700	72,700	(32,800)	0	0	0	0	0	0	0	0
72031 Medical-Psy Csl Phs Cov	0	0	9,600	4,800	0	9,600	4,800	4,800	4,800	4,800	4,800	4,800	4,800
<b>Total - Medical Fees</b>	<b>83,988</b>	<b>83,988</b>	<b>83,988</b>	<b>83,988</b>	<b>79,188</b>	<b>88,788</b>	<b>83,988</b>	<b>83,988</b>	<b>83,988</b>	<b>83,988</b>	<b>83,988</b>	<b>83,988</b>	<b>83,988</b>
<b>Supplies:</b>													
73200 Sutures & Surgical Needles	0	18	0	325	44	0	38	0	117	37	143	35	79
73201 Endoscopy Supplies	0	0	0	0	0	0	4	0	0	0	0	0	0
73203 Surgical-Packs & Cts	480	330	255	413	275	413	385	340	385	340	385	340	385
73400 Surgical Supplies-General	788	354	1,098	855	878	878	459	750	245	168	198	200	884
73403 Ortho Supplies	4	148	15	40	0	0	0	0	118	66	0	0	0
73500 Anesthetic Materials	0	5	0	5	0	0	11	0	0	0	0	0	0
73600 Oxygen & Other Medical Gases	4,573	(1,322)	1,455	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554
73700 IV Solutions	963	222	249	392	248	153	273	269	285	374	362	270	327
73800 Pharmaceuticals	57,481	66,698	48,368	58,685	50,013	53,716	44,559	58,813	52,533	48,824	42,529	40,034	41,718
74000 Radiology Fims	240	229	216	337	162	216	135	216	40	0	0	167	167
74100 Other Medical-Cat Materials & Supplies	14,841	15,257	15,186	15,372	15,186	15,372	15,844	13,045	13,045	13,045	13,045	12,947	14,862
74101 Syringes	815	696	748	850	748	954	718	1,005	748	843	741	904	906
74102 Clones	4,146	3,442	3,445	4,335	3,350	3,551	3,194	3,874	3,096	3,526	3,560	3,468	3,679
74110 Chemistry Solutions	0	0	0	0	0	0	0	0	0	0	0	0	0
74123 Microbiology	0	40	0	0	0	0	262	0	0	0	0	0	0
74124 Phlebotomy	0	0	0	0	0	0	0	0	0	0	0	0	0
74195 Inventory Adjustments	8,778	0	0	0	0	0	0	0	0	0	0	0	0
74200 Food-Meals-Food Frndly	0	47	0	95	0	125	0	185	0	0	0	0	6,034
74300 Food-Other	4,388	7,350	6,573	5,872	5,357	5,361	7,139	8,231	6,999	5,132	6,885	10,960	10,960
74400 Linen & Bedding	0	61	0	2,880	130	0	0	122	65	65	187	119	1,333
74500 Cleaning Supplies	4,152	4,782	4,155	4,355	4,782	4,782	4,782	4,782	4,782	4,782	4,782	4,782	4,782
74600 Office & Administrative Supplies	2,123	2,509	2,241	1,777	1,761	1,854	2,950	280	(4,714)	3,182	2,523	1,678	1,956
74650 Forms	0	111	2,830	223	150	376	107	218	229	107	136	(119)	1,333
74700 Employee Wearing Apparel	44	0	37	9	9	9	436	0	146	121	397	104	128
74800 Instruments & Minor Medical Eq	886	78	1,221	315	58	62	193	1,323	1,324	61	21	69	69
74900 Other Minor Equip	663	1,580	500	2,025	8,198	548	1,286	1,276	670	8,822	1,057	4,183	1,191
74950 Software Computer	433	0	0	0	0	0	0	0	0	0	0	0	0
74950 Hardware Computer	0	437	0	0	0	0	0	0	0	0	0	0	0
75000 Other Non-Medical Supplies	11,962	10,984	11,748	11,516	13,778	10,390	17,410	11,538	12,938	8,888	9,240	17,733	17,448
75005 Cost Reduction - Rebate & Discount	(7,961)	(600)	(1,740)	(1,579)	(5,305)	(1,014)	(8,000)	(800)	(1,535)	(600)	(813)	(800)	(600)
75200 Freight	135	(5)	88	130	54	54	22	78	220	0	0	0	267
75930 To Firm Other CC-Supplies	62,627	63,603	65,433	65,690	65,952	62,484	64,257	65,679	62,880	60,708	64,136	67,806	67,806
<b>Total - Supplies</b>	<b>172,107</b>	<b>171,882</b>	<b>165,043</b>	<b>180,514</b>	<b>163,940</b>	<b>162,492</b>	<b>163,742</b>	<b>159,954</b>	<b>152,336</b>	<b>160,517</b>	<b>139,305</b>	<b>162,330</b>	<b>172,541</b>
<b>P/S - Professional Fees:</b>													
72200 Consultant & Mgmt Fees	862	0	0	0	0	0	0	0	0	0	0	0	0
72300 Legal	0	(176)	0	0	0	0	0	0	0	460	0	0	8,606
<b>Total - Professional Fees</b>	<b>852</b>	<b>(176)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>460</b>	<b>0</b>	<b>0</b>	<b>8,606</b>
<b>Out-Of-Area- Network Expense:</b>													
<b>P/S - Intercompany Related Organizat</b>													
76410 Corporate Management Fees	0	138,754	64,831	37,544	92,239	106,155	89,263	99,627	73,872	92,123	97,448	104,575	90,687
76415 Intergroup Management Fees	0	93,940	93,940	93,940	93,940	93,940	93,940	93,940	93,940	93,940	93,940	93,940	93,940
76420 VBS And SO Allocation	16,701	17,257	18,771	11,867	15,080	13,487	33,017	13,840	24,024	22,885	12,748	38,513	27,880
76422 Purch - Shrs IT Related Alloc	93,332	83,699	103,088	99,340	106,953	116,000	95,402	72,972	113,972	110,178	96,619	97,682	98,023
76423 P/S Customer Net Expense	44,336	45,007	0	15,250	24,414	20,560	(18,380)	31,647	28,878	15,138	40,962	65,910	22,810
76441 Purch Service Ret Org-Regiona	5,705	3,822	4,314	4,900	3,899	4,060	4,599	5,278	4,185	4,683	3,906	4,172	3,388
<b>Total - P/S - Intercompany Related Organizat</b>	<b>120,044</b>	<b>382,559</b>	<b>285,542</b>	<b>270,231</b>	<b>333,412</b>	<b>363,817</b>	<b>278,252</b>	<b>336,481</b>	<b>326,666</b>	<b>340,985</b>	<b>354,740</b>	<b>379,015</b>	<b>315,372</b>
<b>P/S - Other:</b>													
76100 Purch Serv-Medical	1,441	0	0	807	445	37	541	0	1,948	0	0	0	1,028
76200 Purch Serv-Regain & Maintenance	13,028	7,785	20,091	15,437	5,476	13,516	20,981	4,722	(14,885)	1,815	1,565	5,331	8,798
76300 Purch Serv-Collaborate Agencies	4,987	0	136	0	314	136	250	747	624	860	960	(3,229)	0
76800 Purch Serv-Outside Organizatio	134,795	61,552	(32,869)	58,769	48,556	48,637	51,306	58,655	61,660	61,803	60,566	43,103	44,448
76910 Printing & Forms	0	69	0	0	0	0	0	0	49	31	31	41	0
76911 Software Support & Maintenance	760	95	0	800	0	0	0	0	0	0	(698)	0	0
<b>Total - P/S - Other</b>	<b>154,771</b>	<b>69,659</b>	<b>(12,641)</b>	<b>75,614</b>	<b>54,907</b>	<b>60,505</b>	<b>72,683</b>	<b>61,131</b>	<b>49,419</b>	<b>64,223</b>	<b>52,723</b>	<b>44,563</b>	<b>55,174</b>
<b>Rental &amp; Leases:</b>													
77500 Rental-Lease Costs-Buildings	3,880	3,727	3,727	3,396	1,581	1,581	1,581	39	1,581	1,581	1,581	1,581	1,581
77600 Rental-Lease Costs-Equip	27,458	35,683	31,443	27,251	42,819	37,565	41,274	39,796	37,428	(39,443)	8,778	15,545	35,806
<b>Total - Rental &amp; Leases</b>	<b>31,338</b>	<b>39,410</b>	<b>35,170</b>	<b>30,647</b>	<b>44,400</b>	<b>39,146</b>	<b>42,855</b>	<b>38,835</b>	<b>39,009</b>	<b>(37,862)</b>	<b>10,359</b>	<b>17,127</b>	<b>37,388</b>
<b>Other Expenses:</b>													
78000 License & Taxes	0	0	1,460	0	(1,121)</								



Verity Health Systems Seton Medical Center Coastside Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Interest Expense:													
79450 Interest Expense-Other	(320)	(991)	(1,129)	(1,139)	(1,320)	(1,320)	(1,041)	(1,064)	(1,125)	(88)	(127)	(271)	(80)
Total - Interest Expense	(320)	(991)	(1,129)	(1,139)	(1,320)	(1,320)	(1,041)	(1,064)	(1,125)	(88)	(127)	(271)	(80)
Total Expenses	1,666,049	2,352,304	2,052,176	2,112,750	2,194,864	2,147,284	2,164,963	2,180,067	2,005,852	2,153,639	2,202,684	2,249,841	2,411,981
Operating Income	496,322	(490,242)	(126,164)	(160,008)	(140,686)	(324,068)	(245,219)	(331,288)	(198,249)	(280,319)	(351,188)	(412,315)	(518,577)
Investment Income:													
Net Income	496,322	(490,242)	(126,164)	(160,008)	(140,686)	(324,068)	(245,219)	(331,288)	(198,249)	(280,319)	(351,188)	(412,315)	(518,577)



Verity Healt Systems Seton Medical Center Coastside Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
REVENUE													
Other:													
6012-6900-41191 IP Acute-Other	(\$3,930)	(\$3,488)	\$4,348	(\$4,486)	\$10,812	(\$7,320)	(\$2,116)	\$20,013	\$5,744	(\$16,843)	\$10,345	(\$4,633)	\$1,798
Total Other	(3,930)	(3,488)	4,348	(4,486)	10,812	(7,320)	(2,116)	20,013	5,744	(16,843)	10,345	(4,633)	1,798
Total Acute	(3,930)	(3,488)	4,348	(4,486)	10,812	(7,320)	(2,116)	20,013	5,744	(16,843)	10,345	(4,633)	1,798
SNF:													
Self Pay:													
6012-6580-41201 SNF-Self Pay	935	0	6,255	28,050	28,965	935	0	0	0	0	0	0	0
6012-6583-41201 SNF-Self Pay	0	0	0	0	0	0	0	0	10,220	0	0	0	0
6012-7500-41201 SNF-Self Pay	0	0	937	2,442	3,647	0	0	0	0	0	0	0	0
6012-7710-41201 SNF-Self Pay	54	0	1,570	14,781	11,760	0	0	0	0	0	0	0	0
6012-7770-41201 SNF-Self Pay	0	0	653	2,889	5,332	0	0	0	0	0	0	0	0
6012-7780-41201 SNF-Self Pay	0	0	1,625	6,032	4,301	688	0	0	0	0	0	0	0
Total Self Pay	989	0	11,040	54,194	54,025	1,623	0	0	10,220	0	0	0	0
Comm Ins:													
6012-6580-41221 SNF-Comm	79,540	107,525	73,865	48,955	16,830	22,440	28,085	1,870	47,885	81,845	86,520	96,305	142,120
6012-6583-41221 SNF-Comm	12,775	79,205	79,205	79,205	79,205	79,205	79,205	79,205	107,310	107,310	143,080	79,205	79,650
6012-7500-41221 SNF-Comm	14,501	16,633	13,664	10,917	8,064	11,128	13,153	27,397	4,695	25,404	37,588	31,885	32,052
6012-7630-41221 SNF-Comm	627	0	0	0	0	0	627	0	1,438	2,136	0	0	0
6012-7710-41221 SNF-Comm	9,480	12,721	7,272	6,694	5,013	5,586	4,238	4,080	944	7,247	13,125	7,062	7,506
6012-7770-41221 SNF-Comm	2,549	0	0	0	0	6,721	4,100	345	5,264	8,898	7,360	8,925	5,087
6012-7780-41221 SNF-Comm	0	0	0	0	0	0	0	0	1,544	5,595	2,124	0	0
6012-7790-41221 SNF-Comm	7,707	4,055	0	0	0	6,720	9,824	0	16,257	21,340	10,110	15,308	11,273
Total Comm Ins	126,179	220,139	174,006	143,816	109,112	120,445	140,132	112,897	185,237	299,770	299,417	238,790	274,688
Comm MgtCare:													
6012-6580-41222 SNF-Comm MgtCare	45,670	41,035	44,880	111,395	138,975	56,600	71,060	87,890	46,750	32,725	40,600	28,985	20,570
6012-6583-41222 SNF-Comm MgtCare	0	183,655	217,175	102,200	79,205	76,650	45,990	0	0	0	10,220	33,215	0
6012-7500-41222 SNF-Comm MgtCare	7,409	7,673	9,892	17,047	19,077	9,585	6,584	30,410	17,236	2,239	11,984	10,210	0
6012-7630-41222 SNF-Comm MgtCare	0	2,004	4,824	771	2,373	1,302	771	0	0	0	2,475	0	0
6012-7710-41222 SNF-Comm MgtCare	4,482	8,778	18,612	59,478	6,862	1,521	628	888	602	620	437	876	0
6012-7770-41222 SNF-Comm MgtCare	1,291	12,135	15,242	8,814	4,697	2,839	1,720	4,401	10,180	2,116	4,877	5,594	0
6012-7790-41222 SNF-Comm MgtCare	1,160	15,886	10,667	11,038	8,435	3,466	6,193	4,852	4,199	1,758	8,499	8,052	0
Total Comm MgtCare	52,012	271,076	321,292	310,743	261,354	151,973	133,146	128,935	79,253	39,440	79,285	85,993	21,446
Medicare:													
6012-6580-41241 SNF-Medicare	88,825	59,735	39,915	53,295	112,200	198,325	195,625	210,875	120,865	186,065	148,665	91,830	81,345
6012-6583-41241 SNF-Medicare	79,205	157,435	232,505	53,655	0	0	0	35,770	79,205	176,295	186,910	153,895	45,990
6012-7500-41241 SNF-Medicare	17,195	17,562	28,371	13,776	18,280	20,313	24,296	66,164	18,387	33,164	18,367	13,663	10,631
6012-7630-41241 SNF-Medicare	0	0	1,308	0	1,264	2,940	627	2,094	0	2,193	1,396	1,396	0
6012-7710-41241 SNF-Medicare	4,994	4,588	5,602	4,581	10,058	6,816	4,215	4,932	1,319	3,386	11,077	5,538	782
6012-7770-41241 SNF-Medicare	0	1,807	8,777	1,815	4,088	8,058	6,204	10,185	10,499	27,070	13,730	16,836	2,785
6012-7780-41241 SNF-Medicare	0	0	0	0	0	0	0	0	0	2,996	0	0	0
6012-7790-41241 SNF-Medicare	0	1,056	6,521	2,948	4,033	4,834	4,306	14,262	15,266	28,957	9,449	15,390	13,819
Total Medicare	190,179	242,183	322,999	130,070	149,913	240,386	235,273	344,282	245,541	460,127	390,391	297,648	156,559
Medicare MgtCare:													
6012-6580-41242 SNF-Medicare MgtCare	28,050	3,740	0	0	0	16,830	28,985	29,820	3,740	0	0	0	4,675
6012-6583-41242 SNF-Medicare MgtCare	76,650	28,156	0	48,545	7,865	0	0	0	0	0	0	0	0
6012-7500-41242 SNF-Medicare MgtCare	14,271	3,732	0	5,310	640	1,460	770	0	0	0	0	0	1,341
6012-7630-41242 SNF-Medicare MgtCare	627	0	0	0	0	0	0	0	0	0	0	0	698
6012-7710-41242 SNF-Medicare MgtCare	17,667	1,751	0	1,260	219	0	0	0	0	0	0	0	0
6012-7770-41242 SNF-Medicare MgtCare	7,655	516	0	0	0	0	0	0	0	0	0	0	1,277
6012-7790-41242 SNF-Medicare MgtCare	4,324	0	0	0	0	0	0	0	0	0	0	0	0
Total Medicare MgtCare	149,244	37,844	0	55,115	9,524	18,290	29,755	29,520	3,740	0	0	0	7,991
Med-Cal:													
6012-6580-41251 SNF-Med-Cal	1,618,860	1,721,055	1,721,035	1,614,865	1,667,715	1,570,895	1,671,310	1,679,330	1,605,765	1,778,855	1,746,435	1,819,930	1,752,150
6012-6583-41251 SNF-Med-Cal	956,110	811,515	741,160	836,975	894,595	948,445	998,425	942,425	815,270	824,290	833,470	929,045	898,225
6012-7500-41251 SNF-Med-Cal	137,220	110,405	131,408	133,462	145,491	149,696	164,198	337,540	363,801	455,653	373,534	377,023	355,784
6012-7630-41251 SNF-Med-Cal	4,215	4,998	5,668	5,668	2,854	4,458	5,394	13,980	3,696	10,514	6,512	6,649	5,702
6012-7710-41251 SNF-Med-Cal	55,988	63,973	60,576	73,065	135,454	76,764	77,071	79,873	97,293	87,123	110,296	71,626	77,335
6012-7770-41251 SNF-Med-Cal	10,673	12,954	23,999	19,998	15,035	13,429	25,468	20,223	35,032	45,020	29,871	40,875	0
6012-7780-41251 SNF-Med-Cal	0	0	0	0	0	0	0	1,644	1,005	3,689	0	0	0
6012-7790-41251 SNF-Med-Cal	17,755	12,862	21,206	27,917	25,273	15,666	18,953	35,715	19,430	18,971	27,295	21,163	43,876
Total Med-Cal	2,800,821	2,737,172	2,705,063	2,702,577	2,891,417	2,780,904	2,948,781	3,115,975	2,926,443	3,214,127	3,142,562	3,261,107	3,213,947
Med-Cal MgtCare:													
6012-6580-41252 SNF-Med-Cal MgtCare	568,370	599,905	641,725	626,595	623,320	596,625	579,875	486,810	458,520	476,590	453,915	491,790	438,165
6012-6583-41252 SNF-Med-Cal MgtCare	855,065	768,080	752,750	805,365	911,160	874,390	863,640	844,730	747,865	898,385	759,770	829,400	874,745
6012-7500-41252 SNF-Med-Cal MgtCare	87,177	68,109	76,774	74,399	61,225	71,184	84,583	141,069	153,935	149,629	138,061	185,607	165,628
6012-7630-41252 SNF-Med-Cal MgtCare	2,781	1,395	3,549	3,243	4,083	2,817	7,605	2,654	1,562	4,860	(63)	2,697	2,891
6012-7710-41252 SNF-Med-Cal MgtCare	134,352	85,249	51,255	62,800	50,549	42,671	49,977	36,750	43,379	38,017	33,479	53,806	56,406
6012-7770-41252 SNF-Med-Cal MgtCare	10,804	14,725	26,149	21,065	27,701	29,730	24,426	17,490	15,387	21,044	17,216	30,085	29,321
6012-7780-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	0	0	2,519	4,330	0	12,710	2,042
6012-7790-41252 SNF-Med-Cal MgtCare	7,079	10,610	19,162	12,320	7,817	10,834	15,185	6,010	10,466	10,469	11,678	36,334	35,293
Total Med-Cal MgtCare	1,665,628	1,548,077	1,571,364	1,605,787	1,683,245	1,628,212	1,625,291	1,535,513	1,433,633	1,603,314	1,414,066	1,642,430	1,604,491
Total SNF	4,995,053	5,056,490	5,105,755	5,002,302	5,159,588	4,950,832	5,112,378	5,267,523	4,884,077	5,576,778	5,325,712	5,515,968	5,279,122
Total Gross Inpatient Revenue	4,991,122	5,053,002	5,110,103	4,997,815	5,170,401	4,943,512	5,110,262	5,287,536	4,889,822	5,559,935	5,336,057	5,511,335	5,280,920
Gross Outpatient Revenue:													
Outpatient:													
Self Pay:													
6012-7010-44501 OP-Self Pay	45,038	27,818	48,785	69,191	56,898	35,683	24,799	57,276	62,385	38,072	40,740	59,526	45,226
6012-7470-44501 OP-Self Pay	858	28	0	962	1,072	628	240	810	818	191	570	1,176	646
6012-7500-44501 OP-Self Pay	5,705	6,156	5,167	4,288	4,428	5,621	1,002	8,259	5,926	3,875	3,112	7,988	12,434
6012-7630-44501 OP-Self Pay	5,524	1,509	1,542	5,179	1,465	3,852	5,667	3,228	3,224	2,033	4,213	2,365	2,770
6012-7710-44501 OP-Self Pay	2,704	1,492	1,754	2,715	2,740	1,598	1,254	2,662	2,840	1,125	576	1,349	2,524
Total Self Pay	59,829	37,003	57,248	82,335	65,603	47,382	32,922	72,235	75,193	45,296	49,211	72,424	63,600
Comm Ins:													
6012-7010-44521 OP-Comm Ins	15,237	22,067	19,002	16,487	24,187	24,630	16,719	28,792	12,303	10,422	13,500	4,579	4,438
6012-7470-44521 OP-Comm Ins	791	1,969	619	499	995	225	0	216					



Verity Healt Systems  
Seton Medical Center Coastsid  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6012-7710-44531 OIP-W/C	294	621	281	2,146	902	869	62	1,561	1,066	2,293	2,038	1,512	1,467
6012-7770-44531 OIP-W/C	2,120	1,376	0	0	0	0	2,323	2,470	2,006	0	0	0	0
Total W/C Comp	24,063	11,277	17,623	22,694	22,336	13,080	12,633	21,227	17,382	31,218	11,167	12,280	17,046
Medicare:													
6012-7010-44541 OIP-Medicare	82,554	69,566	46,728	61,290	51,813	70,164	88,253	102,097	36,817	94,467	72,628	60,456	54,463
6012-7470-44541 OIP-Medicare	2,286	1,610	597	1,488	1,132	881	1,431	1,745	430	1,496	584	1,273	847
6012-7500-44541 OIP-Medicare	47,505	36,505	31,628	40,299	33,464	32,825	37,094	38,675	40,493	33,905	35,951	30,080	30,068
6012-7630-44541 OIP-Medicare	18,707	10,879	6,451	8,475	7,472	11,017	10,584	13,171	5,722	19,650	14,145	16,663	8,799
6012-7710-44541 OIP-Medicare	3,871	3,842	890	1,378	847	5,088	3,167	2,252	728	1,188	1,192	3,873	1,990
6012-7770-44541 OIP-Medicare	16,804	2,717	3,469	2,784	14,106	11,561	5,333	9,229	8,438	33,378	28,985	13,439	25,178
6012-7780-44541 OIP-Medicare	0	0	0	0	0	0	0	0	1,162	3,272	4,179	0	0
Total Medicare	171,726	125,119	89,663	115,714	108,835	131,346	146,762	168,169	93,791	187,356	167,564	125,794	121,443
Medicare MgtCare:													
6012-7010-44542 OIP-Medicare MgtCare	20,696	6,332	6,471	12,294	8,704	11,986	3,795	12,103	18,268	5,623	15,989	2,275	12,334
6012-7470-44542 OIP-Medicare MgtCare	395	0	0	500	191	164	0	191	445	63	255	0	244
6012-7500-44542 OIP-Medicare MgtCare	1,300	467	1,540	0	0	139	1,115	0	509	1,698	275	0	0
6012-7630-44542 OIP-Medicare MgtCare	3,658	1,542	0	958	0	1,365	0	2,347	0	0	2,306	3,854	2,447
6012-7710-44542 OIP-Medicare MgtCare	254	273	16	106	58	525	0	181	778	0	472	0	107
6012-7770-44542 OIP-Medicare MgtCare	0	0	0	(172)	0	344	0	2,873	3,511	3,336	0	0	244
Total Medicare MgtCare	26,264	8,614	8,027	13,686	8,953	14,524	4,910	17,785	21,509	11,050	19,297	5,929	15,378
Med-Cal:													
6012-7010-44551 OIP-Med-Cal	24,947	24,670	28,369	15,972	10,229	24,000	23,394	17,010	38,210	33,603	31,967	40,479	64,776
6012-7470-44551 OIP-Med-Cal	164	1,267	496	191	125	164	0	191	412	382	168	837	710
6012-7500-44551 OIP-Med-Cal	51	0	2,514	0	584	1,099	2,594	0	1,133	1,211	0	2,551	1,979
6012-7630-44551 OIP-Med-Cal	5,719	2,399	2,767	0	1,686	843	771	1,706	0	2,634	509	2,228	5,301
6012-7710-44551 OIP-Med-Cal	222	1,062	466	513	15	556	641	0	2,649	136	1,114	380	1,786
6012-7770-44551 OIP-Med-Cal	0	0	0	0	0	0	0	0	0	0	0	0	2,324
Total Med-Cal	31,103	29,198	34,612	16,276	12,639	26,662	27,400	18,907	42,404	37,966	33,368	46,475	76,875
Med-Cal MgtCare:													
6012-7010-44552 OIP-Med-Cal MgtCare	205,929	196,862	186,512	179,143	170,907	222,379	278,794	257,378	217,498	241,592	182,032	231,894	238,285
6012-7470-44552 OIP-Med-Cal MgtCare	1,509	2,534	2,509	1,703	1,266	1,104	405	1,131	1,126	1,202	964	3,052	2,282
6012-7500-44552 OIP-Med-Cal MgtCare	6,848	6,114	6,253	8,872	3,578	7,567	11,004	11,735	6,273	8,311	8,979	11,557	11,452
6012-7630-44552 OIP-Med-Cal MgtCare	6,189	15,969	4,676	13,812	6,548	20,013	15,583	8,313	15,369	12,045	16,912	9,143	9,143
6012-7710-44552 OIP-Med-Cal MgtCare	5,756	5,080	6,305	5,020	2,746	3,848	4,165	3,116	3,334	3,178	2,680	4,680	7,124
6012-7770-44552 OIP-Med-Cal MgtCare	8,792	4,740	8,496	2,228	775	5,001	3,794	7,960	5,164	15,050	19,896	14,082	14,944
Total Med-Cal MgtCare	235,423	231,299	214,851	206,085	193,024	246,437	318,176	296,903	241,695	284,732	226,711	282,277	283,231
Other:													
6012-6900-44591 OIP-Other	1,307	11,841	(1,207)	(3,236)	17,689	(22,354)	51,647	(39,817)	20,735	(27,571)	(10,607)	8,901	(818)
6012-7010-44591 OIP-Other	17,289	6,756	31,941	28,316	9,946	13,869	6,870	15,477	17,220	6,591	19,937	15,795	15,795
6012-7470-44591 OIP-Other	251	0	338	933	0	407	191	39	275	0	64	354	300
6012-7500-44591 OIP-Other	0	0	416	0	0	0	0	0	0	351	0	351	1,138
6012-7630-44591 OIP-Other	1,442	1,457	815	730	0	4,144	864	0	784	0	538	698	1,478
6012-7710-44591 OIP-Other	270	152	1,601	2,481	(65)	430	709	0	1,370	296	711	780	1,655
Total Other	20,599	20,206	33,905	29,224	29,669	(3,514)	60,280	(37,051)	38,640	(9,704)	(3,304)	30,111	19,547
Total OIP	858,148	806,206	760,154	677,177	729,530	753,346	893,216	888,008	752,602	811,891	730,611	836,911	825,490
Total Gross Outpatient Revenue	858,148	806,206	760,154	677,177	729,530	753,346	893,216	888,008	752,602	811,891	730,611	836,911	825,490
Total Gross Revenue	5,849,270	5,859,208	5,870,257	5,674,992	5,899,930	5,696,858	6,003,478	6,175,543	5,642,424	6,371,826	6,066,667	6,348,246	6,106,411
Deductions from Revenue													
Inpatient Contractual Allowance													
Medical Traditional:													
6012-5811-51810 CA MCre FFS-Inpt Acute	(71,053)	226,007	396,193	242,821	(825,189)	(480,145)	(106,633)	42,627	77,900	356,590	366,020	162,240	101,008
Total Medicare Traditional	(71,053)	226,007	396,193	242,821	(825,189)	(480,145)	(106,633)	42,627	77,900	356,590	366,020	162,240	101,008
Medicare - Managed Care:													
6012-5812-51820 CA MCre FFS-SNF	177,234	118,522	112,320	114,921	105,391	152,010	109,661	182,452	104,118	157,326	157,460	113,440	146,708
Total Medicare - Managed Care	177,234	118,522	112,320	114,921	105,391	152,010	109,661	182,452	104,118	157,326	157,460	113,440	146,708
Medical Traditional:													
6012-5821-51810 CA Mcoiid FFS-Inpt Acute	2,910,126	2,944,134	2,794,105	2,767,535	3,724,979	3,675,169	3,309,053	3,163,386	2,787,224	3,075,355	2,916,379	3,286,184	3,312,718
Total Medical Traditional	2,910,126	2,944,134	2,794,105	2,767,535	3,724,979	3,675,169	3,309,053	3,163,386	2,787,224	3,075,355	2,916,379	3,286,184	3,312,718
HMO:													
6012-5852-51810 CA CommMgtCre FFS Inpt Acute	213,254	309,119	345,239	173,880	225,980	227,755	165,435	(58,674)	381,590	337,883	341,108	474,492	274,821
Total HMO	213,254	309,119	345,239	173,880	225,980	227,755	165,435	(58,674)	381,590	337,883	341,108	474,492	274,821
Total - Inpatient Contractual Allowances	3,229,561	3,597,782	3,647,857	3,299,157	3,432,161	3,574,789	3,477,516	3,329,791	3,350,832	3,927,154	3,780,967	4,036,356	3,835,255
Outpatient Contractual Allowances:													
Medical Traditional:													
6012-5821-54850 CA Mcoiid FFS -Outpatient	243,672	246,780	254,507	210,982	198,607	294,286	347,846	321,142	284,366	333,829	260,063	331,417	353,719
Total Medical Traditional	243,672	246,780	254,507	210,982	198,607	294,286	347,846	321,142	284,366	333,829	260,063	331,417	353,719
HMO:													
6012-5852-54850 CA CommMgtCre FFS Outpatient	156,974	155,652	118,594	138,225	164,242	108,149	179,390	114,992	145,005	101,290	117,819	132,232	157,661
Total HMO	156,974	155,652	118,594	138,225	164,242	108,149	179,390	114,992	145,005	101,290	117,819	132,232	157,661
Total - Outpatient Contractual Allowances	400,646	402,432	373,101	349,207	362,849	402,435	527,336	436,134	429,371	435,119	377,882	463,649	511,380
ER Contractual Allowances:													
Provider Fees:													
DisShare Pymt													
Total - Contractual Allowances	3,630,207	4,000,214	4,020,957	3,648,364	3,795,010	3,977,224	4,004,853	3,765,925	3,780,203	4,362,273	4,158,848	4,500,005	4,346,634
Charity:													
Charity:													
6012-5870-51895 CharityOsc-Pending	(3,522)	(1,335)	(1,124)	0	244	(244)	1,838	(1,838)	5,968	4,394	6,266	(14,979)	2,770
6012-5870-54850 CharityOsc-Other Outpatient	12,524	(2,025)	9,177	4,870	6,288	5,667	3,988	14,672	2,992	4,344	2,761	27,596	6,232
Total Charity	9,002	(3,360)	8,053	4,870	6,532	5,423	5,626	12,834	8,960	8,738	9,027	12,617	9,002
Total - Charity Allowances	9,002	(3,360)	8,053	4,870	6,532	5,423	5,826	12,834	8,960	8,738	9,027	12,617	9,002
Other:													
Other:													
6012-5930-51810 Admin Adj Inpt Acute	9,466	2,744	(1,164)	10,593	6,629	(10,115)	(13,625)	361,475	5,169	(6,181)	(5,233)	2,986	(961)
6012-5930-54850 Admin Adj Outpatient	34,772	31,663	25,044	23,848	7,534	22,262	18,690	13,833	15,224	24,749	13,761	16,324	15,025
Total Other	44,238	34,407	23,880	34,441	14,163	12,147	5,065	375,307	20,393	18,568	8,528	19,310	14,064
Total - Other Allowances	44,238	34,407	23,880	34,441	14,163	12,147	5,065	375,307	20,393	18,568	8,528	19,310	14,064







Verity Healt Systems  
Seton Medical Center Coastsid  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total 70500 Clerical & Other Admin	65,516	67,810	76,085	61,364	66,998	58,056	66,007	68,264	66,722	77,346	67,311	76,431	68,547
70510 Clerical & Other Admin Premium:													
6012-6580-70510 Clerical & Other Admin Premiu	273	176	340	255	(12)	(5)	22	0	0	0	0	0	0
6012-7500-70510 Clerical & Other Admin Premiu	21	(10)	0	0	0	0	0	0	0	0	0	0	89
6012-8340-70510 Clerical & Other Admin Premiu	2,325	2,384	886	3,154	4,538	3,408	11,729	5,121	2,457	1,281	763	895	1,647
6012-8360-70510 Clerical & Other Admin Premiu	160	19	26	480	0	0	0	21	21	16	16	99	18
6012-8560-70510 Clerical & Other Admin Premiu	449	664	0	735	16	145	1,341	1,860	785	(65)	436	559	1,103
6012-8651-70510 Clerical & Other Admin Premiu	0	0	0	0	0	0	0	0	0	0	173	0	0
6012-8700-70510 Clerical & Other Admin Premiu	(1)	45	0	509	19	15	0	11	0	0	0	0	3
6012-8720-70510 Clerical & Other Admin Premiu	1,456	371	1,647	1,081	456	914	(48)	700	7	53	(16)	0	0
Total 70510 Clerical & Other Admin Premium	4,682	3,650	2,899	6,214	5,018	4,477	13,052	7,413	3,270	1,286	1,373	1,652	2,861
70600 Environmental & Food Services:													
6012-8340-70600 Environmental & Food Services	19,461	18,061	21,827	18,640	22,758	22,171	20,758	15,605	14,089	15,500	15,351	15,009	26,314
6012-8440-70600 Environmental & Food Services	23,213	18,816	20,753	17,480	27,093	27,730	26,194	26,185	24,940	31,301	28,235	25,719	31,207
6012-8460-70600 Environmental & Food Services	8,359	8,418	9,090	7,950	9,374	9,015	4,388	8,655	7,994	9,436	9,015	8,475	8,174
Total 70600 Environmental & Food Services	51,033	45,295	51,670	44,050	59,224	58,917	51,339	50,445	47,022	56,237	52,602	49,203	65,695
70610 Environmental & Food Services Premium:													
6012-8340-70610 Environmental & Food Services Premium	2,410	1,284	3,122	3,032	49	1,454	2,988	2,595	279	44	825	534	5,105
6012-8440-70610 Environmental & Food Services Premium	1,848	3,023	866	10,373	4,529	197	3,862	4,282	3,665	(238)	1,403	1,609	1,659
6012-8460-70610 Environmental & Food Services Premium	1,995	1,929	1,978	395	316	1,488	1,352	2,479	1,983	1,217	0	3,246	1,488
Total 70610 Environmental & Food Services Premium	6,253	6,947	5,966	13,799	4,894	3,179	8,022	9,357	6,867	1,023	2,232	3,919	8,255
70900 Other Salaries & Wages:													
6012-8350-70900 Other Salaries & Wages	9,314	8,661	8,837	8,149	7,867	8,556	6,780	9,342	6,308	10,239	7,358	9,932	7,573
6012-8491-70900 Other Salaries & Wages	4,831	5,024	3,630	(324)	0	4,366	4,536	4,468	4,250	5,079	5,079	5,252	4,841
Total 70900 Other Salaries & Wages	14,145	13,685	12,466	7,825	7,867	12,922	11,315	13,811	10,558	15,318	12,437	15,184	12,414
70910 Other Salaries & Wages Premium:													
6012-8350-70910 Other Salaries & Wages Premium	406	1,861	744	2,985	3,544	85	696	1,456	1,684	(265)	594	33	739
6012-8491-70910 Other Salaries & Wages Premium	194	1,451	729	(4)	0	14	2,342	1,640	674	(147)	407	1,728	3,297
Total 70910 Other Salaries & Wages Premium	600	3,312	1,473	2,980	3,544	99	3,037	3,097	2,357	(412)	1,001	1,761	4,036
<b>Total Productive Salaries</b>	<b>930,228</b>	<b>994,777</b>	<b>970,085</b>	<b>946,913</b>	<b>958,013</b>	<b>885,606</b>	<b>1,008,596</b>	<b>1,014,494</b>	<b>899,258</b>	<b>1,014,080</b>	<b>934,645</b>	<b>958,548</b>	<b>976,979</b>
<b>Non-Productive Salaries:</b>													
71200 Vacation Holiday & Sick Leave:													
6012-6580-71200 Vacation Holiday & Sick Leave	78,493	89,949	77,132	79,918	78,738	78,419	65,653	90,436	77,551	96,263	90,400	85,520	85,479
6012-7010-71200 Vacation Holiday & Sick Leave	4,918	6,335	4,407	4,748	7,349	12,153	9,674	6,424	6,034	7,093	3,281	3,948	7,440
6012-7500-71200 Vacation Holiday & Sick Leave	434	455	410	439	458	582	367	383	423	476	528	472	476
6012-7630-71200 Vacation Holiday & Sick Leave	(75)	70	0	0	0	1,403	1,481	1,234	1,106	1,831	891	1,437	1,403
6012-7710-71200 Vacation Holiday & Sick Leave	9,111	(1,057)	2,970	2,808	819	4,562	4,155	2,481	3,409	(182)	3,980	6,037	(2,044)
6012-7770-71200 Vacation Holiday & Sick Leave	1,487	2,176	1,513	1,905	1,458	2,184	1,643	1,722	1,903	2,943	1,839	1,839	654
6012-8340-71200 Vacation Holiday & Sick Leave	3,637	4,314	3,040	3,551	4,359	4,987	3,382	3,875	3,610	4,490	5,898	3,235	3,504
6012-8360-71200 Vacation Holiday & Sick Leave	1,580	1,734	1,471	1,586	1,552	1,580	1,161	1,486	1,432	1,654	2,101	1,644	1,592
6012-8380-71200 Vacation Holiday & Sick Leave	616	1,717	1,525	1,514	1,706	1,572	910	809	723	962	608	799	1,385
6012-8440-71200 Vacation Holiday & Sick Leave	9,107	7,374	4,160	4,202	4,417	4,320	3,419	3,869	3,441	5,235	5,725	5,069	5,961
6012-8460-71200 Vacation Holiday & Sick Leave	1,480	1,347	1,478	1,447	1,927	1,501	1,523	1,249	1,404	1,550	1,502	1,320	1,370
6012-8560-71200 Vacation Holiday & Sick Leave	2,292	2,288	1,632	1,641	1,605	2,408	990	1,776	1,549	1,998	2,353	1,295	1,255
6012-8700-71200 Vacation Holiday & Sick Leave	1,217	1,452	1,086	2,411	2,603	1,709	1,252	1,165	1,184	1,333	1,391	1,295	1,255
6012-8720-71200 Vacation Holiday & Sick Leave	2,713	4,451	3,792	3,675	3,862	7,863	3,676	4,067	2,433	2,672	1,533	10,734	23,598
Total 71200 Vacation Holiday & Sick Leave	116,988	122,803	104,616	109,844	115,930	127,226	99,629	120,999	106,010	127,290	123,233	126,255	133,780
71201 Ed Leave:													
6012-6580-71201 Ed Leave	6,894	12,071	707	(24)	5,745	4,962	(2,968)	0	2,089	(464)	3,310	5,427	(69)
6012-7010-71201 Ed Leave	1,812	2,449	(341)	2,851	(950)	0	0	0	0	634	0	746	1,267
6012-7630-71201 Ed Leave	0	0	0	0	0	0	0	0	0	0	0	0	1,212
6012-7770-71201 Ed Leave	94	(45)	0	0	0	0	0	0	0	0	0	0	0
6012-8340-71201 Ed Leave	77	(37)	0	0	0	0	0	0	0	0	0	0	0
6012-8380-71201 Ed Leave	111	(54)	0	0	0	0	0	0	0	0	0	0	0
6012-8440-71201 Ed Leave	217	(105)	0	0	0	0	0	0	0	0	0	0	0
6012-8720-71201 Ed Leave	0	495	495	0	0	843	(389)	0	0	0	0	0	0
Total 71201 Ed Leave	9,206	14,774	860	2,827	4,795	5,805	(3,357)	0	2,089	169	3,310	6,173	2,411
71202 Orientation:													
6012-6171-71202 Orientation	0	0	0	0	0	0	0	917	(204)	0	0	0	0
6012-6580-71202 Orientation	17,659	2,666	2,668	2,928	5,797	69	6,233	4,078	14,132	7,002	14,834	669	4,978
6012-7010-71202 Orientation	2,582	1,438	1,602	(57)	0	394	(182)	340	1,021	719	816	4,757	(1,007)
6012-7500-71202 Orientation	68	0	0	0	0	0	0	0	0	0	0	0	146
6012-7630-71202 Orientation	710	367	1,781	(276)	1,080	1,855	1,302	320	0	0	1,562	(779)	0
6012-7710-71202 Orientation	0	0	0	1,144	0	0	0	0	0	0	0	0	574
6012-7770-71202 Orientation	4,802	1,633	851	643	166	2,377	(166)	1,477	2,612	2,512	2,164	1,002	1,987
6012-7780-71202 Orientation	0	0	0	0	0	0	0	0	76	117	(45)	110	68
6012-7790-71202 Orientation	27	764	(9)	1,737	1,402	2,235	835	1,101	1,228	2,968	392	1,575	1,191
6012-8340-71202 Orientation	2,012	395	627	(110)	330	0	0	398	0	0	0	0	0
6012-8360-71202 Orientation	0	716	0	0	0	0	0	0	0	0	0	0	0
6012-8440-71202 Orientation	54	0	0	230	(77)	0	0	0	170	0	326	0	0
6012-8560-71202 Orientation	0	109	0	0	0	184	(27)	0	0	259	99	0	1,181
6012-8700-71202 Orientation	30	0	0	0	0	0	0	0	0	0	0	0	0
6012-8720-71202 Orientation	60	(29)	0	0	424	(177)	184	1,157	597	0	0	0	0
6012-8740-71202 Orientation	0	0	0	0	0	0	0	0	0	0	0	80	(37)
6012-9605-71202 Orientation	0	0	0	0	0	0	0	0	0	0	983	(277)	1,022
Total 71202 Orientation	28,004	8,056	7,104	6,238	9,122	6,536	8,180	8,872	20,752	13,374	21,823	7,137	10,106
71210 Other Non Productive:													
6012-6580-71210 Other Non Productive	3,669	4,629	4,438	4,855	4,631	8,019	(419)	4,507	2,189	5,211	2,425	3,052	3,832
6012-7010-71210 Other Non Productive	28	72	22	30	12	132	433	656	406	2,460	(350)	399	783
6012-7630-71210 Other Non Productive	0	0	0	0	0	1,827	1,823	0	0	0	0	0	0
6012-7770-71210 Other Non Productive	0	0	0	0	268	0	0	0	0	0	0	0	0
6012-8340-71210 Other Non Productive	148	77	0	91	(16)	0	0	0	10	35	477	7	56
6012-8360-71210 Other Non Productive	0	0	0	138	0	730	0	0	0	0	0	0	0
6012-8440-71210 Other Non Productive	0	1,000	0	1,640	(535)	0	0	18	(4)	0	0	3,946	(885)
6012-8560-71210 Other Non Productive	119	175	(6)	4	50	(21)	87	61	29	13	399	(153)	233
6012-8720-71210 Other Non Productive	(17)	1,308	(71)	0	0	78	(36)	0	0	0	0	0	0
Total 71210 Other Non Productive	3,938	7,200	4,383	6,621	4,634	9,718	2,419	5,243	2,630	7,718	2,950	7,251	3,950
71275 BONUS:													
6012-6580-71275 BONUS	0	209	209	209	209	8,535	147	215	853	1,603	0	0	199
6012-7500-71275 BONUS	0	0	0	0	0	0	0	0	0	0	0	0	199
6012-8340-71275 BONUS	0	0	0	0	0	0	0	0	0	199	0	0	0
6012-8360-71275 BONUS	0	0	0	0	0	147	0	0	0	0	0	0	0
6012-8440-71275 BONUS	209	0	0	0	0	0	0	0	0	0	0	0	0
Total 71275 BONUS	209	209	209										



Verity Health Systems Seton Medical Center Coastside Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
72622 Othr Crctst Serv-Temp ShftTm													
6012-8360-72622 Othr Crctst Serv-Temp ShftTm	4,636	0	0	0	0	0	0	0	0	0	0	0	0
6012-8751-72622 Othr Crctst Serv-Temp ShftTm	3,048	0	0	0	0	0	0	0	0	0	0	0	0
Total: 72622 Othr Crctst Serv-Temp ShftTm	7,684	0	0	0	0	0	0	0	0	0	0	0	0
Total - Contract Labor	(61,547)	0	0	0	0	0	0	0	0	0	0	0	0
Benefits & Taxes:													
71000 FICA:													
6012-8881-71000 FICA	70,502	77,080	87,235	83,273	72,970	58,433	64,242	74,801	65,322	70,646	70,758	71,475	73,135
Total: 71000 FICA	70,502	77,080	87,235	83,273	72,970	58,433	64,242	74,801	65,322	70,646	70,758	71,475	73,135
71300 Group Health Insurance:													
6012-8881-71300 Group Health Insurance	155,552	193,700	202,685	195,285	184,447	177,546	213,248	44,656	46,661	42,442	32,950	33,251	51,634
Total: 71300 Group Health Insurance	155,552	193,700	202,685	195,285	184,447	177,546	213,248	44,656	46,661	42,442	32,950	33,251	51,634
71301 EMP Medical Cost - Credit:													
6012-8881-71301 Er Medical Cost - Debit	0	0	0	0	0	0	0	2,110,486	0	0	0	0	0
Total: 71301 EMP Medical Cost - Credit	0	0	0	0	0	0	0	2,110,486	0	0	0	0	0
71303 EMP Medical Cost - Credit:													
6012-8881-71303 Er Medical Cost - Credit	0	0	0	0	0	0	0	(2,110,486)	0	0	0	0	0
Total: 71303 EMP Medical Cost - Credit	0	0	0	0	0	0	0	(2,110,486)	0	0	0	0	0
71305 Group Health Self Insured:													
6012-8881-71305 Group Health Self Insured	7,786	350	16,838	15,700	10,798	8,551	3,044	63,507	70,000	125,779	190,303	213,439	310,801
Total: 71305 Group Health Self Insured	7,786	350	16,838	15,700	10,798	8,551	3,044	63,507	70,000	125,779	190,303	213,439	310,801
71310 Group Health Insured:													
6012-8881-71310 Group Health Insured	8,678	7,573	(10,061)	(8,016)	(452)	2,034	(9,820)	11,461	13,465	15,355	14,931	7,024	19,367
Total: 71310 Group Health Insured	8,678	7,573	(10,061)	(8,016)	(452)	2,034	(9,820)	11,461	13,465	15,355	14,931	7,024	19,367
71320 Group Health Vision:													
6012-8881-71320 Group Health Vision	5,339	(224)	1,596	800	(529)	486	790	761	2,601	177	3,686	2,895	(2,695)
Total: 71320 Group Health Vision	5,339	(224)	1,596	800	(529)	486	790	761	2,601	177	3,686	2,895	(2,695)
71350 Dental Insured:													
6012-8881-71350 Dental Insured	12,250	8,362	11,403	(1,499)	(1,503)	(1,445)	(2,256)	(1,489)	(1,550)	(1,541)	(1,522)	(1,556)	(2,353)
Total: 71350 Dental Insured	12,250	8,362	11,403	(1,499)	(1,503)	(1,445)	(2,256)	(1,489)	(1,550)	(1,541)	(1,522)	(1,556)	(2,353)
71351 Dental Insured IBNR:													
6012-8881-71351 IBNR - Dental	4,529	6,010	(136)	11,474	11,106	11,735	11,741	11,664	10,914	(2,937)	10,186	14,208	14,846
Total: 71351 Dental Insured IBNR	4,529	6,010	(136)	11,474	11,106	11,735	11,741	11,664	10,914	(2,937)	10,186	14,208	14,846
71360 Medical Bnf-Contract:													
6012-8881-71360 Medical Bnf-Contract	(322)	(483)	(322)	(322)	(322)	(322)	(745)	(847)	(847)	(847)	(847)	(847)	(1,270)
Total: 71360 Medical Bnf-Contract	(322)	(483)	(322)	(322)	(322)	(322)	(745)	(847)	(847)	(847)	(847)	(847)	(1,270)
71365 Dental Bnf-Contract:													
6012-8881-71365 Dental Bnf-Contract	(1,115)	0	0	0	0	0	0	0	0	0	0	0	0
Total: 71365 Dental Bnf-Contract	(1,115)	0	0	0	0	0	0	0	0	0	0	0	0
71375 Life AD&D Bnf-Contract:													
6012-8881-71375 Life AD&D Bnf-Contract	0	0	228	52	60	54	54	70	70	70	70	70	70
Total: 71375 Life AD&D Bnf-Contract	0	0	228	52	60	54	54	70	70	70	70	70	70
71400 Group Life Insurance:													
6012-8881-71400 Group Life Insurance	1,301	932	1,449	1,439	1,609	1,540	361	1,698	1,732	1,734	1,693	1,689	672
Total: 71400 Group Life Insurance	1,301	932	1,449	1,439	1,609	1,540	361	1,698	1,732	1,734	1,693	1,689	672
71500 Pension:													
6012-8881-71500 Pension	3,607	3,607	2,754	4,893	4,893	4,893	4,893	4,893	4,893	4,446	4,829	4,829	4,829
Total: 71500 Pension	3,607	3,607	2,754	4,893	4,893	4,893	4,893	4,893	4,893	4,446	4,829	4,829	4,829
71510 Retiree Health:													
6012-8881-71510 Retiree Health	(321,000)	(2,167)	2,500	167	167	167	167	167	167	167	167	167	(4,833)
Total: 71510 Retiree Health	(321,000)	(2,167)	2,500	167	167	167	167	167	167	167	167	167	(4,833)
71515 403B - Employer Match:													
6012-8881-71515 403B - Employer Match	10,081	11,034	10,360	10,425	10,484	18,975	9,084	11,026	9,768	9,834	11,009	12,160	28,261
Total: 71515 403B - Employer Match	10,081	11,034	10,360	10,425	10,484	18,975	9,084	11,026	9,768	9,834	11,009	12,160	28,261
71516 Retirement Plan - 401 A:													
6012-8881-71516 Verity Retirement Plan - 401 A	39,131	42,078	39,794	38,174	45,802	38,071	43,789	47,158	42,228	44,288	40,188	41,174	62,590
Total: 71516 Retirement Plan - 401 A	39,131	42,078	39,794	38,174	45,802	38,071	43,789	47,158	42,228	44,288	40,188	41,174	62,590
71720 Fringe Benefits:													
6012-8881-71720 Fringe Benefits	(5,052)	5,000	0	0	0	0	0	0	0	0	0	0	0
Total: 71720 Fringe Benefits	(5,052)	5,000	0	0	0	0	0	0	0	0	0	0	0
71600 Workers Compensation Insurance:													
6012-8881-71600 Workers Compensation Insuranc	18,182	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527
Total: 71600 Workers Compensation Insurance	18,182	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527	11,527
71601 WC - TPA & Other:													
6012-8881-71601 WC - TPA & Other	0	15,245	0	0	15,245	0	0	10,713	0	4,244	15,066	0	0
Total: 71601 WC - TPA & Other	0	15,245	0	0	15,245	0	0	10,713	0	4,244	15,066	0	0
71810 LTD:													
6012-8881-71810 LTD	(443)	2,110	1,598	1,640	1,680	1,839	1,595	1,454	1,609	1,609	1,507	1,574	1,453
Total: 71810 LTD	(443)	2,110	1,598	1,640	1,680	1,839	1,595	1,454	1,609	1,609	1,507	1,574	1,453
71820 Able Eng Benefits:													
6012-8881-71820 Able Eng Benefits	3,455	3,534	5,060	3,530	4,315	3,068	3,639	5,052	4,193	3,839	4,365	3,428	3,521
Total: 71820 Able Eng Benefits	3,455	3,534	5,060	3,530	4,315	3,068	3,639	5,052	4,193	3,839	4,365	3,428	3,521
71900 Other Employee Benefits (Non-Payroll):													
6012-8881-71900 Other Employee Benefits (Non-P	1,677	821	1,173	1,237	1,333	1,362	875	595	609	(400)	1,679	913	(19,678)
6012-8881-71900 Other Employee Benefits (Non-Payroll)	1,677	821	1,173	1,237	1,333	1,362	875	595	609	(400)	1,679	913	(19,678)
71910 EAP:													
6012-8650-71910 EAP	35	256	252	254	256	256	256	256	285	265	263	263	263
Total: 71910 EAP	35	256	252	254	256	256	256	256	285	265	263	263	263
71930 Ed & Reimbsmnt:													
6012-6580-71930 Ed & Reimbsmnt	0	0	2,000	2,229	0	0	0	368	0	0	0	0	0
Total: 71930 Ed & Reimbsmnt	0	0	2,000	2,229	0	0	0	368	0	0	0	0	0
Total - Taxes & Benefits	14,174	386,377	367,933	352,262	373,887	338,769	356,484	299,490	283,647	330,698	412,807	417,684	552,141



**Verity Health Systems**  
**Seton Medical Center Coastsides**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total - Labor Costs	1,041,199	1,540,596	1,455,191	1,425,015	1,461,590	1,382,746	1,472,098	1,449,312	1,315,239	1,494,933	1,498,668	1,523,047	1,679,804
Medical Fees:													
72011 Medical-Physicians Administrat:													
6012-6580-72011 Medical-Physicians Administrat		1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688
6012-7010-72011 Medical-Physicians Administrat	0	0	0	0	310,000	77,500	77,500	77,500	77,500	77,500	77,500	77,500	77,500
Total: 72011 Medical-Physicians Administrat	1,688	1,688	1,688	1,688	311,688	79,188	79,188	79,188	79,188	79,188	79,188	79,188	79,188
72021 Medical-Phys Clinical Fees:													
6012-6580-72021 Medical-Phys Clinical Fees	4,800	4,800	(4,800)	0	0	0	0	0	0	0	0	0	0
6012-7010-72021 Medical-Phys Clinical Fees	77,500	77,500	77,500	77,500	(232,500)	0	0	0	0	0	0	0	0
Total: 72021 Medical-Phys Clinical Fees	82,300	82,300	72,700	77,500	(232,500)	0	0	0	0	0	0	0	0
72031 Medical-Phys Cal Pht Cov:													
6012-6580-72031 Medical-Phys Cal Pht Cov	0	0	9,600	4,800	0	9,600	4,800	4,800	4,800	4,800	4,800	4,800	4,800
Total: 72031 Medical-Phys Cal Pht Cov	0	0	9,600	4,800	0	9,600	4,800	4,800	4,800	4,800	4,800	4,800	4,800
Total - Medical Fees	83,988	83,988	83,988	83,988	79,188	86,788	83,988	83,988	83,988	83,988	83,988	83,988	83,988
Supplies:													
73200 Sutures & Surgical Needs:													
6012-7010-73200 Sutures & Surgical Needs	0	18	0	325	44	0	38	0	117	37	143	35	79
Total: 73200 Sutures & Surgical Needs	0	18	0	325	44	0	38	0	117	37	143	35	79
73201 Endomechanicals:													
6012-6580-73201 Endomechanicals	0	0	0	0	0	0	0	4	0	0	4	0	0
Total: 73201 Endomechanicals	0	0	0	0	0	0	0	4	0	0	4	0	0
73300 Surgical Packs & Sets:													
6012-6580-73300 Surgical Packs & Sets	468	330	413	385	209	275	275	330	385	349	288	180	262
Total: 73300 Surgical Packs & Sets	468	330	413	385	209	275	275	330	385	349	288	180	262
73400 Surgical Supplies General:													
6012-6178-73400 Surgical Supplies-General	0	214	0	0	0	0	0	0	0	0	0	0	0
6012-6580-73400 Surgical Supplies-General	718	62	1,038	62	740	413	400	693	134	77	88	120	764
6012-7010-73400 Surgical Supplies-General	78	78	62	136	116	464	59	96	114	92	110	90	120
Total: 73400 Surgical Supplies-General	788	354	1,098	188	856	878	459	789	248	168	198	209	884
73403 Ortho Supplies:													
6012-6580-73403 Ortho Supplies	0	148	7	22	0	0	0	0	0	0	0	0	0
6012-7010-73403 Ortho Supplies	4	0	7	18	0	0	0	0	0	118	66	0	0
Total: 73403 Ortho Supplies	4	148	15	40	0	0	0	0	0	118	66	0	0
73500 Anesthetic Materials:													
6012-7010-73500 Anesthetic Materials	0	0	5	0	5	0	3	0	0	0	0	0	0
6012-7470-73500 Anesthetic Materials	0	0	0	0	0	0	0	11	0	0	0	0	0
Total: 73500 Anesthetic Materials	0	0	5	0	5	0	3	11	0	0	0	0	0
73600 Oxygen & Other Medical Gases:													
6012-6580-73600 Oxygen & Other Medical Gases	0	(661)	0	0	0	0	0	0	0	0	0	0	1,552
6012-7720-73600 Oxygen & Other Medical Gases	4,073	(661)	2,552	971	1,405	1,854	124	2,275	646	303	1,079	0	2,899
Total: 73600 Oxygen & Other Medical Gases	4,073	(1,322)	2,552	971	1,405	1,854	124	2,275	646	303	1,079	0	4,451
73700 IV Solutions:													
6012-6010-73700 IV Solutions	15	0	0	0	0	0	4	0	0	0	0	0	0
6012-6580-73700 IV Solutions	64	0	5	0	0	0	0	0	0	0	0	0	0
6012-6580-73700 IV Solutions	260	176	179	285	132	66	248	207	166	209	190	113	103
6012-7010-73700 IV Solutions	204	47	65	74	117	87	75	62	118	166	212	158	224
6012-7500-73700 IV Solutions	0	0	0	0	0	0	(53)	0	0	0	0	0	0
6012-7710-73700 IV Solutions	21	0	0	32	0	0	0	0	0	0	0	0	0
Total: 73700 IV Solutions	563	222	249	392	248	153	273	269	285	374	362	270	327
73800 Pharmaceuticals:													
6012-7710-73800 Pharmaceuticals	57,481	66,698	48,368	56,685	50,013	53,716	44,599	54,813	52,533	48,824	42,529	40,034	41,718
Total: 73800 Pharmaceuticals	57,481	66,698	48,368	56,685	50,013	53,716	44,599	54,813	52,533	48,824	42,529	40,034	41,718
74000 Radiology Films:													
6012-6580-74000 Radiology Films	405	229	216	337	162	216	216	135	0	0	40	107	53
6012-7010-74000 Radiology Films	0	0	0	0	0	0	0	0	0	0	0	0	40
Total: 74000 Radiology Films	405	229	216	337	162	216	216	135	0	0	40	107	93
74100 Other Medical Care Materials & Supplies:													
6012-6010-74100 Other Medical Care Materials & Supplies	0	(12)	205	0	0	0	0	0	0	51	0	0	0
6012-6172-74100 Other Medical Care Materials & Supplies	40	0	0	0	0	0	7	0	0	0	0	0	0
6012-6580-74100 Other Medical Care Materials & Supplies	10,322	8,244	10,015	9,354	13,093	10,839	9,126	10,036	9,449	7,989	7,726	7,659	10,928
6012-7010-74100 Other Medical Care Materials & Supplies	1,621	539	650	520	337	905	484	254	503	382	1,239	1,355	756
6012-7500-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	704	0	0	0	0	0	0	0
6012-7591-74100 Other Medical Care Materials & Supplies	0	0	151	0	0	0	0	0	0	0	0	0	0
6012-7630-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	299	0	0	0	0	48
6012-7770-74100 Other Medical Care Materials & Supplies	36	0	0	0	196	527	591	245	0	219	362	682	0
6012-7790-74100 Other Medical Care Materials & Supplies	0	0	0	0	560	99	476	0	0	0	0	0	0
6012-8330-74100 Other Medical Care Materials & Supplies	1,497	641	1,479	1,643	552	1,428	1,044	0	1,190	0	1,160	1,439	0
6012-8440-74100 Other Medical Care Materials & Supplies	525	844	962	1,274	428	1,718	1,644	0	1,599	680	22	1,820	702
6012-8550-74100 Other Medical Care Materials & Supplies	0	0	0	24	0	0	0	0	0	0	0	0	0
6012-8660-74100 Other Medical Care Materials & Supplies	0	0	0	41	0	0	0	0	0	0	0	0	0
74100 Other Medical Care Materials & Supplies	14,641	10,257	13,186	12,832	15,165	16,219	13,372	10,544	13,040	9,102	9,375	12,356	14,555
74101 Syringes:													
6012-6580-74101 Syringes	733	692	723	850	883	849	706	980	745	789	706	641	931
6012-7010-74101 Syringes	82	4	25	0	90	105	12	25	4	54	35	263	65
Total: 74101 Syringes	815	696	748	850	974	954	718	1,005	748	843	741	904	996
74102 Gloves:													
6012-6580-74102 Gloves	3,940	3,433	3,381	4,191	3,312	3,551	3,151	3,864	3,042	3,496	3,560	3,404	3,605
6012-7010-74102 Gloves	206	10	46	116	38	0	43	10	14	32	0	65	74
6012-8440-74102 Gloves	0	0	18	0	0	0	0	0	0	0	0	0	0
6012-8660-74102 Gloves	0	0	0	28	0	0	0	0	0	0	0	0	0
Total: 74102 Gloves	4,146	3,442	3,445	4,335	3,350	3,551	3,194	3,874	3,056	3,528	3,560	3,469	3,679
74119 Chemistry Solutions:													
6012-7010-74119 Chemistry Solutions	0	0	0	0	0	0	0	0	0	0	0	13	0
6012-7500-74119 Chemistry Solutions	0	0	0	0	0	278	0	0	0	0	0	0	0
Total: 74119 Chemistry Solutions	0	0	0	0	0	278	0	0	0	0	0	13	0
74123 Microbiology:													
6012-6580-74123 Microbiology	0	19	0	0	0	0	0	0	0	9	0	0	0
6012-7010-74123 Microbiology	0	21	0	0	0	0	262	0	0	0	0	0	0
Total: 74123 Microbiology	0	40	0	0	0	0	262	0	0	9	0	0	0
74124 Phlebotomy:													
6012-7010-74124 Phlebotomy	0	0	0	0	0	0	0	0	0	0	0	0	95
Total: 74124 Phlebotomy	0	0	0	0	0	0	0	0	0	0	0	0	95
74195 Inventory Adjustments:													
6012-7470-74195 INVENTORY ADJUSTMENTS	2,042	0	0	0	0	0	0	0	0	0	0	0	0



**Verity Healt Systems**  
**Seton Medical Center Coastsides**  
**Trended Income Statement**  
**June 30, 2018**

**PIS - Professional Fees:**  
72200 Consultant & Mgmt Fees:



**Verity Health Systems**  
**Seton Medical Center Coastsides**  
**Trended Income Statement**  
**June 30, 2018**

[illegible]



Verity Healt Systems  
Seton Medical Center Coastside  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total: 78300 Licenses & Taxes	0	0	1,460	0	(1,121)	671	0	441	0	0	2,476	0	215
78400 Other Costs:													
6012-6580-78400 Other Costs	0	0	4,167	0	0	0	0	0	0	0	0	0	0
6012-8510-78400 Other Costs	291	764	432	445	482	362	400	304	310	299	234	377	249
Total: 78400 Other Costs	291	764	4,599	445	482	362	400	304	310	299	234	377	249
78500 Telephone/Telegraph:													
6012-7010-78500 Telephone/Telegraph	305	0	610	305	305	305	0	305	0	305	610	0	915
6012-8440-78500 Telephone/Telegraph	0	0	0	0	0	110	0	0	0	0	0	0	0
6012-8470-78500 Telephone/Telegraph	8,986	5,439	(9,070)	626	576	1,896	621	(100)	652	1,234	857	1,032	2,399
6012-8720-78500 Telephone/Telegraph	0	0	58	339	0	0	0	0	0	0	0	0	0
Total: 78500 Telephone/Telegraph	9,291	5,439	(8,802)	1,270	881	2,312	621	205	652	1,539	1,487	1,032	3,314
78600 Dues & Subscriptions:													
6012-6580-78600 Dues & Subscriptions	0	0	0	0	0	0	0	0	0	0	0	0	776
6012-7500-78600 Dues & Subscriptions	0	0	0	0	0	0	5,671	0	0	0	0	0	0
6012-7570-78600 Professional Subscriptions & Dues	0	0	0	0	2,721	0	(2,721)	0	0	0	0	0	0
6012-8720-78600 Dues & Subscriptions	800	0	0	0	0	0	0	0	77	877	14,189	(7,000)	0
Total: 78600 Dues & Subscriptions	800	0	0	0	2,721	0	2,950	0	77	877	14,189	(7,000)	776
78700 Outside Training Sessions:													
6012-6580-78700 Outside Training Sessions	744	0	0	150	0	0	0	0	0	350	0	80	49
6012-7630-78700 Outside Training Sessions	0	0	0	0	0	0	0	0	80	0	0	0	0
Total: 78700 Outside Training Sessions	744	0	0	150	0	0	0	0	80	350	0	80	49
78750 Meetings & Conventions:													
6012-8720-78750 Meetings & Conventions	0	100	0	0	0	0	0	0	0	0	0	0	0
Total: 78750 Meetings & Conventions	0	100	0	0	0	0	0	0	0	0	0	0	0
78800 Travel:													
6012-8610-78800 Travel	0	0	0	0	0	532	150	(255)	(427)	277	94	73	181
Total: 78800 Travel	0	0	0	0	0	532	150	(255)	(427)	277	94	73	181
78805 Mileage:													
6012-8560-78805 Personal Car Mileage	0	14	0	0	0	0	0	0	0	0	0	0	0
Total: 78805 Mileage	0	14	0	0	0	0	0	0	0	0	0	0	0
78810 Business Meals:													
6012-6580-78810 Business Meals - Attendees	0	49	0	0	0	0	0	0	0	0	0	0	0
6012-8720-78810 Business Meals - Attendees	0	0	0	0	0	0	0	0	0	0	0	0	81
Total: 78810 Business Meals	0	49	0	0	0	0	0	0	0	0	0	0	81
78814 Entertainment - Staff:													
6012-8720-78814 Entertainment - Staff	0	0	0	0	0	0	0	0	0	0	310	0	0
Total: 78814 Entertainment - Staff	0	0	0	0	0	0	0	0	0	0	310	0	0
78900 Recruiting:													
6012-8610-78900 Recruiting	0	0	0	1,050	1,050	0	0	0	0	0	0	0	0
Total: 78900 Recruiting	0	0	0	1,050	1,050	0	0	0	0	0	0	0	0
79000 Other Expenses:													
6012-6580-79000 Other Expenses	0	495	853	360	584	454	790	(49)	180	171	340	315	344
6012-8610-79000 Other Expenses	0	0	0	1	0	0	0	0	0	526	7	0	0
6012-8720-79000 Other Expenses	0	272	0	0	0	0	0	0	0	0	0	0	0
Total: 79000 Other Expenses	0	767	853	361	584	454	790	(49)	180	697	347	315	344
79003 Gifts & Entertainment:													
6012-6580-79003 Gifts & Entertainment	3,267	397	880	1,125	0	1,960	1,749	400	1,075	1,300	770	1,245	1,490
Total: 79003 Gifts & Entertainment	3,267	397	880	1,125	0	1,960	1,749	400	1,075	1,300	770	1,245	1,490
79090 Advertising:													
6012-8610-79090 Advertising	680	0	0	0	0	0	0	0	0	0	0	0	0
Total: 79090 Advertising	680	0	0	0	0	0	0	0	0	0	0	0	0
78990 Cash - AP Offset Account:													
6012-9998-78990 Cash - AP Offset Account	3,152	0	0	0	0	0	0	0	0	0	0	0	(32,711)
Total: 78990 Cash - AP Offset Account	3,152	0	0	0	0	0	0	0	0	0	0	0	(32,711)
78893 Cash - PPE Purchase Temp Acct - Accrual:													
6012-9998-78893 Cash - PPE Purchase Temp Acct	(3,152)	0	0	0	0	0	0	0	0	0	0	0	32,711
78893 Cash - PPE Purchase Temp Acct - Accrual	(3,152)	0	0	0	0	0	0	0	0	0	0	0	32,711
<b>Total - Other Expenses</b>	<b>15,073</b>	<b>7,530</b>	<b>(1,110)</b>	<b>4,400</b>	<b>4,596</b>	<b>6,301</b>	<b>6,659</b>	<b>1,046</b>	<b>1,947</b>	<b>5,339</b>	<b>19,888</b>	<b>(3,878)</b>	<b>6,700</b>
<b>Total - P/S &amp; Other Expenses</b>	<b>321,878</b>	<b>496,983</b>	<b>306,961</b>	<b>380,892</b>	<b>437,316</b>	<b>469,769</b>	<b>400,449</b>	<b>437,494</b>	<b>417,042</b>	<b>373,145</b>	<b>437,710</b>	<b>436,827</b>	<b>423,239</b>
<b>Bad Debt Expense:</b>													
<b>Insurance:</b>													
78100 Insurance-Professional Liability:													
6012-8830-78100 Insurance-Professional Liabl	11,612	0	0	0	0	0	0	0	0	0	0	0	0
6012-8881-78100 Insurance-Professional Liabl	0	10,650	10,373	10,373	11,779	10,373	10,373	11,299	10,492	10,373	13,082	12,325	12,325
Total: 78100 Insurance-Professional Liability	11,612	10,650	10,373	10,373	11,779	10,373	10,373	11,299	10,492	10,373	13,082	12,325	12,325
78200 Insurance-Other:													
6012-8830-78200 Insurance-Other	0	2,702	2,702	2,702	2,702	2,702	2,702	2,702	2,702	2,702	2,702	2,702	2,702
6012-8840-78200 Insurance-Other	2,206	0	0	0	0	0	0	0	0	0	0	0	0
6012-8881-78200 Insurance-Other	0	16,425	0	0	9,647	0	0	3,960	0	0	0	0	0
Total: 78200 Insurance-Other	2,206	16,127	2,702	2,702	12,349	2,702	2,702	6,662	2,702	2,702	2,702	2,702	2,702
<b>Total - Insurance</b>	<b>13,817</b>	<b>29,777</b>	<b>13,075</b>	<b>13,075</b>	<b>24,128</b>	<b>13,075</b>	<b>13,075</b>	<b>17,961</b>	<b>13,194</b>	<b>13,075</b>	<b>15,784</b>	<b>15,027</b>	<b>15,027</b>
<b>Utilities:</b>													
77700 Utilities-Electricity:													
6012-8460-77700 Utilities-Electricity	8,948	8,522	9,082	9,456	8,644	8,765	7,938	5,817	5,768	5,402	5,852	8,920	9,844
Total: 77700 Utilities-Electricity	8,948	8,522	9,082	9,456	8,644	8,765	7,938	5,817	5,768	5,402	5,852	8,920	9,844
77800 Utilities-Gas:													
6012-8460-77800 Utilities-Gas	2,670	2,578	2,493	2,248	3,167	4,496	5,904	6,811	5,857	7,005	5,079	4,068	6,413
Total: 77800 Utilities-Gas	2,670	2,578	2,493	2,248	3,167	4,496	5,904	6,811	5,857	7,005	5,079	4,068	6,413
77900 Utilities-Water:													
6012-8460-77900 Utilities-Water	5,751	5,069	5,126	5,912	5,532	5,781	5,194	6,179	6,351	4,416	4,966	5,241	7,652
Total: 77900 Utilities-Water	5,751	5,069	5,126	5,912	5,532	5,781	5,194	6,179	6,351	4,416	4,966	5,241	7,652
78000 Utilities-Other:													
6012-8440-78000 Utilities-Other	953	953	975	975	980	975	975	975	975	980	980	0	1,952
Total: 78000 Utilities-Other	953	953	975	975	980	975	975	975	975	980	980	0	1,952
<b>Total - Utilities</b>	<b>18,321</b>	<b>17,122</b>	<b>17,676</b>	<b>18,590</b>	<b>18,323</b>	<b>20,018</b>	<b>20,011</b>	<b>19,782</b>	<b>18,952</b>	<b>17,804</b>	<b>16,878</b>	<b>18,230</b>	<b>25,861</b>



<b>Verity Healt Systems</b> <b>Seton Medical Center Coastside</b> <b>Trended Income Statement</b> <b>June 30, 2018</b>													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Depreciation</b>													
77200 Depr&Amort-Buildings & Improve:													
6012-8811-77200 Depr&Amort-Buildings & Improve	0	0	0	0	0	0	0	0	0	901	901	901	901
Total: 77200 Depr&Amort-Buildings & Improve	0	0	0	0	0	0	0	0	0	901	901	901	901
77400 Depr&Amort-Equip:													
6012-8810-77400 Depr&Amort-Equip	15,015	10,891	11,285	11,757	11,644	11,660	12,584	12,584	6,171	9,308	9,520	9,706	10,644
6012-8813-77400 Depr&Amort-Equip	43	57	86	57	57	57	57	57	57	57	57	57	57
Total: 77400 Depr&Amort-Equip	15,058	10,948	11,371	11,814	11,701	11,717	12,641	12,641	6,228	9,365	9,577	9,763	10,701
<b>Total - Depreciation</b>	<b>15,058</b>	<b>10,948</b>	<b>11,371</b>	<b>11,814</b>	<b>11,701</b>	<b>11,717</b>	<b>12,641</b>	<b>12,641</b>	<b>6,228</b>	<b>10,266</b>	<b>10,478</b>	<b>10,664</b>	<b>11,602</b>
<b>Amortization:</b>													
<b>Interest Expense:</b>													
78490 Interest Expense-Other:													
6012-8530-78490 Interest Expense-Other	92	0	0	0	0	0	17	0	0	8	0	(24)	0
6012-8870-78490 Interest Expense-Other	(412)	(991)	(1,129)	(1,139)	(1,320)	(1,320)	(1,058)	(1,064)	(1,125)	(96)	(127)	(246)	(80)
Total: 78490 Interest Expense-Other	(320)	(991)	(1,129)	(1,139)	(1,320)	(1,320)	(1,041)	(1,064)	(1,125)	(88)	(127)	(271)	(80)
<b>Total - Interest Expense</b>	<b>(320)</b>	<b>(991)</b>	<b>(1,129)</b>	<b>(1,139)</b>	<b>(1,320)</b>	<b>(1,320)</b>	<b>(1,041)</b>	<b>(1,064)</b>	<b>(1,125)</b>	<b>(88)</b>	<b>(127)</b>	<b>(271)</b>	<b>(80)</b>
<b>Total Expenses</b>	<b>1,666,049</b>	<b>2,352,304</b>	<b>2,052,176</b>	<b>2,112,750</b>	<b>2,194,864</b>	<b>2,147,284</b>	<b>2,164,963</b>	<b>2,180,067</b>	<b>2,005,852</b>	<b>2,153,639</b>	<b>2,202,684</b>	<b>2,249,841</b>	<b>2,411,981</b>
<b>Operating Income</b>	<b>496,322</b>	<b>(490,242)</b>	<b>(126,164)</b>	<b>(160,008)</b>	<b>(140,686)</b>	<b>(324,068)</b>	<b>(245,219)</b>	<b>(331,288)</b>	<b>(198,249)</b>	<b>(280,319)</b>	<b>(351,188)</b>	<b>(412,315)</b>	<b>(518,577)</b>
<b>Investment Income:</b>													
<b>Net Income</b>	<b>496,322</b>	<b>(490,242)</b>	<b>(126,164)</b>	<b>(160,008)</b>	<b>(140,686)</b>	<b>(324,068)</b>	<b>(245,219)</b>	<b>(331,288)</b>	<b>(198,249)</b>	<b>(280,319)</b>	<b>(351,188)</b>	<b>(412,315)</b>	<b>(518,577)</b>



Verity Health System  
Seton Medical Center  
Balance Sheet  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Assets</b>													
<b>Current Assets:</b>													
Cash	\$,981,893	\$,041,308	\$,717,722	\$,670,085	\$,225,297	\$,900,085	\$11,455,200	\$10,940,981	\$8,931,302	\$2,985,717	\$5,789,532	\$13,845,547	\$9,142,015
Accounts Receivable	257,873,372	265,629,203	279,548,128	281,858,012	303,274,458	302,953,977	304,035,953	340,763,920	352,359,892	364,400,585	373,166,087	384,665,585	410,792,141
Contractual Allowances	(216,042,172)	(222,697,459)	(236,159,747)	(236,318,087)	(256,366,135)	(257,674,271)	(259,605,208)	(292,490,295)	(302,125,656)	(311,835,030)	(320,170,486)	(330,713,789)	(353,016,192)
Allowance for Uncollectible Accounts	(5,201,739)	(5,499,715)	(6,051,775)	(6,450,752)	(5,805,666)	(5,770,421)	(6,143,537)	(6,219,894)	(7,463,926)	(7,596,834)	(8,067,720)	(8,259,395)	(8,633,735)
Net Accounts Receivable	36,629,461	37,432,029	37,336,606	39,089,173	41,102,656	39,509,285	38,287,207	42,053,730	42,770,310	44,968,721	44,927,880	45,692,401	49,142,214
Due from Governmental Agencies	3,084,998	1,343,945	1,274,303	1,274,303	1,274,303	1,352,230	1,372,732	1,367,709	1,372,427	1,570,867	1,620,017	1,668,599	1,483,130
Due from Related Corporations	24,828,131	23,757,583	22,384,517	21,779,520	20,537,713	19,572,134	18,885,683	19,256,058	19,021,366	18,057,087	17,697,047	17,496,211	17,681,621
Supplies Inventories, at cost	3,069,789	3,071,595	3,116,764	3,111,242	3,147,397	3,156,408	3,166,070	3,193,051	3,190,240	3,159,771	3,081,503	2,982,572	2,851,402
Other Current Assets	4,386,520	5,042,586	5,056,169	4,176,406	4,496,895	5,026,680	12,428,266	14,512,493	12,546,701	14,341,674	8,873,912	7,398,356	6,924,804
Total Current Assets	79,980,792	75,689,047	76,881,080	75,500,728	72,784,261	77,516,822	85,595,157	91,333,022	87,832,347	85,083,836	81,989,892	89,083,686	87,225,186
<b>Assets Limited as to Use:</b>													
Board-designated for - Capital Projects & Debt Repayment	38,659,201	38,659,201	38,659,201	37,877,590	37,877,590	37,877,590	37,877,590	37,877,590	37,877,590	36,585,451	36,585,451	36,585,451	36,585,451
Assets Limited as to Use	38,659,201	38,659,201	38,659,201	37,877,590	37,877,590	37,877,590	37,877,590	37,877,590	37,877,590	36,585,451	36,585,451	36,585,451	36,585,451
<b>Net Operating Property, Plant &amp; Equipment</b>													
Land	722,422	722,422	722,422	722,422	722,422	722,422	722,422	722,422	722,422	722,422	722,422	722,422	722,422
Land Improvements	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824	1,979,824
Buildings/LHI	61,177,710	61,292,709	61,354,439	61,396,833	61,396,833	61,396,833	61,396,833	61,396,833	61,396,833	61,396,833	61,396,833	61,396,833	62,125,687
Buildings Service Equipment	48,364,337	48,364,337	48,364,337	48,416,676	48,416,676	48,416,676	48,416,676	48,416,676	48,416,676	52,162,897	52,162,897	52,162,897	52,299,582
Equipment	110,134,940	110,338,732	110,462,661	111,405,183	111,421,301	111,440,487	112,316,374	112,577,018	112,628,933	112,784,614	113,018,493	113,359,145	113,458,333
Construction in Progress	10,238,192	10,579,621	11,416,032	10,596,638	11,611,305	11,960,020	11,464,886	12,234,709	12,771,803	11,813,756	13,467,291	14,179,683	14,583,203
Total Fixed Assets	232,617,425	233,277,645	234,299,715	234,517,577	235,748,363	235,916,262	236,297,116	237,327,484	237,916,492	240,860,347	242,747,760	243,800,805	245,169,052
Less - Accumulated Depreciation	(197,306,119)	(197,795,597)	(198,312,932)	(198,800,993)	(199,290,745)	(199,774,103)	(200,271,294)	(200,768,484)	(201,045,286)	(201,433,446)	(201,824,076)	(202,220,570)	(202,663,378)
Net Operating PP&E	35,311,307	35,482,048	35,986,784	35,716,584	36,457,618	36,142,159	36,025,823	36,559,000	36,871,227	39,426,900	40,923,684	41,580,234	42,505,674
<b>Other Assets:</b>													
Notes Receivable LT	232,552	232,552	232,552	232,552	232,552	232,552	335,652	335,652	357,779	357,779	408,506	364,517	260,599
Other LT Assets	226,978	14,658	14,658	14,658	14,658	14,658	14,658	14,658	14,658	0	0	0	0
Total Other Assets	459,530	247,211	247,211	247,211	247,211	247,211	350,311	350,311	372,437	357,779	408,506	364,518	260,600
Total Assets	154,410,830	150,077,507	151,774,276	149,342,113	147,366,680	151,783,782	159,848,881	166,119,922	162,953,802	161,453,967	159,907,534	167,613,889	166,576,910
<b>Liabilities and Fund Balances</b>													
<b>Current Liabilities:</b>													
Current maturities of long-term debt	912,235	912,235	912,235	956,067	956,067	956,067	1,204,693	1,204,693	1,204,693	1,204,693	1,204,693	1,204,693	1,241,378
Accounts Payable	8,901,317	8,499,802	10,503,067	9,152,052	10,866,103	8,508,298	8,808,995	11,028,972	10,263,374	8,164,205	9,233,323	9,345,946	8,703,606
Due to governmental agencies	253,617	277,113	869,072	1,043,950	840,212	245,417	245,417	245,417	245,417	245,417	245,417	245,417	256,201
Due to related entities	116,532,243	118,200,112	125,188,432	130,612,317	131,198,252	142,722,567	144,432,938	149,256,386	153,798,887	157,677,329	164,100,308	166,991,756	168,778,231
Accrued Liabilities-													
Payroll	3,543,314	5,082,613	5,188,773	2,325,804	2,805,910	3,647,567	4,898,208	6,426,429	5,882,935	2,624,323	2,593,997	3,540,380	4,805,865
Vacation & Other Compensated Absences	7,982,300	7,785,757	7,782,386	7,877,646	7,720,804	8,011,907	7,682,276	8,445,317	8,584,882	8,768,033	8,639,817	8,795,071	8,368,836
Other	41,276,727	41,421,307	39,924,931	40,136,869	24,169,310	24,699,095	34,499,751	34,911,396	32,632,147	33,226,838	29,923,082	30,052,449	33,071,300
Total Current Liabilities	179,401,753	182,178,939	190,368,897	192,304,705	178,556,657	188,790,917	201,772,279	211,520,611	212,612,335	211,910,839	215,940,638	220,175,711	225,225,417
<b>Other Liabilities:</b>													
Pension Plan LT	27,000	(9,917)	27,333	27,500	(554,274)	(554,107)	(564,440)	(558,156)	(560,662)	(560,923)	(560,757)	(562,009)	(612,000)
Other Liabilities LT	2,932,361	2,821,975	2,821,975	2,821,975	2,821,975	2,821,975	2,821,975	2,821,975	2,821,975	2,821,975	2,821,975	2,821,975	3,106,235
Total Other Liabilities	2,959,361	2,812,059	2,849,309	2,849,475	2,267,702	2,267,868	2,257,535	2,263,820	2,261,313	2,261,052	2,261,219	2,259,966	2,494,235
<b>Long-Term Debt:</b>													
Bonds Payable	98,002,248	97,929,932	97,857,617	97,741,470	97,669,154	97,596,838	97,275,896	97,203,580	97,131,264	97,058,948	96,986,633	96,914,317	96,805,316
Total Long-Term Debt	98,002,248	97,929,932	97,857,617	97,741,470	97,669,154	97,596,838	97,275,896	97,203,580	97,131,264	97,058,948	96,986,633	96,914,317	96,805,316
<b>NET ASSETS:</b>													
Unrestricted	(97,308,535)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,949,375)
YTD Net Income	(28,643,998)	(6,890,891)	(13,349,013)	(17,601,005)	(5,174,300)	(10,919,310)	(15,504,296)	(18,915,556)	(23,098,778)	(23,824,340)	(29,328,423)	(25,783,572)	(31,998,683)
Total Net Assets	(125,952,532)	(132,843,423)	(139,301,546)	(143,553,537)	(131,126,832)	(136,871,842)	(141,456,828)	(144,868,088)	(149,051,311)	(149,776,872)	(155,280,955)	(151,736,105)	(157,948,059)
TOTAL LIABILITIES AND FUND BALANCE	154,410,830	150,077,507	151,774,276	149,342,113	147,366,680	151,783,782	159,848,881	166,119,922	162,953,802	161,453,967	159,907,534	167,613,889	166,576,910
Total Assets	154,410,830	150,077,507	151,774,276	149,342,113	147,366,680	151,783,782	159,848,881	166,119,922	162,953,802	161,453,967	159,907,534	167,613,889	166,576,910
Total Liabilities	280,363,362	282,920,930	291,075,822	292,895,650	278,493,512	289,655,624	310,305,709	310,989,010	312,004,912	311,230,859	315,198,489	319,349,994	324,524,969
Total Equity	(125,952,532)	(132,843,423)	(139,301,546)	(143,553,537)	(131,126,832)	(136,871,842)	(141,456,828)	(144,868,088)	(149,051,311)	(149,776,872)	(155,280,955)	(151,736,105)	(157,948,059)



Verity Health System Seton Medical Center Balance Sheet June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Assets</b>													
<b>Current Assets:</b>													
Cash:													
6011-1001-10008 Cash - BofA LockBox	\$1,360,827	\$888,751	\$257,512	\$3,509,062	(\$195,062)	\$169,805	\$2,194,575	\$383,983	\$725,785	\$1,817,713	\$1,118,862	\$833,776	\$983,592
6011-1001-10020 Cash - Disbursement Checking - E	5,468,079	2,986,827	2,199,649	1,401,465	1,254,324	7,550,560	8,004,468	4,451,853	2,560,161	0	3,544,374	11,877,238	7,152,284
6011-1002-10020 Cash - Payroll Checking	1,056,577	1,059,116	5,126,763	1,030,741	1,031,053	1,035,365	1,046,528	5,957,115	5,509,847	1,052,454	1,020,194	1,028,431	920,038
6011-1003-10031 Cash - FSA Checking	92,336	102,539	122,723	124,742	130,908	140,281	145,554	152,955	131,436	111,475	102,027	102,027	102,027
6011-1004-10040 Imprest / Petty Cash Funds	4,074	4,074	4,074	4,074	4,074	4,074	4,074	4,074	4,074	4,074	4,074	4,074	4,074
Total: Cash	7,981,893	5,041,308	7,710,722	6,070,085	2,225,297	8,900,085	11,455,200	10,949,981	8,931,302	2,985,717	5,789,532	13,845,547	9,142,015
<b>Accounts Receivable:</b>													
6011-1020-10200 Patient Accounts Receivable	258,248,804	266,714,886	279,548,128	282,584,888	303,971,103	303,742,920	305,173,393	342,487,425	354,588,672	365,847,651	375,359,575	385,045,478	411,054,724
6011-1026-10260 A/R-Home Health	(375,432)	(1,085,683)	0	(726,876)	(696,645)	(788,943)	(1,137,440)	(1,723,505)	(2,228,780)	(1,447,066)	(2,193,488)	(379,893)	(262,583)
Total: Accounts Receivable	257,873,372	265,629,203	279,548,128	281,858,012	303,274,458	302,953,977	304,035,953	340,763,920	352,359,892	364,400,585	373,166,087	384,665,585	410,792,141
<b>Contractual Allowances:</b>													
6011-1042-10421 Allow CA - Medicare IP Acute	(68,646,811)	(67,139,818)	(76,402,540)	(75,779,049)	(88,245,056)	(87,667,767)	(92,389,517)	(108,668,219)	(104,632,938)	(105,620,679)	(107,186,321)	(105,501,553)	(118,595,075)
6011-1042-10425 Allow CA - Medicare Outpatient	(25,856,571)	(26,669,114)	(25,625,991)	(28,300,834)	(34,412,157)	(35,015,300)	(36,634,846)	(42,196,664)	(46,213,591)	(49,388,401)	(52,963,813)	(55,617,993)	(56,711,749)
6011-1042-10426 Allow CA - M/Cre/H/ha	(3,618,081)	(3,095,068)	(2,993,353)	(2,922,045)	(2,947,015)	(2,864,185)	(2,770,542)	(2,807,135)	(2,805,352)	(2,776,490)	(2,949,750)	(3,539,866)	(3,566,679)
6011-1044-10441 Allow CA - Medi-Cal IP	(65,579,632)	(70,940,581)	(72,478,668)	(70,207,188)	(71,929,701)	(73,114,617)	(67,922,798)	(74,685,519)	(86,297,097)	(89,029,760)	(94,531,544)	(103,288,678)	(107,106,427)
6011-1044-10445 Allow CA - Medi-Cal Outpatient	(14,259,944)	(15,944,126)	(17,510,621)	(17,633,594)	(19,102,057)	(20,450,758)	(19,566,506)	(22,438,298)	(21,693,183)	(21,235,940)	(22,321,561)	(23,191,135)	(24,615,788)
6011-1048-10481 Allow CA-Comm Mod/Cre Inpt Ac	(92,362,536)	(93,010,408)	(96,039,861)	(95,564,295)	(93,289,343)	(91,984,225)	(92,153,126)	(93,920,587)	(92,625,881)	(95,977,831)	(93,307,302)	(93,169,119)	(95,432,154)
6011-1048-10485 Allow CA - Comm Mod/Cre Outpat	(12,316,023)	(13,096,982)	(12,902,079)	(13,716,489)	(14,788,487)	(15,547,350)	(17,316,350)	(17,424,682)	(18,320,100)	(19,862,290)	(18,896,334)	(18,658,011)	(19,150,534)
6011-1048-13481 Allow CA - Comm HMO/PPO A/F	273,657	273,657	273,985	275,592	275,920	283,618	283,618	283,946	283,946	283,946	283,946	283,946	283,946
6011-1049-10420 Allowance For Charity	(434,045)	(181,472)	(146,500)	(403,469)	(369,141)	(236,034)	(513,658)	(506,611)	(69,416)	(75,841)	(43,576)	(383,326)	(785,816)
6011-1049-10491 Allow CA - W/C FFS InptAc	66,744,741	67,096,181	67,655,790	67,913,581	68,430,831	68,912,305	69,368,443	69,863,502	70,257,884	70,958,084	71,735,695	72,251,874	72,654,009
6011-1049-19491 Allow CA - Other InptAc	10,072	10,072	10,072	10,072	10,072	10,072	10,072	10,072	10,072	10,072	10,072	10,072	10,072
Total: Contractual Allowances	(216,042,172)	(222,697,459)	(236,159,747)	(236,318,087)	(256,366,135)	(257,674,271)	(259,605,208)	(292,490,295)	(302,125,656)	(311,835,030)	(320,170,486)	(330,713,789)	(353,016,192)
Allowance for Uncollectible Accounts:													
6011-1041-10410 Allowance for Bad Debt	(5,201,739)	(5,499,715)	(6,051,775)	(6,450,752)	(5,805,666)	(5,770,421)	(6,143,537)	(6,219,894)	(7,463,926)	(7,596,834)	(8,067,720)	(8,259,395)	(8,633,735)
Total: Allowance for Uncollectible Accounts	(5,201,739)	(5,499,715)	(6,051,775)	(6,450,752)	(5,805,666)	(5,770,421)	(6,143,537)	(6,219,894)	(7,463,926)	(7,596,834)	(8,067,720)	(8,259,395)	(8,633,735)
Net Accounts Receivable	36,629,461	37,432,029	37,336,606	39,089,173	41,102,656	39,509,285	38,287,207	42,053,730	42,770,310	44,968,721	44,927,860	45,692,401	46,142,214
<b>Due from Governmental Agencies:</b>													
6011-1051-10510 Rec from Third-Party-Medicare	3,084,998	1,343,945	1,274,303	1,274,303	1,274,303	1,352,230	1,372,732	1,367,709	1,372,427	1,570,867	1,620,017	1,668,599	1,483,130
Total: Due from Governmental Agencies	3,084,998	1,343,945	1,274,303	1,274,303	1,274,303	1,352,230	1,372,732	1,367,709	1,372,427	1,570,867	1,620,017	1,668,599	1,483,130
<b>Due from Related Corporations:</b>													
6011-1090-10910 I/C A/R - Seton Coastside 6012	13,580,472	13,405,374	14,252,125	13,659,413	12,691,124	11,663,006	11,044,183	11,061,776	10,847,267	11,123,281	10,751,822	10,554,252	10,720,068
6011-1090-10945 I/C A/R - Seton Foundation 6040	280,935	285,096	377,623	378,036	461,877	461,877	461,877	792,751	792,751	552,069	552,069	552,069	569,094
6011-1090-10960 I/C A/R - St Vincent 8510	2,372,470	2,376,750	0	0	595,599	599,152	605,736	609,838	609,838	609,838	609,838	609,838	609,838
6011-1090-10965 I/C A/R - O'Connor 8010	6,419,424	7,013,189	7,075,249	7,060,207	5,304,904	5,336,183	5,284,986	5,325,809	5,303,282	4,310,914	4,301,303	4,309,526	4,309,526
6011-1090-10966 I/C A/R - St. Louis 8011	2,174,829	677,174	679,519	681,864	1,484,209	1,511,915	1,488,899	1,465,883	1,468,228	1,470,059	1,472,404	1,478,749	1,473,094
Total: Due from Related Corporations	24,828,131	23,757,583	22,384,517	21,779,520	20,537,713	19,572,134	18,885,683	19,258,058	19,021,366	18,057,087	17,697,047	17,496,211	17,681,621
<b>Supplies Inventories, at cost:</b>													
6011-1081-10810 Inventory - General Stores	54	45	35	67	57	47	50	62	62	73	54	191	0
6011-1082-10820 Inventory - Pharmacy	734,890	734,890	734,890	734,890	734,890	734,890	734,890	734,890	734,890	734,890	734,890	734,890	761,707
6011-1083-10830 Inventory - Central Supply	399,214	401,030	446,208	440,955	476,819	485,940	495,500	522,468	519,658	489,178	410,929	311,860	256,539
6011-1083-10831 Inventory - Central Supply - Par C	150,442	150,442	150,442	150,442	150,442	150,442	150,442	150,442	150,442	150,442	150,442	150,442	119,761
6011-1088-10880 Inventory - Surgery	891,593	891,593	891,593	891,593	891,593	891,593	891,593	891,593	891,593	891,593	891,593	891,593	929,071
6011-1089-10890 Inventory - Other	299,868	299,868	299,868	299,868	299,868	299,868	299,868	299,868	299,868	299,868	299,868	299,868	254,321
6011-1089-10892 INVENTORY CATH LAB	593,727	593,727	593,727	593,727	593,727	593,727	593,727	593,727	593,727	593,727	593,727	593,727	539,003
Total: Supplies Inventories, at cost	3,069,789	3,071,595	3,116,764	3,111,242	3,147,397	3,156,408	3,166,070	3,193,051	3,190,240	3,159,771	3,081,503	2,982,572	2,851,402
<b>Other Current Assets:</b>													
6011-1066-10660 Notes Receivable Short Term	116,276	116,276	116,276	87,207	116,276	116,276	116,276	116,276	116,276	116,276	116,276	116,276	164,384
6011-1066-10661 Reserve For Notes Receivable	0	(10,961)	(21,928)	0	(43,874)	(54,854)	(68,061)	(83,480)	(100,112)	(116,752)	(137,626)	(114,519)	(42,722)
6011-1069-10674 Other Rec - Prov Fee FFS	2,784,472	2,784,472	2,784,472	2,784,472	2,784,472	2,784,472	10,491,529	11,605,696	10,501,410	9,665,605	6,939,215	5,714,235	5,353,205
6011-1069-10690 Other Receivables	661,074	578,791	630,567	225,677	254,663	204,564	273,229	483,786	193,421	3,188,530	408,272	366,584	121,965
6011-1101-11010 Prepaid Insurance	154,133	642,894	447,026	251,664	623,240	427,513	231,785	498,415	311,387	124,308	498,652	309,309	121,965
6011-1105-11050 Prepaid Taxes	0	0	0	0	0	0	0	0	0	38,141	25,428	12,714	0
6011-1107-11070 Deposits	18,776	18,776	18,776	18,776	30,026	24,401	24,401	18,776	22,676	37,334	37,334	37,334	22,822
6011-1108-11080 Prepaid Expense	651,788	912,338	1,082,979	808,620	732,091	932,308	970,206	1,284,124	1,134,870	921,458	672,315	610,377	539,011
6011-1109-11090 Other Current Assets	0	0	0	0	0	592,000	388,900	388,900	366,773	366,773	316,047	316,047	332,524
Total: Other Current Assets	4,386,520	5,042,586	5,058,169	4,176,406	4,496,895	5,026,680	12,428,266	14,512,493	12,546,701	14,341,674	8,873,912	7,398,356	6,924,804
Total Current Assets	79,980,792	75,689,047	76,881,080	75,500,728	72,784,261	77,516,822	85,595,157	91,333,022					



Verity Health System Seton Medical Center Balance Sheet June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total: Less - Accumulated Depreciation	(197,306,119)	(197,795,597)	(198,312,932)	(198,800,993)	(199,280,745)	(199,774,103)	(200,271,294)	(200,768,484)	(201,045,266)	(201,433,446)	(201,824,076)	(202,220,570)	(202,663,378)
Net Operating PP&E	35,311,307	35,482,048	35,986,784	35,716,584	36,457,618	36,142,159	36,025,823	36,559,000	36,871,227	39,426,900	40,923,684	41,580,234	42,505,674
<b>Other Assets:</b>													
Notes Receivable LT:													
6011-1331-13310 Notes Receivable - Long Term	232,552	232,552	232,552	232,552	232,552	232,552	232,552	232,552	232,552	232,552	232,552	232,552	116,276
6011-1333-13322 Notes Rec - Dr. Aditi	0	0	0	0	0	0	103,100	103,100	125,227	125,227	175,953	131,965	144,323
Total: Notes Receivable LT	232,552	232,552	232,552	232,552	232,552	232,552	335,652	335,652	357,779	357,779	408,506	364,517	260,599
Other LT Assets:													
6011-1350-13505 Deposit - Long Term	14,658	14,658	14,658	14,658	14,658	14,658	14,658	14,658	14,658	0	0	0	0
6011-1350-13555 Prepaid Expense - Long Term	212,319	0	0	0	0	0	0	0	0	0	0	0	0
Total: Other LT Assets	226,978	14,658	14,658	14,658	14,658	14,658	14,658	14,658	14,658	0	0	0	0
Total Other Assets	459,530	247,211	247,211	247,211	247,211	247,211	350,311	350,311	372,437	357,779	408,506	364,518	260,600
Total Assets	154,410,830	150,077,507	151,774,276	149,342,113	147,366,680	151,783,782	159,848,881	166,119,922	162,953,602	161,453,967	159,907,534	167,613,889	166,578,910
<b>Liabilities and Fund Balances</b>													
<b>Current Liabilities:</b>													
Current maturities of long-term debt:													
6011-2014-20143 Current Portion Series 2005A	912,235	912,235	912,235	956,067	956,067	956,067	1,204,693	1,204,693	1,204,693	1,204,693	1,204,693	1,204,693	1,241,378
Total: Current maturities of long-term debt	912,235	912,235	912,235	956,067	956,067	956,067	1,204,693	1,204,693	1,204,693	1,204,693	1,204,693	1,204,693	1,241,378
Accounts Payable:													
6011-2021-20210 AP-Trade Payables (System)	4,793,412	4,935,568	6,562,710	5,313,529	6,644,749	4,377,413	4,480,896	7,170,774	5,839,508	3,355,104	3,135,039	4,568,936	3,420,614
6011-2021-20213 AMEX Trade Payables	0	0	0	0	0	0	0	0	0	0	(175)	(175)	(175)
6011-2021-20214 AP Cardinal Invoices	340,442	362,878	476,904	594,877	553,034	535,133	546,933	(333,134)	304,041	535,217	499,250	289,207	206,049
6011-2029-20290 Other Accounts Payable	1,931,932	1,377,367	1,840,544	1,648,105	1,756,001	1,892,548	1,815,686	2,078,134	1,604,136	1,744,244	2,218,133	2,024,893	1,929,942
6011-2029-20295 AP - ASAP Program	145,659	145,659	144,936	144,936	144,936	144,936	144,936	144,936	144,936	144,936	144,936	144,936	144,936
6011-2029-20296 AP - Unclaimed Checks	28,205	28,205	28,205	31,362	31,362	31,362	31,362	31,362	31,362	31,362	31,362	31,000	41,228
6011-2029-20299 Patient Credit Balances	1,661,667	1,650,126	1,449,768	1,419,243	1,736,020	1,526,906	1,789,182	1,936,900	2,399,392	2,353,343	3,204,778	2,287,148	2,961,012
Total: Accounts Payable	8,901,317	8,499,802	10,503,067	9,152,052	10,866,103	8,508,298	8,808,995	11,028,972	10,263,374	8,164,205	9,233,323	9,345,946	8,703,606
Due to governmental agencies:													
6011-2061-20619 MCare - Withholding Clearing	0	0	0	0	0	0	0	0	0	0	0	0	10,784
6011-2061-22016 MCare Stemt 2016	0	0	245,417	245,417	245,417	245,417	245,417	245,417	245,417	245,417	245,417	245,417	245,417
6011-2061-22017 MCare Stemt 2017	253,617	253,617	583,212	583,212	583,212	0	0	0	0	0	0	0	0
6011-2061-22018 MCare Stemt 2018	0	0	40,443	215,321	11,583	0	0	0	0	0	0	0	0
6011-2062-22015 MCal Stemt 2015	0	23,496	0	0	0	0	0	0	0	0	0	0	0
Total: Due to governmental agencies	253,617	277,113	869,072	1,043,950	840,212	245,417	245,417	245,417	245,417	245,417	245,417	245,417	256,201
Due to related entities:													
6011-2090-20906 I/C A/P - Verity Medical Foundatio	0	0	0	0	0	0	0	0	0	18,475	89,925	114,325	1,625
6011-2090-20908 I/C A/P - Verity Holding LLC 8 05	908,937	1,030,918	1,152,900	1,276,746	1,398,727	1,520,709	1,642,690	1,746,606	1,866,007	1,997,106	2,110,931	2,230,682	2,438,114
6011-2090-20932 I/C A/P - Verity Business Services	5,624,528	5,788,466	5,966,791	5,862,437	6,306,360	6,810,332	7,296,745	8,007,454	8,581,610	9,026,089	9,750,587	10,227,854	7,840,155
6011-2090-20960 I/C A/P - St. Vincent 8510	0	0	0	114,089	908,489	0	0	0	0	0	0	0	0
6011-2090-20967 I/C A/P - St. Francis 8511	31,184,996	30,684,996	30,684,996	30,639,824	30,439,824	37,939,824	37,939,824	37,939,824	37,939,824	37,939,824	37,939,824	37,939,824	37,939,824
6011-2090-20971 I/C A/P - Verity Health System 801	78,813,783	80,695,732	87,269,657	92,124,821	93,053,341	96,451,702	97,553,679	101,564,503	105,411,446	108,695,835	114,209,071	116,479,071	120,558,513
Total: Due to related entities	116,532,243	118,200,112	125,188,432	130,812,317	131,198,252	142,722,567	144,432,938	149,258,386	153,798,887	157,677,329	164,100,308	166,991,756	168,778,231
<b>Accrued Liabilities-</b>													
Payroll:													
6011-2031-20310 Accrued Payroll	3,110,934	2,928,370	3,538,751	1,643,947	2,422,874	3,130,773	2,627,331	3,864,687	3,629,910	1,872,174	2,247,692	3,115,180	2,663,735
6011-2035-20350 Federal Income Taxes Withheld	(83)	655,166	610,415	(242)	(242)	(434)	651,508	783,923	571,944	5,747	5,747	618,681	618,681
6011-2036-20360 FICA Social Security Taxes Withh	254,236	611,622	611,278	117,251	160,192	189,156	649,690	807,791	741,515	161,636	198,518	265,958	639,390
6011-2037-20370 State Income Taxes Withheld	0	229,400	212,365	(43)	(43)	(74)	229,903	268,129	233,627	1,563	1,549	247,462	247,462
6011-2038-20380 Unemployment Taxes Payable	29,479	37,679	20,500	30,800	41,100	55,900	33,700	44,900	56,100	42,900	18,300	13,500	9,339
6011-2039-25000 Other P/R Ded - SDI Withheld	(2,329)	28,376	24,642	(2,384)	(2,384)	(2,405)	34,335	43,922	39,721	(2,137)	(2,123)	(2,123)	36,983
6011-2039-25010 Other P/R Ded - Union Dues	1,094	36,113	1,094	1,094	1,415	1,380	37,952	39,453	39,016	1,488	1,488	1,128	38,888
6011-2039-25020 Other P/R Ded - Flex Spending	38,015	42,014	43,862	44,963	43,313	47,037	54,008	52,865	49,159	54,185	59,745	66,428	75,476
6011-2039-25028 Other P/R Ded - VOLB	0	2,357	0	0	0	0	2,758	3,171	3,349	40	40	40	3,455
6011-2039-25030 Other P/R Ded - Long Term Care I	0	1,995	0	0	0	0	1,945	1,945	1,945	0	0	0	1,786
6011-2039-25031 Other P/R Ded-Short Term Care L	11,102	14,461	13,825	13,015	12,310	11,556	16,434	14,980	13,491	12,128	10,722	10,722	16,049
6011-2039-25070 Other P/R Ded - Defer Comp	47,768	411,413	315,515	396,082	40,185	122,113	445,626	383,338	400,101	394,448	(21,734)	(15,618)	363,546
6011-2039-25080 Other P/R Ded - Donations	195	205	400	1,010	1,010	740	850	815	965	1,140	1,065	1,305	1,025
6011-2039-25080 Other P/R Ded - Healthcare Reint	52,885	72,756	77,425	78,343	86,159	91,809	104,683	107,579	94,555	76,174	71,481	75,758	83,540
6011-2039-25100 Other P/R Ded - Garnishments	17	10,686	2,700	2,168	17	17	7,361	7,478	6,049	1,475	103	805	6,510
Total: Payroll	3,543,314	5,082,613	5,188,773	2,325,804	2,805,910	3,647,567	4,898,208	6,426,429	5,882,935	2,824,323	2,593,997	3,540,380	4,805,865
Vacation & Other Compensated Absences:													
6011-2032-20320 Accrued Vacation Holiday & Sick l	7,982,300	7,785,757	7,782,386	7,877,646	7,720,804	8,011,907	7,682,276	8,445,317	8,584,882	8,768,033	8,639,817	8,795,071	8,368,836
Total: Vacation & Other Compensated Absences	7,982,300	7,785,757	7,782,386	7,877,646	7,720,804	8,011,907	7,682,276	8,445,317	8,584,882	8,768,033	8,639,817	8,795,071	8,368,836
Other:													
6011-2043-20430 Property Taxes Payable	0	13,2											



Verity Health System  
Seton Medical Center  
Balance Sheet  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total: Unrestricted	(97,308,535)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,952,532)	(125,949,375)
Total Net Assets	(125,952,532)	(132,843,423)	(139,301,546)	(143,553,537)	(131,126,832)	(136,871,842)	(141,456,828)	(144,868,088)	(149,051,311)	(149,776,872)	(155,280,955)	(151,736,105)	(157,948,059)
TOTAL LIABILITIES AND FUND BALANCE	154,410,830	150,077,507	151,774,276	149,342,113	147,366,680	151,783,782	159,848,881	166,119,922	162,953,602	161,453,967	159,907,534	167,613,889	166,576,910

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Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
REVENUE													
IP Acute-Self Pay	\$1,594,670	\$714,716	\$410,671	\$1,609,675	\$863,576	\$1,053,867	\$1,314,782	\$969,165	\$962,709	\$222,809	\$1,171,993	\$778,234	\$902,211
IP Acute-Comm Ins	867,889	207,305	0	0	0	70,293	239,890	0	201,308	113,734	319,791	717,407	729,363
IP Acute-Comm MgtCare	16,348,188	16,789,771	16,679,630	15,780,649	17,020,323	19,628,345	20,900,301	24,302,087	16,723,082	19,374,899	15,725,763	18,645,781	14,080,838
WVC Comp	2,364,654	2,204,297	4,012,101	3,149,704	2,307,568	2,031,363	872,290	4,639,949	2,461,364	2,311,545	4,334,025	1,887,281	2,877,792
Medicare	24,992,592	22,292,579	25,366,954	22,729,341	26,881,090	22,296,195	27,834,979	31,699,690	27,257,153	32,347,696	23,525,484	23,375,149	19,726,721
Medicare MgtCare	6,377,272	6,733,162	6,469,561	6,072,808	7,062,562	6,057,550	8,570,200	14,365,437	7,470,688	8,242,525	6,356,912	8,167,521	5,748,890
Med-Cal	2,427,830	1,010,816	1,355,069	1,514,708	3,137,371	3,248,840	3,906,822	2,372,415	2,129,298	1,472,974	1,874,106	1,887,135	1,962,412
Med-Cal MgtCare	7,966,747	6,084,310	5,676,166	6,539,807	6,791,459	5,396,717	6,473,899	9,191,641	5,798,367	7,720,856	8,837,221	7,816,336	4,842,520
Other Indigent	0	0	0	0	0	0	0	0	292	0	0	0	0
Other	498,805	1,177,350	(605,838)	1,525,198	483,397	(19,813)	1,599,882	60,121	646,680	1,133,126	1,578,016	(244,471)	707,290
<b>Total Acute</b>	<b>62,282,999</b>	<b>57,127,337</b>	<b>59,500,214</b>	<b>58,921,891</b>	<b>64,537,735</b>	<b>59,765,357</b>	<b>71,712,146</b>	<b>87,470,254</b>	<b>63,551,060</b>	<b>72,940,124</b>	<b>62,726,311</b>	<b>62,788,353</b>	<b>51,578,036</b>
SNF:													
Comm MgtCare	326,764	377,099	432,334	410,842	433,520	511,362	227,943	285,083	137,488	44,540	457,654	740,078	527,931
WVC Comp	0	0	0	0	0	0	0	0	0	0	0	0	11,296
Medicare	3,418,377	3,652,461	3,760,981	3,787,531	4,194,240	4,129,411	4,597,627	4,587,110	3,241,787	3,410,394	3,459,632	3,167,901	3,480,933
Medicare MgtCare	303,274	316,871	302,644	290,340	229,442	0	0	0	0	0	0	0	32,287
Med-Cal	5,082,177	5,177,469	5,018,984	4,235,553	4,483,076	4,329,824	4,646,310	5,666,903	5,514,454	6,113,140	6,054,362	6,051,939	6,165,075
Med-Cal MgtCare	3,491,112	3,592,882	3,576,648	3,226,759	3,362,879	3,275,323	3,765,573	3,795,966	4,031,335	4,233,336	3,998,537	4,268,936	3,114,034
<b>Total SNF</b>	<b>12,621,705</b>	<b>13,116,543</b>	<b>13,111,791</b>	<b>11,951,026</b>	<b>12,723,158</b>	<b>12,245,519</b>	<b>13,821,453</b>	<b>14,265,093</b>	<b>12,925,063</b>	<b>13,801,411</b>	<b>13,920,186</b>	<b>14,225,854</b>	<b>13,931,555</b>
<b>Total Gross Inpatient Revenue</b>	<b>74,904,704</b>	<b>70,243,880</b>	<b>72,612,005</b>	<b>70,872,916</b>	<b>77,260,893</b>	<b>72,011,276</b>	<b>85,533,599</b>	<b>101,735,347</b>	<b>76,476,123</b>	<b>86,741,535</b>	<b>76,646,497</b>	<b>77,014,207</b>	<b>65,509,591</b>
<b>Gross Outpatient Revenue:</b>													
Outpatient:													
Default OP Acct	0	2,538	1,726	0	0	0	0	0	0	2,891	0	0	0
Self Pay	595,310	789,397	861,887	998,151	1,238,498	1,133,554	946,916	1,382,386	798,257	1,132,972	789,431	1,253,098	1,271,985
Comm Ins	103,032	103,994	121,439	129,303	73,158	324,087	186,858	216,307	376,140	695,458	141,972	231,050	221,705
Comm MgtCare	15,061,275	12,636,453	15,097,917	13,915,530	14,324,021	14,860,031	15,119,518	14,762,774	10,999,501	16,570,586	14,256,054	15,266,333	15,160,010
WVC Comp	765,275	338,410	651,172	696,263	285,497	569,095	438,172	701,033	373,083	389,873	544,223	740,156	740,156
Medicare	11,323,183	10,794,935	13,447,554	12,910,240	14,447,504	11,398,458	12,918,720	13,343,544	11,775,878	12,002,521	10,795,942	13,643,793	12,743,295
Medicare MgtCare	4,066,540	3,146,660	3,393,984	2,803,817	4,234,460	3,491,929	4,345,113	3,919,961	4,345,113	3,911,076	4,432,024	5,095,441	4,696,861
Med-Cal	798,469	615,439	892,471	952,427	507,709	680,838	328,501	865,498	548,177	1,039,181	975,988	904,100	1,102,669
Med-Cal MgtCare	6,722,053	7,452,918	7,438,871	7,408,856	6,868,498	6,800,093	7,237,161	8,572,602	6,341,027	7,592,364	7,820,697	7,360,439	7,091,953
Other Indigent	7,058	8	0	296	0	0	0	0	(3,924)	0	(5,179)	0	0
Other	(669,262)	1,013,430	70,889	(201,747)	532,311	346,172	288,797	(295,561)	475,538	337,976	133,148	(206,602)	
<b>Total OP</b>	<b>38,902,543</b>	<b>36,865,192</b>	<b>42,537,800</b>	<b>39,013,037</b>	<b>42,563,047</b>	<b>39,594,257</b>	<b>41,415,293</b>	<b>43,928,575</b>	<b>35,821,917</b>	<b>43,072,352</b>	<b>39,936,478</b>	<b>44,411,443</b>	<b>43,322,092</b>
<b>Total Gross Outpatient Revenue</b>	<b>38,902,543</b>	<b>36,865,192</b>	<b>42,537,800</b>	<b>39,013,037</b>	<b>42,563,047</b>	<b>39,594,257</b>	<b>41,415,293</b>	<b>43,928,575</b>	<b>35,821,917</b>	<b>43,072,352</b>	<b>39,936,478</b>	<b>44,411,443</b>	<b>43,322,092</b>
<b>Total Gross Revenue</b>	<b>113,807,247</b>	<b>107,109,073</b>	<b>115,149,805</b>	<b>109,885,953</b>	<b>119,823,940</b>	<b>111,605,533</b>	<b>126,948,892</b>	<b>145,663,923</b>	<b>112,298,041</b>	<b>129,813,887</b>	<b>116,582,975</b>	<b>121,425,650</b>	<b>108,831,683</b>
<b>Deductions from Revenue</b>													
Inpatient Contractual Allowances:													
Medicare Traditional	20,032,469	22,539,030	32,306,993	22,779,100	29,824,801	24,631,595	24,198,718	28,275,031	17,166,377	33,612,828	26,552,146	20,599,499	21,382,783
Medicare Traditional	16,895,201	15,003,234	9,045,136	16,276,291	15,035,442	13,565,399	22,453,985	29,683,878	18,552,338	16,570,959	12,574,915	15,907,687	12,251,826
HMO	28,728,261	23,890,875	23,893,666	22,617,582	24,461,032	26,300,940	29,259,291	21,461,266	30,028,846	26,881,007	27,592,665	30,286,919	21,602,638
<b>Total - Inpatient Contractual Allowances</b>	<b>65,653,921</b>	<b>61,433,139</b>	<b>65,245,695</b>	<b>61,672,973</b>	<b>69,911,274</b>	<b>64,497,933</b>	<b>75,911,994</b>	<b>89,420,174</b>	<b>65,748,161</b>	<b>77,064,794</b>	<b>66,719,716</b>	<b>67,173,104</b>	<b>55,327,466</b>
<b>Outpatient Contractual Allowances:</b>													
Medicare Traditional	10,417,480	10,491,342	10,886,887	10,744,314	14,577,746	10,316,341	10,870,894	14,100,713	11,382,454	12,220,574	11,794,942	13,013,439	10,576,688
Medicare Traditional	7,934,613	7,798,488	7,482,168	7,851,215	7,302,580	7,313,230	6,626,841	8,644,409	6,767,828	8,221,826	8,154,577	7,523,201	8,731,752
HMO	12,485,841	11,107,595	15,440,777	12,924,669	12,368,331	13,296,424	16,147,873	12,631,009	10,946,307	10,586,325	13,058,733	14,176,039	17,293,619
<b>Total - Outpatient Contractual Allowances</b>	<b>30,837,904</b>	<b>29,265,786</b>	<b>33,809,802</b>	<b>31,520,138</b>	<b>34,149,057</b>	<b>31,129,995</b>	<b>33,645,518</b>	<b>35,376,131</b>	<b>29,096,689</b>	<b>35,038,725</b>	<b>33,007,952</b>	<b>35,312,679</b>	<b>36,602,097</b>
<b>ER Contractual Allowances:</b>													
Medicare Traditional	0	(37,106)	636,046	0	0	(448,314)	0	0	186,379	(100,638)	0	0	(350,061)
Medical Traditional	0	23,495	0	0	0	0	0	0	0	0	0	0	0
<b>Total - ER Contractual Allowances</b>	<b>0</b>	<b>(13,610)</b>	<b>636,046</b>	<b>0</b>	<b>0</b>	<b>(448,314)</b>	<b>0</b>	<b>0</b>	<b>186,379</b>	<b>(100,638)</b>	<b>0</b>	<b>0</b>	<b>(350,061)</b>
<b>Provider Fees:</b>													
Provider Fee- Medical	0	0	0	0	0	0	(7,707,057)	(1,114,167)	(708,532)	(708,532)	(708,532)	(708,532)	(708,532)
Provider Fee- Medical Managed Care	0	0	0	(22,273,971)	0	0	0	0	0	0	0	(8,735,255)	(1,337,946)
<b>Total Provider Fees:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(22,273,971)</b>	<b>0</b>	<b>(7,707,057)</b>	<b>(1,114,167)</b>	<b>(708,532)</b>	<b>(708,532)</b>	<b>(708,532)</b>	<b>(9,444,767)</b>	<b>(2,046,478)</b>
DisShare Pymt													
<b>Total - Contractual Allowances</b>	<b>96,491,826</b>	<b>90,685,315</b>	<b>99,691,543</b>	<b>93,193,110</b>	<b>81,786,360</b>	<b>95,179,614</b>	<b>101,850,454</b>	<b>123,682,139</b>	<b>94,322,698</b>	<b>111,294,349</b>	<b>99,019,136</b>	<b>93,041,016</b>	<b>89,442,805</b>
Charity:													
Charity	354,055	996,576	89,126	563,056	351,070	532,235	645,564	373,302	250,216	(40,307)	(22,766)	502,573	492,506
<b>Total - Charity Allowances</b>	<b>354,055</b>	<b>996,576</b>	<b>89,126</b>	<b>563,056</b>	<b>351,070</b>	<b>532,235</b>	<b>645,564</b>	<b>373,302</b>	<b>250,216</b>	<b>(40,307)</b>	<b>(22,766)</b>	<b>502,573</b>	<b>492,506</b>
Other:													
Other	1,182,141	425,940	642,805	628,476	505,664	791,700	529,690	1,042,450	589,477	504,225	638,051	1,254,592	1,043,691
<b>Total - Other Allowances</b>	<b>1,182,141</b>	<b>425,940</b>	<b>642,805</b>	<b>628,476</b>	<b>505,664</b>	<b>791,700</b>	<b>529,690</b>	<b>1,042,450</b>	<b>589,477</b>	<b>504,225</b>	<b>638,051</b>	<b>1,254,592</b>	<b>1,043,691</b>
DSH:													
Total - Deductions From Revenue	96,028,022	92,107,832	100,423,475	94,384,642	82,643,094	96,503,549	103,025,708	125,097,891	95,162,391	111,758,267	99,634,421	94,798,181	90,979,002
<b>Pat. Rev. Net of Contractuals &amp; Other Deductions</b>	<b>15,779,225</b>	<b>15,001,241</b>	<b>14,726,331</b>	<b>15,501,311</b>	<b>37,180,846</b>	<b>15,101,984</b>	<b>23,923,183</b>	<b>20,566,032</b>	<b>17,135,650</b>	<b>18,055,620</b>	<b>16,948,554</b>	<b>26,627,469</b>	<b>17,852,681</b>
Provision for Doubtful Accounts	328,951	619,529	768,995	731,033	(436,421)	167,408	667,621	382,587	1,552,883	464,234	632,848	361,391	594,047
<b>Net Patient Revenue</b>	<b>15,450,274</b>	<b>14,381,712</b>	<b>13,957,336</b>	<b>14,770,278</b>	<b>37,611,267</b>	<b>14,934,576</b>	<b>23,255,562</b>	<b>20,183,445</b>	<b>15,582,767</b>	<b>17,591,386</b>	<b>16,315,706</b>	<b>26,266,078</b>	<b>17,258,634</b>
Other Revenue:													
Other Revenue	70,535	42,340	106,582	874,628	70,146	96,163	1,130,328	100,772	82,121	3,464,858	53,910	1,801,218	81,310
Rental Revenue	4,300												



Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018												
6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
70810 Environmental & Food Services Premium	44,056	57,178	39,452	35,545	20,898	45,638	55,018	54,194	37,275	22,304	21,465	25,275
70820 Other Salaries & Wages	7,354	8,868	8,868	9,885	11,196	8,321	6,180	7,500	7,234	8,842	8,842	10,146
70810 Other Salaries & Wages - Premium	269	1,501	78	1,889	2,521	368	167	465	(8)	130	46	30
<b>Total Productive Salaries</b>	<b>6,813,003</b>	<b>6,997,400</b>	<b>7,107,413</b>	<b>6,802,131</b>	<b>7,156,522</b>	<b>7,372,590</b>	<b>7,041,612</b>	<b>8,601,875</b>	<b>7,012,090</b>	<b>7,846,097</b>	<b>7,102,784</b>	<b>7,513,052</b>
<b>Non-Productive Salaries:</b>												
71200 Vacation Holiday & Sick Leave	1,033,364	1,349,062	876,894	894,309	972,044	1,031,109	1,291,771	1,732,349	1,041,412	975,093	921,696	1,131,230
71201 Ed Leave	58,226	34,150	48,510	39,312	107,892	159,894	69,810	68,126	69,665	54,921	70,313	89,675
71202 Overtime	141,739	204,590	189,703	127,371	203,030	210,876	241,944	149,944	311,576	189,977	232,762	199,172
71210 Other Non-Productive	51,054	45,183	48,710	77,774	82,807	92,705	61,903	49,056	65,333	60,334	77,719	93,415
71220 Recruitment Bonus	0	0	0	0	0	1,500	0	0	8,407	3,333	0	47,500
71230 BONUS	13,542	25,260	10,008	13,216	16,483	5,691	10,678	71,104	8,422	16,443	(1,467)	7,988
71271 IT Application Training	302	0	0	0	2,211	(821)	0	0	0	0	0	11,954
71880 Severance Pay	19,816	38,331	26,154	38,409	68,418	0	1,984	4,372	8,744	8,744	37,465	82,528
<b>Total Non-Productive Salaries</b>	<b>1,318,612</b>	<b>1,767,468</b>	<b>1,209,979</b>	<b>1,250,692</b>	<b>1,381,300</b>	<b>1,446,856</b>	<b>1,768,311</b>	<b>2,058,325</b>	<b>1,390,949</b>	<b>1,440,312</b>	<b>1,253,585</b>	<b>1,595,001</b>
<b>Total - Salaries &amp; Wages</b>	<b>8,131,615</b>	<b>8,764,867</b>	<b>8,317,392</b>	<b>8,052,823</b>	<b>8,537,821</b>	<b>8,819,446</b>	<b>8,809,922</b>	<b>10,660,199</b>	<b>8,403,038</b>	<b>9,286,409</b>	<b>8,356,369</b>	<b>9,108,053</b>
<b>Registry:</b>												
72500 Registry Nursing Personnel	233,030	77,690	87,783	92,161	138,177	116,228	251,080	261,537	434,486	359,795	155,359	152,436
<b>Total Registry Labor</b>	<b>233,030</b>	<b>77,690</b>	<b>87,783</b>	<b>93,161</b>	<b>138,177</b>	<b>116,228</b>	<b>251,080</b>	<b>261,537</b>	<b>434,486</b>	<b>359,795</b>	<b>155,359</b>	<b>152,406</b>
<b>Contract Labor</b>												
72621 Othr Contract Serv - Long Term	7,000	0	0	0	13,809	20,736	(15,360)	0	0	0	0	8,000
72622 Othr Contract Serv-Temp ShrtTm	258,205	249,690	162,858	144,469	173,742	172,435	(119,214)	140,685	142,082	7,865	20,616	172,795
<b>Total - Contract Labor</b>	<b>265,205</b>	<b>249,690</b>	<b>162,858</b>	<b>144,469</b>	<b>187,551</b>	<b>193,171</b>	<b>(134,574)</b>	<b>140,685</b>	<b>142,082</b>	<b>7,865</b>	<b>20,616</b>	<b>180,795</b>
<b>Benefits &amp; Taxes:</b>												
71000 FICA	604,820	623,503	573,602	524,919	528,086	478,781	564,534	787,213	645,281	708,057	664,336	685,794
71101 FICA - Full	17,151	8,205	13,789	10,300	10,300	14,800	11,279	11,300	11,300	2,676	(4,805)	(4,161)
71101 SGA - RIF	(8,280)	0	(4,879)	0	0	0	0	0	0	0	0	0
71300 Group Health Insurance	1,065,465	1,170,248	1,103,860	1,361,355	1,150,494	683,575	1,106,617	973,627	(634,400)	17,763	27,246	3,287
71301 EMP Medical Cost - Credit	0	0	0	0	0	0	0	17,363,540	0	0	0	0
71302 EMP Medical Cost - Credit	152,300	112,200	94,740	126,422	119,044	115,268	87,300	(17,363,540)	0	0	0	0
71310 Group Health Self Insured	26,048	11,483	3,572	(72,659)	(9,752)	(14,068)	(1,220)	128,131	1,300,000	833,173	1,378,687	2,122,453
71320 Group Health Vision	(3,440)	10,292	5,902	9,343	1,349	7,887	9,917	2,542	3,039	18,362	9,413	(3,934)
71330 Dental Insured	79,849	46,835	72,406	(7,755)	(7,755)	(7,851)	(12,535)	(8,895)	(8,718)	(7,955)	(8,196)	(13,594)
71331 Dental Insured (BMR)	(27,295)	(46,452)	(29,571)	73,861	71,188	72,607	72,954	72,954	72,132	60,124	61,052	60,310
71360 Medical Inf-Contract	(3,979)	(5,613)	(3,979)	(3,268)	(3,353)	(3,607)	(8,131)	(8,965)	(9,098)	(9,392)	(10,634)	(16,571)
71365 Dental Inf-Contract	(4,483)	0	0	0	0	0	0	0	0	0	0	0
71370 LHM AD&D Inf-Contract	0	3,513	870	800	879	862	875	985	997	1,011	1,005	1,014
71380 Group Life Insurance	42,271	(81,055)	13,789	14,266	14,266	14,118	(18,576)	15,817	15,300	15,300	15,300	3,699
71500 Pension	717,051	718,051	718,051	514,562	514,562	514,562	514,562	514,562	467,623	507,856	507,856	507,856
71510 Retirement	(1,867)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)
71510 Retiree Health	(4,889,415)	(35,083)	39,083	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
71510 401(k) - Employee Match	65,543	61,306	60,882	67,752	65,187	133,265	55,385	56,987	62,539	60,835	62,416	60,310
71515 Retirement Plan - 401 A	185,100	191,519	183,150	187,440	208,550	184,011	222,338	230,875	208,132	216,147	195,809	211,685
71720 Fringe Benefits	0	0	0	0	0	0	0	0	0	0	0	2,888
71800 Workers Compensation Insurance	95,640	65,799	65,982	65,982	65,982	65,982	65,432	65,982	65,982	65,982	65,799	65,799
71801 WC - TPA & Other	1,067	29,009	29,009	29,009	29,009	29,009	29,009	29,009	44,967	29,009	29,009	29,009
71810 LTD	11,103	13,103	14,415	14,652	17,320	14,851	14,000	15,692	15,692	12,963	15,413	14,412
71820 Able Eng Benefits	79,648	79,945	79,756	78,763	105,003	77,509	80,970	78,031	96,915	86,800	107,658	122,314
71900 Other Employee Benefits (Non-Payroll)	7,205	6,723	7,177	7,292	7,998	8,053	8,145	18,646	9,410	6,230	20,862	7,714
71910 S&P	83	3,860	(15)	1,916	296	1,033	1,938	1,940	2,108	2,023	2,064	2,018
71920 Ed & Reimbursemt	(87,712)	8,900	0	2,191	0	0	0	1,340	0	6,196	0	3,084
<b>Total - Taxes &amp; Benefits</b>	<b>(1,872,374)</b>	<b>2,994,582</b>	<b>3,104,703</b>	<b>2,996,677</b>	<b>2,880,178</b>	<b>2,394,168</b>	<b>2,806,461</b>	<b>3,052,888</b>	<b>2,189,995</b>	<b>2,674,092</b>	<b>3,259,996</b>	<b>3,374,533</b>
<b>Total - Labor Costs</b>	<b>6,757,477</b>	<b>12,086,829</b>	<b>11,672,716</b>	<b>11,287,130</b>	<b>11,743,728</b>	<b>11,523,013</b>	<b>11,732,889</b>	<b>14,115,309</b>	<b>11,168,602</b>	<b>12,328,161</b>	<b>11,792,340</b>	<b>12,681,479</b>
<b>Medical Fees:</b>												
72010 Medical-Physicians Administrator	52,330	85,136	82,219	81,892	96,570	105,320	150,664	87,616	107,596	106,500	67,986	43,812
72010 Medical-Phys Clinical Fees	325,805	340,870	333,157	314,310	319,517	287,237	299,260	304,162	362,810	405,288	501,948	1,143,176
72010 Medical-Phys Call Prt Cov	339,591	331,127	333,122	336,796	294,305	282,024	199,733	297,871	300,933	147,416	256,824	275,351
<b>Total - Medical Fees</b>	<b>717,726</b>	<b>757,133</b>	<b>753,498</b>	<b>752,997</b>	<b>700,791</b>	<b>677,582</b>	<b>640,658</b>	<b>689,749</b>	<b>771,544</b>	<b>660,204</b>	<b>826,758</b>	<b>1,465,783</b>
<b>Supplies:</b>												
73100 Prostheses	108,242	147,911	138,367	168,634	101,632	140,784	207,595	207,886	86,970	115,528	125,150	84,944
73101 Pacemakers	51,362	88,988	47,999	17,871	82,196	66,760	59,807	90,828	56,034	10,251	24,958	30,340
73101 Pacemaker Leads	17,712	13,712	23,132	72,484	12,946	72,484	13,712	13,712	1,300,000	(85,134)	26,027	36,027
73101 Spinecare Hardware	183,362	133,365	314,606	151,091	273,569	176,792	200,335	195,364	240,070	239,634	123,298	143,298
73101 Knives-Total	125,831	63,163	87,442	53,683	35,935	95,868	80,138	79,319	81,083	68,511	41,862	103,381
73101 Hips-Total	2,719	44,951	28,471	36,641	40,743	49,840	43,676	55,303	16,810	12,711	9,377	34,013
73101 Hip-Partial	14,256	0	2,256	0	0	7,891	1,844	628	6,026	3,000	8,205	7,500
73107 Hips-Compression	6,262	0	0	4,659	0	0	0	0	0	0	0	0
73108 Valves - Heart	6,901	17,296	(205)	0	5,800	0	0	0	5,995	5,100	0	5,800
73109 Bone	38,443	45,361	74,384	39,274	40,890	30,908	55,113	48,800	29,996	72,694	12,652	6,485
73109 ICD & Leads	101,039	50,039	47,096	103,480	26,093	24,988	27,763	47,622	(60,762)	186	57,010	77,689
73111 Tissue	12,033	12,033	12,033	17,629	31,073	15,747	13,328	14,680	1,276	3,058	24,950	23,777
73112 Rungs-Angioplasty	79	3,100	5,100	15	3,739	3,990	0	995	0	750	324	3,100
73113 Pumps-Implantable	12,105	6,416	10,688	(625)	0	5,188	7,807	3,222	7,795	5,188	5,188	6,485
73114 Neuro Stimulators/Leads	34,500	19,000	41,600	103,480	26,093	24,988	27,763	47,622	(60,762)	186	57,010	77,689
73115 Vascular Grafts	2,805	90,960	4,300	3,864	12,612	11,328	1,499	1,499	1,499	3,058	24,950	23,777
73116 Stents	(8,519)	17,812	33,881	25,877	23,233	34,915	9,420	21,482	8,539	1,111	8,277	8,729
73117 Stent DES	60,000	51,600	109,200	81,600	121,200	142,576	103,000	43,803	15,970	50,175	15,600	106,900
73200 Sutures & Surgical Needles	9,714	7,120	8,695	4,691	9,949	10,298	12,205	8,880	8,502	6,383	12,028	9,508
73201 Endoscopy/Endoscopy	42,644	49,176	29,381	23,814	22,962	24,365	38,903	38,196	38,196	38,196	25,919	25,919
73300 Surgical Packs & Sets	26,617	24,560	17,765	29,983	25,633	26,894	25,401	34,582	8,843	27,786	24,124	26,522
73301 PBDS	16,253	12,941	15,370	14,393	12,957	13,715	13,089	12,288	13,089	12,288	12,951	17,483
73400 Surgical-Supplies-General	123,077	67,116	144,761	102,388	131,037	99,220	101,554	114,288	86,433	119,579	117,369	106,762
73401 SURGICAL SUPPLIES - CVI	33,751	10,889	13,650	13,650	13,650	15,017	15,017	15,017	15,017	15,017	15,017	15,017
73402 Perfusion/Cat Saver	11,007	10,6										



Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
74700 Employee Wearing Apparel	16,188	11,289	9,729	23,016	13,415	16,349	10,688	16,976	9,995	15,336	9,942	8,928	16,689
74800 Instruments & Minor Medical Eq	(8,815)	13,869	37,168	22,772	8,420	14,059	19,475	25,585	7,172	12,368	19,548	6,399	14,112
74900 Other Minor Equip	8,142	7,387	10,473	13,100	8,841	14,541	3,767	25,419	13,224	5,919	4,273	3,068	5,910
74950 Software Computer	3,360	2,834	1,970	2,122	1,970	2,270	1,989	1,970	1,970	1,970	3,815	2,289	2,067
74960 Hardware Computer	6,568	4,020	(439)	0	0	0	0	0	(7)	0	0	0	0
75000 Other Non-Medical Supplies	48,033	60,898	76,315	73,086	80,602	87,458	88,263	104,747	97,744	73,191	80,819	73,080	82,818
75050 Cost Reduction - Rebate & Discount	(127,277)	(19,200)	(19,200)	(64,869)	(20,570)	2,674	(60,438)	(14,775)	(23,048)	(64,215)	(27,003)	535	(15,067)
75090 Books & Manuals	840	74	0	0	0	0	396	809	0	0	144	0	(396)
75200 Freight	21,218	5,435	12,512	12,217	10,845	4,631	2,796	17,193	10,840	16,243	279	7	32,339
75300 TR To City CC-Supplies	(80,800)	(75,166)	(98,574)	(75,165)	(84,541)	(80,491)	(53,874)	(71,011)	(61,153)	(54,375)	(51,106)	(55,359)	(53,167)
75700 TR Firm City CC-Supplies	65,533	51,099	50,747	50,337	54,205	41,536	68,370	50,995	43,338	50,794	43,335	64,242	51,355
<b>Total - Supplies</b>	<b>2,711,740</b>	<b>2,655,941</b>	<b>2,959,456</b>	<b>2,837,270</b>	<b>2,773,653</b>	<b>2,840,875</b>	<b>2,677,983</b>	<b>2,926,724</b>	<b>1,869,980</b>	<b>2,343,303</b>	<b>2,603,168</b>	<b>2,485,343</b>	<b>2,852,145</b>
<b>P/S - Professional Fees:</b>													
72200 Consultant & Mgmt. Fees	52,606	63,363	51,450	47,444	54,681	11,798	28,822	37,317	38,423	42,877	55,089	28,905	121,573
72300 Legal	45,447	52,502	18,751	(5,208)	9,244	(485)	(294)	22,896	11,573	33,005	14,450	463	(465)
<b>Total - Professional Fees</b>	<b>98,053</b>	<b>115,864</b>	<b>70,201</b>	<b>42,236</b>	<b>63,926</b>	<b>11,313</b>	<b>28,528</b>	<b>60,213</b>	<b>49,996</b>	<b>75,882</b>	<b>69,538</b>	<b>29,368</b>	<b>121,108</b>
Out-Of-Area- Network Expense:													
<b>P/S - Intercompany Related Organization:</b>													
75410 Corporate Management Svcs	261,355	1,375,672	642,759	372,224	914,501	1,052,470	884,401	987,748	732,403	913,343	966,141	1,036,801	899,113
75415 Integrity Management Svcs	1,012,072	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362
75420 VBS And SO Allocation	158,664	163,938	178,325	182,859	113,683	143,259	138,129	313,689	131,484	236,778	217,220	167,656	344,877
75422 Purch - Svcs IT Reim Acc	891,753	732,860	902,610	869,807	936,463	1,015,678	835,325	938,529	980,414	954,700	837,228	812,283	895,598
75428 PPS Outsource Net Expense	368,252	360,222	0	216,256	362,379	375,637	(1,742)	406,800	384,137	266,772	507,343	748,636	340,840
75441 Purch Service Rel Org- Region	(5,930)	(2,527)	(2,593)	(247)	3,079	19,939	11,551	12,362	31,199	19,798	(17,266)	55,747	24,795
<b>Total - P/S - Intercompany Related Organization</b>	<b>2,684,166</b>	<b>3,561,528</b>	<b>2,652,464</b>	<b>2,572,262</b>	<b>3,251,467</b>	<b>3,538,345</b>	<b>2,789,026</b>	<b>3,290,860</b>	<b>3,190,999</b>	<b>3,332,753</b>	<b>3,442,028</b>	<b>3,749,485</b>	<b>3,138,566</b>
<b>P/S - Other:</b>													
76100 Purch Serv-Medical	51,914	63,549	94,864	78,959	54,527	54,603	66,111	90,355	70,799	19,018	38,866	32,591	29,625
76200 Purch Serv-Repairs & Maintenance	78,733	71,555	90,036	80,665	105,256	68,703	61,255	186,128	117,271	149,533	279,893	272,235	178,020
76250 Repairs & Maintenance- Other Contract	2,844	1,335	3,780	2,495	2,245	1,966	1,669	2,503	9,332	2,450	3,264	4,965	2,214
76500 Purch Serv-Collection Agencies	7,981	8,665	9,957	10,491	7,607	37,263	5,636	(15,827)	7,738	4,089	49,528	(126,045)	0
76550 Purch Serv-Outside Organization	528,445	432,999	676,135	635,401	405,182	442,538	407,245	813,186	497,603	433,563	520,605	265,006	520,822
76901 Purch Serv - MedSoft Contr	0	0	0	0	960	0	960	0	0	0	0	0	960
76906 CHFT Pledge	0	0	0	0	453,656	(28,619)	(28,619)	24,456	(302)	(302)	(302)	173,396	26,295
76910 Printing & Forms	865	0	513	0	0	0	0	0	0	0	0	270	2,017
76911 Software Support & Maintenance	52,608	25,292	24,169	32,968	23,219	12,469	24,882	(11,247)	29,067	(24,104)	20,098	(479)	8,331
76912 Direct Mail Expense	0	0	0	0	0	0	0	2,650	0	0	0	0	0
<b>Total - P/S - Other</b>	<b>722,989</b>	<b>603,394</b>	<b>868,448</b>	<b>840,979</b>	<b>1,082,652</b>	<b>617,591</b>	<b>569,239</b>	<b>989,585</b>	<b>734,157</b>	<b>585,148</b>	<b>911,741</b>	<b>621,369</b>	<b>768,783</b>
<b>Rental &amp; Leases:</b>													
77000 Rental/Lease Costs-Buildings	196,907	141,284	141,284	141,284	141,125	172,455	160,486	147,872	135,553	138,948	138,547	138,547	138,547
77050 Rental/Lease Costs-Equip	236,599	134,251	125,438	108,425	213,636	151,799	136,956	112,219	169,769	169,302	159,411	147,827	253,278
<b>Total - Rental &amp; Leases</b>	<b>423,506</b>	<b>275,535</b>	<b>266,722</b>	<b>249,709</b>	<b>354,761</b>	<b>324,254</b>	<b>299,442</b>	<b>260,191</b>	<b>305,323</b>	<b>308,250</b>	<b>297,958</b>	<b>286,474</b>	<b>391,825</b>
<b>Other Expenses:</b>													
78000 Licenses & Taxes	28,708	28,034	39,351	37,181	25,098	31,366	42,051	41,593	30,623	30,633	53,376	48,326	31,889
78100 Property Taxes	12,115	13,297	13,297	13,297	15,903	11,548	14,217	12,714	12,714	12,714	12,714	12,714	12,714
78400 Other Costs	14,747	15,026	(21,208)	22,539	14,844	5,025	18,225	8,261	9,136	11,248	14,286	13,677	10,889
78500 Telephone/Telegraph	39,500	22,449	(2,562)	4,949	5,130	12,779	3,804	6,606	8,973	17,608	6,408	11,420	5,945
78600 Dues & Subscriptions	10,187	9,417	18,290	24,086	23,283	7,504	16,166	66,629	9,378	13,187	16,755	8,922	15,399
78700 Outside Training Sessions	33,579	32,168	33,784	38,374	38,675	40,960	34,007	50,776	43,299	32,189	28,157	30,265	32,782
78750 Meetings & Conventions	0	345	0	114	0	0	0	1,565	1,175	0	935	630	0
78760 Outside Training Business Meals	0	0	0	0	0	0	0	0	0	0	314	0	0
78900 Travel	2,088	0	2,763	4,905	6,156	273	864	9,953	10,130	(17,232)	4,191	13,702	(13,911)
78902 Airfare & Rail	0	2,778	0	0	646	400	1,104	0	1,065	1,361	1,240	2,054	689
78903 Car Rental	0	134	0	0	0	0	0	0	0	0	721	318	0
78904 Gasoline	0	0	0	0	0	0	0	0	0	0	38	0	0
78905 Mileage	261	748	0	794	341	788	354	340	825	383	704	507	638
78906 Parking & Tolls	0	30	0	9	25	32	58	2	0	0	36	0	0
78908 Lodging & Hotels	0	563	0	0	353	0	0	0	0	359	3,241	1,477	206
78910 Business Meals	0	500	0	36	111	53	13	0	17	114	295	78	217
78911 Catering & Business Meals	0	0	0	0	0	0	0	0	0	0	0	76	0
78913 Individual Meals	0	122	0	0	191	54	156	0	22	202	51	63	0
78914 Entertainment - Staff	0	0	0	0	383	0	133	0	0	0	0	0	0
78916 Internet/Online Fees	0	5	0	200	0	0	0	0	0	23	0	0	0
78917 Agency Booking Fees	0	5	0	0	0	0	0	0	0	0	0	0	0
78960 Recruiting	35,949	12,100	22,131	20,031	26,992	8,020	31,500	0	0	48,287	6,004	0	6,676
79000 Other Expenses	(35,762)	14,698	15,821	20,449	314,781	(42,324)	27,624	47,230	593	210,812	2,703	55,171	25,198
79002 Other Advertising	0	0	1,000	0	0	0	0	0	0	0	0	0	0
79003 Gifts & Entertainment	0	5,948	1,300	0	4,303	0	0	0	6,233	0	0	2,381	0
79009 JCAHO	0	0	1,663	1,663	1,663	1,663	1,663	1,663	1,663	1,663	1,663	1,663	2,075
79010 Postage	0	0	3,077	3,000	3,000	2,569							



Verity Healt Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

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6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
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Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
REVENUE													
IP Acute Self Pay													
6011-6010-41101 IP Acute Self Pay	\$46,664	\$163,324	\$0	\$208,417	\$139,992	\$186,656	\$233,320	\$93,328	\$116,680	\$93,328	\$195,857	\$116,680	\$116,680
6011-6170-41101 IP Acute Self Pay	55,206	0	0	0	0	0	0	0	0	0	0	0	0
6011-6172-41101 IP Acute Self Pay	398,040	0	118,613	9,201	18,402	0	18,402	0	36,804	0	9,201	0	0
6011-6178-41101 IP Acute Self Pay	0	36,804	27,603	138,015	0	230,025	9,201	27,603	36,804	0	27,603	46,005	9,201
6011-6179-41101 IP Acute Self Pay	96,620	164,973	26,630	122,914	20,375	44,696	63,098	33,522	0	9,201	9,201	128,814	138,015
6011-6179-41101 IP Acute Self Pay	42,723	33,522	0	178,120	55,870	55,870	226,762	31,549	33,522	11,174	167,610	111,740	53,887
6011-6800-41101 IP Acute Self Pay	0	0	0	0	0	5,723	(6,723)	0	11,446	5,723	0	0	0
6011-7010-41101 IP Acute Self Pay	45,411	55,061	27,501	95,578	45,420	37,912	45,981	38,987	97,017	22,162	54,628	34,778	43,402
6011-7420-41101 IP Acute Self Pay	11,808	11,499	49,502	264,752	62,346	53,904	0	24,123	17,813	0	0	30,470	0
6011-7427-41101 IP Acute Self Pay	9,436	7,866	33,018	31,416	0	29,862	0	14,146	9,432	0	0	0	0
6011-7430-41101 IP Acute Self Pay	0	0	0	0	0	0	0	0	0	0	0	0	135
6011-7460-41101 IP Acute Self Pay	6,838	7,068	30,037	81,525	35,340	26,264	0	15,010	14,786	0	0	10,912	27,404
6011-7470-41101 IP Acute Self Pay	9,018	4,792	1,273	6,380	4,115	8,360	7,287	6,625	6,113	1,548	8,404	11,154	7,587
6011-7500-41101 IP Acute Self Pay	103,176	96,282	23,927	86,851	55,555	48,559	119,399	34,397	93,018	26,181	101,062	74,618	57,266
6011-7520-41101 IP Acute Self Pay	0	0	1,893	778	1,879	1,876	0	0	2,046	0	0	778	2,334
6011-7560-41101 IP Acute Self Pay	1,000	0	0	0	290	250	1,250	0	124	0	654	500	0
6011-7590-41101 IP Acute Self Pay	20,396	20,790	5,099	15,297	10,198	10,198	21,101	24,240	14,503	0	37,338	5,334	16,002
6011-7570-41101 IP Acute Self Pay	75,033	0	0	211,842	187,396	73,102	244,650	61,403	43,437	10,595	291,158	51,722	204,636
6011-7591-41101 IP Acute Self Pay	7,310	6,579	3,655	6,579	8,772	9,503	9,930	3,600	15,300	4,500	14,400	8,100	13,500
6011-7620-41101 IP Acute Self Pay	0	0	0	0	0	0	0	0	0	0	2,460	3,306	0
6011-7630-41101 IP Acute Self Pay	9,812	9,332	4,942	15,339	17,053	12,116	23,044	12,532	11,549	5,109	14,292	17,367	7,805
6011-7631-41101 IP Acute Self Pay	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7634-41101 IP Acute Self Pay	0	10,238	0	5,117	0	5,022	0	0	6,638	5,638	0	8,960	0
6011-7660-41101 IP Acute Self Pay	0	5,802	0	11,604	0	10,357	12,604	17,159	0	0	11,873	0	0
6011-7680-41101 IP Acute Self Pay	31,349	25,002	13,625	18,219	35,980	55,281	7,002	34,874	79,908	13,195	45,123	24,514	41,222
6011-7710-41101 IP Acute Self Pay	908,227	62,050	41,260	109,037	115,053	82,281	181,259	47,352	96,140	12,671	111,834	50,080	48,651
6011-7720-41101 IP Acute Self Pay	35,523	2,146	0	9,273	41,848	27,270	61,171	14,182	79,963	794	66,520	22,470	42,873
6011-7760-41101 IP Acute Self Pay	96,638	5,126	0	0	0	3,792	52,010	0	0	0	0	0	0
6011-7760-41101 IP Acute Self Pay	6,803	0	0	0	0	0	19,243	0	0	0	0	0	7,881
6011-7770-41101 IP Acute Self Pay	6,001	1,302	651	12,634	609	6,470	6,335	2,019	1,976	760	3,420	4,489	8,487
6011-7780-41101 IP Acute Self Pay	17,275	1,505	0	0	1,005	6,620	0	0	1,005	0	1,005	5,947	4,893
6011-7790-41101 IP Acute Self Pay	10,389	418	418	7,787	0	2,462	3,802	556	821	978	2,536	2,870	0
6011-7870-41101 IP Acute Self Pay	81	0	0	0	282	162	0	0	0	0	0	0	0
6011-7871-41101 IP Acute Self Pay	3,833	3,833	0	0	2,226	0	0	2,372	2,372	0	2,372	0	0
Total IP Acute Self Pay	1,994,870	713,716	410,671	1,609,675	963,676	1,053,987	1,314,782	569,155	862,709	222,809	1,171,993	779,234	802,211
IP Acute - Comm Ins													
6011-6010-41121 IP Acute Comm Ins	0	0	0	0	0	0	23,332	0	0	34,506	46,664	139,992	46,664
6011-6170-41121 IP Acute Comm Ins	18,402	0	0	0	0	0	0	0	0	0	0	0	0
6011-6172-41121 IP Acute Comm Ins	0	18,402	0	0	0	0	18,402	0	92,010	0	0	36,804	73,608
6011-6178-41121 IP Acute Comm Ins	11,174	0	0	0	0	33,522	0	0	0	0	0	18,402	0
6011-6179-41121 IP Acute Comm Ins	0	22,348	0	0	0	0	11,174	0	22,348	0	33,522	79,214	22,348
6011-6800-41121 IP Acute Comm Ins	5,723	0	0	0	0	0	0	0	0	0	0	0	0
6011-7010-41121 IP Acute Comm Ins	9,537	8,842	0	0	0	7,188	0	7,333	0	7,013	0	21,787	0
6011-7420-41121 IP Acute Comm Ins	0	86,986	0	0	0	0	46,249	0	0	0	96,952	126,973	316,390
6011-7427-41121 IP Acute Comm Ins	0	25,184	0	0	0	0	20,426	0	0	0	15,255	66,052	0
6011-7430-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	0	0	0	0	405	675
6011-7460-41121 IP Acute Comm Ins	0	18,612	0	0	0	32,517	0	0	0	0	25,223	50,147	57,671
6011-7470-41121 IP Acute Comm Ins	905	297	0	0	0	17	1,227	0	31	318	1,722	1,677	1,878
6011-7500-41121 IP Acute Comm Ins	4,060	2,853	0	0	0	1,430	2,853	2,731	2,059	1,800	3,245	88,947	21,905
6011-7520-41121 IP Acute Comm Ins	0	0	0	0	0	0	8,424	0	1,596	0	778	1,675	315
6011-7560-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	0	750	0	0	904	0
6011-7590-41121 IP Acute Comm Ins	0	0	0	0	10,198	0	0	0	5,334	5,334	23,198	8,238	0
6011-7570-41121 IP Acute Comm Ins	0	0	0	0	0	0	47,922	0	60,534	50,274	0	0	0
6011-7591-41121 IP Acute Comm Ins	0	731	0	0	2,924	731	0	0	2,700	3,600	7,200	3,600	0
6011-7620-41121 IP Acute Comm Ins	1,232	573	0	0	2,223	1,952	0	2,573	1,586	2,084	12,993	17,066	0
6011-7630-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7680-41121 IP Acute Comm Ins	4,247	0	0	0	0	0	0	0	27,683	6,845	0	19,335	28,749
6011-7710-41121 IP Acute Comm Ins	(145,956)	18,879	0	0	5,688	16,423	0	9,232	1,912	12,662	35,701	23,688	0
6011-7720-41121 IP Acute Comm Ins	6,166	0	0	0	2,390	2,664	0	0	0	8,568	14,833	117	0
6011-7760-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7760-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	0	19,089	0	0	0	0
6011-7770-41121 IP Acute Comm Ins	651	2,180	0	0	0	0	0	0	3,654	0	7,082	9,366	0
6011-7780-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7790-41121 IP Acute Comm Ins	0	418	0	0	0	0	0	0	3,165	0	0	3,352	4,207
6011-7870-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7871-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	0	0	0	0	0	0
Total IP Acute - Comm Ins	(887,859)	207,305	0	0	0	70,293	239,890	0	201,308	113,734	319,791	717,407	729,363
IP Acute Comm MgtCare													
6011-6010-41122 IP Acute Comm MgtCare	1,502,449	906,991	1,369,979	1,224,438	1,201,106	2,029,884	1,886,935	1,804,090	1,402,223	1,606,956	793,288	1,588,005	1,026,008
6011-6170-41122 IP Acute Comm MgtCare	574,470	18,402	0	0	0	0	0	0	0	0	0	0	0
6011-6172-41122 IP Acute Comm MgtCare	1,131,723	882,296	1,068,716	1,436,396	1,674,599	1,131,723	1,076,513	1,104,120	1,065,718	728,638	993,708	27,603	0
6011-6172-41122 IP Acute Comm MgtCare	432,447	1,268,738	1,315,743	837,291	984,507	1,013,751	1,506,964	1,166,962					



Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
0011-7770-41131 IP Acute-WIC	25,314	35,506	47,400	49,428	22,228	23,209	9,788	60,053	35,887	33,661	47,179	22,889	33,712
0011-7780-41131 IP Acute-WIC	0	0	0	0	0	0	0	0	0	0	0	0	0
0011-7790-41131 IP Acute-WIC	11,037	4,845	5,667	7,882	6,521	6,535	761	13,579	11,168	4,666	11,015	8,185	10,844
0011-7871-41131 IP Acute-WIC	1,807	0	0	2,226	0	0	3,475	0	0	3,479	0	3,979	3,214
Total WIC Comp	2,364,654	2,334,297	4,012,161	3,149,704	2,307,666	2,031,383	872,290	4,639,469	2,461,364	2,311,545	4,334,025	1,687,261	2,677,792
Medicare													
0011-6010-41141 IP Acute-Medicare	1,851,078	1,955,947	1,652,636	2,173,968	2,803,763	2,375,739	2,225,741	1,839,878	0	1,703,571	2,371,982	1,968,105	1,931,439
0011-6170-41141 IP Acute-Medicare	526,380	526,372	0	0	0	0	0	0	0	0	0	0	0
0011-6171-41141 IP Acute-Medicare	1,913,088	1,842,173	1,702,587	2,055,769	2,254,245	2,116,230	3,493,851	3,625,194	2,940,687	2,916,717	1,297,341	72,608	0
0011-6172-41141 IP Acute-Medicare	625,668	1,564,170	1,610,175	1,020,909	1,573,371	1,361,748	1,606,395	2,456,868	1,812,597	1,582,572	1,140,924	1,757,391	1,352,547
0011-6178-41141 IP Acute-Medicare	2,315,636	2,377,406	3,068,349	2,321,401	1,914,017	2,436,537	3,017,587	2,859,785	2,423,904	1,692,884	1,571,398	1,871,205	1,871,205
0011-6179-41141 IP Acute-Medicare	2,568,062	2,127,632	2,916,677	2,197,832	2,786,688	2,086,882	2,260,889	3,211,406	2,984,302	2,014,332	2,127,651	1,679,362	1,679,362
0011-6341-41141 IP Acute-Medicare	0	0	0	0	0	0	0	116,063	1,022,743	2,216,501	1,867,695	2,346,449	2,488,209
0011-6900-41141 IP Acute-Medicare	57,230	(51,507)	(5,723)	11,446	28,615	(34,338)	57,230	(17,169)	(22,882)	51,507	11,446	(5,723)	(40,061)
0011-7010-41141 IP Acute-Medicare	928,935	789,171	938,891	889,405	834,372	859,117	1,128,524	1,575,573	1,362,611	1,381,988	1,063,394	1,160,939	917,835
0011-7080-41141 IP Acute-Medicare	4,490	449	4,362	0	4,950	449	0	0	6,294	0	0	1,600	991
0011-7420-41141 IP Acute-Medicare	3,265,788	2,410,850	3,749,395	1,417,338	3,699,873	2,777,802	1,718,972	1,160,351	2,874,322	1,867,920	2,373,303	1,441,095	1,441,095
0011-7427-41141 IP Acute-Medicare	573,613	486,042	446,203	294,974	673,368	394,854	419,625	601,729	536,352	418,199	373,284	274,418	267,380
0011-7430-41141 IP Acute-Medicare	0	0	0	0	0	0	0	0	0	0	0	0	0
0011-7430-41141 IP Acute-Medicare	880,032	775,100	1,020,497	671,167	1,089,395	587,280	723,742	746,206	650,435	778,754	684,185	634,921	471,904
0011-7430-41141 IP Acute-Medicare	100,805	100,999	110,084	140,202	117,740	100,377	117,347	146,015	98,950	137,995	87,226	89,340	78,145
0011-7500-41141 IP Acute-Medicare	1,699,845	1,555,100	1,770,698	1,734,701	1,904,170	1,505,867	2,342,514	2,910,239	2,702,077	2,696,262	1,974,142	1,919,521	1,625,002
0011-7520-41141 IP Acute-Medicare	28,693	24,659	39,319	22,742	25,188	22,536	27,246	44,763	46,058	30,489	25,797	27,750	25,333
0011-7540-41141 IP Acute-Medicare	13,900	12,550	15,884	11,584	23,044	13,270	11,800	12,578	9,742	10,058	18,074	15,110	8,152
0011-7560-41141 IP Acute-Medicare	255,495	292,370	303,119	302,009	291,233	282,811	282,811	282,811	272,132	272,132	272,132	272,132	272,132
0011-7570-41141 IP Acute-Medicare	1,466,387	922,034	927,512	1,973,089	1,367,536	1,846,955	1,292,497	815,753	399,129	2,194,077	1,524,529	1,699,875	975,630
0011-7591-41141 IP Acute-Medicare	180,557	159,358	157,165	151,317	160,820	148,393	182,346	239,062	221,400	247,600	135,900	204,300	163,900
0011-7592-41141 IP Acute-Medicare	0	0	0	0	11,000	0	5,515	0	0	0	0	0	0
0011-7620-41141 IP Acute-Medicare	5,370	7,180	5,860	8,950	17,340	17,340	17,340	23,142	14,838	22,236	11,532	16,598	24,987
0011-7630-41141 IP Acute-Medicare	257,450	270,248	263,578	279,406	326,817	267,805	380,260	664,450	69,306	389,481	289,201	259,650	252,984
0011-7631-41141 IP Acute-Medicare	188,315	200,680	135,911	188,839	274,527	78,589	197,643	374,324	198,522	133,984	178,211	178,460	118,788
0011-7634-41141 IP Acute-Medicare	66,536	89,445	100,669	96,145	102,823	90,188	112,486	118,156	222,009	214,628	155,971	108,810	141,130
0011-7635-41141 IP Acute-Medicare	0	0	0	0	0	0	0	0	0	1,684	0	0	0
0011-7640-41141 IP Acute-Medicare	19,330	0	72,456	20,688	0	4,524	48,321	9,305	68,410	4,848	129,387	0	0
0011-7650-41141 IP Acute-Medicare	92,781	60,944	99,272	71,572	82,143	81,649	152,950	149,913	182,889	201,468	91,999	87,162	83,434
0011-7680-41141 IP Acute-Medicare	533,244	445,543	571,106	489,308	547,680	425,417	765,482	835,371	730,312	905,465	703,231	830,705	771,476
0011-7710-41141 IP Acute-Medicare	2,001,756	1,717,585	1,644,455	1,745,048	2,153,029	1,814,206	1,977,337	2,343,759	2,121,142	1,982,587	1,700,915	1,601,594	1,589,222
0011-7720-41141 IP Acute-Medicare	1,159,017	1,096,617	941,832	1,055,018	1,055,030	936,032	1,070,853	1,475,878	1,716,427	1,982,032	960,960	774,862	774,862
0011-7730-41141 IP Acute-Medicare	406	0	0	0	1,501	0	6,520	0	0	0	6,520	0	0
0011-7740-41141 IP Acute-Medicare	508,036	523,414	384,450	205,040	308,122	360,716	637,480	728,140	427,456	534,960	453,230	549,820	575,902
0011-7742-41141 IP Acute-Medicare	162,252	128,020	120,020	307,182	248,994	83,737	298,858	239,797	296,345	126,637	138,521	114,324	114,324
0011-7743-41141 IP Acute-Medicare	199,207	147,317	212,469	460,745	174,030	169,240	269,456	240,456	240,456	174,030	174,030	147,317	147,317
0011-7750-41141 IP Acute-Medicare	86,757	80,256	62,045	55,832	66,237	63,009	58,354	68,875	91,657	74,695	52,427	39,868	51,137
0011-7750-41141 IP Acute-Medicare	88,137	81,904	75,313	80,697	88,679	91,291	78,245	79,401	91,563	57,574	39,868	60,879	60,879
0011-7870-41141 IP Acute-Medicare	1,978	857	786	2,770	4,684	296	0	0	0	0	0	0	0
0011-7871-41141 IP Acute-Medicare	65,108	63,617	47,138	59,335	60,534	30,514	46,336	76,440	73,137	66,340	52,764	54,434	50,764
0011-7881-41141 IP Acute-Medicare	7,154	5,309	2,854	9,150	0	0	0	4,149	4,284	0	0	0	710
Total Medicare	24,992,952	22,220,579	25,306,854	22,729,241	28,881,099	22,298,195	27,834,079	31,889,950	27,257,153	32,347,656	23,525,484	23,373,149	19,728,721
Medicare MgtCare													
0011-6010-41142 IP Acute-Medicare MgtCare	443,308	676,644	652,312	535,636	510,347	466,640	933,280	2,124,326	746,624	722,308	256,652	826,910	431,150
0011-6170-41142 IP Acute-Medicare MgtCare	128,814	0	0	0	0	0	0	0	0	0	0	0	0
0011-6171-41142 IP Acute-Medicare MgtCare	705,477	809,668	476,452	496,654	496,654	496,654	634,869	634,869	331,653	220,524	239,225	239,225	239,225
0011-6172-41142 IP Acute-Medicare MgtCare	105,618	193,221	264,432	450,849	331,226	818,889	625,666	708,477	690,075	505,055	387,693	387,693	405,261
0011-6178-41142 IP Acute-Medicare MgtCare	561,318	346,394	717,754	403,573	995,795	751,940	1,051,001	502,147	577,064	386,442	1,068,178	810,522	810,522
0011-6179-41142 IP Acute-Medicare MgtCare	625,744	841,332	481,791	629,026	900,494	543,580	1,294,856	1,591,654	1,012,889	979,366	878,800	964,621	960,009
0011-6180-41142 IP Acute-Medicare MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	0
0011-6900-41142 IP Acute-Medicare MgtCare	5,723	0	(5,723)	(5,723)	(5,723)	5,723	34,338	(17,169)	(22,882)	51,507	11,446	(5,723)	(17,169)
0011-7010-41142 IP Acute-Medicare MgtCare	247,733	227,781	234,875	300,743	281,009	206,025	386,665	620,316	454,063	386,811	477,255	375,618	375,618
0011-7080-41142 IP Acute-Medicare MgtCare	0	0	0	0	0	0	0	0	0	3,811	0	0	0
0011-7420-41142 IP Acute-Medicare MgtCare	558,336	736,843	548,192	204,795	943,599	316,730	320,548	801,118	699,366	707,127	356,130	398,167	307,753
0011-7430-41142 IP Acute-Medicare MgtCare	119,480	100,917	127,360	93,867	93,867	93,867	93,867	147,343	138,467	99,086	110,524	92,960	82,960
0011-7430-41142 IP Acute-Medicare MgtCare	0	0	0	0	0	0	0	0	0	0	0	1,080	810
0011-7430-41142 IP Acute-Medicare MgtCare	160,470	242,594	218,697	76,779	190,940	130,083	139,411	328,181	223,596	234,309	130,701	160,602	140,120
0011-7470-41142 IP Acute-Medicare MgtCare	35,540	27,257	25,115	22,679	40,042	28,725	35,249	36,687	34,671	22,018	32,798	27,257	27,257
0011-7500-41142 IP Acute-Medicare MgtCare	365,151	470,317	460,619	460,619	460,619	460,619	460,619	460,619	460,619	460,619	460,619	460,619	460,619
0011-7520-41142 IP Acute-Medicare MgtCare	2,650	15,039	5,500	6,253	4,678	4,844	15,649	12,962	5,571	12,962	2,191	8,650	9,265
0011-7540-41142 IP Acute-Medicare MgtCare	72,100	7,022	5,278	2,122	3,562	3,404	13,678	7,240	1,750	2,810	248	9,644	904
0011-7560-41142 IP Acute-Medicare MgtCare	3,504	77,273	112,452	102,922	92,964	67,489	330,076	227,863	129,895	158,034	128,964	123,630	81,415
0011-7570-41142 IP Acute-Medicare MgtCare	830,549	636,457	689,457	689,457	689,457	689,457	689,457	689,457	689,457	689,457	689,457	689,457	689,457
0011-7591-41142 IP Acute-Medicare MgtCare	46,053	42,398	38,743	58,480	55,942	81,896	90,900	90,900	82				



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-6900-41152 IP Acute-Medi-Cal MgtCare	0	5,723	(5,723)	11,446	(11,446)	0	5,723	0	0	5,723	(11,446)	34,338	(34,338)
6011-7050-41152 IP Acute-Medi-Cal MgtCare	319,543	349,526	297,864	302,493	227,476	216,958	357,972	487,476	324,655	443,599	626,655	443,667	626,655
6011-7420-41152 IP Acute-Medi-Cal MgtCare	731,268	152,410	635,543	545,409	477,453	91,144	365,208	227,676	437,617	227,932	438,142	777,725	139,379
6011-7427-41152 IP Acute-Medi-Cal MgtCare	128,980	44,024	240,658	82,861	113,205	44,120	66,068	116,308	85,526	75,488	201,926	183,978	47,196
6011-7430-41152 IP Acute-Medi-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	0	2,790	940
6011-7435-41152 IP Acute-Medi-Cal MgtCare	212,541	53,971	265,628	207,876	234,117	109,765	129,233	113,066	214,516	108,448	277,109	277,390	277,390
6011-7470-41152 IP Acute-Medi-Cal MgtCare	35,479	33,446	25,718	27,963	33,302	34,514	32,288	51,411	19,369	28,148	38,500	39,436	31,010
6011-7500-41152 IP Acute-Medi-Cal MgtCare	593,231	595,768	439,630	554,892	452,641	418,993	660,719	945,848	584,242	874,803	801,308	787,251	500,291
6011-7520-41152 IP Acute-Medi-Cal MgtCare	20,997	14,283	9,248	18,884	16,854	9,709	4,955	6,391	16,055	9,640	16,321	10,275	5,217
6011-7540-41152 IP Acute-Medi-Cal MgtCare	4,830	2,584	3,560	3,560	2,134	1,020	1,020	1,020	2,716	9,884	5,374	3,000	3,000
6011-7550-41152 IP Acute-Medi-Cal MgtCare	97,155	92,570	71,790	61,462	40,792	87,745	95,960	103,065	64,539	113,419	110,515	83,398	88,749
6011-7570-41152 IP Acute-Medi-Cal MgtCare	728,645	151,663	264,144	433,977	644,765	281,014	51,442	241,534	90,033	222,507	1,157,793	184,096	461,034
6011-7591-41152 IP Acute-Medi-Cal MgtCare	48,246	44,591	39,474	52,632	32,895	43,129	47,586	59,400	52,200	65,700	73,800	70,200	45,900
6011-7592-41152 IP Acute-Medi-Cal MgtCare	11,230	5,515	0	0	0	0	0	0	0	6,051	0	0	6,051
6011-7620-41152 IP Acute-Medi-Cal MgtCare	0	1,790	0	1,790	0	20,780	3,306	3,306	6,512	3,306	2,480	3,306	3,306
6011-7630-41152 IP Acute-Medi-Cal MgtCare	75,255	87,949	90,952	84,295	95,043	52,130	77,882	188,805	(9,671)	99,896	74,850	94,813	64,863
6011-7631-41152 IP Acute-Medi-Cal MgtCare	61,643	37,514	51,261	20,261	70,079	67,940	67,424	43,188	33,042	28,601	116,300	67,750	18,771
6011-7634-41152 IP Acute-Medi-Cal MgtCare	45,722	79,144	24,813	40,555	56,481	47,779	74,740	63,087	26,477	52,878	48,809	77,318	34,305
6011-7640-41152 IP Acute-Medi-Cal MgtCare	41,668	3,566	25,602	29,057	0	0	0	34,980	31,110	15,232	0	36,288	31,544
6011-7650-41152 IP Acute-Medi-Cal MgtCare	53,321	9,377	26,936	34,319	27,830	16,771	17,255	56,422	25,208	53,692	85,793	36,051	26,200
6011-7680-41152 IP Acute-Medi-Cal MgtCare	186,795	250,814	186,922	141,643	173,097	188,217	231,171	329,298	88,855	242,196	250,314	325,662	199,594
6011-7710-41152 IP Acute-Medi-Cal MgtCare	586,050	532,904	519,891	717,154	899,073	411,842	532,623	803,578	270,432	699,163	667,323	552,627	382,202
6011-7720-41152 IP Acute-Medi-Cal MgtCare	395,890	195,691	107,696	205,203	291,337	383,375	274,562	577,656	295,087	496,297	290,970	290,235	202,443
6011-7740-41152 IP Acute-Medi-Cal MgtCare	35,862	128,150	102,620	61,512	41,008	128,150	54,832	130,410	104,020	237,760	185,760	165,460	89,160
6011-7760-41152 IP Acute-Medi-Cal MgtCare	78,191	86,896	74,202	59,138	21,802	36,870	24,547	61,496	67,997	55,168	162,652	49,208	61,890
6011-7770-41152 IP Acute-Medi-Cal MgtCare	50,948	46,039	38,141	30,740	36,303	17,701	37,249	45,913	24,574	31,332	33,615	46,632	30,259
6011-7780-41152 IP Acute-Medi-Cal MgtCare	4,765	10,765	13,469	6,842	9,046	25,473	6,842	24,783	5,149	5,297	6,570	25,775	20,027
6011-7790-41152 IP Acute-Medi-Cal MgtCare	24,818	17,480	16,764	10,513	10,513	9,364	16,535	14,270	11,273	13,954	13,550	31,252	12,664
6011-7870-41152 IP Acute-Medi-Cal MgtCare	989	891	292	448	2,115	34	0	0	0	0	0	0	0
6011-7871-41152 IP Acute-Medi-Cal MgtCare	18,493	25,329	16,075	6,636	6,678	18,201	15,968	15,513	18,519	32,867	18,150	28,781	4,287
Total Medi-Cal MgtCare	7,966,747	6,084,310	5,876,166	6,539,807	6,791,489	5,396,717	6,473,899	9,191,641	5,798,387	7,720,856	8,837,221	7,816,336	4,842,520
Other Indigent	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7591-41181 IP Acute-Other Indigent	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7630-41181 IP Acute-Other Indigent	0	0	0	0	0	0	0	0	(998)	0	0	0	0
Total Other Indigent	0	0	0	0	0	0	0	0	202	0	0	0	0
Other:	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-6010-41191 IP Acute-Other	197,830	69,996	139,992	197,830	46,664	23,332	93,328	69,996	244,494	93,328	278,984	139,992	102,929
6011-6171-41191 IP Acute-Other	0	0	0	0	0	0	9,201	0	0	0	0	0	0
6011-6172-41191 IP Acute-Other	0	0	0	18,402	0	0	0	0	0	0	0	0	0
6011-6175-41191 IP Acute-Other	44,896	0	0	59,870	11,174	0	0	0	11,174	0	9,201	0	9,201
6011-6178-41191 IP Acute-Other	0	0	0	0	0	0	0	0	11,174	0	22,348	0	0
6011-6800-41191 IP Acute-Other	(501,581)	995,919	(902,618)	327,972	155,779	(236,660)	1,156,635	(323,516)	(696,166)	704,573	(20,957)	(1,130,352)	165,512
6011-7010-41191 IP Acute-Other	26,052	6,089	8,461	37,916	6,386	11,253	32,161	18,809	0	28,903	23,379	56,615	0
6011-7430-41191 IP Acute-Other	121,652	0	0	4,573	0	0	4,573	0	0	0	137,126	0	9,146
6011-7460-41191 IP Acute-Other	40,971	0	0	0	0	0	0	0	0	46,799	0	0	0
6011-7470-41191 IP Acute-Other	9,197	56	8,177	10,954	2,113	84	1,511	12,903	1,413	846	7,363	3,077	8,495
6011-7530-41191 IP Acute-Other	75,615	15,328	34,713	64,066	16,274	12,163	41,082	37,052	20,577	68,211	38,906	63,821	0
6011-7590-41191 IP Acute-Other	0	778	0	0	0	0	0	0	0	778	0	1,558	0
6011-7560-41191 IP Acute-Other	0	0	250	500	0	0	500	0	0	0	500	0	0
6011-7560-41191 IP Acute-Other	20,396	5,493	10,198	20,396	10,198	5,099	5,099	5,334	32,004	16,002	37,338	26,670	10,688
6011-7570-41191 IP Acute-Other	259,890	54,478	93,305	572,575	191,387	96,633	217,334	102,607	812,307	257,981	787,718	520,229	176,229
6011-7590-41191 IP Acute-Other	5,345	5,345	5,345	19,275	4,386	731	1,462	9,260	14,400	6,206	19,200	19,200	0
6011-7630-41191 IP Acute-Other	5,004	555	4,162	10,365	556	556	4,957	12,658	(1,396)	3,614	9,074	2,094	6,980
6011-7631-41191 IP Acute-Other	0	0	0	0	0	0	8,411	0	0	0	0	0	0
6011-7634-41191 IP Acute-Other	0	5,117	0	5,022	0	0	0	0	0	0	0	16,946	0
6011-7650-41191 IP Acute-Other	0	0	0	4,565	0	0	0	0	0	0	0	0	0
6011-7680-41191 IP Acute-Other	0	16,706	0	10,055	7,002	16,084	17,952	14,978	3,988	3,988	3,988	0	0
6011-7710-41191 IP Acute-Other	140,031	1,226	47,435	134,736	24,404	70,301	31,570	22,869	95,104	24,622	85,737	42,751	52,860
6011-7720-41191 IP Acute-Other	51,665	0	36,333	19,994	117	20,111	29,174	36,612	0	1,295	56,499	27,354	23,085
6011-7740-41191 IP Acute-Other	0	0	0	0	0	0	0	14,860	0	0	7,430	0	0
6011-7750-41191 IP Acute-Other	0	0	0	9,370	0	0	0	0	0	0	0	9,683	0
6011-7770-41191 IP Acute-Other	0	0	0	0	0	0	0	0	1,209	0	0	0	0
6011-7780-41191 IP Acute-Other	0	0	0	0	0	0	0	1,944	0	0	1,005	0	0
6011-7870-41191 IP Acute-Other	162	0	99	0	0	0	0	0	0	0	0	0	0
6011-7871-41191 IP Acute-Other	0	0	0	1,772	2,394	0	0	0	0	0	0	0	0
Total Other	498,806	1,177,350	(605,638)	1,525,198	483,997	(19,813)	1,599,882	65,121	646,890	1,133,126	1,578,016	(24,471)	707,200
Total Acute	62,282,999	57,127,337	59,500,214	58,921,891	64,537,735	59,765,357	71,712,146	87,470,254	63,551,060	72,940,124	62,726,311	62,788,353	51,578,036
SNF:													
Comm MgtCare:													
6011-6960-41222 SNF-Comm MgtCare	189,090	195,393	195,393	189,090	195,393	302,544	195,393	195,393	95,727	18,909	189,090	340,362	497,937
6011-7470-41222 SNF-Comm MgtCare	8,645	19,565	13,842	15,141	14,149	14,024	4,266	3,966	4,203	968	7,824	16,510	22,610
6011-7500-41222 SNF-Comm MgtCare	11,310	7,267	9,211	8,871	7,721	19,105	21,937	31,914	18,021	1,338	21,239	31,998	37,533
6011-7510-41222 SNF-Comm MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7630-41222 SNF-Comm MgtCare	556	556	556	1,112	556	1,112	1,396	2,792	(95)	0	1,396	1,396	2,193
6011-7680-41222 SNF-Comm MgtCare	0	0	0	0	0	0	0	0	0	0	0	5,189	0
6011-7710-41222 SNF-Comm MgtCare	25,191	8,826	24,035	17,899	26,373	23,806	4,945	7,863	15,491	3,839	15,332	26,453	27,815
6011-7720-41222 SNF-Comm MgtCare	91,972	147,422	189,209	178,729	189,328	140,865	6	22,155	43,141	18,588	193,897	316,171	315,983
6011-7770-41222 SNF-Comm MgtCare	0	0	0	0	0	433	0	0	0	5,491	2,370	5,601	8,501
6011-7780-41222 SNF-Comm MgtCare	0	0	0	0	0	0	0	0	0	15,724	5,441	15,279	0
6011-7790-41222 SNF-Comm MgtCare	0	0	0	0	0	418	0	0	0	2,701	528	1,698	0
6011-7871-41222 SNF-Comm MgtCare	0	0	0	0	0	2,226	0	0	0	0	0		



**Verity Healt Systems**  
**Seton Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

[illegible]



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-7634-44522 O/P-Comm MgtCare	595,298	501,535	617,768	543,644	647,042	512,481	567,809	486,714	530,980	639,200	720,571	738,498	614,743
6011-7760-44522 O/P-Comm MgtCare	396,437	362,999	376,136	383,983	389,199	346,269	319,637	339,437	444,293	444,293	444,293	444,293	444,293
6011-7660-44522 O/P-Comm MgtCare	265,765	313,461	494,371	532,473	408,524	453,921	448,923	531,114	304,393	602,310	304,902	312,309	598,392
6011-7660-44522 O/P-Comm MgtCare	197,543	168,364	239,761	288,486	268,628	221,933	223,465	225,860	289,906	310,699	214,671	315,333	280,889
6011-7880-44522 O/P-Comm MgtCare	1,199,089	1,080,528	1,085,138	1,185,028	1,015,190	1,052,091	1,248,538	1,219,808	1,468,799	1,468,799	1,343,806	1,482,834	1,638,399
6011-7760-44522 O/P-Comm MgtCare	995,895	954,295	919,519	1,034,652	868,116	973,317	870,317	917,294	1,138,992	1,138,992	988,124	1,447,672	1,711,979
6011-7760-44522 O/P-Comm MgtCare	27,892	33,666	46,428	39,700	25,486	27,560	55,657	42,667	16,626	45,581	39,897	54,662	23,275
6011-7730-44522 O/P-Comm MgtCare	51,361	30,761	43,177	34,215	21,359	29,740	37,917	23,690	23,796	36,419	53,138	27,581	36,640
6011-7740-44522 O/P-Comm MgtCare	20,504	5,555	0	5,126	10,252	0	14,860	7,430	7,430	22,290	3,792	22,290	0
6011-7760-44522 O/P-Comm MgtCare	376,342	235,538	417,856	389,841	521,973	496,947	389,075	332,435	242,223	333,219	306,465	369,016	251,935
6011-7770-44522 O/P-Comm MgtCare	2,416	7,743	6,762	6,589	6,472	14,403	8,792	6,000	4,991	9,567	15,172	10,269	0
6011-7780-44522 O/P-Comm MgtCare	0	4,385	3,883	752	2,740	2,875	1,005	4,110	4,476	2,058	1,005	3,063	2,375
6011-7790-44522 O/P-Comm MgtCare	1,290	4,502	3,441	836	1,254	1,965	6,148	2,166	2,796	1,405	5,848	4,575	4,165
6011-7871-44522 O/P-Comm MgtCare	79,167	75,028	111,951	62,512	63,909	69,479	62,028	66,837	52,520	77,883	72,543	56,136	92,033
6011-7881-44522 O/P-Comm MgtCare	68,193	88,594	79,690	78,827	64,836	53,974	43,243	47,531	44,241	68,354	104,942	139,990	287,440
Total Comm MgtCare	15,061,275	12,636,453	15,007,917	13,915,630	14,324,021	14,860,031	15,110,516	14,792,774	10,999,901	16,970,586	14,256,054	15,266,333	15,160,010
WIC Comp:													
6011-6170-44531 O/P-WIC	50,100	0	0	0	0	0	0	0	0	0	0	0	0
6011-6171-44531 O/P-WIC	0	0	0	0	0	0	0	19,182	19,182	0	0	0	0
6011-6172-44531 O/P-WIC	0	0	0	0	0	12,510	16,263	0	10,008	17,514	4,170	0	7,823
6011-6173-44531 O/P-WIC	0	0	0	18,765	0	0	0	0	0	0	0	0	29,180
6011-6178-44531 O/P-WIC	0	0	0	0	0	10,842	0	0	0	0	0	0	0
6011-7010-44531 O/P-WIC	71,820	89,507	81,093	61,121	59,401	85,887	102,507	96,806	76,147	103,828	119,511	103,927	134,370
6011-7080-44531 O/P-WIC	140,002	500	0	0	0	0	0	562	0	0	0	0	0
6011-7260-44531 O/P-WIC	184,312	64,915	220,420	185,625	47,993	77,656	46,216	183,439	239,549	226,609	42,803	72,392	105,142
6011-7427-44531 O/P-WIC	100,429	37,728	97,516	89,666	47,064	58,216	45,594	97,484	106,936	111,662	44,040	72,332	88,504
6011-7430-44531 O/P-WIC	9,184	16,400	20,218	44,551	0	65,427	35,446	48,624	0	0	0	270	93,499
6011-7430-44531 O/P-WIC	79,626	38,688	76,396	69,953	20,708	66,340	39,712	71,187	66,712	78,740	15,252	39,576	101,184
6011-7430-44531 O/P-WIC	4,920	5,215	3,919	4,004	226,022	3,919	4,920	1,95,599	271,467	162,040	369,993	256,028	256,028
6011-7300-44531 O/P-WIC	23,440	15,548	23,153	25,917	14,539	26,231	29,140	23,061	25,587	26,126	33,349	24,451	22,631
6011-7320-44531 O/P-WIC	1,020	1,327	242	252	252	0	0	0	0	0	484	1,340	549
6011-7360-44531 O/P-WIC	0	0	0	5,099	0	5,099	0	5,334	0	0	0	5,334	5,334
6011-7370-44531 O/P-WIC	0	0	0	0	0	0	0	0	0	0	0	45,093	0
6011-7391-44531 O/P-WIC	21,930	13,158	21,199	21,199	15,351	19,006	24,803	26,100	23,400	35,100	27,900	27,900	18,900
6011-7620-44531 O/P-WIC	0	0	1,790	0	0	0	0	0	0	0	0	0	0
6011-7630-44531 O/P-WIC	58,154	23,452	36,907	30,106	19,933	26,162	19,914	40,133	18,110	28,405	36,888	25,611	26,897
6011-7631-44531 O/P-WIC	0	0	0	0	0	0	0	0	0	0	1,918	0	0
6011-7634-44531 O/P-WIC	18,235	14,744	11,154	11,014	10,331	19,266	6,981	18,762	20,588	8,763	13,463	16,665	13,735
6011-7660-44531 O/P-WIC	5,316	0	5,316	0	0	0	0	0	0	0	0	11,879	5,316
6011-7680-44531 O/P-WIC	10,173	10,737	3,148	17,784	15,585	36,665	36,279	22,944	47,296	59,546	17,380	65,626	43,148
6011-7710-44531 O/P-WIC	84,049	7,915	45,675	69,682	29,114	45,789	29,753	46,747	56,505	28,176	22,400	28,749	35,559
6011-7720-44531 O/P-WIC	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7770-44531 O/P-WIC	1,517	0	0	433	0	0	1,011	1,900	968	(44)	0	0	0
6011-7790-44531 O/P-WIC	0	0	0	661	0	0	821	0	0	0	0	0	0
6011-7871-44531 O/P-WIC	2,226	1,607	1,607	1,607	1,607	9,273	1,607	0	3,214	5,586	7,193	1,607	5,586
Total WIC Comp	785,275	339,410	651,172	656,363	385,497	669,095	438,172	751,033	717,549	733,083	389,873	544,223	740,166
Medicare:													
6011-6010-44541 O/P-Medicare	0	0	12,560	0	0	26,690	0	0	0	0	0	0	0
6011-6171-44541 O/P-Medicare	57,129	120,096	113,424	101,748	150,537	209,334	135,942	114,258	169,302	178,893	49,866	0	0
6011-6172-44541 O/P-Medicare	3,753	115,928	142,197	85,902	102,539	76,311	63,384	102,562	119,262	131,355	67,137	143,031	176,391
6011-6178-44541 O/P-Medicare	144,699	229,593	246,447	146,367	198,585	169,549	197,163	196,792	66,303	38,364	143,031	134,274	134,274
6011-6179-44541 O/P-Medicare	263,951	214,326	293,080	250,410	226,022	226,024	275,240	143,641	195,599	271,467	162,040	369,993	256,028
6011-7010-44541 O/P-Medicare	891,600	952,443	886,541	946,909	988,247	951,554	1,002,203	1,063,572	1,165,444	968,939	1,107,736	1,107,736	1,107,736
6011-7072-44541 O/P-Medicare	4,510	3,062	13,011	9,098	4,376	7,849	3,202	8,462	3,413	6,430	14,974	5,226	13,166
6011-7080-44541 O/P-Medicare	419,329	389,987	599,406	411,305	613,936	482,214	1,000,036	899,217	709,241	653,339	636,082	712,095	709,894
6011-7260-44541 O/P-Medicare	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7420-44541 O/P-Medicare	591,243	133,934	274,034	410,837	1,299,076	604,247	591,209	661,233	847,180	551,503	499,808	752,426	927,630
6011-7427-44541 O/P-Medicare	364,736	126,392	237,468	362,276	452,386	282,651	367,351	368,392	386,844	369,081	353,301	390,536	381,561
6011-7430-44541 O/P-Medicare	560,346	670,377	962,333	642,239	687,565	654,143	580,842	569,229	826,993	699,267	587,016	904,427	904,427
6011-7430-44541 O/P-Medicare	489,894	321,172	531,110	585,729	755,163	433,965	524,457	446,575	571,198	497,854	512,897	571,403	663,758
6011-7430-44541 O/P-Medicare	30,207	32,045	32,045	42,699	34,989	34,989	34,989	34,989	24,184	24,184	24,184	24,184	24,184
6011-7500-44541 O/P-Medicare	1,142,082	1,193,576	1,287,888	1,299,360	1,199,084	1,094,374	1,129,642	1,196,652	1,037,513	1,213,644	1,038,429	1,189,685	



Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
0011-7427-44551 O/P-Medi-Cal	0	0	9,436	0	0	12,576	0	17,286	0	0	0	0	12,892
0011-7500-44551 O/P-Medi-Cal	0	0	11,786	0	0	20,105	0	5,214	0	0	0	0	9,672
0011-7470-44551 O/P-Medi-Cal	3,462	8,374	7,980	6,561	2,613	5,291	7,048	5,961	2,977	7,648	5,410	8,942	9,803
0011-7500-44551 O/P-Medi-Cal	60,315	60,030	83,857	61,819	61,742	72,287	81,742	90,111	98,426	89,700	82,392	106,774	116,486
0011-7520-44551 O/P-Medi-Cal	874	0	549	0	0	0	0	1,110	0	0	0	0	1,327
0011-7500-44551 O/P-Medi-Cal	0	0	250	0	0	0	0	0	0	0	0	500	0
0011-7500-44551 O/P-Medi-Cal	0	5,099	10,198	10,198	10,198	5,099	10,668	0	0	5,334	0	0	24,240
0011-7570-44551 O/P-Medi-Cal	0	0	90,311	0	0	0	259,579	0	9,742	0	0	0	0
0011-7591-44551 O/P-Medi-Cal	17,544	21,930	22,661	13,158	10,965	17,544	28,124	23,400	18,000	22,500	23,400	25,200	38,746
0011-7590-44551 O/P-Medi-Cal	0	0	95,409	0	0	31,692	30,960	40,267	32,328	57,129	31,692	33,396	44,419
0011-7630-44551 O/P-Medi-Cal	44,883	29,555	28,177	33,548	32,057	32,155	41,732	65,479	12,621	34,783	59,430	61,991	56,440
0011-7631-44551 O/P-Medi-Cal	2,763	4,104	0	0	2,244	0	15,386	0	0	0	9,124	0	1,945
0011-7634-44551 O/P-Medi-Cal	532	15,206	3,604	7,245	4,168	14,948	0	11,545	1,625	801	9,011	25,176	1,316
0011-7636-44551 O/P-Medi-Cal	709	0	709	689	0	1,418	709	0	0	0	1,418	3,794	0
0011-7660-44551 O/P-Medi-Cal	247,452	99,502	0	1,073	1,073	6,551	0	4,848	52,071	146,773	121,066	441	1,146
0011-7660-44551 O/P-Medi-Cal	0	0	5,802	5,802	5,898	0	11,777	0	0	25,208	0	0	0
0011-7680-44551 O/P-Medi-Cal	79,015	48,552	76,032	51,687	74,032	74,304	51,335	80,124	74,911	177,337	152,794	129,074	176,432
0011-7710-44551 O/P-Medi-Cal	10,728	7,084	48,057	10,549	5,844	11,733	(618,926)	18,502	10,913	22,839	15,591	16,414	17,440
0011-7720-44551 O/P-Medi-Cal	3,313	0	10,903	1,073	5,777	6,310	0	32,984	3,357	2,185	2,714	6,895	0
0011-7740-44551 O/P-Medi-Cal	0	0	10,252	5,126	10,252	0	0	0	0	0	0	0	0
0011-7770-44551 O/P-Medi-Cal	0	651	0	1,038	948	0	0	0	0	1,266	0	0	0
0011-7790-44551 O/P-Medi-Cal	0	0	0	0	0	0	0	0	0	1,370	0	0	0
0011-7790-44551 O/P-Medi-Cal	0	0	0	0	1,247	0	0	1,114	0	0	0	0	0
0011-7870-44551 O/P-Medi-Cal	0	0	39	0	0	0	0	0	0	0	0	0	0
0011-7871-44551 O/P-Medi-Cal	0	0	2,226	4,610	0	0	1,607	1,607	0	3,979	1,607	11,009	2,372
<b>Total Medi-Cal</b>	<b>798,469</b>	<b>616,439</b>	<b>892,471</b>	<b>502,427</b>	<b>557,709</b>	<b>680,838</b>	<b>328,501</b>	<b>865,498</b>	<b>548,177</b>	<b>1,039,161</b>	<b>975,986</b>	<b>954,139</b>	<b>1,102,889</b>
Med-Cal MgtCare:													
0011-6010-44552 O/P-Medi-Cal MgtCare	0	0	0	0	0	0	0	0	0	7,800	0	0	0
0011-6020-44552 O/P-Medi-Cal MgtCare	0	0	0	0	0	0	11,718	12,834	0	0	0	0	0
0011-6170-44552 O/P-Medi-Cal MgtCare	(4,342)	0	0	0	0	0	0	0	0	0	0	0	0
0011-6171-44552 O/P-Medi-Cal MgtCare	24,186	70,890	130,104	55,461	42,951	10,008	53,376	32,943	42,951	17,931	35,028	11,876	0
0011-6172-44552 O/P-Medi-Cal MgtCare	25,020	100,497	22,101	26,688	20,016	7,506	112,590	20,890	30,898	10,008	48,704	23,789	60,048
0011-6180-44552 O/P-Medi-Cal MgtCare	41,283	95,409	71,706	87,983	38,429	31,692	40,267	32,328	57,129	31,692	33,396	44,419	0
0011-6179-44552 O/P-Medi-Cal MgtCare	30,441	23,352	73,366	37,847	41,700	20,016	53,793	26,688	55,461	125,034	120,930	59,631	0
0011-7010-44552 O/P-Medi-Cal MgtCare	1,743,591	1,886,006	1,770,655	1,942,642	2,137,593	1,973,401	2,211,088	2,870,522	2,211,641	2,500,188	2,251,562	2,106,814	2,211,413
0011-7012-44552 O/P-Medi-Cal MgtCare	6,287	5,572	6,502	6,438	7,105	4,147	7,784	7,369	8,723	4,994	5,326	2,148	10,861
0011-7080-44552 O/P-Medi-Cal MgtCare	75,140	61,815	84,652	75,575	99,382	89,476	72,916	76,956	78,134	140,252	122,195	152,992	163,508
0011-7420-44552 O/P-Medi-Cal MgtCare	253,193	291,200	194,363	211,098	63,011	130,026	369,163	195,460	189,051	194,275	319,459	192,531	218,461
0011-7427-44552 O/P-Medi-Cal MgtCare	311,276	213,824	114,802	210,652	100,008	124,174	228,130	167,833	128,880	210,732	144,203	168,214	0
0011-7430-44552 O/P-Medi-Cal MgtCare	335,585	255,094	356,643	280,173	296,726	229,976	219,933	189,771	251,499	153,484	231,170	232,689	310,259
0011-7432-44552 O/P-Medi-Cal MgtCare	346,947	267,497	204,777	223,359	139,152	146,342	277,555	102,446	194,975	168,422	258,347	203,247	281,502
0011-7435-44552 O/P-Medi-Cal MgtCare	31,1643	49,815	46,373	47,277	37,296	43,362	36,967	32,964	25,116	27,692	30,962	36,142	0
0011-7500-44552 O/P-Medi-Cal MgtCare	817,634	806,040	861,821	807,864	808,571	771,319	706,105	798,318	700,034	775,879	719,529	806,303	730,646
0011-7520-44552 O/P-Medi-Cal MgtCare	87,879	60,986	94,198	109,508	71,081	51,637	58,583	71,487	66,589	61,642	66,589	62,415	66,562
0011-7540-44552 O/P-Medi-Cal MgtCare	0	250	0	250	0	250	0	500	0	0	0	0	0
0011-7590-44552 O/P-Medi-Cal MgtCare	76,485	87,077	76,485	86,287	76,879	91,378	107,184	95,292	80,910	77,580	86,805	77,338	0
0011-7570-44552 O/P-Medi-Cal MgtCare	121,316	61,722	389,398	199,230	163,388	341,441	177,453	614,175	(71,642)	410,426	327,066	228,140	330,306
0011-7591-44552 O/P-Medi-Cal MgtCare	106,962	128,193	138,899	105,461	115,342	130,425	111,884	131,446	119,966	138,618	118,304	156,398	136,038
0011-7592-44552 O/P-Medi-Cal MgtCare	44,120	38,605	27,575	38,605	11,030	16,545	50,387	18,153	12,102	24,204	54,459	12,102	24,204
0011-7620-44552 O/P-Medi-Cal MgtCare	0	0	1,790	0	0	0	0	0	0	0	0	0	0
0011-7630-44552 O/P-Medi-Cal MgtCare	363,471	326,556	397,133	335,591	334,052	313,790	400,040	606,967	206,964	401,052	405,916	441,094	386,599
0011-7631-44552 O/P-Medi-Cal MgtCare	37,180	38,144	24,486	36,754	6,591	36,111	26,304	3,834	6,338	29,090	9,735	31,166	11,535
0011-7634-44552 O/P-Medi-Cal MgtCare	219,852	189,243	183,825	173,277	193,322	159,322	164,057	164,057	205,262	223,400	240,676	216,814	249,841
0011-7636-44552 O/P-Medi-Cal MgtCare	188,250	149,250	180,250	180,250	180,250	118,213	143,016	118,213	126,373	194,026	164,026	164,026	370,089
0011-7640-44552 O/P-Medi-Cal MgtCare	132,954	251,617	287,145	343,477	259,281	201,568	314,748	411,063	453,305	154,700	273,777	343,699	305,006
0011-7660-44552 O/P-Medi-Cal MgtCare	59,605	50,707	100,157	33,241	42,441	80,137	50,888	73,096	73,148	72,070	73,121	102,754	64,845
0011-7680-44552 O/P-Medi-Cal MgtCare	507,064	519,332	631,417	567,749	570,235	608,820	596,800	794,885	691,342	757,914	748,057	795,038	886,026
0011-7710-44552 O/P-Medi-Cal MgtCare	368,833	1,179,312	560,919	859,015	143,263	118,213	420,693	363,287	504,199	363,287	450,526	363,287	370,089
0011-7720-44552 O/P-Medi-Cal MgtCare	31,365	19,057	21,300	27,890	31,689	39,688	44,147	47,685	39,688	48,493	29,384	21,948	23,147
0011-7730-44552 O/P-Medi-Cal MgtCare	10,718	7,990	11,896	21,994	2,974	11,896	17,278	9,780	9,780	16,300	9,780	3,280	0
0011-7740-44552 O/P-Medi-Cal MgtCare	0	0	0	0	5,888	1,886	0	0	0	7,430	14,860	0	0
0011-7790-44552 O/P-Medi-Cal MgtCare	245,241	234,339	469,958	310,114	323,389	200,523	91,488	217,532	146,761	247,361	192,714	234,447	256,028
0011-7790-44552 O/P-Medi-Cal MgtCare	1,300	2,090	0	604	0	949	2,720	2,884	949	968	1,560	2,362	2,968
0011-7790-44552 O/P-Medi-Cal MgtCare	0	0	0	1,370	0	1,673	3,040	1,005	2,058	0	0	2,010	0
0011-7790-44552 O/P-Medi-Cal MgtCare	0	0	2,183	625	0	936	1,757	1,492	1,019	556	1,211	936	4,055
0011-7870-44552 O/P-Medi-Cal MgtCare	0	0	92	0	0	0	0	0	0	0	0	0	0
0011-7871-44552 O/P-Medi-Cal MgtCare	34,942	16,787	16,787	25,653	23,146	105,443	37,287	15,347	7,193	1,000	24,565	13,351	0
0011-7881-44552 O/P-Medi-Cal MgtCare	28,012	22,394	25,209	28,179	37,362	50,844	38,761	32,227	27,377	13,795	27,691	26,475	52,384
<b>Total Medi-Cal MgtCare</b>	<b>6,722,053</b>	<b>7,452,918</b>	<b>7,438,871</b>	<b>7,408,856</b>	<b>6,868,498</b>	<b>6,800,933</b>	<b>7,237,161</b>	<b>8,572,602</b>	<b>6,341,027</b>	<b>7,592,364</b>	<b>7,820,697</b>	<b>7,360,439</b>	<b>7,691,963</b>
Other Indigent:													
0011-7010-44581 O/P-Other Indigent	7,000	0	0	0	0	0	0	0	0	0	0	0	0
0011-7390-44581 O/P-Other Indigent	0	0	0	0	0	0	0	0	0	0	(6,300)	0	0
0011-7630-44581 O/P-Other Indigent	0	0	0	0	0	0	0	0	(3,904)	0	0	0	0
0011-7710-44581 O/P-Other Indigent	58	8	0	296	0	0	0	0	0	121	0	0	0
<b>Total Other Indigent</b>	<b>7,058</b>	<b>8</b>	<b>0</b>	<b>296</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3,904)</b>	<b>0</b>	<b>(6,179)</b>	<b>0</b>	<b>0</b>
Other:													
0011-6178-44591 O/P-Other	0	0	0	2,085	0	0	0	0	0	0	0	0	0
0011-6179-44591 O/P-Other	0	0	0	0									



Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
HMO:													
6011-5852-54850 CA CommMgtCare PFS Outpatient	12,485,841	11,107,956	15,440,777	12,924,609	12,268,331	13,298,424	16,147,873	12,631,009	10,946,307	14,596,325	13,058,733	14,776,039	17,293,619
Total HMO	12,485,841	11,107,956	15,440,777	12,924,609	12,268,331	13,298,424	16,147,873	12,631,009	10,946,307	14,596,325	13,058,733	14,776,039	17,293,619
<b>Total - Outpatient Contractual Allowances</b>	<b>30,837,904</b>	<b>29,265,786</b>	<b>33,809,802</b>	<b>31,520,138</b>	<b>34,149,057</b>	<b>31,129,995</b>	<b>33,645,518</b>	<b>35,376,131</b>	<b>29,096,689</b>	<b>35,038,725</b>	<b>33,007,952</b>	<b>35,312,679</b>	<b>36,602,097</b>
<b>ER Contractual Allowances:</b>													
Medicare Traditional:													
6011-5811-54876 CJA MCre Prior Settlement	0	(37,106)	636,046	0	0	(448,314)	0	0	186,379	(100,638)	0	0	(350,061)
Total Medicare Traditional	0	(37,106)	636,046	0	0	(448,314)	0	0	186,379	(100,638)	0	0	(350,061)
Medical Traditional:													
6011-5821-54876 CJA MCal PFS Prior Settlement	0	23,496	0	0	0	0	0	0	0	0	0	0	0
Total Medical Traditional	0	23,496	0	0	0	0	0	0	0	0	0	0	0
<b>Total - ER Contractual Allowances</b>	<b>0</b>	<b>(13,610)</b>	<b>636,046</b>	<b>0</b>	<b>0</b>	<b>(448,314)</b>	<b>0</b>	<b>0</b>	<b>186,379</b>	<b>(100,638)</b>	<b>0</b>	<b>0</b>	<b>(350,061)</b>
<b>Provider Fees:</b>													
Provider Fee - Medical:													
6011-5821-54877 Provider Fee - Medi-Cal	0	0	0	0	0	0	(7,707,057)	(1,114,167)	(708,532)	(708,532)	(708,532)	(708,532)	(708,532)
Total Provider Fee - Medical	0	0	0	0	0	0	(7,707,057)	(1,114,167)	(708,532)	(708,532)	(708,532)	(708,532)	(708,532)
Provider Fee - Medical-Managed Care:													
6011-5821-54878 Provider Fee - Medi-CalMgtCare	0	0	0	0	(22,273,971)	0	0	0	0	0	0	(8,736,235)	(1,337,946)
Total Provider Fee - Medical-Managed Care	0	0	0	0	(22,273,971)	0	0	0	0	0	0	(8,736,235)	(1,337,946)
<b>Total Provider Fees:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(22,273,971)</b>	<b>0</b>	<b>(7,707,057)</b>	<b>(1,114,167)</b>	<b>(708,532)</b>	<b>(708,532)</b>	<b>(708,532)</b>	<b>(9,444,767)</b>	<b>(2,046,478)</b>
DisShare Pymt													
<b>Total - Contractual Allowances</b>	<b>96,491,826</b>	<b>90,685,315</b>	<b>99,691,543</b>	<b>93,193,110</b>	<b>81,786,360</b>	<b>95,179,614</b>	<b>101,850,454</b>	<b>123,682,139</b>	<b>94,322,698</b>	<b>111,294,349</b>	<b>99,019,136</b>	<b>93,041,016</b>	<b>89,442,805</b>
<b>Charity:</b>													
Charity:													
6011-5870-51810 Charity/Disc Oth Inpt Acute	90,744	1,189,587	(40,051)	102,711	214,016	440,978	91,031	195,059	443,413	0	205	7,374	2,199
6011-5870-51889 Charity/Disc Pending	138,873	(252,575)	(34,972)	295,999	(34,328)	(133,107)	277,624	(7,547)	(417,146)	(32,365)	339,790	402,469	
6011-5870-54850 Charity/Disc Oth Outpatient	124,438	59,562	164,149	203,376	171,382	219,364	316,909	224,390	223,598	(26,732)	9,264	155,449	87,817
Total Charity	354,055	996,576	89,126	503,096	351,070	532,235	645,564	373,302	250,216	(40,307)	(22,766)	502,573	492,506
<b>Total - Charity Allowances</b>	<b>354,055</b>	<b>996,576</b>	<b>89,126</b>	<b>503,056</b>	<b>351,070</b>	<b>532,235</b>	<b>645,564</b>	<b>373,302</b>	<b>250,216</b>	<b>(40,307)</b>	<b>(22,766)</b>	<b>502,573</b>	<b>492,506</b>
<b>Other:</b>													
Other:													
6011-5930-51810 Admin Adj Inpt Acute	915,962	(132,876)	363,523	254,394	102,832	149,004	253,861	540,459	346,118	183,200	297,108	613,481	496,278
6011-5930-54850 Admin Adj Outpatient	266,179	558,816	279,283	374,082	402,832	642,696	279,829	501,991	243,359	321,025	340,944	641,111	547,413
Total Other	1,182,141	425,940	642,805	628,476	505,664	791,700	829,690	1,042,450	589,477	504,225	638,051	1,254,592	1,043,691
<b>Total - Other Allowances</b>	<b>1,182,141</b>	<b>425,940</b>	<b>642,805</b>	<b>628,476</b>	<b>505,664</b>	<b>791,700</b>	<b>829,690</b>	<b>1,042,450</b>	<b>589,477</b>	<b>504,225</b>	<b>638,051</b>	<b>1,254,592</b>	<b>1,043,691</b>
<b>DSH:</b>													
<b>Total - Deductions From Revenue</b>	<b>98,028,022</b>	<b>92,107,832</b>	<b>100,423,475</b>	<b>94,384,642</b>	<b>82,643,094</b>	<b>96,503,549</b>	<b>103,025,708</b>	<b>125,097,891</b>	<b>95,162,391</b>	<b>111,758,267</b>	<b>99,634,421</b>	<b>94,798,181</b>	<b>90,979,002</b>
<b>Pat. Rev. Net of Contractuals &amp; Other Deductions</b>	<b>15,779,225</b>	<b>15,001,241</b>	<b>14,726,331</b>	<b>15,501,311</b>	<b>37,180,846</b>	<b>15,101,984</b>	<b>23,923,183</b>	<b>20,566,032</b>	<b>17,135,650</b>	<b>18,055,620</b>	<b>16,948,554</b>	<b>26,627,469</b>	<b>17,852,681</b>
<b>Provision for Doubtful Accounts:</b>													
6011-5800-51000 PrvDBad Debt Expense - IP	328,951	619,529	768,995	731,033	(430,421)	167,408	667,621	382,587	1,552,883	464,234	632,848	361,391	594,047
<b>Total: Provision for Doubtful Accounts</b>	<b>328,951</b>	<b>619,529</b>	<b>768,995</b>	<b>731,033</b>	<b>(430,421)</b>	<b>167,408</b>	<b>667,621</b>	<b>382,587</b>	<b>1,552,883</b>	<b>464,234</b>	<b>632,848</b>	<b>361,391</b>	<b>594,047</b>
<b>Net Patient Revenue</b>	<b>15,450,274</b>	<b>14,381,712</b>	<b>13,957,336</b>	<b>14,770,278</b>	<b>37,611,267</b>	<b>14,934,576</b>	<b>23,255,562</b>	<b>20,183,445</b>	<b>15,582,767</b>	<b>17,591,386</b>	<b>16,315,706</b>	<b>26,266,078</b>	<b>17,258,634</b>
<b>Other Revenue:</b>													
Other Revenue:													
6011-5320-59910 Cafeteria	32,636	27,228	32,257	27,921	45,482	33,389	29,191	32,900	29,559	35,110	29,161	25,783	30,286
6011-5380-59910 Pharmacy	28,760	16,525	73,382	(22,529)	(2,118)	40,286	49,777	55,132	46,037	(24,314)	24,542	44,435	23,035
6011-5980-59920 Rebate And Refunds	0	0	0	0	0	0	75	0	0	0	0	0	0
6011-5170-59910 Medical Records/Abstract Sales	579	195	443	345	97	893	733	1,204	276	673	207	625	489
6011-5170-59920 Other Operating Revenue	7,718	(252,575)	868,889	26,086	8,296	1,049,491	6,290	6,290	3,463,389	0	1,533,339	0	0
6011-5789-59920 Physician Billing	0	0	0	0	0	3,907	0	0	0	0	0	0	0
6011-7300-59919 Lab Other Misc Revenue	45	165	1,233	0	0	0	2,877	5,286	0	100	0	0	1,270
6011-7320-59919 Pathology Other Misc Revenue	798	0	0	0	0	0	0	0	0	0	0	0	0
6011-6310-59920 Other Operating Revenue	0	0	0	0	0	9,431	1,196	0	0	0	0	0	0
Total Other Revenue	70,535	45,345	108,592	874,626	70,146	96,163	1,130,328	100,772	82,121	3,464,858	531,910	1,601,218	81,310
Rental Revenue:													
6011-6910-59920 Physicians Offices and Other Rentals	4,300	4,300	4,452	4,452	4,452	4,452	4,452	4,452	4,452	4,452	4,452	4,452	4,452
Total Rental Revenue	4,300	4,300	4,452	4,452	4,452	4,452	4,452	4,452	4,452	4,452	4,452	4,452	4,452
<b>Total Other Revenue</b>	<b>74,835</b>	<b>49,645</b>	<b>113,044</b>	<b>879,078</b>	<b>74,598</b>	<b>100,615</b>	<b>1,134,780</b>	<b>105,224</b>	<b>86,573</b>	<b>3,469,310</b>	<b>58,362</b>	<b>1,605,670</b>	<b>65,762</b>
<b>Unrestricted Contributions:</b>													
Unrestricted Contributions:													
6011-9040-59955 Unrestricted Contributions	30,838	4,160	0	413	1,880	0	0	327,476	0	0	0	0	17,025
Total Unrestricted Contributions	30,838	4,160	0	413	1,880	0	0	327,476	0	0	0	0	17,025
<b>Total Unrestricted Contribution</b>	<b>30,838</b>	<b>4,160</b>	<b>0</b>	<b>413</b>	<b>1,880</b>	<b>0</b>	<b>0</b>	<b>327,476</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,025</b>
<b>Total Revenues</b>	<b>15,555,947</b>	<b>14,435,517</b>	<b>14,070,379</b>	<b>15,649,768</b>	<b>37,687,745</b>	<b>15,035,190</b>	<b>24,390,343</b>	<b>20,616,145</b>	<b>15,669,340</b>	<b>21,060,696</b>	<b>16,374,068</b>	<b>27,871,747</b>	<b>17,341,421</b>
<b>EXPENSES:</b>													
<b>Productive Salaries:</b>													
70000 Mgmt & Supervision:													
6011-6010-70000 Mgmt & Supervision	4,567	734	3,500	3,452	808	0	3,346	1,500	3,692	3,577	3,462	3,577	2,654
6011-6171-70000 Mgmt & Supervision	0	11,161	10,714	10,354	5,622	3,007	8,217	9,790	15,180	10,148	8,240	10,332	598
6011-6172-70000 Mgmt & Supervision	0	7,182	10,070	8,746	9,936	3,926	4,824	5,565	2,773	11,618	8,240	11,526	5,208
6011-6178-70000 Mgmt & Supervision	0	3,324	3,500	2,654	808	0	6,750	1,560	10,353	8,511	11,287	8,205	9,600
6011-6179-70000 Mgmt & Supervision	3,942	13,041	3,500	3,452	808	0	15,420	10,967	9,459	11,093	8,803	16,103	9,796
6011-6341-70000 Mgmt & Supervision	12,919	12,411	14,474	13,353	654	15,383	13,433	29,864	26,529	29,935	26,198	25,054	23,196
6011-6560-70000 Mgmt & Supervision	0	0	0	0	6,633	15,662	(5,528)	0	0	15,498	17,268	16,385	17,192
6011-7010-70000 Mgmt & Supervision	0	0	0	0	0	12,125	11,273	16,476	14,337	14,915	13,875	18,962	14,915
6011-7080-70000 Mgmt & Supervision	11,077	5,906	7,496	9,868	7,656	7,656	4,564	4,564	7,656	7,656	7,656	7,656	7,656
6011-7420-70000 Mgmt & Supervision	17,062	21,787	12,305	17,748	15,122	14,941	20,312	21,709	26,570	26,173	24,601	17,364	10,738
6011-7427-70000 Mgmt & Supervision	12,571	8,478	3,758	(1,132)	0	5,229	0	(896)	1,046	797	(448)	1,615	
6011-7430-70000 Mgmt & Supervision	0	0	0	0	0	0	0	896	1,195	0	4,681	7,392	
6011-7460-70000 Mgmt & Supervision	14,339	13,788	15,391	14,163	11,586	15,846	15,391	15,391	12,083	15,747	11,389	14,063	12,877
6011-7570-70000 Mgmt & Supervision	0	0	0	0	0	0	747	2,042	0	0	0	3,864	1,805
6011-7630-70000 Mgmt & Supervision	0	26,326	28,115	23,693	27,331	18,995	18,205	28,037	22,934	27,738	25,555	29,004	26,605
6011-7634-70000 Mgmt & Supervision	(4,012)	0	0	0	0	0	0	0	0	0	0	0	0
6011-7640-70000 Mgmt & Supervision	(3,775)	19,669	16,805	1,840	11,972	9,092	(2,115)	14,098	4,109	12,127	12,603	(948)	10,862
6011													



**Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
0011-7881-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	0	0	0	0	643
0011-8500-70000 Mgmt & Supervision	12,089	13,474	16,301	12,913	16,454	15,454	16,456	16,454	16,474	21,583	39,474	35,598	26,483
0011-8385-70000 Mgmt & Supervision	7,599	7,183	8,156	7,827	5,957	8,994	7,225	7,663	6,296	8,813	6,322	8,457	8,211
0011-8400-70000 Mgmt & Supervision	16,827	15,699	17,173	16,907	18,462	16,795	16,771	16,771	14,307	17,991	15,178	18,401	12,377
0011-8440-70000 Mgmt & Supervision	5,830	(78)	6,606	12,187	15,263	14,918	7,903	6,276	6,524	7,223	5,802	5,989	10,307
0011-8460-70000 Mgmt & Supervision	0	0	0	0	0	43,001	40,273	14,100	16,100	15,900	14,100	14,100	13,000
0011-8470-70000 Mgmt & Supervision	5,713	4,435	5,147	4,895	1,280	6,694	4,265	5,057	4,463	5,722	4,139	4,859	5,763
0011-8510-70000 Mgmt & Supervision	17,951	14,157	14,667	14,007	14,474	14,007	13,073	13,073	12,419	14,661	14,642	15,330	9,989
0011-8550-70000 Mgmt & Supervision	14,277	17,962	17,796	17,918	17,487	19,062	11,472	13,747	14,726	17,158	14,815	19,120	14,180
0011-8590-70000 Mgmt & Supervision	97,977	109,615	111,354	97,732	94,917	94,263	94,263	91,492	91,492	109,646	89,241	69,135	(723,922)
0011-8620-70000 Mgmt & Supervision	15,247	15,265	15,265	15,705	16,238	15,705	16,238	14,815	13,925	16,438	12,040	14,425	14,225
0011-8621-70000 Mgmt & Supervision	7,523	8,212	8,399	7,749	8,399	8,128	7,234	5,717	7,532	8,365	3,813	10,106	7,180
0011-8650-70000 Mgmt & Supervision	16,483	16,527	17,543	16,977	11,431	19,524	14,148	15,166	14,261	15,789	5,376	6,338	16,411
0011-8660-70000 Mgmt & Supervision	0	0	13,689	12,469	14,211	11,185	8,114	13,065	11,502	13,762	11,644	11,480	14,119
0011-8700-70000 Mgmt & Supervision	10,713	9,765	11,429	10,345	8,396	8,996	8,775	10,323	9,291	10,028	9,209	10,072	7,652
0011-8710-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	0	0	0	0	11,838
0011-8720-70000 Mgmt & Supervision	61,055	81,874	81,248	80,913	84,044	74,450	89,361	83,960	77,033	78,106	73,981	84,742	74,391
0011-8740-70000 Mgmt & Supervision	0	0	6,231	0	0	0	0	0	0	0	13,821	17,201	14,218
0011-8750-70000 Mgmt & Supervision	15,247	11,019	12,611	15,787	14,763	15,787	12,300	15,787	13,715	7,643	17,560	20,518	17,182
0011-8752-70000 Mgmt & Supervision	15,644	12,376	15,351	14,167	15,351	14,856	11,637	17,678	12,674	15,549	13,717	9,854	13,509
0011-8794-70000 Mgmt & Supervision	0	0	0	3,500	25,025	(28,525)	(28,525)	0	28,525	0	0	0	0
0011-8605-70000 Mgmt & Supervision	0	0	0	0	0	0	0	2,770	(2,770)	0	0	0	0
<b>Total: 70000 Mgmt &amp; Supervision</b>	<b>472,065</b>	<b>536,243</b>	<b>552,405</b>	<b>491,301</b>	<b>538,910</b>	<b>572,412</b>	<b>496,124</b>	<b>596,134</b>	<b>542,364</b>	<b>619,510</b>	<b>547,682</b>	<b>618,999</b>	<b>(214,861)</b>
70100 Mgmt & Supervision Premium:													
0011-7560-70100 Mgmt & Supervision Premium	0	0	0	0	0	685	(917)	0	0	0	0	0	0
0011-7740-70100 Mgmt & Supervision Premium	193	107	0	150	121	(71)	0	0	129	(29)	0	0	0
0011-8720-70100 Mgmt & Supervision Premium	1,316	(805)	0	0	4,699	4,566	0	0	1,377	(459)	0	0	612
<b>Total: 70100 Mgmt &amp; Supervision Premium</b>	<b>1,509</b>	<b>(698)</b>	<b>0</b>	<b>150</b>	<b>121</b>	<b>5,315</b>	<b>4,249</b>	<b>0</b>	<b>1,299</b>	<b>1,348</b>	<b>(459)</b>	<b>0</b>	<b>612</b>
70100 Technician & Specialist:													
0011-6010-70100 Technician & Specialist	0	0	0	0	0	0	644	(43)	0	0	0	0	0
0011-6170-70100 Technician & Specialist	0	303	0	0	0	0	0	0	3,373	0	0	0	0
0011-6178-70100 Technician & Specialist	0	0	0	0	0	0	0	477	0	0	0	0	0
0011-6179-70100 Technician & Specialist	19,281	21,817	23,150	21,738	22,581	23,033	16,294	17,707	14,918	19,287	21,222	23,585	20,416
0011-6341-70100 Technician & Specialist	0	0	0	0	0	6,494	(2,531)	10,527	22,137	23,526	20,532	28,880	15,585
0011-6550-70100 Technician & Specialist	17,954	12,255	10,178	7,906	16,504	14,179	13,355	2,823	1,029	1,009	0	0	231
0011-7010-70100 Technician & Specialist	3,907	5,744	5,989	5,124	3,396	0	0	0	0	0	0	0	0
0011-7072-70100 Technician & Specialist	5,467	6,235	7,009	6,127	7,070	6,856	6,856	7,713	6,427	4,162	7,774	7,590	6,907
0011-7420-70100 Technician & Specialist	64,406	56,710	65,643	62,124	63,595	69,327	67,744	59,294	54,972	67,683	75,957	65,089	59,970
0011-7450-70100 Technician & Specialist	0	385	(48)	0	0	0	0	0	0	0	0	0	0
0011-7470-70100 Technician & Specialist	8,916	12,286	13,563	16,562	17,141	13,175	14,969	15,454	14,601	14,601	14,601	14,601	14,601
0011-7500-70100 Technician & Specialist	309,664	323,872	323,963	290,845	300,428	285,007	275,579	283,015	289,044	307,848	282,072	282,101	283,475
0011-7520-70100 Technician & Specialist	10,691	12,315	12,575	13,271	11,224	7,125	4,989	5,945	4,166	7,428	6,562	8,773	6,191
0011-7560-70100 Technician & Specialist	41,957	39,748	38,713	40,134	43,037	42,081	37,798	46,311	43,264	46,477	38,872	42,353	40,702
0011-7570-70100 Technician & Specialist	44,122	46,899	44,926	42,696	44,899	44,899	44,899	44,899	43,875	43,875	44,911	38,615	38,615
0011-7591-70100 Technician & Specialist	5,067	4,484	4,786	4,811	5,067	5,964	4,251	2,458	4,738	4,967	4,372	5,762	5,908
0011-7620-70100 Technician & Specialist	3,035	2,967	5,542	4,458	5,666	4,210	5,573	5,585	4,349	5,580	4,551	4,449	5,243
0011-7630-70100 Technician & Specialist	188,727	112,310	143,098	159,581	163,395	145,779	179,599	174,095	146,549	140,312	146,403	138,115	154,933
0011-7631-70100 Technician & Specialist	0	0	14,150	23,341	23,341	23,341	23,341	23,341	23,341	23,341	23,341	23,341	23,341
0011-7634-70100 Technician & Specialist	26,100	19,396	23,652	19,375	16,496	24,881	21,414	22,150	21,743	24,970	27,848	29,064	28,656
0011-7636-70100 Technician & Specialist	28,507	29,621	18,508	25,506	19,656	26,872	23,467	23,836	24,759	31,938	20,438	25,750	25,750
0011-7640-70100 Technician & Specialist	25,361	24,474	38,640	43,317	43,036	41,652	40,246	44,355	39,599	46,446	45,149	38,154	50,478
0011-7720-70100 Technician & Specialist	23,711	23,711	23,711	23,711	23,711	23,711	23,711	23,711	23,711	23,711	23,711	23,711	23,711
0011-7680-70100 Technician & Specialist	0	56,826	40,259	29,155	32,700	22,989	26,380	31,618	36,738	35,721	35,528	55,646	55,646
0011-7710-70100 Technician & Specialist	151,851	148,818	146,442	153,826	162,679	163,078	146,659	170,716	152,022	178,825	170,519	191,738	177,149
0011-7720-70100 Technician & Specialist	250,642	277,563	288,874	273,517	314,107	289,619	315,674	269,541	325,750	282,543	287,242	287,242	287,242
0011-7730-70100 Technician & Specialist	4,578	4,578	4,578	4,578	4,578	4,578	4,578	4,578	4,578	4,578	4,578	4,578	4,578
0011-7740-70100 Technician & Specialist	62,383	70,194	62,095	40,347	70,402	60,394	71,796	65,379	51,811	68,041	73,775	49,869	222,450
0011-7760-70100 Technician & Specialist	0	0	0	1,278	2,887	2,396	1,013	616	1,015	1,046	547	(391)	(391)
0011-7770-70100 Technician & Specialist	33,515	35,965	44,281	35,172	32,161	39,626	39,143	41,287	35,424	40,620	46,620	38,287	38,489
0011-7780-70100 Technician & Specialist	15,343	9,985	8,806	11,392	10,385	12,459	9,791	13,039	11,342	7,977	11,372	14,820	7,773
0011-7790-70100 Technician & Specialist	20,822	14,531	17,055	15,939	11,473	19,887	17,318	16,568	13,835	19,488	13,718	15,968	16,887
0011-7871-70100 Technician & Specialist	23,564	26,597	25,412	25,535	27,763	26,784	28,266	26,450	23,957	28,052	26,889	28,897	28,840
0011-8310-70100 Technician & Specialist	20,058	1,903	(30)	0	0	431	922	623	0	3,705	872	5,148	3,231
0011-8340-70100 Technician & Specialist	23,121	25,022	24,172	24,290	25,674	25,223	23,271	23,271	21,412	23,855	25,401	22,723	20,518
0011-8350-70100 Technician & Specialist	14,108	14,108	14,108	14,108	14,108	14,108	14,108	14,108	14,108	14,108	14,108	14,108	14,108
0011-8385-70100 Technician & Specialist	36,714	32,694	36,543	36,764	45,811	48,121	44,233	40,208	45,823	44,949	50,757	46,862	46,862
0011-8400-70100 Technician & Specialist	28,166	39,320	37,747	34,064	33,490	31,798	29,965	32,150	32,464	35,389	43,978	40,523	34,111
0011-8440-70100 Technician & Specialist	0	624	0	0	0	0	0	0	0	0	0	0	0
0011-8460-70100 Technician & Specialist	4,509	3,264	2,485	0	0	0	0	0	0	0	0	0	0
0011-8550-70100 Technician & Specialist	4,930	5,895	6,482	5,055	6,676	5,839	4,374	6,072	5,597	6,672	983	1,496	1,259
0011-8610-70100 Technician & Specialist	6,512	6,708	7,407	8,028	7,407	8,028	5,361	7,329	6,889	16,610	21,224	10,806	7,044
0011-8620-70100 Technician & Specialist	6,780	5,905	7,788	7,167	5,663	7,517	1,904	5,964	6,996	7,868	6,941	7,993	4,009
0011-8620-70100 Technician & Specialist	252	0	0	0	0	0	0	0	0	0	0	0	0
0011-8625-70100 Technician & Specialist	5,812	4,058	0	9,247	7,062	8,361	5,324	8,659	19,536	17,391	12,055	17,391	12,055
0011-8650-70100 Technician & Specialist	24,375	9,439	8,814	8,080	8,802	8,475	5,085	7,515	7,515	7,430	9,012	5,311	5,311
0011-8660-70100 Technician & Specialist	6,445	6,734	7,234	7,215	6,803	6,638	5,895	6,529	6,803	6,804	7,845	5,925	5,925
0011-8670-70100 Technician & Specialist	8												



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-6341-70200 Registered Nurses	0	0	0	0	0	70,944	(20,850)	99,943	96,134	112,625	106,562	127,361	167,946
6011-7340-70200 Registered Nurses	105,975	109,261	106,300	109,456	119,840	110,772	97,242	111,778	122,702	124,204	122,702	119,717	113,943
6011-6980-70200 Registered Nurses	4,566	(1,681)	0	0	0	0	0	0	0	0	0	0	18,441
6011-7010-70200 Registered Nurses	267,839	301,232	333,065	309,271	301,558	345,035	321,405	349,635	393,375	349,964	339,013	324,376	276,186
6011-7380-70200 Registered Nurses	47,189	34,091	46,712	47,886	48,407	42,600	34,006	45,634	41,838	52,206	45,108	52,829	45,684
6011-7390-70200 Registered Nurses	159,750	143,231	161,031	149,241	157,795	140,790	135,642	155,535	146,237	156,736	144,755	155,258	152,258
6011-7427-70200 Registered Nurses	125,458	113,181	151,988	154,222	162,558	153,583	133,867	149,348	145,314	167,225	151,699	168,934	164,408
6011-7430-70200 Registered Nurses	40,795	47,310	59,875	51,302	63,433	57,518	46,771	44,294	58,076	67,434	51,078	69,465	66,605
6011-7330-70200 Registered Nurses	0	0	0	0	0	674	0	0	0	0	0	0	0
6011-7340-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7560-70200 Registered Nurses	838	1,162	650	1,541	1,129	2,301	1,996	460	610	3,188	1,926	1,317	158
6011-7570-70200 Registered Nurses	81,295	69,721	83,980	79,359	76,049	77,041	76,596	78,799	69,122	80,645	79,534	89,944	88,063
6011-7620-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	148	0	0
6011-7630-70200 Registered Nurses	43,411	1,459	18,906	15,544	22,616	20,760	11,884	22,340	3,803	1,849	1,632	1,832	1,208
6011-7633-70200 Registered Nurses	0	41,639	27,905	25,376	21,227	24,851	28,750	24,222	35,501	42,512	38,377	36,948	37,371
6011-7640-70200 Registered Nurses	8,519	10,202	4,225	(817)	0	0	0	0	0	0	0	0	0
6011-7680-70200 Registered Nurses	0	0	0	0	0	0	4,686	0	0	0	0	0	0
6011-7720-70200 Registered Nurses	0	0	577	(150)	1,486	(104)	0	0	0	0	0	0	0
6011-7720-70200 Registered Nurses	0	720	0	0	0	0	0	0	0	0	0	0	0
6011-7760-70200 Registered Nurses	79,356	97,139	110,718	100,300	111,749	97,040	92,959	96,179	90,109	99,199	106,333	95,580	87,990
6011-7881-70200 Registered Nurses	27,016	29,427	27,850	24,361	37,851	42,967	30,026	37,054	34,789	37,479	35,672	45,526	57,817
6011-8340-70200 Registered Nurses	0	0	0	0	0	7,874	7,632	9,025	8,839	9,505	(2,260)	0	0
6011-8370-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-8661-70200 Registered Nurses	9,795	10,148	12,315	4,189	5,265	(400)	1,083	0	906	692	6,185	37,847	29,744
6011-8720-70200 Registered Nurses	20,032	12,587	51,000	38,414	34,882	42,834	31,542	35,515	7,350	9,767	23,018	13,378	24,424
6011-8730-70200 Registered Nurses	371	3,096	4,613	2,291	848	398	2,453	3,258	1,469	1,102	233	452	25
6011-8740-70200 Registered Nurses	0	0	0	0	0	0	0	0	344	0	0	0	0
6011-8750-70200 Registered Nurses	0	0	0	0	0	0	4,183	0	12	0	0	0	0
6011-8751-70200 Registered Nurses	0	0	0	1,825	4,962	0	0	0	6,483	14,317	(3,151)	0	0
6011-8752-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	4,438	(1,052)	0
6011-8753-70200 Registered Nurses	0	0	0	0	0	0	0	0	0	0	3,208	479	0
6011-9605-70200 Registered Nurses	0	0	0	0	0	0	0	5,117	(5,117)	0	0	0	0
Total 70200 Registered Nurses	2,414,782	2,486,675	2,769,911	2,547,119	2,798,140	2,883,775	2,491,484	2,897,164	2,651,895	3,123,003	2,733,803	2,876,561	2,699,671
70210 Registered Nurses Premium:													
6011-6010-70210 Registered Nurses Premium	68,315	36,213	30,075	75,627	77,913	119,541	102,274	203,205	44,106	53,629	66,492	96,471	47,679
6011-6030-70210 Registered Nurses Premium	8,727	3,051	(43)	8,340	3,480	2,631	(10,947)	17,430	(3,906)	0	0	0	0
6011-6171-70210 Registered Nurses Premium	29,219	39,211	26,230	49,897	32,472	21,640	46,582	114,296	51,149	26,553	3,970	1,389	(394)
6011-6172-70210 Registered Nurses Premium	15,862	36,096	16,458	23,860	7,693	9,899	49,322	141,614	92,504	25,774	4,627	7,710	23,264
6011-6173-70210 Registered Nurses Premium	124,501	143,767	60,452	69,484	32,337	84,060	126,345	37,502	73,482	74,331	11,955	16,446	36,837
6011-6179-70210 Registered Nurses Premium	98,763	77,471	34,854	46,041	22,711	42,496	69,530	163,762	54,869	48,837	12,921	21,822	28,040
6011-6341-70210 Registered Nurses Premium	0	0	0	0	0	121	928	8,641	9,807	1,970	14,716	23,552	38,296
6011-6560-70210 Registered Nurses Premium	22,396	52,305	29,590	18,360	7,828	22,767	49,354	26,984	16,543	14,524	15,795	26,466	0
6011-6560-70210 Registered Nurses Premium	2,386	(1,021)	0	0	0	0	0	0	0	0	0	0	1,204
6011-7010-70210 Registered Nurses Premium	70,521	65,646	52,671	62,337	85,869	50,953	81,129	180,070	84,108	59,633	46,181	71,656	132,370
6011-7380-70210 Registered Nurses Premium	468	114	163	276	902	1,009	164	541	6,307	(1,126)	1,244	63	0
6011-7427-70210 Registered Nurses Premium	32,433	36,429	16,294	16,673	16,177	18,293	12,749	24,453	13,339	15,594	23,249	23,364	14,716
6011-7427-70210 Registered Nurses Premium	16,439	18,888	17,876	12,818	22,601	17,000	26,963	14,278	16,908	9,492	16,508	9,492	12,942
6011-7430-70210 Registered Nurses Premium	2,370	641	1,591	4,384	832	2,357	1,342	1,577	144	913	2,339	2,592	4,741
6011-7330-70210 Registered Nurses Premium	0	0	0	0	0	3	0	0	0	0	0	0	0
6011-7340-70210 Registered Nurses Premium	1,054	(6)	159	0	0	217	0	396	0	265	0	0	37
6011-7570-70210 Registered Nurses Premium	34,344	16,673	16,919	24,625	47,813	11,579	29,272	20,235	14,134	23,109	25,230	27,880	7,962
6011-7630-70210 Registered Nurses Premium	3,613	2,464	7,234	8,138	2,362	3,047	7,296	10,076	2,066	24	0	67	33
6011-7633-70210 Registered Nurses Premium	0	2,549	326	612	639	(327)	113	3,593	4,836	6,549	3,106	4,389	5,553
6011-7639-70210 Registered Nurses Premium	0	0	0	0	796	(294)	0	0	0	0	0	0	0
6011-7730-70210 Registered Nurses Premium	0	31	0	0	0	0	0	0	0	0	0	0	0
6011-7760-70210 Registered Nurses Premium	2,463	16,366	10,688	11,846	19,611	13,146	9,384	13,749	3,689	12,718	10,073	5,048	0
6011-7881-70210 Registered Nurses Premium	264	513	3,008	4,516	1,301	1,166	1,166	460	331	1,485	519	1,178	279
6011-7910-70210 Registered Nurses Premium	179	546	0	84	0	0	0	0	0	0	0	0	0
6011-8720-70210 Registered Nurses Premium	1,237	4,440	4,003	8,802	4,420	1,873	7,712	8,081	1,851	(330)	4,946	1,702	4,146
6011-8730-70210 Registered Nurses Premium	0	163	750	(197)	0	0	3	707	(154)	(1)	0	0	0
6011-8750-70210 Registered Nurses Premium	0	0	0	0	0	0	0	0	793	0	0	0	0
6011-9605-70210 Registered Nurses Premium	0	0	0	0	0	0	145	(145)	0	0	0	0	0
Total 70210 Registered Nurses Premium	535,156	546,505	527,654	632,691	587,897	620,226	601,879	1,286,416	441,532	382,172	263,093	537,675	588,192
70300 Licensed Vocational Nurses:													
6011-6172-70310 Licensed Vocational Nurses	0	0	0	0	0	0	0	0	0	0	0	0	46
6011-6560-70300 Licensed Vocational Nurses	122,872	139,071	137,208	140,168	143,114	152,002	126,259	138,204	112,652	122,012	139,114	156,285	130,812
6011-6580-70300 Licensed Vocational Nurses	0	0	0	0	0	0	0	0	0	0	0	0	10,844
6011-7080-70300 Licensed Vocational Nurses	2,760	1,096	3,342	(549)	0	9,734	4,345	8,396	6,447	8,384	3,878	8,413	5,591
6011-6861-70300 Licensed Vocational Nurses	12,242	6,154	3,789	413	0	0	0	0	0	0	0	0	0
Total 70300 Licensed Vocational Nurses	137,874	146,321	144,318	140,033	143,114	161,736	130,604	136,999	119,099	130,396	142,992	164,697	147,283
70310 Licensed Vocational Nurses Premium:													
6011-6172-70310 Licensed Vocational Nurses Pr	0	0	0	0	0	0	0	0	0	0	0	0	465
6011-6560-70310 Licensed Vocational Nurses Pr	56,461	62,136	43,040	20,331	29,731	1,125	61,636	66,134	61,073	46,749	34,005	16,907	49,364
6011-6580-70310 Licensed Vocational Nurses Pr	0	0	0	0	0	0	0	0	0	0	0	0	296
6011-7080-70310 Licensed Vocational Nurses Pr	1	40	31	0	0	0	47	1	26	3	0	0	(47)
6011-8661-70310 Licensed Vocational Nurses Pr	961	1,777	(151)	0	0	0	0	0	0	0	0	0	0
Total 70310 Licensed Vocational Nurses Premium	57,423	63,975	43,920	20,331	29,731	1,172	61,656	66,210	61,073	46,775	34,008	19,556	50,078
70400 Aides & Orderlies:													
6011-6010-70400 Aides & Orderlies	0	231	0	0	384	318	1,062	186	0	0	151	866	(228)
6011-6030-70400 Aides & Orderlies	0	0	0	0	0	0	0	287	(84)	0	0	0	0
6011-6070-70400 Aides & Orderlies	0	0	0	0	0	0	0	0	231	0	0	0	0
6011-6130-70400 Aides & Orderlies	0	0	0	0	0	(217)	315	151	0	0	0	0	0
6011-6170-70400 Aides & Orderlies	0	0	0	228	0	0	247	(16)	0	0	0	0	0
6011-6171-70400 Aides & Orderlies	17,479	24,166	24,166	25,452	29,424	26,477	24,521	27,878	18,561	22,722	14,971	11,345	(2,800)
6011-6172-70400 Aides & Orderlies	13,703	17,777	16,696	16,367	18,172	25,120	14,698	21,779	24,292	24,918	18,920	19,902	26,646
6011-6173-70400 Aides & Orderlies	36,126	29,474	25,275	26,611	30,148	35,124	25,695	32,301	32,301	41,075	36,962	36,100	0



Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-6010-70000 Clinical & Other Admin	8,822	5,114	7,982	7,586	11,443	11,048	7,203	9,809	8,757	10,181	9,945	10,885	8,673
6011-6030-70000 Clinical & Other Admin	189	(91)	0	722	(121)	0	516	157	0	0	0	0	0
6011-6117-70000 Clinical & Other Admin	1,624	4,381	4,427	3,829	9,506	6,261	5,593	8,118	7,320	6,377	5,847	2,993	(506)
6011-6112-70000 Clinical & Other Admin	5,177	5,136	5,178	3,177	7,071	7,140	6,964	8,073	7,625	5,409	4,721	5,738	6,185
6011-6178-70000 Clinical & Other Admin	2,472	7,883	6,960	9,422	8,967	8,608	10,305	6,677	6,209	5,125	10,478	6,562	4,562
6011-6179-70000 Clinical & Other Admin	7,358	8,635	9,503	7,249	12,204	9,955	10,945	7,568	6,629	7,554	6,122	6,188	6,188
6011-6341-70000 Clinical & Other Admin	450	(214)	1,563	24	123	7,547	(5,211)	7,827	7,284	9,856	15,362	13,946	13,870
6011-6580-70000 Clinical & Other Admin	673	1,243	524	0	1,194	1,837	(37)	(11)	502	(69)	800	1,210	6,763
6011-6586-70000 Clinical & Other Admin	582	(435)	0	0	0	1,344	1,835	3,344	1,586	1,717	5,865	3,130	0
6011-7010-70000 Clinical & Other Admin	29,158	29,522	29,540	27,589	30,079	32,054	28,088	29,702	24,842	30,619	28,055	29,954	29,404
6011-7072-70000 Clinical & Other Admin	4,302	4,337	4,496	3,559	2,985	3,837	2,335	3,913	2,508	3,751	4,022	3,840	3,611
6011-7080-70000 Clinical & Other Admin	5,543	4,702	4,604	4,280	1,126	2,638	5,392	5,735	4,116	6,971	5,057	6,959	5,811
6011-7420-70000 Clinical & Other Admin	9,814	9,571	10,633	8,803	10,108	10,943	6,512	8,257	9,809	17,557	9,744	8,128	7,251
6011-7430-70000 Clinical & Other Admin	6,624	7,266	5,776	7,404	8,965	5,426	7,908	6,379	7,885	8,602	6,717	8,219	6,383
6011-7434-70000 Clinical & Other Admin	7,434	5,398	(33)	2,296	7,425	9,808	5,382	2,203	9,913	8,203	9,967	13,767	5,118
6011-7520-70000 Clinical & Other Admin	6,649	8,630	6,980	6,949	6,093	8,275	5,963	6,524	6,244	5,193	4,611	4,223	4,812
6011-7560-70000 Clinical & Other Admin	(945)	0	0	0	0	0	0	0	0	0	0	0	0
6011-7581-70000 Clinical & Other Admin	3,956	4,723	4,949	4,915	4,520	5,320	893	4,345	2,302	5,365	5,604	3,789	815
6011-7630-70000 Clinical & Other Admin	25,632	39,064	39,252	38,821	30,180	25,294	36,623	34,307	39,706	40,221	25,401	34,820	28,384
6011-7631-70000 Clinical & Other Admin	0	1,237	0	0	0	0	1,106	(36)	1,774	(394)	5,984	(1,186)	3,321
6011-7634-70000 Clinical & Other Admin	13,179	5,523	6,056	5,882	5,230	4,831	429	1,310	1,828	5,135	4,635	4,562	4,682
6011-7636-70000 Clinical & Other Admin	6,152	49	(71)	0	0	764	764	651	458	1,607	5,715	3,640	4,404
6011-7640-70000 Clinical & Other Admin	12,738	4,642	13,196	13,534	6,834	6,779	(775)	2,196	5,435	9,442	8,138	9,807	9,515
6011-7650-70000 Clinical & Other Admin	7,060	4,258	6,838	3,178	11,334	6,740	5,156	5,807	6,148	7,314	5,814	6,323	5,411
6011-7680-70000 Clinical & Other Admin	0	283	(35)	0	0	0	566	1,888	1,740	(316)	0	1,112	(306)
6011-7720-70000 Clinical & Other Admin	6,122	5,652	6,042	5,409	6,470	2,327	3,276	5,616	5,314	6,602	5,046	6,798	5,594
6011-7871-70000 Clinical & Other Admin	0	0	0	0	0	526	(243)	0	0	0	0	0	0
6011-7881-70000 Clinical & Other Admin	4,314	4,178	4,693	4,322	2,776	5,587	6,838	4,107	3,597	5,041	20,114	(711)	5,018
6011-8310-70000 Clinical & Other Admin	3,918	2,366	4,457	3,658	3,690	4,193	2,082	2,875	3,702	712	0	0	0
6011-8340-70000 Clinical & Other Admin	19,624	18,380	21,546	20,843	21,497	20,954	20,522	19,672	19,289	22,628	20,761	22,048	18,965
6011-8400-70000 Clinical & Other Admin	4,174	4,051	3,986	4,569	4,562	4,270	4,329	2,259	3,711	5,086	3,971	4,600	4,375
6011-8420-70000 Clinical & Other Admin	0	0	0	0	0	0	0	0	0	0	0	69	61
6011-8440-70000 Clinical & Other Admin	4,541	4,950	4,872	5,052	3,742	5,965	2,082	4,855	4,875	5,736	5,263	5,705	4,884
6011-8470-70000 Clinical & Other Admin	21,792	21,106	22,719	21,593	22,178	20,857	19,912	20,941	20,412	23,563	23,933	24,055	21,444
6011-8560-70000 Clinical & Other Admin	107,162	100,360	110,534	98,045	110,998	106,842	100,245	105,784	118,571	118,639	116,691	118,226	108,226
6011-8610-70000 Clinical & Other Admin	4,699	4,170	5,313	4,840	5,009	5,076	3,503	4,789	5,148	5,709	5,156	5,938	3,760
6011-8631-70000 Clinical & Other Admin	35,580	32,621	36,183	37,565	40,738	40,732	32,235	37,096	39,650	44,390	42,076	46,752	41,078
6011-8650-70000 Clinical & Other Admin	9,609	6,532	8,890	8,492	10,328	10,055	7,414	5,418	5,146	5,668	5,398	5,224	5,494
6011-8660-70000 Clinical & Other Admin	9,269	9,269	9,269	9,269	9,269	9,269	9,269	9,269	9,269	9,269	9,269	9,269	9,269
6011-8661-70000 Clinical & Other Admin	0	0	0	0	0	0	0	0	0	0	0	0	184
6011-8700-70000 Clinical & Other Admin	27,812	29,470	31,791	30,531	31,755	31,755	30,764	31,886	28,450	26,452	30,925	29,752	33,999
6011-8710-70000 Clinical & Other Admin	3,208	(1,530)	0	10,504	(333)	5,570	4,532	3,759	3,759	4,441	4,304	4,441	4,082
6011-8720-70000 Clinical & Other Admin	15,891	10,283	12,129	11,704	16,249	18,296	16,240	23,077	21,771	22,107	24,183	16,715	15,092
6011-8730-70000 Clinical & Other Admin	0	0	0	0	0	0	352	739	171	(70)	0	458	(211)
6011-8751-70000 Clinical & Other Admin	16,884	15,729	15,084	4,630	16,979	19,978	14,047	13,442	12,814	19,193	15,803	17,641	24,579
6011-8752-70000 Clinical & Other Admin	0	0	0	0	0	0	0	0	0	0	5,781	4,406	4,409
Total 70000 Clinical & Other Admin	489,560	432,582	470,702	444,328	482,308	475,964	417,239	464,112	458,040	620,193	506,480	515,843	465,794
70000 Clinical & Other Admin Premium:													
6011-6010-70010 Clinical & Other Admin Premium	1,240	687	598	1,090	65	843	2,658	2,003	(47)	145	231	1	598
6011-6030-70010 Clinical & Other Admin Premium	0	0	0	536	0	0	(511)	559	(104)	0	0	0	0
6011-6110-70010 Clinical & Other Admin Premium	0	0	0	0	0	0	0	0	0	0	0	0	372
6011-6117-70010 Clinical & Other Admin Premium	3,809	3,944	2,514	7,065	585	2,628	2,808	1,962	1,754	1,304	3,567	(1,470)	1
6011-6112-70010 Clinical & Other Admin Premium	2,073	2,894	2,105	2,862	867	3,467	315	2,197	955	1,929	(343)	675	126
6011-6178-70010 Clinical & Other Admin Premium	6,892	1,562	2,115	2,862	1,283	4,496	2,919	5,757	2,191	2,567	3,052	(1,286)	2,391
6011-6179-70010 Clinical & Other Admin Premium	3,445	3,050	2,050	1,894	2,058	4,804	4,807	7,404	7,192	1,012	2,489	409	0
6011-6341-70010 Clinical & Other Admin Premium	0	264	3,477	1,603	36	7	78	893	810	165	281	(45)	2,598
6011-6470-70010 Clinical & Other Admin Premium	1,178	1,178	760	1,448	2,121	0	2,963	3,291	446	0	652	0	1,426
6011-6580-70010 Clinical & Other Admin Premium	(276)	311	0	0	0	386	2,436	908	2,196	(141)	926	306	0
6011-7010-70010 Clinical & Other Admin Premium	2,939	1,687	874	2,501	1,730	(499)	3,595	4,049	1,772	1,639	852	1,681	2,294
6011-7072-70010 Clinical & Other Admin Premium	27	90	221	3,140	(708)	511	(22)	312	416	2,263	(65)	2,372	6
6011-7080-70010 Clinical & Other Admin Premium	2	(1)	1	67	282	51	22	62	98	75	(8)	55	30
6011-7420-70010 Clinical & Other Admin Premium	1,220	2,643	682	1,154	2,492	1,226	864	16	862	863	403	546	547
6011-7430-70010 Clinical & Other Admin Premium	3	1	28	33	(8)	39	816	2	1	1	45	(13)	53
6011-7500-70010 Clinical & Other Admin Premium	(26)	91	0	0	11	0	112	112	0	0	0	12	0
6011-7520-70010 Clinical & Other Admin Premium	0	0	0	0	22	4	0	0	0	0	0	0	0
6011-7561-70010 Clinical & Other Admin Premium	(76)	0	15	0	0	0	0	0	0	199	106	123	(79)
6011-7630-70010 Clinical & Other Admin Premium	1,785	1,509	707	1,269	1,996	1,901	1,787	1,317	1,364	454	614	1,709	498
6011-7631-70010 Clinical & Other Admin Premium	0	0	0	0	0	0	0	0	0	0	63	(11)	17
6011-7634-70010 Clinical & Other Admin Premium	1	193	42	97	298	1,107	(56)	262	49	714	64	13	72
6011-7636-70010 Clinical & Other Admin Premium	(18)	0	75	0	0	0	0	0	3	28	992	(158)	487
6011-7640-70010 Clinical & Other Admin Premium	0	14	0	0	0	105	(49)	29	0	0	0	54	(178)
6011-7650-70010 Clinical & Other Admin Premium	0	24	69	22	111	74	49	86	26	90	26	71	29
6011-7680-70010 Clinical & Other Admin Premium	0	0	0	0	0	0	0	0	0	0			



Verity Healt Systems Seton Medical Center Trended Income Statement June 30, 2018													
6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	
001-17420-71200 Vacation Holiday & Sick Leave	35,707	41,411	28,079	38,933	39,758	40,507	49,098	58,002	38,254	41,461	34,111	56,507	61,774
001-17420-71200 Vacation Holiday & Sick Leave	19,190	22,443	24,246	24,483	27,484	27,484	27,484	51,142	5,919	17,480	21,339	20,346	
001-17420-71200 Vacation Holiday & Sick Leave	16,910	22,443	13,609	14,825	15,431	14,915	26,440	41,047	17,040	18,217	20,067	15,720	23,837
001-17500-71200 Vacation Holiday & Sick Leave	50,033	57,592	49,519	43,225	43,688	43,062	48,204	43,686	33,594	53,697	52,829	53,028	51,722
001-17520-71200 Vacation Holiday & Sick Leave	3,810	4,051	3,976	3,863	3,490	3,185	2,652	2,713	2,546	145	1,977	2,021	1,808
001-17520-71200 Vacation Holiday & Sick Leave	4,318	4,107	5,416	5,090	4,107	5,644	5,644	5,644	5,330	5,470	5,330	5,330	5,126
001-17570-71200 Vacation Holiday & Sick Leave	21,359	26,130	13,738	17,155	20,400	16,657	21,434	37,843	16,547	14,618	14,520	16,805	22,204
001-17591-71200 Vacation Holiday & Sick Leave	1,644	1,929	1,683	1,643	1,672	1,863	1,674	1,793	2,121	1,999	2,080	1,757	4,436
001-17620-71200 Vacation Holiday & Sick Leave	900		519	502	519	562	678	638	576	638	1,100	638	617
001-17620-71200 Vacation Holiday & Sick Leave	55,165	63,165	53,527	74,586	64,553	60,159	59,434	60,975	(4,987)	44,622	48,760	48,183	43,473
001-17621-71200 Vacation Holiday & Sick Leave	0	0	0	0	0	0	0	0	0	0	0	0	0
001-17634-71200 Vacation Holiday & Sick Leave	1,192	1,290	1,273	(205)	0	0	0	0	0	0	0	0	0
001-17636-71200 Vacation Holiday & Sick Leave	1,856	2,387	1,793	2,348	2,130	2,333	2,040	2,194	2,002	2,159	1,963	2,174	1,954
001-17640-71200 Vacation Holiday & Sick Leave	26,177	20,813	11,520	24,609	14,370	12,456	11,784	14,558	10,539	10,862	10,568	10,215	10,766
001-17650-71200 Vacation Holiday & Sick Leave	5,029	6,468	5,416	5,090	12,878	11,834	5,491	5,493	5,952	5,916	5,330	5,966	5,633
001-17710-71200 Vacation Holiday & Sick Leave	26,553	54,916	27,229	29,722	30,063	29,302	38,204	40,538	27,969	44,330	43,909	41,136	48,087
001-17720-71200 Vacation Holiday & Sick Leave	47,290	75,228	55,223	50,088	50,999	67,171	63,161	61,036	53,101	56,977	54,793	67,686	67,172
001-17720-71200 Vacation Holiday & Sick Leave	0	0	79	401	48	1,532	901	495	499	521	488	521	499
001-17760-71200 Vacation Holiday & Sick Leave	13,903	12,527	10,029	19,895	14,001	15,028	33,803	33,023	23,328	10,740	(940)	28,816	14,811
001-17770-71200 Vacation Holiday & Sick Leave	9,657	14,364	9,479	8,524	10,036	10,875	10,495	9,522	10,442	6,335	13,521	9,573	
001-17780-71200 Vacation Holiday & Sick Leave	1,693	2,058	1,464	1,846	1,872	1,719	2,050	1,780	1,788	1,931	3,126	1,944	
001-17790-71200 Vacation Holiday & Sick Leave	2,321	2,559	2,275	2,347	2,425	2,368	2,313	2,786	2,880	2,658	2,197	2,509	2,496
001-1781-71200 Vacation Holiday & Sick Leave	1,569	2,552	1,290	1,662	1,763	2,143	2,657	1,626	2,075	1,741	2,097	2,276	
001-17861-71200 Vacation Holiday & Sick Leave	15,258	4,907	4,334	7,407	19,649	6,809	8,126	14,309	6,553	6,454	5,184	8,976	
001-8310-71200 Vacation Holiday & Sick Leave	683	654	718	677	702	809	666	665	657	1,698	2,266	3,051	
001-8340-71200 Vacation Holiday & Sick Leave	33,274	33,533	31,683	31,721	32,479	38,122	17,720	51,626	27,137	31,076	31,203	38,012	36,772
001-8370-71200 Vacation Holiday & Sick Leave	1,033	(20,745)	6,888	6,054	6,805	6,877	6,998	0	0	0	0	0	0
001-8385-71200 Vacation Holiday & Sick Leave	11,453	10,748	11,141	10,344	9,583	9,229	9,339	9,389	8,053	8,103	7,167	7,552	
001-8400-71200 Vacation Holiday & Sick Leave	5,890	9,214	7,325	7,098	5,151	9,498	8,633	8,892	7,194	8,282	8,135	7,305	
001-8420-71200 Vacation Holiday & Sick Leave	36,320	34,198	34,729	21,632	26,122	41,490	38,803	34,146	26,337	26,337	26,337	21,295	
001-8460-71200 Vacation Holiday & Sick Leave	21,335	28,986	22,886	22,610	26,327	27,464	31,184	27,344	22,229	25,075	(4,930)	50,773	29,346
001-8465-71200 Vacation Holiday & Sick Leave	8,300	8,857	6,575	6,388	8,114	6,786	6,452	6,114	7,040	8,035	5,908	10,796	
001-8470-71200 Vacation Holiday & Sick Leave	4,652	4,917	4,834	4,677	5,393	6,430	4,316	4,952	4,597	4,943	4,809	4,899	
001-8480-71200 Vacation Holiday & Sick Leave	1,874	2,050	2,057	2,058	2,742	2,922	1,943	1,963	2,073	1,963	1,963	1,799	
001-8510-71200 Vacation Holiday & Sick Leave	3,028	2,820	2,008	1,883	2,792	2,792	2,844	2,214	2,374	456	1,688	979	5,795
001-8560-71200 Vacation Holiday & Sick Leave	23,156	25,357	21,082	15,679	19,018	23,676	24,205	22,007	19,114	20,600	20,152	20,523	21,258
001-8610-71200 Vacation Holiday & Sick Leave	12,019	33,916	5,106	4,548	6,929	8,041	7,782	6,806	304	1,010	1,945	1,945	215,771
001-8620-71200 Vacation Holiday & Sick Leave	1,164	1,598	1,262	1,211	1,192	1,223	1,054	1,239	1,132	1,262	1,211	1,262	950
001-8620-71200 Vacation Holiday & Sick Leave	0	0	0	0	0	0	0	0	0	0	0	0	0
001-8631-71200 Vacation Holiday & Sick Leave	7,777	7,365	6,734	11,491	8,047	8,047	20,151	6,735	7,133	7,133	7,308	7,825	1,466
001-8635-71200 Vacation Holiday & Sick Leave	953	263	0	0	0	1,018	907	951	947	951	2,172	1,991	
001-8650-71200 Vacation Holiday & Sick Leave	(568)	5,095	2,996	2,956	6,562	2,922	6,073	3,549	3,878	8,524	10,519	6,102	
001-8650-71200 Vacation Holiday & Sick Leave	2,822	4,822	4,687	4,687	4,688	4,302	4,572	4,851	4,828	4,831	4,831	4,831	
001-8661-71200 Vacation Holiday & Sick Leave	0	0	0	0	0	0	0	0	0	0	0	923	0
001-8700-71200 Vacation Holiday & Sick Leave	5,120	7,888	6,104	6,377	6,628	9,154	8,757	7,258	6,636	7,391	14,661	6,603	6,422
001-8710-71200 Vacation Holiday & Sick Leave	(4,402)	8,862	1,114	1,436	742	863	1,380	1,366	1,222	2,237	2,271	3,512	4,036
001-8720-71200 Vacation Holiday & Sick Leave	26,243	26,198	24,336	26,259	24,336	26,198	26,198	26,198	26,198	26,198	26,198	26,198	26,198
001-8740-71200 Vacation Holiday & Sick Leave	2,044	6,748	6,079	6,220	6,145	18,200	8,680	9,059	6,509	(8,172)	7,396	6,450	
001-8740-71200 Vacation Holiday & Sick Leave	1,304	2,664	1,605	1,376	1,259	1,448	1,072	2,010	1,199	1,366	4,168	3,251	1,307
001-8750-71200 Vacation Holiday & Sick Leave	0	0	0	0	0	0	0	0	947	2,098	1,331	2,047	1,361
001-8750-71200 Vacation Holiday & Sick Leave	9,163	41,765	11,613	11,613	11,613	11,613	11,613	11,613	11,613	11,613	11,613	11,613	
001-8752-71200 Vacation Holiday & Sick Leave	9,337	12,510	10,654	10,547	10,579	10,229	10,103	6,300	6,250	6,736	7,793	7,793	9,754
001-8753-71200 Vacation Holiday & Sick Leave	1,584	1,651	1,790	3,547	1,790	1,714	2,643	2,643	2,880	2,647	2,882	2,811	
001-8794-71200 Vacation Holiday & Sick Leave	0	0	0	0	2,472	(1,710)	(3,234)	0	2,472	0	0	0	0
Total 71200 Vacation Holiday & Sick Leave	1,033,364	1,348,062	876,884	954,309	872,044	1,031,109	1,291,771	1,732,349	1,041,412	975,093	921,696	1,131,230	1,469,463
71201 Ed Leave:													
001-6010-71201 Ed Leave	8,847	1,591	(147)	7,511	10,780	8,181	21,214	13,464	15,396	1,368	3,793	839	14,642
001-6030-71201 Ed Leave	3,384	(940)	3,863	3,067	(1,190)	5,723	(4,003)	0	0	0	0	0	
001-6171-71201 Ed Leave	2,802	(927)	0	3,782	6,557	15,159	10,140	(135)	1,089	5,890	3,439	5,271	5,990
001-6172-71201 Ed Leave	8,126	9,022	2,434	945	8,396	9,913	9,024	(97)	5,050	3,376	7,034	2,791	14,261
001-6179-71201 Ed Leave	10,097	8,699	9,618	2,852	16,731	15,228	12,496	10,794	17,483	9,278	7,033	14,442	12,081
001-6179-71201 Ed Leave	1,021	4,524	10,350	6,131	9,888	6,074	20,403	3,355	(1,042)	2,108	10,303	1,688	21,868
001-6341-71201 Ed Leave	0	0	0	0	0	0	0	0	0	0	0	0	0
001-6560-71201 Ed Leave	1,462	2,131	(143)	4,730	12,195	5,024	9,711	1,160	1,247	5,918	798	6,387	(1,055)
001-7010-71201 Ed Leave	1,864	2,228	6,684	3,597	17,380	7,284	22,894	2,927	2,882	5,618	6,221	(1,311)	1,069
001-7020-71201 Ed Leave	0	0	0	0	0	0	0	0	0	0	0	0	0
001-7080-71201 Ed Leave	5,295	(2,550)	0	0	0	0	7,361	(310)	0	0	0	0	0
001-7420-71201 Ed Leave	4,066	1,165	1,292	1,799	3,222	8,083	4,705	1,794	3,072	8,583	6,724	2,852	3,234
001-7427-71201 Ed Leave	3,597	1,504	1,167	1,757	7,622	(2,116)	10,381	1,404	4,566	883	1,242	4,444	9,331
001-7450-71201 Ed Leave	96	986	1,182	(197)	586	586	586	7,427	2,882	2,882	2,485	2,485	
001-7500-71201 Ed Leave	(179)	0	0	0	560	10,729	(4,962)	0	965	(142)	247	9,730	(4,350)
001-7560-71201 Ed Leave	544	(262)	0	0	0	0	0	0	0	0	0	0	0
001-7570-71201 Ed Leave	(1,726)	10,266	3,126	704	0	10,447	(1,902)	0	0	0	0	3,157	7,967
001-7610-71201 Ed Leave	0	295	0	0	0	0	0	0	0	0	0	0	0
001-7630-71201 Ed Leave	915	(248)	1,902	(192)	190	2,176	2,511	487	199	4,630	(1,218)	(59)	0
001-7631-71201 Ed Leave	0	0	0	0	0	0	0	0	3,691	(1,230)	0	0	0
001-7650-71201 Ed Leave	0	563	422	0	0	0	0	0	652	(145)	0	0	0
001-7670-71201 Ed Leave	0	0	0	0	0	0	0	0	1,841	1,006	(296)	0	0
001-7720-71201 Ed Leave	3,611	1,447	2,744	57	385	430	1,107	5,678	(417)	6,828	(768)	9,730	(762)
001-7760-71201 Ed Leave	0	0	795	(209)	9,728	3,870	(669)	558	3,923	(672)	0	0	0



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-8480-71202 Orientation	0	409	0	0	0	569	1,206	0	(975)	368	0	694	(316)
6011-8503-71202 Orientation	1,852	(841)	0	0	0	0	0	0	1,981	6,056	(2,314)	0	0
6011-8470-71202 Orientation	0	0	0	0	0	0	0	0	0	199	0	0	0
6011-8480-71202 Orientation	0	2,715	(2,715)	0	0	0	0	0	0	0	0	0	0
6011-8481-71202 Orientation	0	0	0	0	0	0	0	0	215	0	0	51	0
6011-8510-71202 Orientation	0	747	0	0	0	0	0	0	0	0	0	0	0
6011-8550-71202 Orientation	2,964	15,563	14,358	8,651	5,052	3,991	(383)	3,549	7,018	7,418	4,021	4,882	2,990
6011-8610-71202 Orientation	0	0	0	0	368	0	0	0	0	0	0	0	0
6011-8631-71202 Orientation	0	69	3,816	8,033	4,179	5,167	830	0	0	424	(141)	0	95
6011-8650-71202 Orientation	0	0	0	0	0	0	0	0	0	0	1,365	0	0
6011-8650-71202 Orientation	0	52	521	0	0	0	0	0	0	789	384	0	0
6011-8661-71202 Orientation	0	0	319	(84)	0	(436)	201	0	0	222	0	7,139	(3,295)
6011-8700-71202 Orientation	0	0	0	0	0	0	0	0	0	440	0	0	3,406
6011-8710-71202 Orientation	0	0	0	0	0	0	248	0	0	238	0	0	0
6011-8720-71202 Orientation	2,965	1,588	(229)	476	3,228	66	1,199	4,538	(227)	1,159	1,243	4,130	595
6011-8730-71202 Orientation	1,443	1,537	147	(20)	3,164	301	(217)	0	0	0	379	2,961	47
6011-8740-71202 Orientation	(33)	335	(23)	44	1,087	(351)	593	942	(209)	58	57	105	36
6011-8751-71202 Orientation	5,977	(1,669)	(39)	0	8,831	(2,320)	(165)	0	714	634	506	2,453	(1,594)
6011-8752-71202 Orientation	0	0	54	0	0	0	0	0	0	293	0	964	883
6011-8753-71202 Orientation	0	0	0	0	1,148	(930)	564	0	0	0	0	0	0
6011-8794-71202 Orientation	0	0	0	0	975	(975)	(975)	0	975	0	0	0	0
6011-8605-71202 Orientation	0	0	0	0	0	0	0	558	(558)	0	1,289	1,956	3,831
Total: 71202 Orientation	141,709	270,582	198,793	127,571	120,026	210,378	241,390	140,804	198,912	311,676	159,917	232,762	199,172
71210 Other Non Productive:													
6011-6010-71210 Other Non Productive	1,759	4,092	1,399	2,456	7,423	9,483	11,958	5,534	7,079	6,115	9,934	5,550	12,602
6011-6030-71210 Other Non Productive	3,156	1,888	1,054	2,174	2,656	3,351	(5,356)	(83)	0	0	0	0	0
6011-6171-71210 Other Non Productive	9,885	1,857	1,873	1,984	3,553	5,563	4,596	2,510	5,591	4,523	14,308	3,626	7,711
6011-6172-71210 Other Non Productive	3,181	2,675	2,834	3,508	7,679	16,472	1,724	3,593	3,716	9,888	4,779	15,792	8,859
6011-6173-71210 Other Non Productive	2,541	8,544	6,512	6,576	12,113	8,097	8,816	5,825	5,581	5,241	8,949	4,222	14,151
6011-6179-71210 Other Non Productive	9,162	6,560	6,941	5,115	7,328	9,764	8,850	6,538	5,697	4,148	5,629	4,867	11,459
6011-6341-71210 Other Non Productive	54	(26)	0	0	810	(20)	1,383	164	913	(63)	2,030	3,262	2,376
6011-6590-71210 Other Non Productive	7,825	3,495	2,723	2,496	8,454	3,667	6,486	4,704	8,247	3,997	3,024	3,833	5,995
6011-6595-71210 Other Non Productive	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7010-71210 Other Non Productive	2,188	2,176	1,587	1,256	4,471	7,932	2,376	9,235	3,124	6,307	5,407	7,890	4,274
6011-7080-71210 Other Non Productive	0	669	(84)	0	0	0	0	0	0	0	533	0	566
6011-7420-71210 Other Non Productive	302	764	(67)	496	1,914	4,697	(818)	1,449	3,549	2,337	6,317	(1,914)	1,629
6011-7427-71210 Other Non Productive	256	372	171	220	734	476	2,697	713	263	1,343	211	737	589
6011-7430-71210 Other Non Productive	365	1,721	2,385	(629)	2,343	737	2,164	(60)	0	0	0	0	2,104
6011-7500-71210 Other Non Productive	168	1,081	767	1,583	3,185	2,392	1,440	838	3,804	537	3,965	1,472	2,199
6011-7560-71210 Other Non Productive	895	(431)	2,555	975	572	(336)	0	0	0	0	0	0	0
6011-7570-71210 Other Non Productive	0	0	0	0	0	0	785	(52)	445	(99)	0	0	0
6011-7571-71210 Other Non Productive	0	0	0	0	0	0	0	1,822	(464)	0	0	0	0
6011-7620-71210 Other Non Productive	0	1,339	(167)	0	0	0	0	0	0	0	0	1,345	506
6011-7630-71210 Other Non Productive	1,047	(637)	3,035	3,292	10,871	(1,661)	194	179	472	543	(14)	1,220	948
6011-7631-71210 Other Non Productive	0	0	0	0	0	0	0	0	0	0	0	790	305
6011-7632-71210 Other Non Productive	0	1,720	311	(85)	337	7,405	0	0	0	0	0	0	0
6011-7636-71210 Other Non Productive	0	0	0	0	0	191	1,960	(131)	0	0	0	0	0
6011-7640-71210 Other Non Productive	318	0	0	0	0	0	0	0	0	0	0	0	0
6011-7650-71210 Other Non Productive	0	1,414	(177)	4,065	(1,365)	0	0	0	0	0	0	0	0
6011-7710-71210 Other Non Productive	1,160	585	1,421	32,416	64	55	1,015	566	737	237	10,018	(1,009)	344
6011-7720-71210 Other Non Productive	2,097	2,465	2,566	1,555	1,507	2,979	4,343	763	2,054	1,347	1,695	2,346	3,961
6011-7730-71210 Other Non Productive	0	0	0	0	0	707	(526)	0	0	0	0	0	0
6011-7760-71210 Other Non Productive	1,130	(544)	0	0	0	0	2,343	0	0	0	0	0	1,533
6011-7770-71210 Other Non Productive	1,385	0	0	0	0	0	0	0	0	0	0	0	0
6011-7881-71210 Other Non Productive	0	0	764	(201)	0	2,182	(993)	0	0	0	0	0	615
6011-8340-71210 Other Non Productive	1,361	363	317	2,906	20	1,040	(32)	858	2,185	95	114	2,836	140
6011-8370-71210 Other Non Productive	13	28	216	525	0	13	1,164	223	131	287	310	221	281
6011-8375-71210 Other Non Productive	1,339	46	351	351	225	19	395	259	396	32	113	1,392	287
6011-8400-71210 Other Non Productive	0	0	0	0	0	303	(151)	0	0	0	0	0	177
6011-8440-71210 Other Non Productive	49	2,441	628	1,143	1,687	1,742	768	2,244	1,782	2,054	621	2,362	1,257
6011-8460-71210 Other Non Productive	(2,310)	2,235	438	376	772	2,834	396	486	314	465	624	(45)	1,649
6011-8470-71210 Other Non Productive	96	363	76	144	28	2,148	910	102	0	0	206	(4)	61
6011-8480-71210 Other Non Productive	0	0	0	0	0	0	0	0	0	0	0	(940)	0
6011-8510-71210 Other Non Productive	0	319	0	0	0	0	0	0	0	0	0	0	0
6011-8550-71210 Other Non Productive	282	(22)	175	1,045	1,229	(49)	1,480	95	351	249	378	246	1,541
6011-8610-71210 Other Non Productive	0	0	0	0	0	0	0	0	0	0	0	2,713	0
6011-8621-71210 Other Non Productive	2,347	(25)	0	0	0	0	765	(107)	0	0	0	0	285
6011-8635-71210 Other Non Productive	0	0	0	0	0	0	0	1,513	(336)	0	0	0	0
6011-8650-71210 Other Non Productive	0	0	0	0	445	(185)	0	0	0	0	0	0	0
6011-8700-71210 Other Non Productive	67	50	30	69	3	16	104	19	124	(23)	289	836	(146)
6011-8710-71210 Other Non Productive	404	406	4,817	1,025	2,382	420	432	849	1,498	1,330	851	1,330	0
6011-8730-71210 Other Non Productive	192	139	(14)	125	1,948	(215)	159	165	4,206	839	(381)	556	1,054
6011-8751-71210 Other Non Productive	(1,473)	0	1,499	(317)	0	0	0	0	0	0	0	0	0
6011-8752-71210 Other Non Productive	0	0	0	2,855	(952)	0	0	0	0	0	0	438	0
6011-8753-71210 Other Non Productive	0	0	0	0	0	0	0	0	0	0	0	0	1,864
Total: 71210 Other Non Productive	51,654	49,183	48,710	77,874	82,807	92,709	61,093	49,066	65,333	60,334	77,719	70,201	93,415
71220 Recruitment Bonus:													
6011-6171-71220 Recruitment Bonus	0	0	0	0	0	0	0	0	0	0	0	0	3,333
6011-6172-71220 Recruitment Bonus	0	0	0	0	0	0	0	0	0	0	0	0	3,333
6011-6179-71220 Recruitment Bonus	0	0	0	0	0	0	0	0	0	0	0	0	6,667
6011-6175-71220 Recruitment Bonus	0	0	0	0	0	0	0	0	0	0	0	0	3,333
6011-7010-71220 Recruitment Bonus	0	0	0	0	0	1,000	0	0	0	3,333	0	0	0
6011-7500-71220 Recruitment Bonus	0	0	0	0	0	500	0	0	0	0	0	0	0
6011-8610-71220 Recruitment Bonus	0	0	0	0	0	0	0	0	0	0	0	0	20,000
6011-8710-71220 Recruitment Bonus	0	0	0	0	0	0	0	0	0	0	0	0	7,500
6011-8751-71220 Recruitment Bonus	0	0	0	0	0	0	0	0	8,457	0	0	0	0
Total: 71220 Recruitment Bonus	0	0	0	0	0	0	1,500	0	0	8,457	3,333	0	47,500
71275 BONUS:													
6011-6010-71275 BONUS	0	3,333	0	0	0	0	3,333	0	0	0	0	0	0
6011-6171-71275 BONUS	0	0	0	0	0	0	0	0	533	0	199	0	0
6011-6172-71275 BONUS	209	0	0	0	418	0	6,905	(238)	0	5,000	(1,667)	0	214
6011-6175-71275 BONUS	0	0	187	0	0	0	42	0	0	0	0	0	0
6011-6179-71275 BONUS	0	0	0	0	0	0	0	199	0	0	0	0	0
6011-6560-71275 BONUS	0	0	0	0	9,193	0	231	0	131	0	0	0	199
6011-7010-71275 BONUS	13,333	6,853	1,667	10,000	6,667	0	0	0	0	10,591	0	0	0
6011-7420-71275 BONUS	0	0	0	0	0	0	209	0	0	0	0	0	0
6011-7500-71275 BONUS	0	8,354	0	0	0	0	0	0	0	0	0	0	0
6011-7630-71275 BONUS	0	0	0	0	0	4,379	0	223	0	0	0	0	0
6011-7710-71275 BONUS	0	0	0	0	0	909	0	0	0	0			



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-6010-72500 Registry Nursing Personnel	34,610	28,228	(1,381)	(4,909)	0	0	20,162	43,769	94,055	69,685	16,035	8,000	0
6011-6171-72500 Registry Nursing Personnel	25,603	126	0	0	0	0	30,794	18,263	46,725	20,603	0	0	0
6011-6172-72500 Registry Nursing Personnel	(13,835)	169	0	0	0	0	26,011	39,024	62,584	22,209	0	5,472	0
6011-6178-72500 Registry Nursing Personnel	(33,792)	4,092	(185)	0	0	0	26,433	40,838	50,995	51,893	4,478	5,795	0
6011-6179-72500 Registry Nursing Personnel	26,475	5,565	0	0	0	0	29,893	38,627	63,388	3,979	0	5,663	0
6011-6550-72500 Registry Nursing Personnel	(324)	0	0	0	0	0	0	0	0	0	0	0	0
6011-7010-72500 Registry Nursing Personnel	68,845	3,104	26,381	0	0	0	7,839	9,800	9,789	0	13,200	48,903	46,117
6011-7420-72500 Registry Nursing Personnel	(32,478)	0	0	0	0	0	0	0	0	0	0	0	0
6011-7427-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	0	1,584	1,586	0	0
6011-7570-72500 Registry Nursing Personnel	0	0	0	0	0	0	6,473	30,062	25,070	24,821	25,337	(495)	0
6011-7630-72500 Registry Nursing Personnel	0	(704)	704	0	0	0	0	0	0	0	0	13,186	(10,606)
6011-7631-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	0	2,230	4,720	0	3,087
6011-7636-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	0	0	0	1,737	0
6011-7680-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	0	0	17,704	(2,161)	583
6011-8720-72500 Registry Nursing Personnel	(16,521)	(20,005)	0	0	0	0	0	1,817	117	9,878	(5,754)	0	0
6011-8740-72500 Registry Nursing Personnel	0	0	0	0	0	0	0	0	3,713	0	0	0	0
6011-8751-72500 Registry Nursing Personnel	172,596	59,113	62,224	98,070	138,177	116,228	103,476	39,317	71,867	93,856	74,226	66,368	119,244
Total 72500 Registry Nursing Personnel	233,030	77,690	87,763	93,161	138,177	116,228	251,080	261,537	434,486	359,795	155,359	152,406	158,425
<b>Total Registry Labor</b>	<b>233,030</b>	<b>77,690</b>	<b>87,763</b>	<b>93,161</b>	<b>138,177</b>	<b>116,228</b>	<b>251,080</b>	<b>261,537</b>	<b>434,486</b>	<b>359,795</b>	<b>155,359</b>	<b>152,406</b>	<b>158,425</b>
Contract Labor													
72621 Othr Contract Serv - Long Term:													
6011-7640-72621 Othr Contract Serv - Long Term	7,000	0	0	0	0	0	0	0	0	0	0	8,000	(8,000)
6011-8510-72621 Othr Contract Serv - Long Term	0	0	0	0	13,809	20,736	(15,360)	0	0	0	0	0	0
Total 72621 Othr Contract Serv - Long Term	7,000	0	0	0	13,809	20,736	(15,360)	0	0	0	0	8,000	(8,000)
72622 Othr Contract Serv-Temp Shift/tn													
6011-7630-72622 Othr Contract Serv-Temp Shift/tn	14,020	0	6,335	10,560	22,704	16,016	15,360	13,216	15,741	12,815	17,064	13,879	125,701
6011-8440-72622 Othr Contract Serv-Temp Shift/tn	(10,000)	0	0	0	0	0	0	0	0	0	0	0	0
6011-8460-72622 Othr Contract Serv-Temp Shift/tn	32,810	66,876	23,019	(22,396)	0	0	0	0	0	0	0	0	0
6011-8610-72622 Othr Contract Serv-Temp Shift/tn	77,748	72,272	8,350	0	0	0	0	0	0	0	0	0	0
6011-8650-72622 Othr Contract Serv-Temp Shift/tn	24,466	3,768	10,987	0	0	0	0	10,040	18,539	19,302	15,937	6,171	(2,115)
6011-8710-72622 Othr Contract Serv-Temp Shift/tn	67,600	68,100	71,180	77,187	70,000	45,880	148,719	96,675	87,047	38,009	(12,385)	18,437	49,209
6011-8720-72622 Othr Contract Serv-Temp Shift/tn	6,467	14,896	980	0	0	0	0	0	0	0	0	0	0
6011-8751-72622 Othr Contract Serv-Temp Shift/tn	0	0	0	0	31,759	20,445	20,754	20,754	(62,261)	0	0	0	0
6011-8762-72622 Othr Contract Serv-Temp Shift/tn	45,305	24,778	42,107	48,510	81,038	78,800	(302,740)	0	0	0	0	0	0
Total 72622 Othr Contract Serv-Temp Shift/tn	258,205	249,690	162,858	144,469	173,742	172,435	(119,214)	140,695	142,082	7,865	20,616	36,487	172,705
<b>Total - Contract Labor</b>	<b>265,205</b>	<b>249,690</b>	<b>162,858</b>	<b>144,469</b>	<b>187,551</b>	<b>193,171</b>	<b>(134,574)</b>	<b>140,685</b>	<b>142,082</b>	<b>7,865</b>	<b>20,616</b>	<b>46,487</b>	<b>164,795</b>
Benefits & Taxes:													
71900 FICA:													
6011-8881-71900 FICA	604,820	623,553	573,602	524,519	528,086	478,781	564,534	767,213	645,281	708,057	664,336	685,794	681,219
Total 71900 FICA	604,820	623,553	573,602	524,519	528,086	478,781	564,534	767,213	645,281	708,057	664,336	685,794	681,219
71100 SUI - FUI:													
6011-8881-71100 SUI - FUI	17,151	8,200	20,055	10,300	10,300	14,800	11,279	11,200	11,200	(13,300)	2,676	(4,800)	(4,161)
Total 71100 SUI - FUI	17,151	8,200	20,055	10,300	10,300	14,800	11,279	11,200	11,200	(13,300)	2,676	(4,800)	(4,161)
71101 SUI - RIF:													
6011-8881-71101 Unemployment - RIF	(8,280)	0	(4,879)	0	0	0	0	0	0	0	0	0	0
Total 71101 SUI - RIF	(8,280)	0	(4,879)	0	0	0	0	0	0	0	0	0	0
71300 Group Health Insurance:													
6011-8881-71300 Group Health Insurance	1,065,465	1,170,248	1,133,860	1,361,305	1,150,494	683,575	1,105,617	973,627	(934,400)	17,763	27,246	23,744	3,287
Total 71300 Group Health Insurance	1,065,465	1,170,248	1,133,860	1,361,305	1,150,494	683,575	1,105,617	973,627	(934,400)	17,763	27,246	23,744	3,287
71301 EMP Medical Cost - Credit:													
6011-8881-71301 EMP Medical Cost - Credit	0	0	0	0	0	0	0	17,363,540	0	0	0	0	0
Total 71301 EMP Medical Cost - Credit	0	0	0	0	0	0	0	17,363,540	0	0	0	0	0
71303 EMP Medical Cost - Credit:													
6011-8881-71303 EMP Medical Cost - Credit	0	0	0	0	0	0	0	(17,363,540)	0	0	0	0	0
Total 71303 EMP Medical Cost - Credit	0	0	0	0	0	0	0	(17,363,540)	0	0	0	0	0
71305 Group Health Self Insured:													
6011-8881-71305 Group Health Self Insured	152,359	112,200	94,745	126,422	119,044	115,288	87,326	128,131	1,300,000	833,173	1,378,687	1,485,003	2,122,433
Total 71305 Group Health Self Insured	152,359	112,200	94,745	126,422	119,044	115,288	87,326	128,131	1,300,000	833,173	1,378,687	1,485,003	2,122,433
71310 Group Health Insured:													
6011-8881-71310 Group Health Insured	26,048	11,483	3,572	(72,659)	(9,792)	(14,068)	(1,220)	86,676	80,513	92,267	89,421	38,402	93,739
Total 71310 Group Health Insured	26,048	11,483	3,572	(72,659)	(9,792)	(14,068)	(1,220)	86,676	80,513	92,267	89,421	38,402	93,739
71320 Group Health Vision:													
6011-8881-71320 Group Health Vision	(3,440)	10,292	5,902	9,343	1,349	7,687	9,917	2,475	24,542	3,039	18,362	9,413	(3,934)
Total 71320 Group Health Vision	(3,440)	10,292	5,902	9,343	1,349	7,687	9,917	2,475	24,542	3,039	18,362	9,413	(3,934)
71350 Dental Insured:													
6011-8881-71350 Dental Insured	78,849	46,830	72,406	(7,795)	(7,743)	(7,851)	(12,536)	(8,880)	(8,719)	(8,646)	(7,955)	(8,196)	(13,594)
Total 71350 Dental Insured	78,849	46,830	72,406	(7,795)	(7,743)	(7,851)	(12,536)	(8,880)	(8,719)	(8,646)	(7,955)	(8,196)	(13,594)
71351 Dental Insured IBNR:													
6011-8881-71351 IBNR - Dental	(27,396)	(40,462)	(987)	73,561	71,169	72,697	72,954	73,640	72,132	60,724	77,984	97,367	81,032
Total 71351 Dental Insured IBNR	(27,396)	(40,462)	(987)	73,561	71,169	72,697	72,954	73,640	72,132	60,724	77,984	97,367	81,032
71360 Medical Bnf-Contract:													
6011-8881-71360 Medical Bnf-Contract	(3,979)	(6,613)	(3,979)	(3,268)	(3,353)	(3,607)	(8,131)	(8,965)	(9,056)	(9,371)	(9,392)	(10,634)	(16,571)
Total 71360 Medical Bnf-Contract	(3,979)	(6,613)	(3,979)	(3,268)	(3,353)	(3,607)	(8,131)	(8,965)	(9,056)	(9,371)	(9,392)	(10,634)	(16,571)
71365 Dental Bnf-Contract:													
6011-8881-71365 Dental Bnf-Contract	(4,483)	0	0	0	0	0	0	0	0	0	0	0	0
Total 71365 Dental Bnf-Contract	(4,483)	0	0	0	0	0	0	0	0	0	0	0	0
71375 Life AD&D Bnf-Contract:													
6011-8881-71375 Life AD&D Bnf-Contract	0	3,513	870	830	879	862	876	965	997	1,011	1,005	1,014	1,000
Total 71375 Life AD&D Bnf-Contract	0	3,513	870	830	879	862	876	965	997	1,011	1,005	1,014	1,000
71400 Group Life Insurance:													
6011-8881-71400 Group Life Insurance	42,271	(81,050)	13,789	14,266	14,608	14,118	(19,578)	16,717	15,348	15,303	15,260	36,550	3,609
Total 71400 Group Life Insurance	42,271	(81,050)	13,789	14,266	14,608	14,118	(19,578)	16,717	15,348	15,303	15,260	36,550	3,609
71500 Pension:													
6011-8881-71500 Pension	717,051	718,051	718,051	514,562	514,562	514,562	514,562	514,562	514,562	467,623	507,856	507,856	507,856
Total 71500 Pension	717,051	718,051	718,051	514,562	514,562	514,562	514,562	514,562	514,562	467,623	507,856	507,856	507,856
71505 Retirement:													
6011-8881-71505 Retirement	(1,967)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)
Total 71505 Retirement	(1,967)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)	(1,833)
71510 Retiree Health:													
6011-8881-71510 Retiree Health	(4,889,415)	(35,083)	39,083	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	(26,000)
Total 71510 Retiree Health	(4,889,415)	(35,083)	39,083	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	(26,000)
71515 403B - Employer Match:													
6011-8881-71515 403B - Employer Match	60,643	61,306	60,892	57,752	59,187	133,260	57,385	64,997	58,827	62,539	60,835	62,416	108,310
Total 71515 403B - Employer Match	60,643	61,306	60,892	57,752	59,187	133,260							



Verity Health Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-8881-71516 Verity Retirement Plan - 401 A	185,100	191,519	183,150	187,440	208,550	184,011	222,338	230,875	208,132	216,147	195,809	200,509	211,685
Total: 71516 Retirement Plan - 401 A	185,100	191,519	183,150	187,440	208,550	184,011	222,338	230,875	208,132	216,147	195,809	200,509	211,685
71720 Fringe Benefits:													
6011-8881-71720 Fringe Benefits	0	0	0	0	0	0	0	0	0	0	0	0	2,898
Total: 71720 Fringe Benefits	0	0	0	0	0	0	0	0	0	0	0	0	2,898
71600 Workers Compensation Insurance:													
6011-8881-71600 Workers Compensation Insuranc	95,040	65,799	65,982	65,982	65,432	65,982	65,982	65,432	65,982	65,982	65,249	65,799	65,799
Total: 71600 Workers Compensation Insurance	95,040	65,799	65,982	65,982	65,432	65,982	65,982	65,432	65,982	65,982	65,249	65,799	65,799
71601 WC - TPA & Other:													
6011-8881-71601 WC - TPA & Other	0	29,008	29,089	29,089	28,846	29,089	29,089	29,198	20,441	44,667	28,913	34,840	34,840
Total: 71601 WC - TPA & Other	0	29,008	29,089	29,089	28,846	29,089	29,089	29,198	20,441	44,667	28,913	34,840	34,840
71810 LTD:													
6011-8881-71810 LTD	1,667	13,193	14,415	14,652	15,075	17,320	14,851	14,020	15,619	15,710	12,963	15,143	14,412
Total: 71810 LTD	1,667	13,193	14,415	14,652	15,075	17,320	14,851	14,020	15,619	15,710	12,963	15,143	14,412
71820 Able Eng Benefits:													
6011-8881-71820 Able Eng Benefits	79,648	76,945	79,756	78,763	105,093	77,509	80,970	78,031	96,915	86,800	107,658	122,314	106,920
Total: 71820 Able Eng Benefits	79,648	76,945	79,756	78,763	105,093	77,509	80,970	78,031	96,915	86,800	107,658	122,314	106,920
71900 Other Employee Benefits (Non-Payroll):													
6011-8881-71900 Other Employee Benefits (Non-P	7,205	6,723	7,177	7,292	7,958	8,053	8,145	18,646	9,410	6,230	20,862	7,714	(231,717)
Total: 71900 Other Employee Benefits (Non-Payroll)	7,205	6,723	7,177	7,292	7,958	8,053	8,145	18,646	9,410	6,230	20,862	7,714	(231,717)
71910 EAP:													
6011-8650-71910 EAP	83	3,860	(13)	1,916	256	1,933	1,938	1,900	2,105	2,023	2,054	2,045	2,018
Total: 71910 EAP	83	3,860	(13)	1,916	256	1,933	1,938	1,900	2,105	2,023	2,054	2,045	2,018
71930 Ed & Reimbursemt:													
6011-6010-71930 Ed & Reimbursemt	0	600	0	0	0	0	0	0	0	0	0	190	750
6011-6171-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	36	0	0	279
6011-6178-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	0	0	0	980
6011-6179-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	96	0	0	1,171
6011-6560-71930 Ed & Reimbursemt	0	2,000	0	1,931	0	0	0	0	0	0	0	0	150
6011-6560-71930 Ed & Reimbursemt	0	0	0	0	0	0	600	0	2,000	0	0	0	80
6011-7010-71930 Ed & Reimbursemt	0	0	0	260	0	0	640	0	1,614	0	2,204	1,547	
6011-7420-71930 Ed & Reimbursemt	0	1,000	0	0	0	0	0	0	0	0	0	0	0
6011-7427-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	930	0	0	0
6011-7430-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	525	0	0	0
6011-7630-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	0	0	0	1,000
6011-7720-71930 Ed & Reimbursemt	0	2,300	0	0	0	0	0	0	0	0	0	0	0
6011-7760-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	960	0	400	0
6011-8365-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	75	0	150	0
6011-8751-71930 Ed & Reimbursemt	0	0	0	0	0	0	0	0	0	0	0	140	0
6011-8881-71930 Ed & Reimbursemt	(67,712)	0	0	0	0	0	0	0	0	0	0	0	0
Total: 71930 Ed & Reimbursemt	(67,712)	5,950	0	2,191	0	0	0	1,240	0	6,196	0	3,094	5,957
Total - Taxes & Benefits	(1,872,374)	2,994,582	3,104,703	2,996,677	2,880,178	2,394,168	2,806,461	3,052,888	2,189,995	2,674,092	3,259,996	3,374,533	3,749,214
Total - Labor Costs	6,757,477	12,086,829	11,672,716	11,287,130	11,743,728	11,523,013	11,732,889	14,115,309	11,169,602	12,328,161	11,792,340	12,681,479	12,619,040
Medical Fees:													
72011 Medical-Physicians Administrat:													
6011-6010-72011 Medical-Physicians Administrat	0	0	0	0	0	0	0	0	0	0	(31,500)	0	0
6011-6090-72011 Medical-Physicians Administrat	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	13,100
6011-7080-72011 Medical-Physicians Administrat	12,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
6011-7420-72011 Medical-Physicians Administrat	10,000	17,500	17,500	17,500	19,500	27,500	21,500	21,500	21,500	19,500	21,500	9,500	
6011-7500-72011 Medical-Physicians Administrat	0	0	0	0	0	13,874	27,748	13,874	13,874	15,034	13,874	13,874	13,894
6011-7560-72011 Medical-Physicians Administrat	(3,000)	(1,500)	0	0	0	0	0	0	0	0	0	0	
6011-7570-72011 Medical-Physicians Administrat	3,759	3,759	3,759	3,759	3,759	3,759	3,759	3,759	3,759	3,759	3,759	3,759	
6011-7630-72011 Medical-Physicians Administrat	(1,900)	11,475	9,365	6,770	1,470	6,570	2,190	2,190	2,190	2,641	0	(69,720)	
6011-7636-72011 Medical-Physicians Administrat	0	0	0	1,667	833	1,667	833	833	833	833	833	833	
6011-7640-72011 Medical-Physicians Administrat	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
6011-7710-72011 Medical-Physicians Administrat	9,485	11,725	13,325	11,725	11,725	11,885	11,725	11,725	11,725	11,725	11,725	9,608	
6011-7720-72011 Medical-Physicians Administrat	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
6011-7760-72011 Medical-Physicians Administrat	0	0	0	1,613	2,000	3,671	2,129	1,733	833	23	1,098	(2,195)	
6011-7881-72011 Medical-Physicians Administrat	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	(4,000)	
6011-8610-72011 Medical-Physicians Administrat	(1,497)	16,501	10,262	13,016	16,148	16,733	32,606	2,425	21,222	21,043	16,023	(11,965)	46,109
6011-8620-72011 Medical-Physicians Administrat	2,951	1,559	1,362	2,505	2,004	2,550	2,019	2,565	2,505	2,490	2,490	2,505	
6011-8690-72011 Medical-Physicians Administrat	2,832	1,416	1,416	1,416	1,416	1,416	0	1,416	1,416	1,416	(2,832)	1,416	
6011-8710-72011 Medical-Physicians Administrat	0	0	0	488	0	0	0	0	1,983	660	0	660	1,236
6011-8713-72011 Medical-Physicians Administrat	4,300	4,500	7,500	7,500	7,500	7,500	15,000	7,500	7,500	7,500	(15,000)	7,500	
Total: 72011 Medical-Physicians Administrat	52,330	85,136	82,219	81,892	86,970	108,320	150,664	87,616	107,896	106,500	67,886	43,812	47,266
72021 Medical-Phys Clin Fees:													
6011-6341-72021 Medical-Phys Clin Fees	0	0	0	0	0	0	0	0	0	0	290,812	146,820	442,973
6011-6365-72021 Medical-Phys Clin Fees	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	
6011-7450-72021 Medical-Phys Clin Fees	92,796	89,530	97,046	89,030	87,796	104,891	94,362	96,671	91,184	120,473	98,269	101,010	(69,778)
6011-7500-72021 Medical-Phys Clin Fees	12,999	12,999	12,999	13,874	14,457	(13,562)	0	0	0	0	0	0	(177,087)
6011-7591-72021 Medical-Phys Clin Fees	12,677	16,130	15,420	5,113	20,085	8,253	18,140	5,167	16,477	6,870	13,100	12,333	14,677
6011-7636-72021 Medical-Phys Clin Fees	833	833	833	833	0	(3,332)	0	0	0	0	0	0	
6011-8610-72021 Medical-Phys Clin Fees	4,489	5,083	5,113	5,113	0	(25,562)	0	0	0	0	0	0	
6011-8710-72021 Medical-Phys Clin Fees	2,997	2,851	2,851	3,801	0	(9,502)	0	0	0	0	0	0	
6011-8713-72021 Medical-Phys Clin Fees	195,152	197,702	195,152	192,602	192,602	192,602	202,889	198,581	251,221	275,202	96,034	355,500	601,564
Total: 72021 Medical-Phys Clin Fees	325,805	340,870	333,157	314,310	319,517	287,237	290,250	304,162	362,625	406,288	50		



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-7427-73104 Knees Total	0	0	6,463	0	0	0	0	0	0	0	0	0	0
Total: 73104 Knees-Total	125,831	83,163	87,442	53,663	35,935	59,868	80,138	79,319	81,683	88,511	41,852	103,381	78,662
73106 Hips-Total:													
6011-7420-73106 Hips-Total	2,719	44,951	29,471	36,641	40,743	49,840	43,676	55,303	16,810	12,711	9,377	34,913	41,780
Total: 73106 Hips-Total	2,719	44,951	29,471	36,641	40,743	49,840	43,676	55,303	16,810	12,711	9,377	34,913	41,780
73106 Hips-Partial:													
6011-7420-73106 Hips-Partial	14,356	512	2,256	628	0	7,861	1,844	628	6,006	3,800	8,205	7,500	100
Total: 73106 Hips-Partial	14,356	512	2,256	628	0	7,861	1,844	628	6,006	3,800	8,205	7,500	100
73107 Hips-Compression:													
6011-7420-73107 Hips-Compression	6,262	0	0	4,659	0	0	0	0	0	0	0	0	0
Total: 73107 Hips-Compression	6,262	0	0	4,659	0	0	0	0	0	0	0	0	0
73108 Valves-Heart:													
6011-7420-73108 Valves-Heart	6,901	17,296	(205)	0	5,800	0	0	0	5,995	5,100	0	5,800	0
Total: 73108 Valves-Heart	6,901	17,296	(205)	0	5,800	0	0	0	5,995	5,100	0	5,800	0
73109 Bone:													
6011-7420-73109 Bone	38,443	45,361	74,384	39,274	40,690	30,908	55,113	48,800	19,390	28,956	72,694	12,652	52,170
Total: 73109 Bone	38,443	45,361	74,384	39,274	40,690	30,908	55,113	48,800	19,390	28,956	72,694	12,652	52,170
73110 AICD & Leads:													
6011-7570-73110 AICD & Leads	101,659	53,015	45,206	37,491	33,108	27,869	38,698	34,219	0	42,471	58,938	162,130	68,477
Total: 73110 AICD & Leads	101,659	53,015	45,206	37,491	33,108	27,869	38,698	34,219	0	42,471	58,938	162,130	68,477
73111 Tissue:													
6011-7080-73111 Tissue	21,153	12,033	(6,856)	6,273	25,305	7,317	7,730	20,913	4,678	9,991	2,389	5,949	21,127
6011-7420-73111 Tissue	0	0	19,013	11,356	5,769	8,430	301	0	4,725	13,074	1,801	3,900	(400)
Total: 73111 Tissue	21,153	12,033	12,158	17,629	31,073	15,747	8,031	20,913	9,403	23,065	4,190	9,849	20,727
73112 Rings-Angioplasty:													
6011-7420-73112 Rings-Angioplasty	0	3,100	3,100	0	0	0	0	0	0	0	0	3,100	0
6011-7631-73112 Rings-Angioplasty	79	0	6,000	15	3,739	3,900	(178)	995	0	750	324	0	398
Total: 73112 Rings-Angioplasty	79	3,100	9,100	15	3,739	3,900	(178)	995	0	750	324	3,100	398
73113 Pumps-Implantable:													
6011-7710-73113 Pumps-Implantable	12,105	6,416	10,688	(625)	0	5,188	7,807	3,222	7,755	5,188	5,188	8,263	6,485
Total: 73113 Pumps-Implantable	12,105	6,416	10,688	(625)	0	5,188	7,807	3,222	7,755	5,188	5,188	8,263	6,485
73114 Neuro Stimulators/ Leads:													
6011-7420-73114 Neuro Stimulators/ Leads	24,800	19,050	41,600	103,729	26,083	24,988	27,763	47,522	(20,762)	185	57,010	11,904	57,689
6011-7500-73114 Neuro Stimulators/ Leads	0	0	60	218	0	0	0	0	0	0	0	0	0
Total: 73114 Neuro Stimulators/ Leads	24,800	19,050	41,660	103,946	26,083	24,988	27,763	47,522	(20,762)	185	57,010	11,904	57,689
73115 Vascular Grafts:													
6011-7420-73115 Vascular Grafts	2,805	704	4,330	3,804	12,612	3,542	1,499	4,637	1,276	3,058	2,998	3,073	3,459
6011-7570-73115 Vascular Grafts	0	50,288	0	0	0	47,796	0	0	0	0	21,894	0	4,394
Total: 73115 Vascular Grafts	2,805	50,992	4,330	3,804	12,612	91,328	1,499	4,637	1,276	3,058	24,892	3,073	7,853
73116 Stents:													
6011-7420-73116 Stents	0	279	505	308	1,328	595	72	219	513	776	512	1,152	146
6011-7570-73116 Stents	(6,400)	12,050	21,527	11,295	(1,529)	22,065	1,050	1,700	0	0	7,765	0	4,394
6011-7631-73116 Stents	0	4,098	3,705	5,547	2,798	7,850	7,107	17,403	7,692	3,042	0	1,900	3,042
6011-7760-73116 Stents	181	1,385	8,145	8,527	20,756	4,405	1,191	2,159	334	335	0	5,678	1,226
Total: 73116 Stents	(6,219)	17,812	33,881	25,577	23,323	34,915	9,420	21,482	8,539	1,111	8,277	9,729	8,867
73117 Stent DES:													
6011-7570-73117 Stent DES	84,000	60,000	51,600	109,200	81,600	121,200	142,576	103,050	43,803	73,650	50,175	15,600	106,500
Total: 73117 Stent DES	84,000	60,000	51,600	109,200	81,600	121,200	142,576	103,050	43,803	73,650	50,175	15,600	106,500
73200 Sutures & Surgical Needles:													
6011-6010-73200 Sutures & Surgical Needles	8	6	13	11	23	34	23	2	14	30	20	5	4
6011-6030-73200 Sutures & Surgical Needles	0	0	0	0	0	0	1	0	0	0	0	0	0
6011-6179-73200 Sutures & Surgical Needles	0	0	0	0	0	0	0	0	0	4	0	0	3
6011-6560-73200 Sutures & Surgical Needles	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-6580-73200 Sutures & Surgical Needles	0	0	0	44	0	0	0	0	0	0	0	0	0
6011-7010-73200 Sutures & Surgical Needles	110	170	125	113	273	197	182	163	302	249	181	121	67
6011-7420-73200 Sutures & Surgical Needles	(1,463)	0	0	0	0	0	0	0	0	0	0	0	0
6011-7420-73200 Sutures & Surgical Needles	5,281	6,579	2,485	7,810	4,250	5,242	4,709	4,885	3,584	5,944	5,912	1,794	1,794
6011-7420-73200 Sutures & Surgical Needles	238	271	628	369	418	1,592	672	394	311	277	251	438	443
6011-7420-73200 Sutures & Surgical Needles	48	158	0	0	67	6	103	0	156	4	0	0	0
6011-7470-73200 Sutures & Surgical Needles	0	0	0	0	0	0	0	0	6	0	0	0	0
6011-7570-73200 Sutures & Surgical Needles	0	89	147	140	96	244	505	0	0	0	0	0	0
6011-7630-73200 Sutures & Surgical Needles	47	0	0	0	0	0	1,680	208	0	0	0	4	(26)
6011-7631-73200 Sutures & Surgical Needles	1,871	167	514	186	381	2,391	121	175	920	6,432	7,109	529	529
6011-7636-73200 Sutures & Surgical Needles	1,900	47	0	571	29	1,334	1,949	1,000	2,026	275	782	173	1,473
6011-7680-73200 Sutures & Surgical Needles	1,498	146	235	541	47	0	980	72	0	541	328	541	2,625
6011-7760-73200 Sutures & Surgical Needles	95	95	100	100	100	100	100	100	100	100	100	100	100
6011-7760-73200 Sutures & Surgical Needles	0	0	944	83	0	0	472	41	257	0	0	513	0
Total: 73200 Sutures & Surgical Needles	9,714	7,120	8,665	4,651	9,049	10,298	12,205	6,880	6,002	6,383	12,038	14,919	6,606
73201 Endomechanicals:													
6011-6010-73201 Endomechanicals	0	0	0	0	0	0	0	0	0	12	6	0	0
6011-6171-73201 Endomechanicals	6	6	14	(4)	0	0	0	6	0	0	0	0	0
6011-6172-73201 Endomechanicals	4	4	12	6	12	33	59	46	8	8	9	27	9
6011-6178-73201 Endomechanicals	0	4	0	4	4	0	0	6	12	0	4	0	16
6011-6179-73201 Endomechanicals	0	0	0	0	4	4	0	4	0	0	3	0	8
6011-6341-73201 Endomechanicals	0	0	0	0	0	0	0	4	0	0	0	0	2
6011-6560-73201 Endomechanicals	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7010-73201 Endomechanicals	4	12	8	6	10	6	6	8	4	4	8	0	2
6011-7080-73201 Endomechanicals	0	0	0	0	24	0	0	0	24	0	0	0	0
6011-7420-73201 Endomechanicals	35,488	33,076	21,874	28,731	18,008	22,263	12,760	21,038	8,797	18,514	11,077	16,394	25,004
6011-7620-73201 Endomechanicals	5,281	6,579	2,485	7,810	4,250	5,242	4,709	4,885	3,584	5,944	5,912	1,794	1,794
6011-7420-73201 Endomechanicals	0	48	0	0	0	0	448	0	0	701	0	0	0
6011-7570-73201 Endomechanicals	7,144	9,591	4,894	4,894	4,894	0	14,484	197	18,394	1,181	0	0	0
6011-7631-73201 Endomechanicals	0	2,447	0	0	0	0	0	0	0	0	0	0	0
Total: 73201 Endomechanicals	42,644	48,136	29,509	33,581	22,952	24,365	13,493	35,593	9,016	36,189	15,102	16,398	25,516
73300 Surgical Packs & Sets:													
6011-6010-73300 Surgical Packs & Sets	25	(17)	31	48	20	40	22	17	28	54	28	10	(2)
6011-6170-73300 Surgical Packs & Sets	187	281	39	55	17	33	59	46	8	8	9	27	9
6011-6172-73300 Surgical Packs & Sets	39	114	39	0	0	0	50	0	28	4	0	0	0
6011-6178-73300 Surgical Packs & Sets	0	237	121	0	0	0	17	11	6	39	13	83	35
6011-6179-73300 Surgical Packs & Sets	0	(33)	0	0	3	0	0	0	0	0	0	0	0
6011-6560-73300 Surgical Packs & Sets	1,153	995	836	611	831	655	754	794	757	371	536	706	706
6011-6580-73300 Surgical Packs & Sets	0	83	0	0	0	0	0	0	0	0	0	0	17
6011-7010-73300 Surgical Packs & Sets	0	0	0	6	6	0	3	11	6	3	31	125	0
6011-7080-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	0	0	0	(22)	0
6011-7420-73300 Surgical Packs & Sets	7,872	6,579	2,485	7,810	4,250	5,242	4,709	4,885	3,584	5,944	5,912	1,794	1,794
6011-7420-73300 Surgical Packs & Sets	1,869	1,225	73	1,692	545	1,215	923	206	754	2,070	993	927	456
6011-7460-73300 Surgical Packs & Sets	22	0	0	283	0	0	0	0	203	18	0	0	0
6011-7470-73300 Surgical Packs & Sets	0	0	6	0	0								



Verity Healt Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
7300 PBDs:	29,617	26,595	17,765	29,893	26,633	26,894	26,401	34,592	9,843	27,786	24,124	26,522	23,495
Total 7300 Surgical Packs & Sets													
6011-7420-7301 PBDs	10,330	8,413	9,902	7,240	8,074	8,111	8,192	8,361	8,512	9,622	7,641	11,788	7,436
6011-7420-7301 PBDs	3,046	2,779	3,099	4,468	4,064	4,464	3,112	781	2,157	4,069	2,823	3,329	3,329
6011-7420-7301 PBDs	0	0	0	483	0	0	0	0	0	68	0	97	0
6011-7631-7301 PBDs	2,878	1,749	2,370	2,003	3,044	1,661	2,370	3,947	1,794	2,178	1,927	2,003	2,169
Total 7301 PBDs	16,253	12,941	15,370	14,893	15,987	14,267	13,715	13,989	13,296	15,937	12,591	17,489	12,855
73400 Surgical Supplies-General:													
6011-6010-73400 Surgical Supplies-General	849	259	559	(40)	528	415	813	3,581	2,744	6,138	2,454	1,850	2,733
6011-6030-73400 Surgical Supplies-General	0	0	0	0	0	0	4	2	0	0	0	0	0
6011-6070-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-6110-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	7	0	37	0	0
6011-6171-73400 Surgical Supplies-General	2	123	26	83	447	61	710	143	94	121	964	6	0
6011-6172-73400 Surgical Supplies-General	4	22	36	136	53	83	135	114	125	167	148	396	0
6011-6173-73400 Surgical Supplies-General	33	36	57	100	412	158	149	127	990	479	233	117	0
6011-6179-73400 Surgical Supplies-General	38	25	263	88	100	129	156	156	166	343	180	154	0
6011-6341-73400 Surgical Supplies-General	0	0	0	0	0	6	13	6	10	9	16	26	32
6011-6560-73400 Surgical Supplies-General	5,536	6,456	6,752	6,218	7,862	6,743	7,215	6,253	6,075	6,210	6,149	6,076	7,643
6011-6860-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	0	0	0	0	3
6011-7010-73400 Surgical Supplies-General	489	1,230	610	430	642	622	509	422	434	780	1,047	850	1,153
6011-7080-73400 Surgical Supplies-General	(761)	(3,762)	(64)	0	0	30	0	0	0	0	0	30	652
6011-7420-73400 Surgical Supplies-General	64,571	37,806	55,702	59,451	61,011	59,365	52,343	53,189	42,905	53,844	55,187	52,517	50,733
6011-7420-73400 Surgical Supplies-General	152	122	95	88	100	152	143	697	398	135	663	1,088	0
6011-7430-73400 Surgical Supplies-General	19,556	9,904	40,001	20,734	23,780	28,269	11,010	15,223	37,295	18,306	30,082	18,117	35,654
6011-7460-73400 Surgical Supplies-General	2,756	1,107	1,352	825	605	1,317	504	2,022	1,713	1,873	1,308	1,483	2,427
6011-7470-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	0	0	669	0	0
6011-7520-73400 Surgical Supplies-General	0	0	0	0	89	0	0	0	0	0	0	0	0
6011-7520-73400 Surgical Supplies-General	0	0	0	214	33	0	0	0	0	0	0	0	0
6011-7570-73400 Surgical Supplies-General	7,804	4,585	12,006	2,686	10,586	3,862	13,046	12,162	328	17,636	2,138	11,256	6,400
6011-7881-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	0	0	0	0	41
6011-7882-73400 Surgical Supplies-General	0	0	0	2	0	0	0	0	0	0	0	0	0
6011-7830-73400 Surgical Supplies-General	4	0	3,932	23	0	0	0	16	0	99	0	16	0
6011-7631-73400 Surgical Supplies-General	5,927	2,549	6,944	3,644	3,182	2,601	4,578	6,285	6,556	3,575	6,101	3,097	7,366
6011-7634-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	0	0	0	0	3
6011-7635-73400 Surgical Supplies-General	824	0	36	0	824	0	0	34	34	788	120	725	63
6011-7640-73400 Surgical Supplies-General	9	13	0	0	0	0	0	0	0	0	0	0	0
6011-7650-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7680-73400 Surgical Supplies-General	0	0	0	0	0	0	420	325	0	510	148	0	0
6011-7710-73400 Surgical Supplies-General	958	1,303	0	1,508	1,775	1,277	0	214	433	0	129	754	5184
6011-7740-73400 Surgical Supplies-General	236	367	0	395	600	763	672	1,012	1,012	900	100	205	0
6011-7760-73400 Surgical Supplies-General	13,738	4,993	16,428	5,814	18,055	13,240	8,402	12,643	(14,006)	7,552	9,301	4,004	2,547
6011-7881-73400 Surgical Supplies-General	0	0	0	0	4	0	27	3	18	0	0	0	17
6011-8385-73400 Surgical Supplies-General	0	0	0	0	51	158	(6)	66	0	0	50	50	0
6011-8660-73400 Surgical Supplies-General	0	0	0	0	0	0	0	6	0	0	0	12	0
Total 73400 Surgical Supplies-General	123,077	67,116	144,781	102,388	131,037	89,220	101,554	114,288	86,433	119,579	117,369	103,129	126,762
73401 SURGICAL SUPPLIES - CV:													
6011-6010-73401 SURGICAL SUPPLIES - CV	0	0	0	0	0	65	0	0	0	0	0	0	0
6011-7400-73401 SURGICAL SUPPLIES - CV	0	0	0	7,430	650	0	(8,080)	0	0	0	0	0	0
6011-7420-73401 SURGICAL SUPPLIES - CV	27,346	4,084	18,871	23,242	3,687	10,648	23,391	19,947	15,131	15,745	32,164	40,464	(5,144)
6011-7520-73401 SURGICAL SUPPLIES - CV	0	0	0	0	0	0	0	0	0	0	50,000	0	0
6011-7631-73401 SURGICAL SUPPLIES - CV	6,326	6,669	2,080	0	9,396	5,235	1,233	13,944	4,203	4,203	16,653	3,960	2,970
6011-7760-73401 SURGICAL SUPPLIES - CV	79	116	113	78	81	69	0	103	34	0	0	0	0
Total 73401 SURGICAL SUPPLIES - CV	33,751	10,889	21,069	30,760	13,814	16,017	16,612	33,891	19,437	19,982	88,817	84,424	(2,174)
73402 Perfusion/Cell Saver:													
6011-7420-73402 Perfusion/Cell Saver	11,707	10,661	7,685	12,069	8,205	2,679	10,186	6,708	2,774	2,811	7,856	12,213	2,033
6011-7570-73402 Perfusion/Cell Saver	0	0	0	2,419	0	0	0	0	0	0	0	0	0
Total 73402 Perfusion/Cell Saver	11,707	10,661	7,685	14,487	8,205	2,679	10,186	6,708	2,774	2,811	7,856	12,213	2,033
73403 Ortho Supplies:													
6011-6010-73403 Ortho Supplies	0	0	13	0	0	12	0	0	0	5	0	0	0
6011-6171-73403 Ortho Supplies	63	69	14	4	6	14	0	0	0	0	0	0	0
6011-6172-73403 Ortho Supplies	34	17	0	6	10	7	19	6	12	30	14	32	0
6011-6173-73403 Ortho Supplies	14	0	25	14	7	7	6	25	7	7	0	14	0
6011-6179-73403 Ortho Supplies	6	0	7	6	0	0	0	0	0	7	7	0	0
6011-6560-73403 Ortho Supplies	35	24	0	0	7	6	0	0	0	0	0	0	0
6011-6580-73403 Ortho Supplies	0	0	0	0	0	0	0	0	0	0	0	12	0
6011-7010-73403 Ortho Supplies	434	295	699	398	472	424	170	109	163	109	(35)	590	554
6011-7080-73403 Ortho Supplies	863	215	250	187	237	151	448	223	146	112	(28)	124	331
6011-7420-73403 Ortho Supplies	32,739	20,015	28,913	18,188	19,741	18,851	30,228	30,707	14,825	10,061	19,588	18,416	24,986
6011-7427-73403 Ortho Supplies	7	73	500	58	0	0	12	6	(900)	0	0	6	0
6011-7430-73403 Ortho Supplies	388	377	1,116	1,013	2	345	256	494	314	0	787	1,805	251
6011-7760-73403 Ortho Supplies	0	12	0	0	18	12	0	18	0	0	0	18	0
Total 73403 Ortho Supplies	34,283	21,090	31,496	19,875	20,533	19,737	30,843	31,611	15,944	9,865	29,473	25,817	25,127
73500 Anesthetic Materials:													
6011-6010-73500 Anesthetic Materials	1,547	9	11	29	794	444	941	352	5	614	77	321	51
6011-6030-73500 Anesthetic Materials	0	0	0	0	0	0	10	0	0	0	0	0	0
6011-6110-73500 Anesthetic Materials	0	0	0	0	0	0	0	0	0	1	0	0	0
6011-6171-73500 Anesthetic Materials	0	0	0	0	0	0	0	0	0	0	53	0	0
6011-6172-73500 Anesthetic Materials	0	0	0	14	0	0	0	0	0	2	0	0	0
6011-6179-73500 Anesthetic Materials	0	0	0	1	54	27	0	27	27	0	53	27	0
6011-6179-73500 Anesthetic Materials	3	0	0	0	0	0	0	0	0	13	80	3	0
6011-6560-73500 Anesthetic Materials	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7010-73500 Anesthetic Materials	0	0	0	465	5	1,177	1,020	1	76	37	162	165	0
6011-7420-73500 Anesthetic Materials	990	332	1,647	1,215	1,764	1,841	713	798	764	1,196	878	588	815
6011-7427-73500 Anesthetic Materials	1,409	1,182	1,204	1,240	1,314	1,351	800	1,365	1,182	1,226	1,020	1,409	1,218
6011-7430-73500 Anesthetic Materials	0	0	101	0	0	0	0	0	106	7	0	0	18
6011-7460-73500 Anesthetic Materials	3,058	3,058	1,969	2,507	2,507	2,840	2,840	2,850	2,850	4,233	2,810	2,810	2,810
6011-7630-73500 Anesthetic Materials	40	19	35	27	72	94	77	83	81	66	57	27	0
6011-7635-73500 Anesthetic Materials	0	0	50	0	0	0	0	0	0	0	0	0	0
6011-7631-73500 Anesthetic Materials	0	0	0	0	0	0	0	0	0	0	134	0	0
6011-7710-73500 Anesthetic Materials	0	0	0	0	54	107	27	27	53	53	53	27	0
6011-7720-73500 Anesthetic Materials	0	0	25	0	0	25	25	0	0	0	0	0	0
6011-8740-73500 Anesthetic Materials	0	0	0	0	27	0	0	0	0	0	0	0	0
Total 73500 Anesthetic Materials	7,087	5,239	6,574	4,890	6,780	8,942	6,707	6,979	4,380	7,487	5,708	5,146	4,621
73600 Oxygen & Other Medical Gases:													
6011-7420-73600 Oxygen & Other Medical Gases	11,905	7,321	10,082	9,514	12,672	10,431	13,415	15,527	4,153	18,268	2,129	2,500	19,697
6011-7520-73600 Oxygen & Other Medical Gases	139	210	319	28	0	0	1,162	984	504	1,880	0	1,240	0
6011-7720-73600 Oxygen & Other Medical Gases	11,060	7,321	25,444	9,514	12,479	10,431	13,516	15,527	4,153	1			



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-7636-73700 IV Solutions	31	0	0	0	25	0	0	45	0	0	93	39	0
6011-7660-73700 IV Solutions	0	2	0	0	0	0	0	0	0	0	0	0	0
6011-7660-73700 IV Solutions	997	0	302	264	0	95	135	230	11	0	85	0	252
6011-7660-73700 IV Solutions	68	0	0	135	0	0	0	27	0	68	0	213	0
6011-7710-73700 IV Solutions	16,442	13,944	16,579	14,673	21,985	13,926	18,640	22,517	18,803	18,162	20,633	12,098	16,143
6011-7720-73700 IV Solutions	156	688	64	407	148	95	119	37	167	119	3	136	42
6011-7740-73700 IV Solutions	1,377	1,271	1,178	902	1,191	1,378	1,375	1,779	936	1,330	1,143	910	1,102
6011-7760-73700 IV Solutions	743	667	899	807	978	786	555	501	429	685	717	516	527
6011-7774-73700 IV Solutions	0	0	0	0	0	0	0	0	20	0	0	0	0
6011-7860-73700 IV Solutions	812	688	709	788	697	656	785	346	449	702	448	840	840
6011-8325-73700 IV Solutions	7	10	0	0	0	3	0	4	0	0	0	3	7
6011-8465-73700 IV Solutions	0	59	8	0	0	0	0	0	0	10	6	12	0
6011-8660-73700 IV Solutions	0	0	0	0	0	0	0	13	33	0	35	32	63
6011-8740-73700 IV Solutions	0	0	0	0	0	0	0	0	6	0	0	0	0
Total: 73700 IV Solutions	47,309	39,393	43,029	43,438	52,842	41,178	46,668	52,957	47,657	49,209	49,237	40,447	41,958
73800 Pharmaceuticals:													
6011-7010-73800 Pharmaceuticals	0	0	170	0	0	0	0	0	0	0	0	0	0
6011-7430-73800 Pharmaceuticals	1,403	708	1,011	0	2,311	1,406	3,867	1,789	3,163	2,110	3,082	2,008	1,961
6011-7710-73800 Pharmaceuticals	487,321	348,299	404,586	407,948	341,283	428,264	336,777	528,424	464,179	326,938	523,828	573,010	718,441
6011-7881-73800 Pharmaceuticals	198,378	245,913	251,623	365,475	248,882	262,642	208,599	(163,838)	0	270,183	0	0	0
6011-8340-73800 Pharmaceuticals	179	121	161	137	113	113	0	0	0	0	0	0	0
Total: 73800 Pharmaceuticals	687,280	695,041	697,550	773,561	692,599	695,425	547,243	366,375	497,342	699,231	626,910	575,018	720,402
73802 Contrast Media Non-Ionic:													
6011-7570-73802 Contrast Media Non-Ionic	8,778	5,016	8,766	5,991	6,610	7,759	7,769	22,382	(12,962)	5,095	9,472	6,772	2,446
6011-7620-73802 Contrast Media Non-Ionic	0	0	407	0	0	0	0	0	0	0	0	0	0
6011-7630-73802 Contrast Media Non-Ionic	27,711	7,150	6,164	8,973	3,763	7,445	197	14,845	4,847	7,279	28,372	9,074	(4,246)
6011-7740-73802 Contrast Media Non-Ionic	3,304	1,309	20,141	1,007	2,094	11,676	19,987	(31,436)	2,899	2,899	1,369	4,879	0
6011-7710-73802 Contrast Media Non-Ionic	0	0	0	0	0	0	1,054	0	0	0	0	45	2,188
Total: 73802 Contrast Media Non-Ionic	45,289	13,684	35,479	15,971	12,468	16,783	13,263	56,815	(39,549)	14,438	40,543	17,239	(4,489)
73900 Radioactive Materials:													
6011-7300-73900 Radioactive Materials	0	0	0	0	0	0	0	0	0	0	0	80	0
6011-7630-73900 Radioactive Materials	0	0	0	0	0	535	0	0	0	0	0	0	0
6011-7640-73900 Radioactive Materials	11,305	16,047	17,888	19,367	14,647	11,832	(30,740)	33,483	40,896	(60,035)	1,614	16,609	17,772
6011-7650-73900 Radioactive Materials	29,124	30,380	16,567	17,417	21,672	27,267	23,373	23,972	22,426	31,278	16,510	17,754	32,868
Total: 73900 Radioactive Materials	40,429	46,427	35,555	36,784	36,319	39,635	(7,366)	57,454	63,121	(28,758)	20,126	33,443	50,679
74000 Radiology Films:													
6011-7570-74000 Radiology Films	201	0	0	218	0	322	0	114	0	0	1,239	0	0
6011-7630-74000 Radiology Films	0	0	495	43	0	0	495	43	0	0	0	0	837
Total: 74000 Radiology Films	201	0	495	261	0	322	495	157	0	0	1,239	0	837
74100 Other Medical Care Materials & Supplies:													
6011-6010-74100 Other Medical Care Materials & Supplies	33,870	16,677	24,392	25,854	31,617	29,741	27,934	42,827	27,103	26,093	30,622	27,714	25,966
6011-6020-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	4,053	3,160	0	0	0	0	0
6011-6050-74100 Other Medical Care Materials & Supplies	0	93	0	0	0	0	0	0	0	0	0	0	0
6011-6110-74100 Other Medical Care Materials & Supplies	0	0	117	51	0	0	141	44	77	93	22	66	0
6011-6170-74100 Other Medical Care Materials & Supplies	25	0	0	0	4	0	0	14	0	136	0	0	0
6011-6171-74100 Other Medical Care Materials & Supplies	13,244	9,716	10,819	11,456	10,274	14,242	15,702	15,702	12,955	11,477	1,679	1,771	0
6011-6172-74100 Other Medical Care Materials & Supplies	7,009	9,145	9,232	6,913	7,341	7,968	11,693	13,154	10,691	10,442	11,609	9,947	0
6011-6178-74100 Other Medical Care Materials & Supplies	12,188	11,711	11,526	13,955	14,654	12,457	15,583	21,089	12,509	15,807	12,691	17,284	13,449
6011-6179-74100 Other Medical Care Materials & Supplies	11,830	8,725	12,023	11,491	13,411	10,922	12,829	15,283	14,715	14,359	14,824	15,506	11,789
6011-6210-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	997	267	834	979	791	849	1,023	1,897
6011-6421-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	(51)	0	0	0	0
6011-6560-74100 Other Medical Care Materials & Supplies	31,851	30,615	32,985	29,390	31,718	30,214	30,369	31,055	25,316	29,576	29,100	32,309	32,923
6011-6580-74100 Other Medical Care Materials & Supplies	434	1,359	329	244	0	81	26	101	3	46	0	1,628	1,198
6011-7010-74100 Other Medical Care Materials & Supplies	22,574	26,528	23,662	22,445	23,563	19,384	27,815	35,402	21,790	21,162	26,760	28,817	25,028
6011-7070-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	0	0	60	0	0
6011-7072-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	0	0	0	28	0
6011-7080-74100 Other Medical Care Materials & Supplies	10,816	3,652	21,658	5,504	2,690	5,381	5,600	7,456	6,707	5,692	5,427	11,278	11,507
6011-7220-74100 Other Medical Care Materials & Supplies	0	0	0	4,725	428	0	0	0	0	0	0	8	0
6011-7420-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	28	0	0	0	0	0	0	0
6011-7425-74100 Other Medical Care Materials & Supplies	45,896	51,839	40,047	40,112	38,443	35,666	26,089	36,732	38,301	38,580	40,781	21,329	32,015
6011-7427-74100 Other Medical Care Materials & Supplies	7,246	5,448	7,452	5,527	6,271	5,947	5,956	6,036	7,610	9,010	8,195	7,110	0
6011-7430-74100 Other Medical Care Materials & Supplies	7,841	3,261	7,498	8,832	6,448	6,035	5,127	1,970	4,599	6,825	4,917	6,032	7,529
6011-7435-74100 Other Medical Care Materials & Supplies	5,752	4,264	5,850	3,864	4,382	4,127	3,282	3,229	3,745	4,146	4,146	3,273	0
6011-7470-74100 Other Medical Care Materials & Supplies	1,835	1,388	5,631	3,394	2,425	2,500	3,588	2,280	1,951	1,206	1,770	3,076	3,985
6011-7500-74100 Other Medical Care Materials & Supplies	7,970	7,391	5,840	4,919	2,229	3,992	2,964	8,614	2,396	5,469	3,167	5,619	0
6011-7520-74100 Other Medical Care Materials & Supplies	1,101	679	1,087	987	74	371	1,106	409	162	1,701	918	2,440	796
6011-7570-74100 Other Medical Care Materials & Supplies	480	0	417	0	0	19	16	19	228	1,222	0	0	0
6011-7575-74100 Other Medical Care Materials & Supplies	27,255	28,735	35,623	16,025	43,015	21,260	13,980	15,768	11,523	19,758	31,538	23,805	20,483
6011-7591-74100 Other Medical Care Materials & Supplies	123	267	166	104	0	121	82	28	17	392	16	72	162
6011-7592-74100 Other Medical Care Materials & Supplies	0	0	35	0	0	0	0	0	0	0	0	0	0
6011-7593-74100 Other Medical Care Materials & Supplies	456	0	11	0	0	160	0	1,707	17	81	0	0	0
6011-7620-74100 Other Medical Care Materials & Supplies	4,150	3,263	1,361	1,793	8,187	2,951	1,817	1,763	3,210	736	2,182	1,471	1,161
6011-7631-74100 Other Medical Care Materials & Supplies	12,844	10,151	8,081	15,335	4,270	11,436	12,360	15,988	14,772	9,631	9,464	9,103	7,338
6011-7634-74100 Other Medical Care Materials & Supplies	1,560	1,048	2,872	890	490	736	845	272	7,280	5,096	996	1,288	693
6011-7635-74100 Other Medical Care Materials & Supplies	5,919	5,045	953	7,139	6,333	2,241	4,221	9,487	4,557	10,918	8,986	5,596	6,995
6011-7640-74100 Other Medical Care Materials & Supplies	183	365	209	21	750	36	300	169	131	434	6	437	105
6011-7650-74100 Other Medical Care Materials & Supplies	1,618	283	168	1,299	32	787	942	151	1,005	1,428	149	1,014	0
6011-7680-74100 Other Medical Care Materials & Supplies	868	0	880	566	798	756	274	426	513	694	(3)	812	712
6011-7710-74100 Other Medical Care Materials & Supplies	6,445	7,753	7,116	7,319	5,321	6,888	5,325	10,273	7,568	3,036	4,320	3,298	9,519
6011-7720-74100 Other Medical Care Materials & Supplies	9,455	7,589	4,875	6,260	8,172	7,650	6,120	11,680	9,891	8,250	8,950	7,891	7,891
6011-7740-74100 Other Medical Care Materials & Supplies	4,476	1,150	1,180	0	0	1,096	0	656	86	1,361	1,058	0	0
6011-7745-74100 Other Medical Care Materials & Supplies	8,899	3,720	3,690	2,475	4,539	4,448	3,822	5,688	4,109	3,527	1,686	12,343	3,321
6011-7750-74100 Other Medical Care Materials & Supplies	6,007	14,764	17,228	11,298	11,298	10,042	7,830	10,205	11,182	6,088	10,706	7,996	11,688
6011-7755-74100 Other Medical Care Materials & Supplies	0	0	0	305	126	0	0	0	0	391	0	0	0
6011-7774-74100 Other Medical Care Materials & Supplies	0	0	0	43	0	0	0	0	0	0	0	0	0
6011-7780-74100 Other Medical Care Materials & Supplies	0	0	0	159	18	0	0	0	0	0	0	0	0
6011-7790-74100 Other Medical Care Materials & Supplies	0	0	0	525	0	0	0	172	0	406	247	24	0
6011-7810-74100 Other Medical Care Materials & Supplies	20	0	0	11	0	0	0	15	0	15	0	0	0
6011-7815-74100 Other Medical Care Materials & Supplies	2,046	2,119	2,408	2,577	2,170	1,867	2,325	2,128	1,832	1,735	2,004	2,101	2,766



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-7470-74101 Syringes	63	29	52	1		17	18	34	(116)	48	130	94	54
6011-7500-74101 Syringes	841	1,088	621	598	1,695	1,577	274	463	252	224	158	172	1,072
6011-7520-74101 Syringes	0	0	0	0	0	0	0	0	0	138	0	0	0
6011-7570-74101 Syringes	19	43	19	7	129	1	37	103	69	93	85	143	109
6011-7630-74101 Syringes	43	4	12	120	48	55	(17)	31	29	18	0	30	119
6011-7621-74101 Syringes	19	0	4	245	0	0	0	32	544	7	7	446	0
6011-7634-74101 Syringes	31	0	0	0	0	15	0	15	0	30	0	0	15
6011-7636-74101 Syringes	271	24	14	0	0	0	34	0	18	0	36	0	3
6011-7640-74101 Syringes	0	0	0	14	0	0	0	0	0	0	0	0	15
6011-7650-74101 Syringes	17	17	140	38	0	14	0	131	0	14	136	17	0
6011-7660-74101 Syringes	4,068	1,963	3,829	1,817	3,692	1,508	3,355	3,955	1,578	3,597	3,962	2,571	2,958
6011-7710-74101 Syringes	688	249	156	277	364	615	344	300	252	185	176	585	258
6011-7720-74101 Syringes	120	175	130	110	158	20	249	230	0	350	168	0	120
6011-7740-74101 Syringes	25	19	11	35	98	26	353	129	40	37	51	86	0
6011-7760-74101 Syringes	123	11	46	253	39	120	4	18	180	20	127	7	0
6011-7881-74101 Syringes	4	47	0	8	44	(8)	0	0	10	22	4	9	206
6011-8385-74101 Syringes	0	0	0	0	0	0	0	0	3	0	0	0	0
6011-8660-74101 Syringes	0	0	0	176	72	83	0	11	0	0	15	21	0
6011-8740-74101 Syringes	0	0	0	0	15	0	0	0	0	0	0	0	0
Total 74101 Syringes	12,474	8,927	11,806	9,370	13,099	10,822	10,621	13,977	8,796	12,613	10,906	11,804	11,227
74102 Gloves:													
6011-6010-74102 Gloves	1,619	1,050	1,133	1,838	1,457	1,626	1,441	1,662	1,396	1,599	1,230	1,473	905
6011-6030-74102 Gloves	0	0	0	0	0	0	13	27	0	0	0	0	0
6011-6117-74102 Gloves	2,238	1,748	1,754	2,155	1,574	1,362	1,970	2,305	1,627	1,637	1,095	110	0
6011-7020-74102 Gloves	290	1,264	1,263	1,263	1,263	1,119	1,267	1,422	1,422	1,422	1,598	0	0
6011-6178-74102 Gloves	1,607	1,517	1,606	1,598	1,693	1,938	1,868	1,835	1,835	1,835	1,140	1,723	1,613
6011-6179-74102 Gloves	1,918	1,526	1,763	2,486	1,785	1,928	2,042	2,484	1,790	2,336	1,437	2,186	1,590
6011-6344-74102 Gloves	0	0	0	0	0	144	0	138	285	304	396	369	369
6011-6347-74102 Gloves	3,842	3,662	4,040	3,726	3,726	3,110	3,110	3,036	2,898	2,898	2,636	3,320	0
6011-6980-74102 Gloves	0	508	35	0	0	0	0	0	0	0	37	200	74
6011-7010-74102 Gloves	1,779	1,511	1,573	1,343	1,089	1,137	1,195	1,396	1,114	1,230	1,001	1,080	1,273
6011-7070-74102 Gloves	0	0	0	0	0	0	0	0	0	0	0	28	0
6011-7080-74102 Gloves	598	189	373	361	592	0	843	462	0	0	0	738	882
6011-7420-74102 Gloves	2,547	1,958	2,523	1,870	1,984	2,205	2,445	2,209	1,478	2,049	3,021	2,327	1,901
6011-7427-74102 Gloves	159	145	183	221	212	248	131	215	149	202	276	156	135
6011-7430-74102 Gloves	610	307	649	371	451	544	160	543	586	220	351	520	620
6011-7450-74102 Gloves	267	269	218	363	414	325	230	304	248	147	212	340	249
6011-7457-74102 Gloves	48	37	15	64	92	54	64	15	132	38	165	129	0
6011-7500-74102 Gloves	1,371	1,314	1,277	1,237	660	1,053	808	828	747	727	747	745	682
6011-7520-74102 Gloves	48	0	0	0	48	0	0	0	0	0	0	0	0
6011-7550-74102 Gloves	56	0	37	194	0	0	0	0	0	0	0	186	0
6011-7570-74102 Gloves	654	398	467	467	638	776	619	1,148	288	822	743	1,357	568
6011-7630-74102 Gloves	422	365	364	425	736	184	552	324	276	147	510	460	1,987
6011-7631-74102 Gloves	796	358	895	905	514	380	514	1,067	556	522	727	750	484
6011-7634-74102 Gloves	61	19	101	0	0	184	0	0	96	55	83	37	0
6011-7636-74102 Gloves	144	0	159	88	140	140	0	192	192	361	351	235	381
6011-7645-74102 Gloves	0	0	112	184	0	92	0	276	0	0	92	0	0
6011-7650-74102 Gloves	47	151	20	368	0	0	184	0	0	184	0	0	240
6011-7680-74102 Gloves	0	0	0	0	0	0	0	0	0	0	0	0	96
6011-7710-74102 Gloves	99	27	231	231	237	131	242	259	46	490	46	294	0
6011-7720-74102 Gloves	9	51	8	28	35	0	10	18	0	37	92	18	0
6011-7740-74102 Gloves	137	188	156	92	83	110	83	129	74	129	248	83	74
6011-7760-74102 Gloves	866	783	548	922	705	694	196	553	137	793	678	273	101
6011-7810-74102 Gloves	0	4	16	0	0	0	0	0	0	0	0	0	0
6011-7881-74102 Gloves	192	125	297	121	219	165	52	117	121	114	141	244	217
6011-8310-74102 Gloves	0	38	0	0	0	0	55	0	0	0	0	0	0
6011-8340-74102 Gloves	410	496	275	701	204	368	368	460	276	460	276	276	489
6011-8350-74102 Gloves	0	0	0	0	0	0	0	0	9	0	0	9	0
6011-8385-74102 Gloves	225	188	346	212	330	204	190	192	174	128	165	98	206
6011-8400-74102 Gloves	0	0	0	0	0	0	0	0	0	2	0	0	0
6011-8420-74102 Gloves	32	26	0	92	62	0	0	83	0	27	0	0	0
6011-8450-74102 Gloves	63	99	105	134	27	92	9	55	55	28	552	(950)	257
6011-8460-74102 Gloves	21	0	18	18	28	18	0	0	0	0	0	0	0
6011-8465-74102 Gloves	0	0	0	0	18	74	0	0	0	0	0	37	0
6011-8470-74102 Gloves	0	5	4	0	0	0	0	9	9	0	9	0	0
6011-8480-74102 Gloves	4	0	0	0	0	0	0	0	0	0	0	0	0
6011-8490-74102 Gloves	654	0	6,283	0	0	0	151	0	0	0	0	0	0
6011-8550-74102 Gloves	7	0	0	0	0	0	81	0	0	0	0	0	0
6011-8610-74102 Gloves	0	0	0	0	18	0	0	0	0	0	0	0	0
6011-8650-74102 Gloves	0	0	18	37	0	0	18	0	285	28	0	28	0
6011-8700-74102 Gloves	0	0	0	33	0	0	0	0	0	0	0	0	0
6011-8740-74102 Gloves	0	0	0	0	0	0	0	0	0	0	9	0	0
6011-8751-74102 Gloves	0	0	0	0	0	0	0	0	0	0	9	0	0
6011-9601-74102 Gloves	0	0	0	0	0	0	0	2	(2)	0	0	0	0
Total 74102 Gloves	24,028	29,256	22,300	26,240	21,027	20,999	19,965	24,440	18,300	20,451	19,874	21,048	19,517
74103 Angio/Diagnostic Cath:													
6011-6010-74103 Angio/Diagnostic Cath	32	830	0	30	0	2,400	0	0	0	194	0	0	209
6011-7010-74103 Angio/Diagnostic Cath	0	157	393	0	0	0	0	0	0	0	0	0	0
6011-7420-74103 Angio/Diagnostic Cath	194	0	0	0	0	0	0	0	0	0	0	0	0
6011-7570-74103 Angio/Diagnostic Cath	5,089	4,079	5,947	19,812	4,368	6,582	6,015	3,153	1,933	7,749	11,375	6,699	10,200
6011-7620-74103 Angio/Diagnostic Cath	458	0	1,772	0	0	0	0	0	0	0	0	0	0
6011-7621-74103 Angio/Diagnostic Cath	17,152	11,840	6,283	6,827	12,033	9,143	12,120	28,286	11,133	3,331	10,298	11,056	6,385
6011-7634-74103 Angio/Diagnostic Cath	0	0	0	0	0	0	0	261	0	0	523	0	0
6011-7760-74103 Angio/Diagnostic Cath	0	0	9,800	858	0	0	4,800	5,768	0	0	2,664	0	0
Total 74103 Angio/Diagnostic Cath	22,935	18,750	26,195	28,241	16,401	18,125	23,035	37,458	13,401	11,274	24,860	17,892	17,106
74104 Guidewires:													
6011-7420-74104 Guidewires	10	342	280	378	395	1,226	302	2,648	470	554	2,736	130	828
6011-7430-74104 Guidewires	0	166	0	0	0	0	0	0	0	0	0	0	0
6011-7570-74104 Guidewires	30,631	50,980	13,026	37,796	7,341	47,740	37,511	42,597	7,506	30,441	19,425	46,576	32,045
6011-7630-74104 Guidewires	0	0	1,066	0	0	0	0	0	0	0	727	64	0
6011-7631-74104 Guidewires	7,893	11,593	6,231	4,221	7,752	10,659	11,035	3,343	7,343	2,050	1,865	10,527	2,627
6011-7760-74104 Guidewires	594	5,039	2,484	4,544	13,054	0	5,912	4,613	1,243	5,244	4,143	4,345	31
Total 74104 Guidewires	39,432	68,125	23,113	47,229	25,092	60,235	52,760	53,201	16,582	38,289	28,170	62,275	35,595
74105 Sheath Sets/Dilators:													
6011-7570-74105 Sheath Sets/Dilators	12,712	14,102	7,086	8,340	11,883	6,187	4,071	8,258	1,100	2,380	5,121	2,418	13,458
6011-7630-74105 Sheath Sets/Dilators	0	0	121	54	17	0	0	0	0	0	232	20	0
6011-7631-74105 Sheath Sets/Dilators	732	331	70	1,378	1,054	2,260	400	1,938	656	658	713		



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-8400-74110 Vascular Interventions	0	0	0	0	0	0	0	0	0	43	43	0	0
6011-8601-74110 Vascular Interventions	0	0	0	0	0	0	0	0	43	(43)	0	0	0
Total: 74110 Vascular Interventions	329	3,933	14,209	10,103	3,792	3,166	11,896	2,359	1,886	3,912	4,812	4,146	2,182
74111 Flow Directed Catheters:													
6011-6010-74111 Flow Directed Catheters	790	0	0	0	0	0	0	0	0	0	505	0	0
6011-6178-74111 Flow Directed Catheters	0	110	0	0	0	0	0	0	0	0	0	0	0
6011-7420-74111 Flow Directed Catheters	0	0	285	0	0	(308)	0	0	0	0	0	0	0
6011-7570-74111 Flow Directed Catheters	0	0	92	189	274	23	195	279	27	265	550	285	954
6011-7620-74111 Flow Directed Catheters	0	0	(1,315)	0	0	878	0	0	0	0	550	0	0
6011-7631-74111 Flow Directed Catheters	0	0	2,358	1,345	2,743	570	0	1,865	2,262	1,425	1,127	1,607	(570)
Total: 74111 Flow Directed Catheters	790	110	3,389	1,454	3,017	1,163	195	2,144	2,289	1,690	3,002	1,892	384
74113 Guiding Catheters:													
6011-7570-74113 Guiding Catheters	10,727	4,744	6,433	6,819	9,633	7,603	5,692	11,989	(1,839)	19,258	5,478	4,202	8,384
6011-7631-74113 Guiding Catheters	0	0	0	0	0	0	0	0	0	0	15	121	0
Total: 74113 Guiding Catheters	10,727	4,744	6,433	6,819	9,633	7,603	5,692	11,989	(1,839)	19,258	5,493	4,323	8,384
74114 PTCA Accessories:													
6011-7580-74114 PTCA Accessories	138	0	1,576	550	2,104	0	0	1,793	0	0	1,576	595	1,576
6011-7570-74114 PTCA Accessories	2,884	207	1,952	1,544	1,705	141	2,332	355	734	1,369	141	1,139	1,206
6011-7631-74114 PTCA Accessories	381	1,293	303	631	(128)	163	508	2,432	272	24	0	220	1,166
Total: 74114 PTCA Accessories	3,404	1,499	3,871	2,726	3,682	304	2,830	4,579	1,026	1,393	1,717	1,955	3,947
74116 Ultrasound Catheters:													
6011-7570-74116 Ultrasound Catheters	124	3,793	5,325	19,713	5,356	11,867	6,355	16,963	(1,196)	0	4,622	0	(2,840)
Total: 74116 Ultrasound Catheters	124	3,793	5,325	19,713	5,356	11,867	6,355	16,963	(1,196)	0	4,622	0	(2,840)
74117 Coronary Guidewires:													
6011-6010-74117 Coronary Guidewires	84	0	182	187	33	209	42	92	121	125	84	0	33
6011-7010-74117 Coronary Guidewires	0	0	84	0	0	0	0	0	0	0	0	0	0
6011-7420-74117 Coronary Guidewires	150	51	0	193	25	92	109	59	109	84	59	100	25
6011-7450-74117 Coronary Guidewires	75	142	100	95	176	117	42	59	67	59	92	17	80
6011-7570-74117 Coronary Guidewires	4,814	3,095	4,418	763	5,136	3,405	4,044	431	3,033	2,962	2,029	5,489	4,475
6011-7631-74117 Coronary Guidewires	0	0	0	0	0	1,005	374	3,455	284	5	821	813	0
Total: 74117 Coronary Guidewires	5,123	3,288	4,794	1,219	5,370	4,830	4,610	4,046	3,613	3,235	2,785	6,419	4,593
74118 Rotablaters:													
6011-7570-74118 Rotablaters	0	95	0	3,258	0	0	1,454	0	128	0	0	0	2,140
Total: 74118 Rotablaters	0	95	0	3,258	0	0	1,454	0	128	0	0	0	2,140
74119 Chemistry Solutions:													
6011-6010-74119 Chemistry Solutions	0	0	0	22	4	22	22	65	86	0	43	28	87
6011-6030-74119 Chemistry Solutions	0	0	0	0	0	0	0	4	0	0	0	0	0
6011-6170-74119 Chemistry Solutions	0	0	0	0	43	0	0	0	22	0	0	0	0
6011-6171-74119 Chemistry Solutions	0	0	0	42	38	31	54	58	18	2	13	0	0
6011-6172-74119 Chemistry Solutions	0	0	0	28	2	4	24	37	13	0	0	6	0
6011-6178-74119 Chemistry Solutions	0	0	0	24	49	15	49	45	17	4	0	0	11
6011-6179-74119 Chemistry Solutions	0	0	0	28	34	45	39	41	6	0	6	9	0
6011-6580-74119 Chemistry Solutions	0	0	0	0	0	0	0	0	0	0	0	3	0
6011-7010-74119 Chemistry Solutions	0	0	0	660	420	431	502	595	509	606	512	651	518
6011-7420-74119 Chemistry Solutions	0	0	0	0	0	0	0	0	0	0	0	0	4
6011-7470-74119 Chemistry Solutions	0	0	0	1	3	0	0	0	0	0	0	0	0
6011-7500-74119 Chemistry Solutions	57,271	49,805	40,226	29,100	59,336	54,563	48,551	83,162	60,087	59,485	35,624	33,289	76,221
6011-7520-74119 Chemistry Solutions	0	0	0	0	0	0	0	0	0	20	0	0	0
6011-7570-74119 Chemistry Solutions	0	4,012	457	0	0	0	4,012	455	0	0	0	4,012	0
6011-7740-74119 Chemistry Solutions	0	0	0	22	22	0	0	0	0	0	0	0	11
6011-7881-74119 Chemistry Solutions	0	0	0	0	0	0	0	0	0	0	0	0	36
Total: 74119 Chemistry Solutions	57,271	52,917	40,683	29,924	60,130	55,111	53,253	84,451	60,738	60,097	36,192	37,897	78,895
74120 Hematology:													
6011-7080-74120 Hematology	0	0	0	0	0	177	71	0	0	0	0	0	0
6011-7420-74120 Hematology	72	0	300	0	0	0	66	0	150	42	640	105	105
6011-7500-74120 Hematology	22,886	20,426	27,018	20,331	33,345	15,597	11,823	36,685	31,065	30,977	16,140	31,193	22,847
6011-7520-74120 Hematology	76	7	83	296	131	0	83	0	80	7	0	87	0
Total: 74120 Hematology	23,135	20,433	27,401	20,627	33,475	15,773	11,959	36,768	31,065	31,208	16,189	31,832	23,040
74122 Urinalysis:													
6011-7500-74122 Urinalysis	218	0	0	0	0	0	0	0	0	34	0	34	88
Total: 74122 Urinalysis	218	0	0	0	0	0	0	0	0	34	0	34	88
74123 Microbiology:													
6011-6010-74123 Microbiology	22	15	22	9	103	0	148	84	26	259	55	50	50
6011-6171-74123 Microbiology	11	11	11	4	0	0	0	0	0	0	0	0	0
6011-6172-74123 Microbiology	11	11	7	4	0	0	0	0	0	0	9	0	9
6011-6178-74123 Microbiology	15	15	19	17	0	0	0	0	0	9	0	13	0
6011-6179-74123 Microbiology	11	7	15	12	0	0	0	0	0	4	9	13	9
6011-6580-74123 Microbiology	0	4	0	0	0	0	0	0	0	0	0	0	0
6011-6590-74123 Microbiology	26	0	0	0	0	0	0	0	0	0	4	0	0
6011-7010-74123 Microbiology	2,743	2,246	2,279	2,431	2,384	2,022	2,792	3,672	2,832	2,856	3,318	3,024	2,436
6011-7080-74123 Microbiology	11	0	0	13	0	0	0	0	0	0	0	0	0
6011-7420-74123 Microbiology	11	4	7	4	0	0	0	0	0	13	4	4	4
6011-7427-74123 Microbiology	4	15	11	4	0	0	0	0	0	4	9	0	0
6011-7430-74123 Microbiology	0	4	0	0	0	0	0	0	0	0	0	0	0
6011-7500-74123 Microbiology	23,340	24,499	12,578	19,447	27,582	12,695	36,762	53,747	24,063	22,032	11,894	10,371	7,965
6011-7520-74123 Microbiology	0	282	0	0	0	84	73	59	0	0	0	62	0
6011-7630-74123 Microbiology	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7720-74123 Microbiology	4	4	0	7	0	0	0	0	0	0	0	0	0
6011-7740-74123 Microbiology	4	27	30	31	25	79	0	31	26	65	87	4	0
6011-7780-74123 Microbiology	0	7	7	0	0	0	0	0	0	0	4	0	0
6011-7881-74123 Microbiology	0	4	4	4	0	0	0	0	0	0	4	0	0
6011-8660-74123 Microbiology	4	4	0	0	0	0	0	0	0	0	0	0	0
Total: 74123 Microbiology	26,216	27,154	14,994	21,995	30,095	14,859	39,766	57,563	27,923	24,962	15,590	13,581	10,608
74124 Phebotomy:													
6011-6010-74124 Phebotomy	140	0	7	42	90	18	75	66	130	127	31	24	95
6011-6110-74124 Phebotomy	0	0	0	0	8	0	0	0	0	0	0	0	0
6011-6171-74124 Phebotomy	6	0	25	18	89	18	22	0	24	0	0	0	0
6011-6172-74124 Phebotomy	0	0	0	0	0	0	0	18	0	0	0	0	0
6011-6178-74124 Phebotomy	0	0	25	0	0	0	30	0	0	0	0	0	0
6011-6179-74124 Phebotomy	0	0	0	19	0	0	0	24	0	0	0	0	0
6011-6580-74124 Phebotomy	0	0	0	0	0	0	0	0	0	0	(6)	26	0
6011-6590-74124 Phebotomy	25	0	0	0	0	0	0	0	0	0	0	0	0
6011-7010-74124 Phebotomy	1,333	1,262	1,289	1,312	1,211	1,130	1,007	1,474	723	1,456	1,170	1,514	1,389
6011-7080-74124 Phebotomy	25	0	0	0	0	0	0	0	18	0	6	0	0
6011-7420-74124 Phebotomy	32	0	0	0	0	32	0	0	0	0	0	0	0
6011-7427-74124 Phebotomy	32	15	34	0	18	6	0	7	72	0	0	0	0
6011-7500-74124 Phebotomy	5,323	3,414	3,081	1,764	2,194	2,375	2,132	2,319	1,956	2,776	3,351	2,212	2,337
6011-7634-74124 Phebotomy	126	0	0	0	0	0	0	0	0	0	0	0	0
6011-7710-74124 Phebotomy	0	0	0	0	0	6	0	0	0	0	0	0	0
6011-7740-74124 Phebotomy	25	19	6	36	6	3	24	24	51	40	9	24	27
6011-7881-74124 Phebotomy	6	6	61	6	0	0	0	13	0	0	7	0	0
6011-8660-74124 Phebotomy	0	0	0	0	0	0	0	0	33	0	15	0	0
Total: 74124 Phebotomy	7,041	4,709	4,479	3,187	3,616	3,485	3,331						



Verity Healt Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-7300-74150 Blood Supplies	1,179	358	249	3,329	2,372	2,521	5,957	3,385	688	963	2,071	1,952	1,648
6011-7360-74150 Blood Supplies	40,713	37,379	40,489	13,184	18,503	19,515	24,890	32,084	39,659	27,369	19,400	19,874	3,026
Total: 74150 Blood Supplies	41,892	37,738	40,738	16,513	20,876	22,036	30,847	35,470	40,348	28,332	21,471	21,826	4,674
74151 Blood Processing:													
6011-7300-74151 Blood Processing	201	5	0	0	0	0	0	0	0	0	0	0	0
6011-7360-74151 Blood Processing	8,919	7,944	9,404	8,459	9,805	14,743	10,243	10,021	(1,382)	13,734	10,261	16,778	14,047
Total: 74151 Blood Processing	9,120	7,949	9,404	8,459	9,805	14,743	10,243	10,021	(1,382)	13,734	10,261	16,778	14,047
74160 IV Sets andSupplies:													
6011-6010-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	0	0	0	0	47	0
6011-6172-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	0	0	0	0	47	0
6011-6173-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	0	0	0	0	47	0
6011-6179-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	0	0	0	0	47	0
6011-7010-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	0	0	0	0	47	0
6011-7420-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	46	6	0	0	0	0
6011-7430-74160 IV SETS AND SUPPLIES	90	49	95	90	49	153	97	58	97	55	101	48	0
6011-7370-74160 IV SETS AND SUPPLIES	101	0	0	0	0	151	0	0	52	0	0	0	0
6011-7650-74160 IV SETS AND SUPPLIES	150	150	90	196	(32)	0	0	0	0	0	0	51	83
6011-7710-74160 IV SETS AND SUPPLIES	0	0	71	0	0	0	0	0	0	0	0	0	0
Total: 74160 IV Sets andSupplies	301	199	256	246	17	153	247	58	143	113	101	388	131
74195 Inventory Adjustments:													
6011-7420-74195 INVENTORY ADJUSTMENTS	(79,561)	0	0	0	0	0	0	0	0	0	0	0	(37,478)
6011-7470-74195 INVENTORY ADJUSTMENTS	146,855	27,470	24,340	14,508	18,916	27,016	22,213	28,763	16,172	20,555	16,088	19,206	55,982
6011-7370-74195 INVENTORY ADJUSTMENTS	(248,300)	0	0	0	0	0	0	0	0	0	0	0	54,724
6011-7360-74195 INVENTORY ADJUSTMENTS	53,780	0	0	0	0	0	0	0	0	0	0	0	54,547
6011-7320-74195 INVENTORY ADJUSTMENTS	7,309	0	0	0	0	0	0	0	0	0	0	0	(26,817)
6011-8400-74195 INVENTORY ADJUSTMENTS	56,773	(5,056)	(1,745)	1,446	929	(192)	5,311	901	(1,106)	(625)	68,680	11,350	15,886
Total: 74195 Inventory Adjustments	(81,150)	22,414	22,695	16,373	19,845	26,865	27,823	29,664	15,035	19,929	84,768	30,556	116,844
74200 FoodMeats Fish Poultry:													
6011-8340-74200 Food-Meats Fish Poultry	22,849	24,678	22,685	12,591	24,686	23,959	24,343	26,123	21,308	21,063	19,931	19,634	31,494
Total: 74200 Food-Meats Fish Poultry	22,849	24,678	22,685	12,591	24,686	23,959	24,343	26,123	21,308	21,063	19,931	19,634	31,494
74300 Food-Other:													
6011-8340-74300 Food-Other	74,088	76,342	87,533	71,074	73,301	81,151	82,855	97,277	84,396	66,046	58,913	75,210	93,973
6011-8630-74300 Food-Other	577	0	0	0	0	0	0	0	0	0	0	0	0
Total: 74300 Food-Other	74,665	76,342	87,533	71,074	73,301	81,151	82,855	97,277	84,396	66,046	58,913	75,210	93,973
74400 Linen & Bedding:													
6011-6010-74400 Linen & Bedding	0	0	419	0	522	0	0	0	395	0	0	930	0
6011-7080-74400 Linen & Bedding	49	153	74	77	126	77	81	102	78	204	106	210	106
6011-8340-74400 Linen & Bedding	1,794	2,072	1,182	994	1,795	1,331	1,679	1,401	1,367	1,302	889	1,331	1,732
Total: 74400 Linen & Bedding	1,843	2,225	1,674	1,071	2,443	1,408	1,760	1,504	1,540	1,506	995	2,471	1,838
74500 Cleaning Supplies:													
6011-6010-74500 Cleaning Supplies	0	0	0	12	10	0	0	10	10	7	7	0	0
6011-6172-74500 Cleaning Supplies	0	0	0	0	2	0	0	0	5	0	0	0	0
6011-6172-74500 Cleaning Supplies	0	0	0	0	0	3	0	0	0	0	0	0	0
6011-6179-74500 Cleaning Supplies	0	0	0	5	5	0	0	0	0	0	0	0	0
6011-6179-74500 Cleaning Supplies	0	0	5	0	0	7	0	0	0	0	0	0	0
6011-6171-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	5	10	131
6011-6950-74500 Cleaning Supplies	225	244	313	208	186	222	201	210	198	263	167	134	356
6011-6980-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	12	12
6011-7010-74500 Cleaning Supplies	29	0	0	7	0	0	0	12	0	2	0	12	7
6011-7080-74500 Cleaning Supplies	0	0	0	0	0	411	0	0	0	0	0	0	0
6011-7420-74500 Cleaning Supplies	16	0	0	0	0	21	0	0	0	0	0	0	0
6011-7430-74500 Cleaning Supplies	0	62	114	20	70	36	197	13	70	17	104	133	0
6011-7300-74500 Cleaning Supplies	0	3	0	0	0	27	0	0	0	0	0	0	104
6011-7370-74500 Cleaning Supplies	0	5	5	0	0	5	7	0	0	0	7	0	7
6011-7320-74500 Cleaning Supplies	0	0	0	10	0	0	0	0	0	0	0	0	0
6011-7631-74500 Cleaning Supplies	0	0	156	14	0	0	0	0	0	0	0	0	0
6011-7650-74500 Cleaning Supplies	0	0	0	0	0	10	0	10	0	5	0	0	0
6011-7420-74500 Cleaning Supplies	148	358	272	261	209	171	249	194	215	499	104	194	194
6011-7180-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	10
6011-8340-74500 Cleaning Supplies	2,157	3,185	2,722	3,471	2,507	1,783	1,595	4,567	2,103	1,810	1,784	1,997	2,845
6011-8350-74500 Cleaning Supplies	799	799	775	775	775	775	1,550	775	388	465	775	775	775
6011-8385-74500 Cleaning Supplies	264	1,082	1,689	1,103	1,079	1,671	1,257	2,842	1,067	1,093	418	279	533
6011-8400-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	159	0	0	0
6011-8440-74500 Cleaning Supplies	16,144	14,237	15,811	14,141	21,016	12,485	18,427	20,943	16,562	16,867	19,068	21,702	13,648
6011-8465-74500 Cleaning Supplies	0	0	0	0	0	31	0	0	0	0	0	7	0
6011-8720-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	2	0
6011-8750-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-9528-74500 Cleaning Supplies	879	851	1,246	1,020	1,070	2,204	85	(6,477)	0	0	0	0	0
6011-9527-74500 Cleaning Supplies	1,466	1,057	1,559	1,057	1,699	2,493	108	(7,973)	0	0	45	(45)	0
6011-9528-74500 Cleaning Supplies	612	487	729	583	484	1,290	43	(3,617)	0	0	0	0	0
Total: 74500 Cleaning Supplies	22,738	22,380	25,471	22,687	29,302	23,653	22,969	12,041	21,075	20,907	22,704	25,217	18,623
74600 Office & Administrative Supplies:													
6011-6010-74600 Office & Administrative Suppl	418	353	328	686	16	608	165	978	167	628	147	298	707
6011-6010-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	87	8	0	0	0
6011-6171-74600 Office & Administrative Suppl	(57)	160	(82)	(78)	8	101	0	566	74	43	410	0	4
6011-6172-74600 Office & Administrative Suppl	931	341	231	232	(73)	481	345	519	291	1,668	(296)	281	365
6011-6179-74600 Office & Administrative Suppl	848	496	232	191	(185)	82	344	421	116	505	(127)	134	235
6011-6172-74600 Office & Administrative Suppl	532	438	1,340	1,340	(194)	29	1,359	(851)	263	215	0	0	0
6011-6341-74600 Office & Administrative Suppl	0	0	0	495	3,724	3,087	230	(1,264)	464	502	612	869	0
6011-6550-74600 Office & Administrative Suppl	(126)	1,165	407	(35)	(59)	1	449	(56)	72	155	8	376	7
6011-6590-74600 Office & Administrative Suppl	(94)	0	12	467	0	0	(117)	0	0	0	0	620	0
6011-7170-74600 Office & Administrative Suppl	1,174	1,174	0	(234)	865	317	1,543	(274)	1,020	485	1,120	2,129	0
6011-7072-74600 Office & Administrative Suppl	(133)	394	523	(139)	593	1	261	(75)	24	486	0	0	0
6011-7080-74600 Office & Administrative Suppl	125	189	165	83	(19)	78	441	343	83	29	299	79	136
6011-7420-74600 Office & Administrative Suppl	104	246	282	97	(98)	597	488	801	33	2,400	521	1,227	0
6011-7421-74600 Office & Administrative Suppl	263	263	422	121	(52)	155	264	445	203	445	137	243	0
6011-7430-74600 Office & Administrative Suppl	59	65	273	117	(30)	287	519	461	(146)	247	217	346	0
6011-7450-74600 Office & Administrative Suppl	(12)	0	0	19	57	19	(19)	0	0	0	0	113	0
6011-7470-74600 Office & Administrative Suppl	321	244	(81)	208	(83)	230	237	(73)	695	28	108	74	0
6011-7500-74600 Office & Administrative Suppl	4,173	2,115	1,970	(917)	(467)	1,995	990	1,173	652	1,544	1,565	1,588	0
6011-7520-74600 Office & Administrative Suppl	0	0	0	0	0	260	65	(65)	0	0	0	0	0
6011-7560-74600 Office & Administrative Suppl	65	22	95	(15)	0	59	21	1,433	(284)	363	(363)	0	93
6011-7370-74600 Office & Administrative Suppl	308	1,434	696	287	(85)	(125)	142	373	(80)	109	0	241	0
6011-7391-74600 Office & Administrative Suppl	(23)	36	0	9	(12)	102	(11)	105	0	0	0	120	0
6011-7620-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	0	109	(9)	0	0
6011-7630-74600 Office & Administrative Suppl	1,495	0	3,253	1,727	861	71	4,214	1,441	631	1,389	711	1,262	1,152
6011-7631-74600 Office & Administrative Suppl	0	198	0	106	0	5	0	0	0	0	0	510	30
6011-7634-74600 Office & Administrative Suppl	1,568	548	112	44	145	363	457	532	663	357	35	88	454
6011-7635-74600 Office &													



Seton Medical Center  
Trended Income Statement74800 Instruments & Minor Medical Eq:

74800 Instruments &amp; Minor Medical Eq:



Verity Healt Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-7370-74800 Instruments & Minor Medical Eq	0	79	25	0	0	95	0	0	0	0	0	0	0
6011-7370-74800 Instruments & Minor Medical Eq	0	115	0	0	0	115	0	0	0	0	0	115	0
6011-7621-74800 Instruments & Minor Medical Eq	0	367	0	0	0	0	1,256	110	115	0	0	0	0
6011-7720-74800 Instruments & Minor Medical Eq	575	0	115	0	0	0	0	0	0	0	0	0	0
6011-7780-74800 Instruments & Minor Medical Eq	0	345	5,666	3,179	240	2,577	4,617	138	430	0	3,950	1,196	2,602
6011-7790-74800 Instruments & Minor Medical Eq	0	0	115	0	0	0	0	0	0	0	0	0	0
6011-7871-74800 Instruments & Minor Medical Eq	0	74	0	0	0	0	0	0	0	0	0	0	0
6011-7881-74800 Instruments & Minor Medical Eq	0	0	0	0	115	0	0	0	0	0	0	0	0
6011-8340-74800 Instruments & Minor Medical Eq	0	3,855	96	0	0	0	0	0	0	0	0	0	0
6011-8360-74800 Instruments & Minor Medical Eq	0	119	1,211	94	239	21	119	10	119	10	119	139	75
6011-8465-74800 Instruments & Minor Medical Eq	0	0	0	0	115	220	0	0	0	0	0	0	0
Total: 74800 Instruments & Minor Medical Eq	(8,815)	13,889	37,168	22,772	8,420	14,059	19,475	28,985	7,172	12,368	19,548	6,389	14,112
74900 Other Minor Equip:													
6011-6010-74900 Other Minor Equip	250	0	241	21	0	113	0	0	1,995	0	965	65	113
6011-6030-74900 Other Minor Equip	0	0	0	0	0	0	0	582	0	0	0	0	0
6011-6171-74900 Other Minor Equip	0	0	880	0	0	0	226	2,443	0	340	0	0	0
6011-6172-74900 Other Minor Equip	0	0	0	0	3,931	0	113	0	0	0	194	0	0
6011-6178-74900 Other Minor Equip	0	334	0	0	0	113	292	2,348	0	0	490	0	0
6011-6179-74900 Other Minor Equip	83	0	0	506	0	340	0	0	0	0	490	238	0
6011-6341-74900 Other Minor Equip	0	0	0	0	0	978	0	0	0	113	0	0	0
6011-6550-74900 Other Minor Equip	364	0	3,587	935	0	(3,900)	0	0	0	0	0	0	0
6011-7010-74900 Other Minor Equip	1,056	97	0	97	170	0	97	97	1,138	0	0	357	(774)
6011-7080-74900 Other Minor Equip	0	0	0	1,309	0	2,595	635	0	0	0	0	0	0
6011-7420-74900 Other Minor Equip	0	0	185	367	0	0	0	0	0	0	0	0	175
6011-7430-74900 Other Minor Equip	895	79	0	0	0	0	0	97	0	0	0	175	0
6011-7430-74900 Other Minor Equip	87	159	5,500	481	0	0	0	1,962	0	0	0	0	0
6011-7470-74900 Other Minor Equip	226	147	0	0	0	482	167	0	0	0	37	0	0
6011-7500-74900 Other Minor Equip	0	0	0	0	0	0	0	6,048	1,366	0	0	598	0
6011-7520-74900 Other Minor Equip	0	0	0	0	0	276	0	345	86	0	0	0	0
6011-7570-74900 Other Minor Equip	0	0	1,101	0	699	0	0	0	0	0	0	0	0
6011-7630-74900 Other Minor Equip	83	0	0	0	0	351	0	0	0	0	0	0	0
6011-7631-74900 Other Minor Equip	0	1,468	0	0	0	0	0	0	0	0	0	0	0
6011-7630-74900 Other Minor Equip	0	0	0	0	0	224	0	0	0	0	362	0	0
6011-7710-74900 Other Minor Equip	0	0	0	0	0	0	0	467	0	0	56	0	0
6011-7760-74900 Other Minor Equip	0	0	0	175	241	0	0	0	0	0	0	0	0
6011-7871-74900 Other Minor Equip	0	0	0	0	367	0	0	0	0	0	0	0	0
6011-7881-74900 Other Minor Equip	298	533	47	0	0	0	0	7	0	0	0	0	0
6011-7920-74900 Other Minor Equip	3,059	2,969	2,667	5,073	2,021	2,595	1,401	3,037	3,595	3,026	1,660	1,808	6,147
6011-8365-74900 Other Minor Equip	4	77	0	7	0	0	0	128	0	0	0	0	0
6011-8420-74900 Other Minor Equip	95	26	0	0	0	10,051	461	0	0	0	0	0	0
6011-8440-74900 Other Minor Equip	0	1,500	0	124	0	421	0	0	0	0	0	0	0
6011-8450-74900 Other Minor Equip	0	0	0	0	0	0	0	11,440	0	0	0	0	0
6011-8465-74900 Other Minor Equip	0	0	0	97	0	97	0	2,898	0	97	0	0	73
6011-8480-74900 Other Minor Equip	26	0	0	0	0	0	0	0	0	0	0	0	0
6011-8610-74900 Other Minor Equip	0	0	1,476	0	0	0	0	0	0	0	0	0	0
6011-8660-74900 Other Minor Equip	0	0	33	0	0	0	0	0	0	0	0	0	0
Total: 74900 Other Minor Equip	8,142	7,387	10,473	13,100	8,841	14,541	3,797	25,419	13,224	5,519	4,273	3,968	5,910
74950 Software Computer:													
6011-7010-74950 SOFTWARE COMPUTER	0	0	0	0	0	0	1,819	1,970	1,970	1,970	1,970	1,970	0
6011-7063-74950 SOFTWARE COMPUTER	1,970	1,970	1,970	1,970	1,970	1,970	(6,849)	0	0	0	0	0	0
6011-7300-74950 SOFTWARE COMPUTER	215	0	0	0	0	0	0	0	0	0	0	0	0
6011-7320-74950 SOFTWARE COMPUTER	340	0	0	0	0	0	0	0	0	0	0	0	0
6011-7650-74950 SOFTWARE COMPUTER	320	0	0	0	0	0	0	0	0	0	0	0	0
6011-8340-74950 SOFTWARE COMPUTER	0	0	0	0	0	300	0	0	0	0	0	0	0
6011-8460-74950 SOFTWARE COMPUTER	0	0	0	0	0	0	0	0	0	1,845	309	0	0
6011-8470-74950 SOFTWARE COMPUTER	215	438	0	0	0	0	0	0	0	0	0	0	0
6011-8611-74950 Office Supplies Software	0	429	0	0	0	0	0	0	0	0	0	0	0
6011-8660-74950 SOFTWARE COMPUTER	0	0	0	152	0	0	0	0	0	0	0	0	0
6011-8700-74950 SOFTWARE COMPUTER	0	0	0	0	0	20	0	0	0	0	0	(20)	0
6011-8720-74950 SOFTWARE COMPUTER	0	0	0	0	0	0	0	0	0	0	0	0	2,067
Total: 74950 Software Computer	3,300	2,834	1,970	2,122	1,970	2,270	1,989	1,970	1,970	1,970	3,815	2,359	2,067
74980 Hardware Computer:													
6011-7420-74980 HARDWARE COMPUTER	156	0	20	0	0	0	0	0	0	0	0	0	0
6011-7570-74980 HARDWARE COMPUTER	1,864	0	34	0	0	0	0	0	0	0	0	0	0
6011-7650-74980 HARDWARE COMPUTER	761	871	82	0	0	0	0	0	0	0	0	0	0
6011-8340-74980 HARDWARE COMPUTER	163	0	0	0	0	0	0	0	0	0	0	0	0
6011-8460-74980 HARDWARE COMPUTER	1,589	594	(994)	0	0	0	0	0	0	0	0	0	0
6011-8560-74980 HARDWARE COMPUTER	0	1,940	0	0	0	0	0	0	0	0	0	0	0
6011-8610-74980 HARDWARE COMPUTER	0	20	0	0	0	0	0	0	0	0	0	0	0
6011-8720-74980 HARDWARE COMPUTER	804	615	0	0	0	0	0	0	(7)	0	0	0	0
6011-8740-74980 HARDWARE COMPUTER	398	0	0	0	0	0	0	0	0	0	0	0	0
6011-8752-74980 HARDWARE COMPUTER	292	0	0	0	0	0	0	0	0	0	0	0	0
Total: 74980 Hardware Computer	6,568	4,020	(439)	0	0	0	0	0	(7)	0	0	0	0
75000 Other Non-Medical Supplies:													
6011-6010-75000 Other Non-Medical Supplies	676	385	1,506	780	382	1,175	484	487	297	392	283	412	478
6011-6030-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	70	0	0	0	0	0
6011-6050-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-6110-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	2	0	0	0
6011-6171-75000 Other Non-Medical Supplies	1,064	979	2,615	1,174	877	527	620	668	601	639	442	174	92
6011-6172-75000 Other Non-Medical Supplies	802	698	879	367	278	344	469	535	2,406	568	337	458	449
6011-6178-75000 Other Non-Medical Supplies	1,080	1,204	2,940	1,379	697	730	978	901	1,771	1,614	1,163	905	683
6011-6179-75000 Other Non-Medical Supplies	1,149	1,349	2,794	1,276	698	749	838	695	1,067	1,067	812	803	690
6011-6341-75000 Other Non-Medical Supplies	0	0	0	2,993	2,503	3,518	2,126	2,282	4,970	4,970	1,199	3,971	0
6011-6471-75000 Other Non-Medical Supplies	0	1	0	0	0	0	0	0	0	0	0	0	0
6011-6560-75000 Other Non-Medical Supplies	1,569	1,615	1,176	793	1,001	781	686	825	904	1,030	922	890	1,585
6011-6700-75000 Other Non-Medical Supplies	0	0	1,270	628	0	0	0	0	0	0	0	639	61
6011-7010-75000 Other Non-Medical Supplies	686	684	1,031	667	2,191	755	634	1,034	703	694	1,092	1,199	837
6011-7070-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	16	0	0
6011-7072-75000 Other Non-Medical Supplies	7	0	0	0	0	0	0	0	0	0	0	19	0
6011-7280-75000 Other Non-Medical Supplies	206	218	275	345	0	2	0	309	173	234	533	117	117
6011-7400-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7420-75000 Other Non-Medical Supplies	192	866	219	1,165	420	210	372	919	1,181	219	467	1,063	409
6011-7427-75000 Other Non-Medical Supplies	194	134	224	324	193	262	193	169	285	203	227	321	321
6011-7470-75000 Other Non-Medical Supplies	471	1,286	1,286	523	523	257	1,008	1,008	1,008	566	1,008	566	1,008
6011-7480-75000 Other Non-Medical Supplies	13	18	15	11	(1,462)	10	13	7	38	15	10	22	8
6011-7470-75000 Other Non-Medical Supplies	83	270	53	1,296	270	736	1,122	177	7	279	290	610	113
6011-7500-75000 Other Non-Medical Supplies	788	837	1,083	1,064	557	664	621	573	847	3,773	1,343	1,025	5,370
6011-7520-75000 Other Non-Medical Supplies	134	0	37	0	0	211	47	0	1	0	0	37	0
6011-7560-75000 Other Non-Medical Supplies	191	425	351	47	24	0	0	6	307	0	0	65	0
6011-7570-75000 Other Non-Medical Supplies	73	288	469	30	32	37	18	44	36	27	28	27	36
6011-7591-75000 Other Non-Medical Supplies	0	0	0	0	0	11	32	775	7	(775)	0	0	0
6011-7620-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7630-75000 Other Non-Medical Supplies	199	926	298	636	261	695	141	340	769	1,372	534	238	276
6011-7631-75000 Other Non													



Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-8710-75000 Other Non-Medical Supplies	0	0	0	0	0	0	16	0	0	0	0	0	0
6011-8713-75000 Other Non-Medical Supplies	0	0	0	3	3	0	0	0	0	0	0	0	3
6011-8720-75000 Other Non-Medical Supplies	0	7	7	5	5	0	3	11	9	5	0	10	4
6011-8740-75000 Other Non-Medical Supplies	285	0	0	464	41	0	0	843	3,045	0	0	1	0
6011-8751-75000 Other Non-Medical Supplies	12	1	0	2	2	0	0	0	0	0	0	0	0
6011-8752-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-8753-75000 Other Non-Medical Supplies	0	0	2	0	0	0	0	0	0	0	0	0	0
6011-8770-75000 Other Non-Medical Supplies	0	0	0	0	0	8	0	0	0	0	0	0	0
6011-8780-75000 Other Non-Medical Supplies	0	0	0	0	0	12	0	4	0	4	0	16	0
6011-8926-75000 Other Non-Medical Supplies	0	0	0	0	0	0	50	0	0	0	0	0	0
6011-9527-75000 Other Non-Medical Supplies	0	0	84	0	0	0	0	0	0	35	37	3	82
6011-9553-75000 Other Non-Medical Supplies	0	0	294	0	0	0	0	0	0	0	0	0	0
Total: 75000 Other Non-Medical Supplies	48,033	60,898	76,316	73,086	86,602	87,458	69,263	104,747	97,744	73,191	80,819	73,080	82,818
75000 Cost Reduction - Rebate & Discount													
6011-8400-75005 Cost Reduction - Rebate & Discount	(127,277)	(19,200)	(19,200)	(64,895)	(20,570)	2,874	(60,438)	(14,775)	(23,049)	(64,215)	(27,003)	535	(15,087)
Total: 75005 Cost Reduction - Rebate & Discount	(127,277)	(19,200)	(19,200)	(64,895)	(20,570)	2,874	(60,438)	(14,775)	(23,049)	(64,215)	(27,003)	535	(15,087)
75000 Books & Manuals													
6011-7010-75050 BOOKS & MANUALS	420	37	0	0	0	0	0	0	0	0	144	0	0
6011-7420-75050 Newspapers/Magazines/Books	210	18	0	0	0	0	0	0	0	0	0	0	0
6011-7430-75050 Newspapers/Magazines/Books	210	18	0	0	0	0	0	0	0	0	0	0	0
6011-7500-75050 Newspapers/Magazines/Books	0	0	0	0	0	0	0	649	0	0	0	0	0
6011-7580-75050 Newspapers/Magazines/Books	0	0	0	0	0	0	0	160	0	0	0	0	0
6011-8385-75050 BOOKS & MANUALS	0	0	0	0	0	0	396	0	0	0	0	0	(396)
Total: 75050 Books & Manuals	840	74	0	0	0	0	396	809	0	0	144	0	(396)
75200 Freight													
6011-6010-75220 Freight	196	46	26	15	0	0	0	205	157	125	0	0	221
6011-6171-75220 Freight	0	0	0	0	0	8	0	0	0	13	0	0	0
6011-6178-75220 Freight	0	0	0	8	514	0	0	0	0	28	0	0	25
6011-6179-75220 Freight	0	0	36	0	0	0	0	10	0	0	0	0	85
6011-6179-75220 Freight	8	8	0	0	0	0	0	0	0	0	0	0	49
6011-6560-75220 Freight	20	8	19	25	0	0	0	17	0	0	0	0	54
6011-7010-75220 Freight	62	88	49	136	61	0	13	34	99	30	0	0	76
6011-7020-75220 Freight	74	0	15	0	81	0	17	39	10	13	0	0	59
6011-7100-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	13
6011-7180-75220 Freight	0	26	0	0	0	0	0	0	0	0	0	0	0
6011-7400-75220 Freight	0	0	0	0	0	0	0	0	0	37	0	0	0
6011-7420-75220 Freight	4,483	1,571	3,346	2,590	3,057	1,414	491	4,197	1,884	3,537	229	179	7,445
6011-7427-75220 Freight	37	9	10	0	(8)	10	186	63	18	0	0	0	0
6011-7429-75220 Freight	17	0	0	0	0	0	0	0	0	0	0	0	0
6011-7430-75220 Freight	421	362	326	333	607	164	32	215	318	420	0	0	566
6011-7430-75220 Freight	249	244	75	92	24	54	41	172	141	72	0	0	305
6011-7437-75220 Freight	151	26	34	34	564	17	85	84	132	84	0	0	156
6011-7471-75220 Freight	0	0	14	0	0	(14)	87	0	24	0	0	0	138
6011-7500-75220 Freight	1,630	318	1,129	742	1,006	139	103	1,156	802	1,362	(100)	0	1,383
6011-7520-75220 Freight	260	0	232	0	114	111	48	55	131	126	0	0	224
6011-7520-75220 Freight	305	0	50	0	0	0	0	0	0	0	0	0	171
6011-7570-75220 Freight	2,118	390	881	723	91	246	209	1,036	698	464	0	0	2,190
6011-7591-75220 Freight	25	8	26	0	0	0	0	0	0	0	0	0	0
6011-7620-75220 Freight	45	0	0	0	0	0	0	0	0	0	0	0	0
6011-7620-75220 Freight	415	63	510	50	75	12	589	109	203	0	0	0	485
6011-7631-75220 Freight	603	307	593	381	352	102	71	403	585	671	0	0	667
6011-7634-75220 Freight	38	10	0	45	26	8	0	0	0	71	0	0	56
6011-7636-75220 Freight	148	87	35	9	9	36	0	0	82	171	0	0	445
6011-7640-75220 Freight	0	0	0	47	9	0	0	81	0	30	0	0	0
6011-7642-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7650-75220 Freight	97	55	93	34	37	0	0	43	0	0	0	0	200
6011-7680-75220 Freight	8	8	0	0	1,177	0	67	0	34	0	0	0	32
6011-7710-75220 Freight	1,692	514	1,236	624	339	265	265	915	381	150	(150)	0	1,775
6011-7720-75220 Freight	347	99	161	162	122	95	49	294	137	176	0	0	265
6011-7730-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	54
6011-7740-75220 Freight	0	0	0	8	0	0	0	0	9	45	0	0	105
6011-7750-75220 Freight	467	67	139	380	560	238	0	182	147	115	0	0	312
6011-7770-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7881-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-8040-75220 Freight	0	0	166	0	0	0	0	48	0	0	0	0	0
6011-8310-75220 Freight	35	0	0	0	18	18	35	0	19	0	0	0	0
6011-8340-75220 Freight	79	0	0	0	0	0	0	0	0	0	0	0	0
6011-8385-75220 Freight	202	58	114	126	46	26	49	123	137	179	0	0	331
6011-8400-75220 Freight	5,255	986	2,681	4,644	1,794	1,512	576	4,798	2,689	3,672	0	39	12,217
6011-8420-75220 Freight	0	0	0	0	0	0	0	0	9	0	0	0	0
6011-8440-75220 Freight	1,141	0	0	0	(181)	0	0	289	0	0	0	0	374
6011-8460-75220 Freight	23	37	266	69	242	74	29	548	434	1,290	0	0	353
6011-8465-75220 Freight	26	0	77	490	147	28	521	795	117	113	0	0	922
6011-8470-75220 Freight	199	17	205	161	93	0	0	202	58	121	0	0	78
6011-8510-75220 Freight	158	0	0	0	0	0	0	0	0	0	0	0	0
6011-8510-75220 Freight	0	0	0	11	(46)	0	0	0	0	0	0	0	0
6011-8530-75220 Freight	12	0	11	0	0	0	0	0	0	40	0	(51)	0
6011-8550-75220 Freight	18	0	22	0	0	0	0	0	0	0	0	0	0
6011-8560-75220 Freight	0	0	0	246	0	0	0	0	36	2,568	0	0	0
6011-8600-75220 Freight	34	0	8	0	0	0	0	0	0	0	0	0	376
6011-8660-75220 Freight	0	0	9	0	104	0	0	0	9	9	0	0	73
6011-8700-75220 Freight	0	0	10	0	0	0	0	0	0	0	0	(10)	0
6011-8720-75220 Freight	8	23	0	0	0	0	0	0	0	0	0	0	0
6011-8740-75220 Freight	82	0	0	0	21	0	0	0	0	30	0	0	0
6011-8752-75220 Freight	0	0	10	0	0	0	0	0	0	0	0	0	0
6011-8753-75220 Freight	0	0	0	0	0	0	0	0	929	0	0	0	0
Total: 75200 Freight	21,218	5,436	12,612	12,217	10,845	4,631	2,796	17,193	10,840	16,243	279	7	32,339
79300 Tr To City CC-Supplies													
6011-7710-79300 Tr To City CC-Supplies	(80,800)	(75,166)	(65,574)	(75,165)	(64,641)	(60,491)	(53,874)	(71,011)	(61,153)	(64,375)	(51,106)	(55,359)	(53,187)
Total: 79300 Tr To City CC-Supplies	(80,800)	(75,166)	(65,574)	(75,165)	(64,641)	(60,491)	(53,874)	(71,011)	(61,153)	(64,375)	(51,106)	(55,359)	(53,187)
79700 Tr Firm City CC-Supplies													
6011-6010-79700 Tr Firm City CC-Supplies	422	416	432	510	496	315	210	286	326	328	354	272	328
6011-6030-79700 Tr Firm City CC-Supplies	0	0	0	0	0	0	0	90	0	0	0	0	0
6011-6171-79700 Tr Firm City CC-Supplies	588	521	158	356	288	299	484	477	407	475	661	97	0
6011-6172-79700 Tr Firm City CC-Supplies	418	315	371	253	333	214	288	359	360	432	1,454	318	372
6011-6173-79700 Tr Firm City CC-Supplies	300	391	581	362	239	216	352	465	416	397	1,056	464	447
6011-6179-79700 Tr Firm City CC-Supplies	469	643	472	513	393	444	524	406	522	1,401	448	562	0
6011-6341-79700 Tr Firm City CC-Supplies	0	0	0	0	413	658	119	316	610	834	371	474	917
6011-6560-79700 Tr Firm City CC-Supplies	1,874	1,841	1,556	1,106	1,364	791	1,112	1,227	1,276	2,280	1,255	1,618	1,485
6011-6560-79700 Tr Firm City CC-Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7010-79700 Tr Firm City CC-Supplies	2,073	1,973	2,000	1,873	1,849	1,938	1,757	2,094	1,659	1,816	1,682	3,235	4,058
6011-7072-79700 Tr Firm City CC-Supplies	80	0	0	0	1	0	0	0	5	4	0	8	120
6011-7080-79700 Tr Firm City CC-Supplies	292	631	0	100	358	523	445	289	682	136	314	212	810
6011-7420-79700 Tr Firm City CC-Supplies	878	474	474	287	338	224	455	257	565	29	393	52	88



**Verity Healt Systems**  
**Seton Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-8891-78700 Tfr Firm Otrv CC-Supplies	0	0	0	0	0	42	0	0	0	0	0	0	0
6011-8816-78700 Tfr Firm Otrv CC-Supplies	14,261	10,765	18,432	10,814	10,528	11,267	21,389	13,495	11,739	14,876	11,379	24,207	11,730
6011-8816-78700 Tfr Firm Otrv CC-Supplies	247	0	149	0	0	0	264	0	0	0	0	0	0
6011-8825-78700 Tfr Firm Otrv CC-Supplies	30	155	0	0	1,228	0	316	0	143	327	53	0	207
6011-8826-78700 Tfr Firm Otrv CC-Supplies	0	233	0	0	0	0	0	0	0	0	0	0	0
6011-8830-78700 Tfr Firm Otrv CC-Supplies	71	260	0	52	0	165	0	152	502	53	0	100	0
6011-8835-78700 Tfr Firm Otrv CC-Supplies	2,700	3,106	2,790	2,700	2,170	2,100	2,170	2,305	1,995	2,170	2,663	2,100	2,100
6011-8850-78700 Tfr Firm Otrv CC-Supplies	4,622	418	356	270	864	373	715	719	907	676	638	688	680
6011-8860-78700 Tfr Firm Otrv CC-Supplies	1,552	107	289	15,695	7,343	249	836	1,937	114	870	1,218	1,354	440
6011-8870-78700 Tfr Firm Otrv CC-Supplies	113	558	172	53	229	112	727	232	330	188	237	241	54
6011-8710-78700 Tfr Firm Otrv CC-Supplies	13,464	14,310	6,699	8,091	12,480	7,088	19,986	7,336	7,585	13,444	7,288	7,515	11,866
6011-8720-78700 Tfr Firm Otrv CC-Supplies	179	1,267	258	169	604	836	1,539	901	266	438	179	378	77
6011-8730-78700 Tfr Firm Otrv CC-Supplies	0	0	0	0	0	0	0	0	0	0	0	42	0
6011-8740-78700 Tfr Firm Otrv CC-Supplies	0	334	0	0	179	0	482	795	1,029	802	497	461	438
6011-8751-78700 Tfr Firm Otrv CC-Supplies	11	729	91	45	12	36	8	265	0	9	196	1,821	0
6011-8752-78700 Tfr Firm Otrv CC-Supplies	1,442	1,795	1,696	612	486	497	80	1,502	901	828	2,069	1,335	0
6011-8753-78700 Tfr Firm Otrv CC-Supplies	0	0	0	0	0	0	0	0	0	0	0	270	0
6011-8770-78700 Tfr Firm Otrv CC-Supplies	180	61	4	0	0	260	24	0	0	2	0	0	0
6011-8780-78700 Tfr Firm Otrv CC-Supplies	0	0	0	0	20	19	25	0	17	32	0	32	28
Total: 78700 Tfr Firm Otrv CC-Supplies													
	65,533	81,099	80,747	80,337	84,206	41,536	68,570	80,955	43,338	50,794	43,935	64,242	51,368
Total - Supplies	2,711,740	2,655,941	2,959,456	2,837,270	2,773,653	2,840,875	2,677,983	2,926,724	1,869,980	2,343,303	2,603,168	2,485,343	2,852,145
PIS - Professional Fees:													
72200 Consultant & Mgmt. Fees:													
6011-8460-72200 Consultant & Mgmt. Fees	0	23,896	23,896	11,948	11,948	47,791	0	0	0	0	0	0	0
6011-8511-72200 Consultant & Mgmt. Fees	0	0	285	8,623	6,983	25,386	15,220	10,921	10,921	5,461	10,921	19,921	98,249
6011-8610-72200 Consultant & Mgmt. Fees	43,077	21,347	16,702	16,046	16,367	20,861	10,503	14,479	14,231	37,139	35,039	922	10,038
6011-8620-72200 Consultant & Mgmt. Fees	(1,584)	2,329	3,317	3,411	1,705	0	(8,526)	0	0	0	0	0	0
6011-8660-72200 Consultant & Mgmt. Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-8752-72200 Consultant & Mgmt. Fees	11,083	15,792	7,250	7,417	17,679	13,342	11,625	11,917	13,271	278	9,128	8,063	12,530
Total: 72200 Consultant & Mgmt. Fees	52,609	63,363	51,450	47,444	54,681	11,798	28,822	37,317	38,423	42,877	55,089	28,909	121,573
72300 Legal:													
6011-8310-72300 Legal	0	0	0	0	0	0	0	0	0	0	0	0	3,525
6011-8610-72300 Legal	45,447	52,502	18,751	(5,208)	9,244	(602)	(294)	22,896	11,573	33,005	14,450	463	(21,084)
6011-8660-72300 Legal	0	0	0	0	0	0	0	0	0	0	0	0	17,094
6011-8752-72300 Legal	0	0	0	0	0	135	0	0	0	0	0	0	0
Total: 72300 Legal	45,447	52,502	18,751	(5,208)	9,244	(465)	(294)	22,896	11,573	33,005	14,450	463	(465)
Total - Professional Fees	98,053	115,864	70,201	42,236	63,926	11,333	28,528	60,213	49,996	75,882	69,538	29,368	121,108
Out-Of-Area Network Expense:													
PIS - Intercompany Related Organization:													
76410 Corporate Management Svcs:													
6011-8894-76410 Corporate Management Svcs	261,355	1,375,672	642,759	372,224	914,501	1,052,470	884,401	987,748	732,403	913,343	966,141	1,036,801	899,113
Total: 76410 Corporate Management Svcs	261,355	1,375,672	642,759	372,224	914,501	1,052,470	884,401	987,748	732,403	913,343	966,141	1,036,801	899,113
76415 Interglry Management Svcs:													
6011-8894-76415 Management Fees Charges	1,012,072	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362
Total: 76415 Interglry Management Svcs	1,012,072	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362	931,362
76420 VBS And SO Allocation:													
6011-8894-76420 VBS And SO Allocation	158,664	163,938	178,325	182,859	113,683	143,259	128,129	313,659	131,484	236,778	217,220	167,696	346,877
Total: 76420 VBS And SO Allocation	158,664	163,938	178,325	182,859	113,683	143,259	128,129	313,659	131,484	236,778	217,220	167,696	346,877
76422 Purch - Svcs IT Reimb Acct:													
6011-8894-76422 IT Management Fees	891,753	732,880	902,610	889,807	936,463	1,015,678	835,325	638,929	980,414	964,700	837,228	812,283	595,598
Total: 76422 Purch - Svcs IT Reimb Acct	891,753	732,880	902,610	889,807	936,463	1,015,678	835,325	638,929	980,414	964,700	837,228	812,283	595,598
76429 PFS Outsource Net Expense:													
6011-8530-76429 PFS Outsource Net Expense	366,252	360,222	0	216,256	352,379	375,637	(1,742)	406,800	384,137	266,772	507,343	745,636	340,840
Total: 76429 PFS Outsource Net Expense	366,252	360,222	0	216,256	352,379	375,637	(1,742)	406,800	384,137	266,772	507,343	745,636	340,840
76441 Purch Service Rel Org- Regiona:													
6011-7500-76441 Purch Service Rel Org- Regiona	(5,930)	(2,527)	(2,593)	(247)	3,079	19,939	11,551	12,362	31,199	19,798	(17,266)	55,747	24,795
Total: 76441 Purch Service Rel Org- Regiona	(5,930)	(2,527)	(2,593)	(247)	3,079	19,939	11,551	12,362	31,199	19,798	(17,266)	55,747	24,795
Total - PIS - Intercompany Related Organization	2,684,166	3,561,528	2,652,464	2,572,262	3,251,467	3,538,345	2,789,026	3,290,860	3,190,999	3,332,753	3,442,028	3,749,485	3,138,586
PIS - Other:													
76100 Purch Serv-Medical:													
6011-7420-76100 Purch Serv-Medical	0	0	0	1,595	4	0	0	0	0	0	0	0	0
6011-7430-76100 Purch Serv-Medical	0	0	0	11,662	0	0	0	0	0	0	0	0	0
6011-7500-76100 Purch Serv-Medical	41,127	44,834	19,303	29,087	34,932	40,846	34,520	53,261	47,240	18,631	16,717	17,037	35,473
6011-7520-76100 Purch Serv-Medical	7,049	0	32,098	5,880	4,017	4,079	4,399	1,511	14,799	(23,148)	1,018	1,073	(5,054)
6011-7540-76100 Purch Serv-Medical	(6,997)	2,738	(2,738)	4,386	2,474	2,826	3,271	18,594	(3,438)	9,609	6,172	7,389	1,389
6011-7640-76100 Purch Serv-Medical	63	8,000	7,667	3,333	1,667	5,667	6,833	5,900	1,333	4,000	5,333	2,667	(1,000)
6011-8630-76100 Purch Serv-Medical	2,924	0	0	0	0	0	0	0	0	0	0	0	0
6011-8610-76100 Purch Serv-Medical	4,850	9,700	9,700	9,700	9,700	0	0	0	0	0	0	0	0
6011-8660-76100 Purch Serv-Medical	2,899	287	28,835	1,734	1,734	961	4,187	6,688	6,064	5,126	4,826	3,886	(1,192)
6011-8861-76100 Purch Serv-Medical	0	0	0	0	0	275	0	0	0	0	0	0	0
6011-8751-76100 Purch Serv-Medical	0	0	0	11,130	0	0	12,900	4,800	4,800	4,800	4,800	0	0
Total: 76100 Purch Serv-Medical	51,914	63,548	94,894	78,999	54,527	54,653	66,111	90,355	70,799	19,016	38,966	32,051	29,625
76200 Purch Serv-Repairs & Maintenan:													
6011-6010-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	99	0	1,680	0	0	0	517	0
6011-6171-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	0	0	0	0	0	275	0
6011-6172-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	0	0	0	693	0	2,461	0
6011-6179-76200 Purch Serv-Repairs & Maintenan	0	1,500	0	0	0	0	0	0	0	0	0	0	0
6011-6179-76200 Purch Serv-Repairs & Maintenan	0	0	99	0	99	0	99	0	95	510	0	95	0
6011-6341-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	99	0	0	0	724	0	0	0
6011-6560-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	0	0	0	0	0	13	223
6011-6590-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	0	0	0	0	0	0	335
6011-7010-76200 Purch Serv-Repairs & Maintenan	197	0	99	0	0	0	0	1,565	376	0	0	0	0
6011-7420-76200 Purch Serv-Repairs & Maintenan	(1,244)	1,669	3,305	(2,448)	3,432	12,675	16,242	4,599	10,833	4,805	11,964	21,030	24,502
6011-7427-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	0	0	13,594	155	0	0	0
6011-7420-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	2,000	686	0	934	18,297	1,732	5,200	5,826
6011-7470-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	1,169	654	654	510	2,435	3,926	0
6011-7500-76200 Purch Serv-Repairs & Maintenan	0	0	8,122	0	0	0	0	352	3,420	12,809	25,904	21,995	0
6011-7520-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	0	0	2,600	0	0	0	0
6011-7540-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	0	0	91	0	0	91	0
6011-7560-76200 Purch Serv-Repairs & Maintenan	0	0	0	0	0	0	0	0	0	0	3,700	3,653	0
6011-7570-76200 Purch Serv-Repairs & Maintenan	0	0	296	0	0	10,800	9,341	950	17,205	7,012	17,851	2,500	0
6011-7630-76200 Purch Serv-Repairs & Maintenan	57	0	0	0	20,086	99	0	6,055	0	9,368	24,185	18,654	0
6011-7634-76200 Purch Serv-Repairs & Maintenan	0	7,603											



Verity Healt Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
76250 Repairs & Maintenance- Other Contract:													
6011-7010-76250 Repairs & Maintenance- Other Contract	0	0	0	0	0	0	0	0	0	0	0	48	0
6011-7060-76250 Repairs & Maintenance- Other Contract	0	0	0	0	0	0	0	0	0	0	0	208	0
6011-7420-76250 Repairs & Maintenance- Other Contract	2,844	1,335	1,863	2,495	2,245	1,094	1,669	2,140	2,508	2,018	1,850	1,745	1,948
6011-7430-76250 Repairs & Maintenance- Other Contract	0	0	0	0	0	372	0	363	0	0	0	0	0
6011-7640-76250 Repairs & Maintenance- Other Contract	0	0	0	0	0	0	0	0	6,774	0	0	0	0
6011-8460-76250 Repairs & Maintenance- Other Contract	0	0	1,917	0	0	0	0	0	0	433	1,414	2,364	265
Total: 76250 Repairs & Maintenance- Other Contract	2,844	1,335	3,780	2,495	2,245	1,066	1,669	2,503	9,332	2,450	3,264	4,965	2,214
76500 Purch Serv-Collection Agencies:													
6011-8530-76500 Purch Serv-Collection Agencies	7,981	8,665	9,957	10,491	7,607	37,263	5,636	(15,827)	7,738	4,989	49,528	(126,045)	0
Total: 76500 Purch Serv-Collection Agencies	7,981	8,665	9,957	10,491	7,607	37,263	5,636	(15,827)	7,738	4,989	49,528	(126,045)	0
76900 Purch Serv-Outside Organizations:													
6011-14010-76900 Purch Serv-Outside Organization	4,324	112	92	0	110	306	269	116	238	153	190	141	19
6011-16200-76900 Purch Serv-Outside Organization	16	21	23	0	12	49	93	28	14	48	4	19	0
6011-6171-76900 Purch Serv-Outside Organization	958	962	822	750	898	1,166	866	860	880	980	9,311	197	146
6011-6172-76900 Purch Serv-Outside Organization	6	6	7	0	6	13	7	9	9	9	9	9	0
6011-6178-76900 Purch Serv-Outside Organization	107	167	119	0	92	235	103	152	158	170	173	129	164
6011-6179-76900 Purch Serv-Outside Organization	120	154	119	0	168	261	169	141	138	194	171	147	177
6011-6341-76900 Purch Serv-Outside Organization	0	0	0	0	0	0	0	0	0	0	0	4,050	0
6011-6560-76900 Purch Serv-Outside Organization	253	339	253	0	369	565	333	284	981	388	356	305	341
6011-6580-76900 Purch Serv-Outside Organization	0	0	0	0	0	0	0	0	0	7,021	0	0	0
6011-7010-76900 Purch Serv-Outside Organization	5,050	4,941	4,925	4,190	4,938	5,057	5,570	6,478	5,696	1,379	5,059	5,726	4,068
6011-7075-76900 Purch Serv-Outside Organization	6	6	7	0	6	13	7	9	9	9	9	9	0
6011-7080-76900 Purch Serv-Outside Organization	(113)	2,029	4,033	2,009	2,029	2,147	2,032	2,067	2,033	2,131	2,230	2,033	3,765
6011-7420-76900 Purch Serv-Outside Organization	24,450	19,319	30,107	41,426	32,877	25,194	31,570	23,822	42,509	23,284	28,361	73,150	(10,451)
6011-7427-76900 Purch Serv-Outside Organization	16	16	18	0	16	32	16	21	20	21	20	20	20
6011-7430-76900 Purch Serv-Outside Organization	57	49	30	0	85	136	49	870	75	33	70	99	61
6011-7470-76900 Purch Serv-Outside Organization	73	9,585	34	743	542	2,160	4,950	2,038	172	77	90	100	101
6011-7600-76900 Purch Serv-Outside Organization	1,371	(290)	86	0	1,571	227	99	1,142	393	530	174	1,919	71,900
6011-7620-76900 Purch Serv-Outside Organization	7,256	(65)	(6,805)	488	7,148	0	0	0	0	196	0	0	0
6011-7670-76900 Purch Serv-Outside Organization	4,155	10,679	9,968	2,627	21,015	10,890	11,736	9,431	8,836	11,338	11,967	18,696	(870)
6011-7680-76900 Purch Serv-Outside Organization	21	21	13	0	3	58	16	14	14	19	19	19	19
6011-7630-76900 Purch Serv-Outside Organization	1,792	4,302	613	1,730	(4,173)	224	863	5,539	1,638	1,667	14,214	232	7,439
6011-7631-76900 Purch Serv-Outside Organization	0	0	0	0	0	0	0	0	0	0	0	0	293
6011-7634-76900 Purch Serv-Outside Organization	(595)	45	23	0	2,033	97	34	11,738	(5,098)	18	51	6	37
6011-7636-76900 Purch Serv-Outside Organization	384	24	31	1,500	23	47	14	14	28	23	28	23	13
6011-7640-76900 Purch Serv-Outside Organization	5,303	4,674	203	4,215	115	323	325	2,886	5,064	562	6,717	172	113
6011-7650-76900 Purch Serv-Outside Organization	38,911	32,614	32,469	32,075	28,495	26,104	30,136	33,199	43,981	30,988	30,129	33,529	34,548
6011-7660-76900 Purch Serv-Outside Organization	102	127	95	0	95	251	137	92	161	100	123	104	133
6011-7610-76900 Purch Serv-Outside Organization	9,640	1,666	2,607	2,862	7,241	3,934	1,128	5,867	863	3,829	1,467	5,344	6,608
6011-7720-76900 Purch Serv-Outside Organization	0	0	0	0	0	0	0	4,920	0	0	0	0	0
6011-7760-76900 Purch Serv-Outside Organization	42	33	47	229	1,377	23,603	13,325	(578)	(3,902)	4,544	2,626	2,531	96
6011-7770-76900 Purch Serv-Outside Organization	3	3	4	0	3	6	3	3	3	3	3	3	3
6011-7780-76900 Purch Serv-Outside Organization	8	25	28	0	3	84	21	29	33	34	43	47	38
6011-7790-76900 Purch Serv-Outside Organization	133	111	105	0	104	252	134	121	167	111	162	138	134
6011-8340-76900 Purch Serv-Outside Organization	6,859	780	447	5,192	(86)	2,889	267	234	(208)	300	221	2,072	9,427
6011-8350-76900 Purch Serv-Outside Organization	42,294	38,663	40,957	38,420	2,939	63,057	43,628	38,371	44,786	37,951	64,727	46,244	44,758
6011-8385-76900 Purch Serv-Outside Organization	0	0	0	0	348	623	1,092	348	1,685	0	0	5,617	1,326
6011-8400-76900 Purch Serv-Outside Organization	26	26	38	120	8	47	197	39	48	34	38	19	48
6011-8420-76900 Purch Serv-Outside Organization	58,873	34,061	50,180	80,562	57,716	58,254	45,674	37,108	57,945	69,525	65,873	52,284	48,635
6011-8430-76900 Purch Serv-Outside Organization	8,534	7,617	6,177	0	19,686	14,431	(33,673)	0	0	0	0	0	0
6011-8440-76900 Purch Serv-Outside Organization	71,638	41,385	39,318	43,328	37,120	41,986	38,833	73,341	45,978	33,080	7,882	90,575	45,195
6011-8460-76900 Purch Serv-Outside Organization	84,491	87,827	65,621	121,878	53,896	131,641	87,500	37,077	45,080	65,309	118,499	128,791	138,777
6011-8465-76900 Purch Serv-Outside Organization	(6,375)	76,448	322,277	144,855	33,147	60,269	55,652	467,954	115,901	102,929	101,046	14,722	0
6011-8470-76900 Purch Serv-Outside Organization	16	4,512	13	0	7,203	49	12	14	14	19	24	19	19
6011-8480-76900 Purch Serv-Outside Organization	8	12	(12)	0	0	0	0	0	0	0	0	0	0
6011-8481-76900 Purch Serv-Outside Organization	3,076	1,538	63	5	0	0	0	2,325	3,693	3,108	230	0	0
6011-8510-76900 Purch Serv-Outside Organization	142	140	1,201	0	0	151	635	1,236	0	147	0	1,440	501
6011-8560-76900 Purch Serv-Outside Organization	681	654	635	620	641	767	148	612	612	649	501	645	1,166
6011-8610-76900 Purch Serv-Outside Organization	91,072	1,446	(6,426)	3,180	364	2,217	(4,101)	10,254	10,290	3,281	1,918	6,894	8,894
6011-8625-76900 Purch Serv-Outside Organization	12	8	0	0	3	24	164	19	19	14	19	19	14
6011-8626-76900 Purch Serv-Outside Organization	25	21	23	0	79	29	29	29	19	34	28	23	28
6011-8630-76900 Purch Serv-Outside Organization	8,069	3,500	3,355	1,614	8,410	(465)	1,180	502	678	(2,035)	0	0	0
6011-8631-76900 Purch Serv-Outside Organization	47	29	18	0	28	62	25	19	43	19	38	47	43
6011-8640-76900 Purch Serv-Outside Organization	0	0	0	0	0	0	0	0	0	0	0	210	0
6011-8650-76900 Purch Serv-Outside Organization	3,875	33	1,232	1,318	5,015	6,150	2,471	3,224	5,143	1,074	24	4	2,128
6011-8660-76900 Purch Serv-Outside Organization	16	25	8	0	3	1,100	12	8	22	13	18	27	13
6011-8680-76900 Purch Serv-Outside Organization	1,258	616	683	600	603	624	3	609	8,167	6,362	7,645	9	7,424
6011-8690-76900 Purch Serv-Outside Organization	8	8	8	0	3	19	3	4	4	4	4	4	9
6011-8700-76900 Purch Serv-Outside Organization	20,518	19,883	36,825	69,679	27,188	10,736	27,335	15,568	33,837	(2,374)	18,963	(257,606)	0
6011-8710-76900 Purch Serv-Outside Organization	4,078	3,720	3,365	3,473	3,754	3,754	176	7,133	3,441	714	9	14	9
6011-8720-76900 Purch Serv-Outside Organization	9,313	8,763	5,573	6,243	6,563	6,563	2,345	2,448	6,424	5,530	5,956	6,039	9,249
6011-8740-76900 Purch Serv-Outside Organization	16	8	0	0	3	115	34	9	19	29	24	9	677
6011-8751-76900 Purch Serv-Outside Organization	2,256	29	4	0	3	966	2,126	174	4	7,026	4	4	1,570
6011-8752-76900 Purch Serv-Outside Organization	4,383	988	9,574	11,532	16,868	(30,772)	23,566	17,367	8,370	3,799	11,745	24,207	7,302
6011-8770-76900 Purch Serv-Outside Organization	0	0	0	0	0	0	0	77	0	92	0	0	0
6011-8780-76900 Purch Serv-Outside Organization	29	5											



Verity Healt Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
6011-6960-78000 RentalLease Costs-Equip	435	(870)	0	0	0	5,726	0	(2,863)	0	0	0	0	0
6011-7010-78000 RentalLease Costs-Equip	14,823	3,714	7,989	4,168	8,337	34,567	34,567	(34,929)	4,183	5,097	6,191	6,886	0
6011-7060-78000 RentalLease Costs-Equip	598	598	598	598	0	0	0	0	0	0	0	0	0
6011-7420-78000 RentalLease Costs-Equip	79,573	33,236	38,010	30,072	56,980	6,734	28,054	47,743	26,586	33,628	38,264	22,629	26,088
6011-7427-78000 RentalLease Costs-Equip	0	0	2,555	2,828	2,828	3,068	2,867	0	6,682	3,341	0	3,489	6,527
6011-7420-78000 RentalLease Costs-Equip	4,500	4,500	5,115	5,445	5,566	4,500	4,500	0	4,000	4,500	0	13,000	(18,000)
6011-7470-78000 RentalLease Costs-Equip	27,301	24,075	(12,381)	(5,097)	24,091	20,594	22,685	9,916	23,308	26,639	25,071	19,613	19,967
6011-7500-78000 RentalLease Costs-Equip	5,324	9,914	10,440	13,455	19,913	7,607	2,307	2,221	9,914	15,802	7,202	5,002	5,002
6011-7570-78000 RentalLease Costs-Equip	4,586	0	10,093	5,434	5,434	4,586	4,586	4,586	4,586	4,586	4,586	4,586	4,586
6011-7620-78000 RentalLease Costs-Equip	0	0	1,945	388	2,792	1,241	1,347	6	1,347	244	2,322	505	1,853
6011-7640-78000 RentalLease Costs-Equip	3,083	0	1,542	1,542	1,542	7,705	(9,250)	0	228	0	0	0	0
6011-7650-78000 RentalLease Costs-Equip	2,979	2,972	2,972	0	3,115	9,059	(6,059)	0	0	0	0	0	0
6011-7680-78000 RentalLease Costs-Equip	0	0	307	283	(283)	0	0	0	0	0	0	0	0
6011-7710-78000 RentalLease Costs-Equip	43,140	38,574	38,574	38,574	42,742	34,405	39,098	43,337	39,758	41,754	39,098	39,758	39,098
6011-7720-78000 RentalLease Costs-Equip	3,745	1,791	2,068	(7,503)	1,381	2,211	995	715	7,894	4,801	6,310	931	5,432
6011-7740-78000 RentalLease Costs-Equip	207	4,500	4,707	9,190	4,543	(13,310)	0	0	0	0	0	0	871
6011-7760-78000 RentalLease Costs-Equip	0	0	615	566	1,131	0	1,146	0	2,673	0	1,368	1,657	3,261
6011-8310-78000 RentalLease Costs-Equip	0	5,591	0	0	2,894	0	3,145	0	0	0	0	3,352	0
6011-8340-78000 RentalLease Costs-Equip	0	0	0	0	0	0	0	0	0	0	0	0	911
6011-8400-78000 RentalLease Costs-Equip	23,882	8,326	8,326	8,326	22,309	20,065	123	19,053	19,486	8,556	3,007	8,367	18,761
6011-8465-78000 RentalLease Costs-Equip	2,122	0	0	0	0	0	0	1,823	0	0	0	0	0
6011-8480-78000 RentalLease Costs-Equip	16,564	0	0	0	0	0	0	0	0	0	0	0	33,128
6011-8510-78000 RentalLease Costs-Equip	0	0	0	0	0	0	0	0	0	0	0	0	87,452
6011-8610-78000 RentalLease Costs-Equip	0	0	0	0	0	26,807	13,403	13,403	13,403	13,403	13,403	13,403	13,403
Total: 78000 RentalLease Costs-Equip	236,599	134,251	125,438	108,425	213,636	151,799	138,956	112,219	169,769	169,302	159,411	147,927	253,278
<b>Total - Rental &amp; Leases</b>	<b>423,506</b>	<b>275,535</b>	<b>266,722</b>	<b>249,709</b>	<b>354,761</b>	<b>324,254</b>	<b>299,442</b>	<b>260,191</b>	<b>305,323</b>	<b>308,250</b>	<b>297,958</b>	<b>286,474</b>	<b>391,825</b>
<b>Other Expenses:</b>													
<b>78300 Licenses &amp; Taxes:</b>													
6011-7060-78300 Licenses & Taxes	0	0	0	975	0	0	0	0	0	0	0	0	0
6011-7420-78300 Licenses & Taxes	0	0	0	0	0	975	0	0	0	0	0	0	0
6011-7620-78300 Licenses & Taxes	0	0	0	0	0	0	0	0	0	0	0	17,898	2,083
6011-7630-78300 Licenses & Taxes	0	0	0	0	0	3,200	0	0	0	0	4,800	0	0
6011-7650-78300 Licenses & Taxes	0	0	0	0	0	0	345	0	0	0	18,143	0	0
6011-7710-78300 Licenses & Taxes	0	0	0	0	0	1,996	0	200	0	0	0	0	35
6011-7720-78300 Licenses & Taxes	0	0	2,995	0	(2,995)	0	8,087	0	0	0	0	0	0
6011-7830-78300 Licenses & Taxes	0	0	0	0	0	785	0	0	0	0	101	0	0
6011-8440-78300 Licenses & Taxes	0	0	10,619	2,624	(916)	0	0	0	280	0	0	0	0
6011-8460-78300 Licenses & Taxes	0	0	0	0	0	707	3,537	0	0	0	0	0	0
6011-8480-78300 Licenses & Taxes	0	(699)	0	705	5	402	0	1,046	781	452	778	0	209
6011-8510-78300 Licenses & Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-8610-78300 Licenses & Taxes	25,406	25,430	25,430	25,430	25,430	25,430	28,297	28,297	28,297	28,297	28,327	28,903	28,297
6011-8620-78300 Licenses & Taxes	1,956	1,956	1,956	1,013	1,013	1,013	7,399	0	0	0	0	0	0
6011-8752-78300 Licenses & Taxes	0	0	0	0	0	0	6,040	0	0	0	0	0	0
6011-8850-78300 Licenses & Taxes	1,345	1,345	1,345	3,439	87	1,345	1,345	427	1,385	1,328	1,328	1,328	1,328
Total: 78300 Licenses & Taxes	28,708	28,034	39,351	37,181	25,998	31,366	42,051	41,993	35,623	30,633	53,376	48,326	31,889
<b>78310 Property Taxes:</b>													
6011-7710-78310 Property Taxes	0	0	0	0	0	0	2,669	0	0	0	0	0	0
6011-8610-78310 Property Taxes	12,115	13,297	13,297	13,297	15,903	11,548	11,548	12,714	12,714	12,714	12,714	12,714	12,714
Total: 78310 Property Taxes	12,115	13,297	13,297	13,297	15,903	11,548	14,217	12,714	12,714	12,714	12,714	12,714	12,714
<b>78400 Other Costs:</b>													
6011-7630-78400 Other Costs	0	0	0	0	0	0	0	0	0	0	1,000	0	0
6011-8510-78400 Other Costs	14,747	15,028	(21,206)	22,599	14,844	5,025	18,225	8,261	9,136	11,248	13,286	13,877	10,889
Total: 78400 Other Costs	14,747	15,028	(21,206)	22,599	14,844	5,025	18,225	8,261	9,136	11,248	14,286	13,877	10,889
<b>78500 Telephone/Telegraph:</b>													
6011-6010-78500 Telephone/Telegraph	100	0	245	5	0	221	284	154	144	43	186	153	224
6011-6171-78500 Telephone/Telegraph	50	0	666	469	0	1,177	479	270	502	473	605	118	178
6011-6172-78500 Telephone/Telegraph	77	0	217	336	0	410	83	386	406	293	850	139	218
6011-6178-78500 Telephone/Telegraph	56	0	196	101	0	635	216	197	205	214	372	270	497
6011-6170-78500 Telephone/Telegraph	266	0	494	133	0	1,041	272	897	96	177	545	727	727
6011-6341-78500 Telephone/Telegraph	0	0	0	0	0	0	0	0	0	7	0	0	0
6011-6560-78500 Telephone/Telegraph	0	0	5	0	0	55	114	219	245	0	0	0	0
6011-7010-78500 Telephone/Telegraph	434	273	1,767	1,567	273	2,309	1,328	720	888	1,149	1,616	1,089	1,643
6011-7420-78500 Telephone/Telegraph	0	0	0	0	0	0	0	0	0	0	0	0	0
6011-7421-78500 Telephone/Telegraph	0	0	138	179	0	377	291	178	151	281	80	80	163
6011-7427-78500 Telephone/Telegraph	0	0	0	179	0	157	61	14	85	144	228	201	134
6011-7430-78500 Telephone/Telegraph	0	0	13	0	0	0	0	0	0	0	0	0	0
6011-7630-78500 Telephone/Telegraph	41	0	210	183	0	295	70	90	167	196	113	139	197
6011-7650-78500 Telephone/Telegraph	7	0	0	0	0	0	0	0	0	0	0	0	0
6011-8440-78500 Telephone/Telegraph	281	251	251	251	0	578	261	285	0	600	267	289	0
6011-8470-78500 Telephone/Telegraph	38,130	21,712	(6,830)	599	4,857	4,816	229	3,040	5,939	12,996	1,493	8,197	1,821
6011-8550-78500 Telephone/Telegraph	0	74	0	0	0	0	0	0	24	0	0	0	0
6011-8551-78500 Telephone/Telegraph	0	0	36	151	0	307	0	115	196	146	232	198	225
6011-8720-78500 Telephone/Telegraph	0	0	0	0	0	307	0	0	0	810	0	0	0
6011-8751-78500 Telephone/Telegraph	0	413	0	786	0	0	0	0	0	0	0	0	0
6011-8780-78500 Telephone/Telegraph	15	0	0	0	0	0	0	0	0	0	0	0	0
Total: 78500 Telephone/Telegraph	39,500	22,648	(2,582)	4,849	5,130	12,779	3,804	6,606	8,973	17,608	6,408	11,420	5,945
<b>78600 Dues &amp; Subscriptions:</b>													
6011-6960-78600 Dues & Subscriptions	0	0	5,621	0	0	0	0	0	0	0	0	0	0
6011-7400-78600 Dues & Subscriptions	0	0	0	0	0	(1,700)	1,700	0	0	0	0	0	0
6011-7420-78600 Dues & Subscriptions	0	0	0	0	0	0	0	0	0	160	0	0	0
6011-7470-78600 Dues & Subscriptions	0	0	0	13,200	0	3,000	(1,700)	0	0	0	0	0	0
6011-7470-78600 Professional Subscriptions & Dues	0	0	0	0	0	0	0	0	0	0	3,500	0	0
6011-7500-78600 Dues & Subscriptions	0	0	2,610	0	995	5,582	2,698	0	0	0	0	0	0
6011-7560-78600 Dues & Subscriptions	0	160	0	160	0	75	0	0	0	160	0	0	0
6011-7630-78600 Dues & Subscriptions	0	2,000	56	0	0	0	0	0	0	0	0	0	0
6011-8710-78600 Dues & Subscriptions	0	75	0	0	0	0	0	262	0	0	114	0	3,588
6011-7671-78600 Dues & Subscriptions	0	0	0	0	75	0	75	0	0	0	0	0	0
6011-8340-78600 Dues & Subscriptions	0	0	0	0	0	0	0	0	0	0	0	0	573
6011-8510-78600 Dues & Subscriptions	0	0	0	255	0	0	0	0	0	0	385	0	0
6011-8510-78600 Dues & Subscriptions	9,546	7,228	7,216	7,451	7,228	5,134	5,134	15,964	8,675	11,228	5,897	5,099	7,729



**Seton Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

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Verity Health Systems  
Seton Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
79000 Other Expenses:													
6011-7010-79000 Other Expenses	0	0	0	0	0	0	437	373	0	0	0	141	411
6011-7420-79000 Other Expenses	0	0	0	0	35	180	0	0	522	0	0	0	0
6011-7450-79000 Other Expenses	0	0	0	0	196	0	0	0	0	0	0	0	0
6011-7500-79000 Other Expenses	0	0	0	0	0	0	0	200	0	0	0	212	0
6011-7710-79000 Other Expenses	0	0	0	0	0	52	0	0	0	0	0	0	0
6011-7770-79000 Other Expenses	0	0	0	0	0	0	0	166	0	0	0	0	75
6011-8120-79000 Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0	740	0	0
6011-8340-79000 Other Expenses	662	809	130	636	577	0	195	0	0	0	0	403	11,338
6011-8450-79000 Other Expenses	0	0	0	192	0	0	0	0	0	0	0	0	0
6011-8560-79000 Other Expenses	0	0	0	0	218	0	0	0	0	251	0	0	0
6011-8610-79000 Other Expenses	(74,037)	2,827	3,613	8,650	302,820	733	26,992	46,490	32	210,560	1,963	54,970	13,374
6011-8650-79000 Other Expenses	0	0	461	0	0	0	0	0	0	0	0	0	0
6011-8670-79000 Other Expenses	0	0	791	0	0	0	0	0	0	6,233	0	0	0
6011-8700-79000 Other Expenses	0	0	0	0	0	0	585	0	0	0	0	(585)	0
6011-8712-79000 Other Expenses	37,614	10,961	10,966	10,971	10,975	(43,874)	0	0	0	0	0	0	0
6011-8752-79000 Other Expenses	0	0	0	0	0	0	0	0	0	0	0	30	0
6011-8953-79000 Other Expenses	0	100	(100)	0	0	0	0	0	0	0	0	0	0
Total 79000 Other Expenses	(35,762)	14,698	15,821	20,449	314,781	(42,324)	27,624	47,230	553	210,812	2,703	55,171	25,198
79002 Other Advertising:													
6011-8610-79002 Other Advertising	12,265	0	1,000	0	0	0	0	0	0	0	0	0	0
6011-8630-79002 Other Advertising	16,059	0	0	0	0	0	0	0	0	0	0	0	689
Total 79002 Other Advertising	28,324	0	1,000	0	0	0	0	0	0	0	0	0	689
79003 Gifts & Entertainment:													
6011-6171-79003 Gifts & Entertainment	0	0	1,200	0	0	0	0	0	0	0	0	0	0
6011-8610-79003 Gifts & Entertainment	0	5,648	0	0	4,303	0	0	0	0	6,233	0	0	0
6011-8720-79003 Gifts & Entertainment	0	0	0	0	0	0	0	0	0	0	0	0	2,381
Total 79003 Gifts & Entertainment	0	5,648	1,200	0	4,303	0	0	0	0	6,233	0	0	2,381
79009 JCAHO:													
6011-6752-79009 JCAHO	0	0	0	1,663	1,663	1,663	1,663	1,663	1,663	1,663	1,663	1,663	2,075
Total 79009 JCAHO	0	0	0	1,663	1,663	1,663	1,663	1,663	1,663	1,663	1,663	1,663	2,075
79010 Postage:													
6011-8310-79010 Postage	0	0	3,000	3,000	3,000	2,569	3,000	4,000	3,380	3,000	3,000	0	3,000
6011-8530-79010 Postage	0	0	77	0	0	0	0	0	0	0	0	(77)	0
Total 79010 Postage	0	0	3,077	3,000	3,000	2,569	3,000	4,000	3,380	3,000	3,000	(77)	3,000
79050 Community Benefit Expenses:													
6011-6171-79050 Community Benefit Expenses	0	0	0	0	0	0	0	398	0	0	0	0	0
6011-6178-79050 Community Benefit Expenses	0	0	0	0	0	0	0	397	0	0	0	0	0
6011-8610-79050 Community Benefit Expenses	59	3,000	17,513	0	500	1,850	0	5,838	7,938	7,178	3,667	3,667	60,955
6011-8680-79050 Community Benefit Expenses	8,549	3,560	4,305	4,264	3,379	4,063	0	3,641	4,003	0	0	0	0
6011-8770-79050 Community Benefit Expenses	0	5,585	0	0	0	0	510	575	205	0	0	0	0
Total 79050 Community Benefit Expenses	8,608	12,145	21,817	4,264	3,879	5,913	510	10,948	12,145	7,178	3,667	3,667	60,955
79060 Charity:													
6011-8610-79060 Charity	1,350	(450)	0	500	450	0	450	0	0	0	0	0	0
6011-8710-79060 Charity	4,700	0	0	0	0	0	0	0	0	0	0	0	0
Total 79060 Charity	6,050	(450)	0	500	450	0	450	0	0	0	0	0	0
79073 Contribution Fees:													
6011-8890-79073 Contribution Fees	0	0	0	0	3,656,418	0	8,881,526	387,268	741,123	741,123	741,123	2,380,207	987,563
Total 79073 Contribution Fees	0	0	0	0	3,656,418	0	8,881,526	387,268	741,123	741,123	741,123	2,380,207	987,563
79090 Advertising:													
6011-6341-79090 Advertising	0	0	0	0	0	0	0	0	0	0	0	0	276
6011-8610-79090 Advertising	450	0	0	0	0	0	0	0	0	0	0	0	0
6011-8630-79090 Advertising	17,776	0	709	0	0	270	8,321	0	0	0	0	0	71
Total 79090 Advertising	18,226	0	709	0	0	270	8,321	0	0	0	0	0	348
79400 Tr To Othr CC-Other Expenses:													
6011-8340-79400 Tr To Othr CC-Other Expenses	(104,841)	(106,549)	(106,317)	(97,116)	(105,570)	(97,244)	(123,552)	(96,134)	(89,688)	(107,332)	(96,066)	(113,172)	(98,352)
6011-8450-79400 Tr To Othr CC-Other Expenses	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)	(5,491)
Total 79400 Tr To Othr CC-Other Expenses	(110,332)	(112,040)	(111,808)	(102,607)	(111,061)	(102,735)	(129,043)	(101,625)	(95,179)	(112,823)	(101,557)	(118,663)	(103,843)
79890 Cash - AP Offset Account:													
6011-9998-79890 Cash - AP Offset Account	(1,129,681)	0	0	0	0	0	0	0	0	0	0	0	(270,770)
Total 79890 Cash - AP Offset Account	(1,129,681)	0	0	0	0	0	0	0	0	0	0	0	(270,770)
79893 Cash - PPE Purchase Temp Act - Accrual:													
6011-9998-79893 Cash - PPE Purchase Temp Act	1,129,681	0	0	0	0	0	0	0	0	0	0	0	270,770
Total 79893 Cash - PPE Purchase Temp Act - Accrual	1,129,681	0	0	0	0	0	0	0	0	0	0	0	270,770
79896 Cash - Repayment Temp Act:													
6011-9998-79896 Cash - Repayment Temp Act	71,434	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020
Total 79896 Cash - Repayment Temp Act	71,434	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020	76,020
79898 Cash - Contra Offset Act:													
6011-9998-79898 Cash - Contra Offset Act	(71,434)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)
Total 79898 Cash - Contra Offset Act	(71,434)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)	(76,020)
Total - Other Expenses	92,248	57,942	37,644	93,842	4,032,063	(14,941)	8,956,571	545,989	791,432	1,009,437	800,131	2,436,502	1,083,099
Total - P/S & Other Expenses	4,020,963	4,614,264	3,895,479	3,799,028	8,784,868	4,476,563	12,642,806	5,146,838	5,071,906	5,311,470	5,521,396	7,123,199	5,503,400
Bad Debt Expense:													
Insurance:													
78100 Insurance-Professional Liability:													
6011-8830-78100 Insurance-Professional Liabl	58,042	53,446	52,506	52,011	59,599	52,011	52,011	56,912	52,637	52,011	65,512	61,623	61,623
Total 78100 Insurance-Professional Liability	58,042	53,446	52,506	52,011	59,599	52,011	52,011	56,912	52,637	52,011	65,512	61,623	61,623
78200 Insurance-Other:													
6011-8610-78200 Insurance-Other	0	0	0	0	0	0	0	0	0	0	550	0	0
6011-8830-78200 Insurance-Other	0	0	0	0	0	0	0	0	0	0	17,126	17,126	17,126
6011-8840-78200 Insurance-Other	33,565	50,101	48,291	48,291	48,561	48,646	48,646	48,539	46,488	48,646	31,042	25,081	25,081
Total 78200 Insurance-Other	33,565	50,101	48,291	48,291	48,561	48,646	48,646	48,539	46,488	48,646	48,718	42,207	42,207
Total - Insurance	91,627	103,546	100,797	100,302	108,160	100,657	100,657	105,451	99,124	100,657	114,231	103,831	103,831
Utilities:													
77700 Utilities-Electricity:													
6011-8460-77700 Utilities-Electricity	149,619	116,753	130,670	148,802	160,568	140,838	112,526	89,180	101,283	105,504	101,300	102,696	94,633
Total 77700 Utilities-Electricity	149,619	116,753	130,670	148,802	160,568	140,838	112,526	89,180	101,283	105,504	101,300	102,696	94,633
77800 Utilities-Gas:													
6011-8460-77800 Utilities-Gas	36,517	31,056	33,140	23,203	28,311	28,094	38,116	38,568	40,119	36,495	38,776	44,364	15,848
Total 77800 Utilities-Gas	36,517	31,056	33,140	23,203	28,311	28,094	38,116	38,568	40,119	36,495	38,776	44,364	15,848
77900 Utilities-Water:													
6011-8460-77900 Utilities-Water	15,017	14,300	21,491	16,133	26,997	18,700	20,381	19,700	13,162	17,200	24,813	15,100	(536)
Total 77900 Utilities-Water	15,017	14,300	21,491	16,133	26,997	18,700	20,381	19,700	13,162	17,200	24,813	15,100	(536)
78000 Utilities-Other:													
6011-7010-78000 Utilities-Other	0	0	0	0	0	0	0	0	0	0	2,712	0	0
6011-7070-78000 Utilities-Other	198	0	405	198	207	217	0	0	0	0	0	0	220



Verity Healt Systems Seton Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total 78000 Utilities-Other	198	0	405	198	207	217	0	0	0	0	2,712	0	220
Total - Utilities	201,351	162,109	185,706	188,336	216,084	187,849	171,022	147,448	154,564	159,199	167,602	162,131	110,165
Depreciation													
77100 Depr&Amort-L& Improvements:													
6011-7420-77100 Depr -Land Improvements	0	0	0	1,102	1,571	0	0	0	0	0	0	0	0
6011-8811-77100 Depr -Land Improvements	324	324	324	324	324	324	324	324	156	240	169	169	169
Total: 77100 Depr&Amort-L& Improvements	324	324	324	1,426	1,895	324	324	324	156	240	169	169	169
77200 Depr&Amort-Buildings & Improve:													
6011-8752-77200 Depr&Amort-Buildings & Improve	0	9,828	0	0	0	0	0	0	0	0	0	0	0
6011-8811-77200 Depr&Amort-Buildings & Improve	56,004	74,553	102,022	72,041	72,041	72,041	72,041	72,041	66,168	69,105	69,104	68,492	66,713
6011-8813-77200 Depr&Amort-Buildings & Improve	65,583	65,919	66,254	66,023	66,023	66,019	65,995	65,995	45,605	65,159	65,144	66,176	65,486
Total: 77200 Depr&Amort-Buildings & Improve	122,187	150,300	168,278	138,066	138,064	138,060	138,036	138,036	111,774	134,264	134,248	134,668	132,200
77400 Depr&Amort-Equip:													
6011-8810-77400 Depr&Amort-Equip	376,218	348,683	348,735	349,673	351,363	344,975	358,831	358,831	164,852	253,677	256,212	261,658	290,439
Total: 77400 Depr&Amort-Equip	376,218	348,683	348,735	349,673	351,363	344,975	358,831	358,831	164,852	253,677	256,212	261,658	290,439
Total - Depreciation	498,728	499,306	517,335	489,164	491,322	483,359	497,190	497,190	276,782	388,181	390,629	396,495	442,807
Amortization:													
77000 Depr&Amort-Intangible Assets:													
6011-8891-77000 Depr & Amort-Intangible Assets	0	0	0	0	0	48,448	11,672	13,655	14,761	14,761	18,989	18,989	14,162
Total: 77000 Depr&Amort-Intangible Assets	0	0	0	0	0	48,448	11,672	13,655	14,761	14,761	18,989	18,989	14,162
Total Amortization	0	0	0	0	0	48,448	11,672	13,655	14,761	14,761	18,989	18,989	14,162
Interest Expense:													
78410 Interest Expense - Long Term Debt:													
6011-8870-78410 Interest Expense - Long & Short-Term Debt	501,701	496,594	496,594	496,594	496,594	496,594	496,594	496,594	482,316	496,594	496,594	496,594	496,594
Total: 78410 Interest Expense - Long Term Debt	501,701	496,594	496,594	496,594	496,594	496,594	496,594	496,594	482,316	496,594	496,594	496,594	496,594
78490 Interest Expense-Other:													
6011-8530-78490 Interest Expense-Other	3,941	4,120	3,889	3,792	3,833	3,945	3,858	3,858	3,887	3,788	3,925	(36,934)	0
6011-8610-78490 Interest Expense-Other	0	0	0	0	0	0	0	0	0	0	0	41,471	3,770
6011-8870-78490 Interest Expense-Other	(49,987)	(53,434)	(56,968)	(52,852)	(57,892)	(58,683)	0	(115,432)	(61,905)	(20,060)	(57,480)	(60,766)	(55,165)
Total: 78490 Interest Expense-Other	(46,047)	(49,315)	(53,079)	(49,060)	(54,060)	(54,739)	3,858	(111,584)	(58,018)	(16,272)	(53,555)	(59,259)	(51,395)
Total - Interest Expense	455,654	447,279	443,515	447,533	442,434	441,855	500,452	385,040	424,298	480,322	443,039	438,365	445,199
Total Expenses	15,455,265	21,326,408	20,528,502	19,901,760	25,261,040	20,780,200	28,975,329	24,027,404	19,852,562	21,786,258	21,878,151	24,326,897	23,556,532
Operating Income	100,682	(6,890,891)	(6,458,123)	(4,251,991)	12,426,705	(5,745,010)	(4,584,986)	(3,411,260)	(4,183,222)	(725,561)	(5,504,083)	3,544,850	(6,215,111)
Investment Income:													
Net Income	100,682	(6,890,891)	(6,458,123)	(4,251,991)	12,426,705	(5,745,010)	(4,584,986)	(3,411,260)	(4,183,222)	(725,561)	(5,504,083)	3,544,850	(6,215,111)



Verify Health System St Vincent Medical Center Balance Sheet June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Assets</b>													
<b>Current Assets:</b>													
Cash	\$3,504,267	\$1,455,208	\$4,096,766	\$3,272,771	\$2,826,294	\$6,951,593	\$16,134,157	\$5,874,337	\$5,073,445	\$53,578	\$3,853,147	\$3,030,414	\$2,206,284
Accounts Receivable	404,432,302	405,586,624	401,628,183	421,064,398	444,983,036	452,196,151	467,786,058	501,470,569	507,996,584	516,131,724	534,502,710	520,123,071	504,980,542
Contractual Allowance	(344,376,177)	(344,518,355)	(340,052,505)	(358,477,628)	(378,329,146)	(387,072,587)	(401,629,769)	(431,525,399)	(438,339,356)	(445,629,331)	(462,589,494)	(450,340,296)	(440,341,597)
Allowance for Uncollectible Accounts	(14,194,296)	(14,440,949)	(17,673,346)	(19,440,154)	(21,533,364)	(22,937,012)	(23,544,972)	(24,468,820)	(25,848,492)	(28,239,658)	(28,600,435)	(27,960,878)	(26,004,379)
Net Accounts Receivable	45,861,828	46,627,320	43,902,331	43,146,616	45,120,526	42,186,552	42,611,317	45,476,350	43,808,735	42,262,735	43,312,780	41,821,897	38,634,566
Due from Governmental Agencies	5,537,005	5,673,727	5,348,887	5,411,593	5,505,652	5,580,118	5,662,417	5,317,534	3,431,822	3,498,686	3,558,802	3,648,976	3,709,092
Due from Related Corporations	17,611,259	18,182,028	6,755,986	7,955,886	7,417,647	7,049,133	7,427,544	7,916,570	8,242,497	8,767,416	9,081,049	9,482,147	7,953,337
Supplies Inventories, at cost	6,696,857	6,724,240	6,760,247	6,753,716	6,763,880	6,727,083	6,781,451	6,794,677	6,774,781	6,811,312	6,804,385	6,813,509	7,340,499
Other Current Assets	6,637,579	6,856,955	6,080,353	5,810,509	8,399,272	6,315,530	14,853,478	17,014,718	15,078,201	14,479,340	11,531,451	10,285,901	9,071,681
Total Current Assets	85,848,795	85,519,478	72,944,570	72,351,091	76,033,272	74,810,008	93,470,365	88,394,185	82,409,481	75,873,068	78,141,613	75,082,844	68,915,459
<b>Assets Limited as to Use:</b>													
Board-designated for - Donor-Restricted	3,038,963	3,038,963	3,038,963	3,038,963	3,092,500	3,092,500	3,113,496	3,113,496	3,113,496	3,113,496	3,113,496	3,113,496	3,068,525
Assets Limited as to Use	3,038,963	3,038,963	3,038,963	3,038,963	3,092,500	3,092,500	3,113,496	3,113,496	3,113,496	3,113,496	3,113,496	3,113,496	3,068,525
<b>Net Operating Property, Plant &amp; Equipment</b>													
Land	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040	6,387,040
Land Improvements	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712	2,238,712
Buildings/LHI	74,791,005	74,791,005	74,801,636	75,041,284	75,041,284	75,041,284	75,041,284	75,041,284	75,041,284	75,041,284	75,041,284	75,041,284	75,263,499
Buildings Service Equipment	61,843,965	61,843,965	61,896,712	61,905,865	61,905,865	61,905,865	61,919,176	61,919,176	61,919,176	62,196,118	62,196,118	62,205,118	62,219,675
Equipment	139,484,042	139,630,561	139,791,885	139,917,150	140,019,586	140,294,032	140,479,915	140,705,102	141,052,591	141,077,893	141,541,754	142,949,366	144,156,375
Construction in Progress	3,912,630	4,082,563	4,322,780	4,048,172	4,594,826	4,975,810	5,961,922	7,168,522	7,212,432	7,363,509	7,886,266	7,649,389	6,231,321
Total Fixed Assets	288,657,394	288,973,845	289,438,825	289,538,222	290,187,312	290,842,741	292,028,047	293,459,835	293,851,234	294,324,556	295,293,173	296,470,908	296,496,622
Less - Accumulated Depreciation	(243,571,775)	(244,059,498)	(244,525,821)	(244,992,179)	(245,458,841)	(245,926,735)	(246,391,901)	(246,833,980)	(247,283,477)	(247,735,678)	(248,199,157)	(248,709,984)	(249,372,105)
Net Operating PP&E	45,085,618	44,914,347	44,913,004	44,546,043	44,728,471	44,917,006	45,636,146	46,625,855	46,567,757	46,588,880	47,094,016	47,760,924	47,124,517
<b>Other Assets:</b>													
Notes Receivable LT	0	0	0	0	0	0	0	0	0	0	0	0	0
Other LT Assets	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342
Total Other Assets	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342
Total Assets	133,986,718	133,486,130	120,909,879	119,949,439	123,867,585	122,832,856	142,233,348	138,146,878	132,104,076	125,588,785	128,362,466	125,970,605	119,121,843
<b>Liabilities and Fund Balances</b>													
<b>Current Liabilities:</b>													
Current maturities of long-term debt	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	866,662
Accounts Payable	13,853,515	13,580,900	15,404,532	17,679,367	16,861,330	14,101,676	14,224,509	15,763,929	17,605,592	13,804,039	14,574,319	16,798,508	13,432,059
Due to governmental agencies	1,513,250	1,513,250	2,290,749	2,165,630	2,275,116	1,235,139	1,569,768	1,928,022	1,783,617	1,858,721	1,794,243	1,698,019	1,728,085
Due to related entities	216,678,561	220,922,135	211,198,105	216,635,625	220,764,334	228,841,043	244,872,797	240,105,717	238,793,265	243,260,426	251,372,945	253,975,344	261,718,324
Accrued Liabilities-													
Payroll	1,573,584	2,322,726	2,854,522	1,553,301	2,200,205	1,457,749	2,465,129	3,092,161	2,945,558	1,736,663	4,468,099	1,673,631	2,070,199
Vacation & Other Compensated Absences	5,388,668	5,331,604	5,245,114	5,404,634	5,390,342	5,599,869	5,738,093	5,800,634	5,908,073	6,099,761	6,260,997	6,220,094	6,220,094
Other	15,384,616	16,523,463	16,031,576	17,476,911	23,097,803	22,713,239	34,625,557	34,875,564	36,133,734	38,585,264	35,925,928	34,633,275	33,997,806
Total Current Liabilities	255,425,351	260,978,505	253,944,244	261,589,106	271,436,579	274,572,345	304,190,786	302,336,642	303,895,557	305,986,342	315,068,451	315,872,929	320,033,230
<b>Other Liabilities:</b>													
Pension Plan LT	71,180,000	71,323,417	71,466,833	69,246,500	69,389,917	69,533,333	66,131,500	66,274,917	66,420,875	63,609,792	63,753,209	63,896,625	56,449,000
Other Liabilities LT	2,340,873	2,340,873	2,340,873	2,340,873	2,340,873	2,340,873	2,340,873	2,340,873	2,340,873	2,340,873	2,340,873	2,340,873	2,473,615
Total Other Liabilities	73,520,873	73,664,289	73,807,706	71,587,373	71,730,789	71,874,206	68,472,373	68,615,789	68,761,748	65,950,664	66,094,081	66,237,498	58,922,615
<b>Long-Term Debt:</b>													
Bonds Payable	54,192,044	54,122,615	54,053,185	53,983,755	53,914,325	53,844,896	53,775,466	53,706,036	53,636,606	53,567,177	53,497,747	53,428,317	53,325,382
Total Long-Term Debt	54,192,044	54,122,615	54,053,185	53,983,755	53,914,325	53,844,896	53,775,466	53,706,036	53,636,606	53,567,177	53,497,747	53,428,317	53,325,382
<b>NET ASSETS:</b>													
Unrestricted	(209,554,061)	(253,917,292)	(253,917,292)	(254,917,292)	(254,917,292)	(254,862,777)	(254,862,777)	(254,862,777)	(254,862,777)	(254,692,350)	(254,692,350)	(254,692,350)	(250,055,808)
YTD Net Income	(42,863,231)	(4,627,729)	(10,243,707)	(15,559,245)	(21,816,097)	(25,915,093)	(32,662,774)	(34,989,087)	(42,667,333)	(48,563,323)	(54,945,738)	(58,216,065)	(66,398,721)
Temporarily Restricted	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941
Permanently Restricted	2,742,801	2,742,801	2,742,801	2,742,801	2,796,338	2,796,338	2,817,334	2,817,334	2,817,334	2,817,334	2,817,334	2,817,334	2,772,204
Total Net Assets	(249,151,549)	(255,279,278)	(260,895,256)	(267,210,794)	(273,214,109)	(277,458,590)	(284,205,276)	(286,511,589)	(294,189,835)	(299,915,398)	(306,297,813)	(309,568,140)	(313,159,384)
TOTAL LIABILITIES AND FUND BALANCE	133,986,718	133,486,130	120,909,879	119,949,439	123,867,585	122,832,856	142,233,348	138,146,878	132,104,076	125,588,785	128,362,466	125,970,605	119,121,843
Total Assets	133,986,718	133,486,130	120,909,879	119,949,439	123,867,585	122,832,856	142,233,348	138,146,878	132,104,076	125,588,785	128,362,466	125,970,605	119,121,843
Total Liabilities	383,138,267	388,765,408	381,805,135	387,160,233	397,081,694	400,291,446	426,438,625	424,658,468	426,293,911	425,504,183	434,660,280	435,538,745	432,281,227
Total Equity	(249,151,549)	(255,279,278)	(260,895,256)	(267,210,794)	(273,214,109)	(277,458,590)	(284,205,276)	(286,511,589)	(294,189,835)	(299,915,398)	(306,297,813)	(309,568,140)	(313,159,384)



Verity Health System  
St Vincent Medical Center  
Balance Sheet  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Assets</b>													
<b>Current Assets:</b>													
<b>Cash:</b>													
8510-1001-10008 Cash - BoA LockBox	\$591,716	\$666,466	\$592,085	\$721,576	\$219,402	\$1,591,911	\$925,381	\$655,508	\$1,496,249	\$2,782,829	\$1,820,360	\$2,020,251	\$1,057,446
8510-1001-10018 Disbursement Checking - DOC	0	0	0	0	0	0	0	0	0	0	0	0	7,767
8510-1001-10025 Cash - Disbursement Checkins - E	3,536,219	1,189,040	3,272,216	4,055,988	1,356,849	5,622,679	15,194,505	5,328,051	4,017,717	(447,093)	1,283,073	1,286,890	1,242,146
8510-1001-10031 Cash - BofA Creative Benefits	41,963	45,680	51,310	54,925	54,698	67,391	68,193	68,193	68,193	68,193	44,772	44,772	44,772
8510-1002-10020 Cash - Payroll Checking	49,431	70,704	51,314	(1,930,928)	1,042,425	10,166	42,843	44,967	46,454	(2,223,006)	1,067,098	52,051	57,714
8510-1003-10030 Cash - Cap Mgmt SRVS	(631,129)	(641,045)	55,291	142,951	(30,815)	(549,297)	(457,743)	(516,712)	(859,591)	(154,094)	(407,713)	(360,122)	(296,430)
8510-1003-10039 Cap Mgmt SRVS - CHMSO	(89,432)	118,894	74,404	226,375	178,016	205,301	356,644	288,195	311,498	38,488	38,857	27,886	95,137
8510-1004-10040 Imprest / Petty Cash Funds	5,500	5,500	5,500	5,500	5,500	6,135	6,135	6,135	6,700	6,700	6,700	6,700	5,500
Total: Cash	3,504,267	1,455,208	4,096,766	3,272,771	2,826,294	6,951,933	16,134,157	5,874,337	5,073,445	53,578	3,853,147	3,030,414	2,206,284
<b>Accounts Receivable:</b>													
8510-1020-10200 Patient Accounts Receivable	405,174,795	407,954,405	403,653,815	422,234,878	446,390,897	454,533,305	468,624,462	502,592,020	509,381,297	517,351,190	535,193,102	529,522,897	505,610,953
8510-1026-10260 AR-Home Health	(742,494)	(2,367,780)	(2,035,632)	(1,170,480)	(1,407,862)	(2,337,153)	(838,404)	(1,121,451)	(1,384,713)	(1,219,466)	(690,392)	(9,399,826)	(630,411)
Total: Accounts Receivable	404,432,302	405,586,624	401,628,183	421,064,398	444,983,036	452,196,151	467,786,058	501,470,569	507,996,584	516,131,724	534,502,710	520,123,071	504,980,542
<b>Contractual Allowances:</b>													
8510-1042-10421 Allow CA - Medicare IP Acute	(90,984,199)	(89,724,108)	(87,484,576)	(91,648,671)	(99,781,654)	(94,489,168)	(100,646,863)	(106,574,939)	(102,289,300)	(98,397,322)	(101,035,565)	(98,767,660)	(94,542,093)
8510-1042-10425 Allow CA - Medicare Outpatient	(38,289,348)	(39,173,338)	(39,443,671)	(38,730,962)	(40,793,600)	(39,555,752)	(38,581,572)	(40,007,606)	(38,859,800)	(39,373,263)	(43,080,773)	(43,510,513)	(42,159,790)
8510-1042-10428 Allow CA - Medicaid	(11,022,773)	(10,199,533)	(13,356,629)	(13,992,563)	(14,398,086)	(14,641,840)	(14,894,964)	(16,128,610)	(16,574,007)	(17,147,085)	(16,015,146)	(15,944,007)	(16,147,000)
8510-1042-10427 CA MCARE AT RISK SNF	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958	1,958
8510-1044-10441 Allow CA - Medi-Cal IP	(95,822,044)	(96,755,467)	(90,141,045)	(93,754,606)	(95,065,798)	(101,933,310)	(104,951,978)	(116,876,752)	(121,951,054)	(120,224,682)	(124,154,191)	(126,050,009)	(114,208,082)
8510-1044-14551 CONT OP MCAID FFS	(40,858,140)	(41,929,703)	(43,818,576)	(46,989,038)	(48,393,368)	(46,980,362)	(45,166,765)	(46,570,111)	(45,530,278)	(45,544,320)	(46,223,196)	(44,999,250)	(46,502,497)
8510-1047-10410 CA/HCH DOLLAR ACCOUNT - I	5,580	5,580	5,580	5,580	5,580	5,580	5,580	5,580	5,580	5,580	5,580	5,580	5,580
8510-1047-10470 CA-MGDCARE-IP	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)	(28,638,005)
8510-1048-10421 Allow CA - M/CARE MGDCARE	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)	(109,375)
8510-1048-10441 ALLOW - CA M/CAL MGDCARE	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)	(23,020)
8510-1048-10474 Allow CA - MGDCARE RISK IP	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611	1,611
8510-1048-10481 Allow CA-Comm MgdCre Inpt Ac	(179,897)	(8,556,702)	(10,441,718)	(17,415,970)	(21,052,017)	(28,103,679)	(33,265,141)	(38,393,883)	(45,316,629)	(54,124,230)	(59,899,530)	(47,423,386)	(51,410,908)
8510-1048-10485 Allow CA -Comm ModCre Outpat	(25,300,113)	(24,879,857)	(26,427,713)	(27,713,938)	(29,545,825)	(31,987,163)	(34,649,488)	(37,270,507)	(37,868,737)	(40,737,901)	(40,299,261)	(40,474,825)	(41,788,892)
8510-1049-10240 Allowance For Charity	(4,153,748)	(4,533,733)	(177,004)	(485,965)	(534,882)	(605,592)	(727,082)	(937,076)	(1,382,686)	(1,314,612)	(1,296,517)	(4,404,731)	(4,816,419)
8510-1049-19491 Allow - OTHER IP	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)	(4,665)
Total: Contractual Allowances	(344,376,177)	(344,518,355)	(340,052,505)	(358,477,628)	(378,329,146)	(387,029,769)	(401,629,769)	(431,525,399)	(438,339,356)	(445,629,331)	(462,589,494)	(450,340,296)	(440,341,597)
<b>Allowance for Uncollectible Accounts:</b>													
8510-1041-10410 Allowance for Bad Debt	(14,194,296)	(14,440,949)	(17,673,346)	(19,440,154)	(21,533,364)	(22,937,012)	(23,544,972)	(24,468,820)	(25,848,492)	(28,239,658)	(28,600,435)	(27,960,878)	(28,004,379)
Total: Allowance for Uncollectible Accounts	(14,194,296)	(14,440,949)	(17,673,346)	(19,440,154)	(21,533,364)	(22,937,012)	(23,544,972)	(24,468,820)	(25,848,492)	(28,239,658)	(28,600,435)	(27,960,878)	(28,004,379)
Net Accounts Receivable	45,861,828	46,627,320	43,902,331	43,146,616	45,120,526	42,186,552	42,611,317	45,476,350	43,808,735	42,262,735	43,312,780	41,821,897	38,634,566
<b>Due from Governmental Agencies:</b>													
8510-1051-10510 Rec from Third-Party-Medicare	5,537,005	5,673,727	5,348,887	5,411,593	5,505,652	5,580,118	5,662,417	5,317,534	3,431,822	3,498,686	3,558,802	3,648,976	3,709,092
Total: Due from Governmental Agencies	5,537,005	5,673,727	5,348,887	5,411,593	5,505,652	5,580,118	5,662,417	5,317,534	3,431,822	3,498,686	3,558,802	3,648,976	3,709,092
<b>Due from Related Corporations:</b>													
8510-1090-10905 I/C AR - Seton 6011	0	0	114,089	908,489	0	0	0	0	0	0	0	0	0
8510-1090-10910 I/C AR - Seton Coastside 6012	50,816	200,816	300,816	300,816	300,816	300,816	800,816	800,816	800,816	800,816	800,816	800,816	800,816
8510-1090-10965 I/C AR - O'Connor 8010	813,557	811,481	785,073	777,243	770,897	0	0	0	0	0	0	0	0
8510-1090-10966 I/C AR - St. Louise 8011	2,658,122	2,654,299	2,640,396	2,637,858	2,635,509	2,634,030	2,632,136	2,630,431	2,630,431	2,630,431	2,630,431	2,630,431	2,630,431
8510-1090-10973 I/C AR - St. Vincent Dialysis 853C	1,780,479	2,131,035	2,485,939	2,869,970	3,248,916	3,598,263	3,994,590	4,485,321	4,811,248	5,336,167	5,649,800	6,050,898	6,522,088
8510-1090-10975 I/C AR - St. Vincent Foundation 8T	12,308,482	12,384,395	429,671	461,507	461,507	516,022	0	0	0	0	0	0	0
Total: Due from Related Corporations	17,611,259	18,182,028	6,755,986	7,955,886	7,417,647	7,049,133	7,427,544	7,916,670	8,242,497	8,767,416	9,081,409	9,482,147	7,953,337
<b>Supplies Inventories, at cost:</b>													
8510-1081-10810 Inventory - General Stores	219,872	246,302	264,711	263,605	270,403	233,341	270,899	298,650	282,960	301,841	295,232	293,118	222,945
8510-1082-10820 Inventory - Pharmacy	1,208,798	1,208,798	1,208,798	1,208,798	1,208,798	1,208,798	1,208,798	1,208,798	1,208,798	1,208,798	1,208,798	1,208,798	1,163,520
8510-1083-10830 Inventory - Central Supply	53,925	54,878	72,476	67,051	70,418	70,684	87,493	72,968	68,761	86,412	86,093	96,951	79,315
8510-1085-10850 Inventory - Plant Ops & Maint	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000
8510-1086-10860 Inventory - Surgery Dohney	532,536	532,536	532,536	532,536	532,536	532,536	532,536	532,536	532,536	532,536	532,536	532,536	602,363
8510-1088-10880 Inventory - Surgery	3,507,111	3,507,111	3,507,111	3,507,111	3,507,111	3,507,111	3,507,111	3,507,111	3,507,111	3,507,111	3,507,111	3,507,491	3,758,608
8510-1089-10891 INVENTORY RADIOLOGY	406,469	406,469	406,469	406,469	406,469	406,469	406,469	406,469	406,469	406,469	406,469	406,469	546,678
8510-1089-10892 INVENTORY CATH LAB	350,408	350,408	350,408	350,408	350,408	350,408	350,408	350,408	350,408	350,408	350,408	350,408	504,893
8510-1089-10893 INVENTORY LABORATORY	50,119	50,119	50,119	50,119	50,119	50,119	50,119	50,119	50,119	50,119	50,119	50,119	84,193
8510-1089-10895 Inventory - Out Patient Clinics	49,443	49,443	49,443	49,443	49,443	49,443	49,443	49,443	49,443	49,443	49,443	49,443	945
8510-1089-10896 INVENTORY G.I. LAB	93,051	93,051	93,051	93,051	93,051	93,051	93,051	93,051	93,051	93,051	93,051	93,051	109,301
8510-1089-10897 INVENTORY RESPIRATORY TI	45,124	45,124	45,124	45,124	45,124	45,124	45,124	45,124	45,124	45,124	45,124	45,124	12,614
Total: Supplies Inventories, at cost	6,696,857	6,724,240	6,760,247	6,753,716	6,763,880	6,727,083	6,781,451	6,794,677	6,774,781	6,811,312	6,804,385	6,813,509	7,340,499
<b>Other Current Assets:</b>													
8510-1066-10660 Notes Receivable Short Term	246,002	246,002	123,001	0	0	0	0	0	0	0	0	0	0
8510-1066-10661 Reserve For Notes Receivable	(205,002)	(205,002)	(112,751)	0	0	0	0	0	0	0	0	0	0
8510-1069-10674 Other Rec - Prov Fee FPS	4,666,589	4,666,589	4,666,589	4,666,589	4,666,589	4,666,589	13,658,758	15,001,125	13,874,607	13,043,643	9,699,417	8,196,844	7,272,364
8510-1069-10676 Other Rec - Prov Fee MGD	0	0	0	0	1,597,141	0	0	0	0	0	0	0	0
8510-1069-10690 Other Receivables	952,523	694,499	267,023	241,575	240,867	347,064	234,804	352,264	392,304	476,540	375,625	511,154	1,039,251
8510-1101-11010 Prepaid Insurance	183,892	173,809	485,658	257,897	705,771	457,167	228,865	563,628	341,179	118,731	66,236	438,133	207,039
8510-1105-11050 PREPAID TAXES	0	0	(875)	0	0	0	0	0	0	2,835	1,890	945	0
8510-1106-11060 Prepaid Service Contracts	12,749	9,278	29,176	25,679	22,183	18,688	15,192	11,696	26,757	19,765	16,270	12,774	0
8510-1107-11070 Deposits	0	0	0	0	0	0	0	0	15,000	15,000	15,000	15,000	15,000
8510-1108-11080 Prepaid Expense	780,826	731,779	621,733	618,770	1,166,721	826,022	715,860	1,086,005	443,354	799,330	754,517	1,109,559	525,234
Total: Other Current Assets	6,637,579	6,856,955	6,080,353	5,810,509	8,399,272	6,315,530	14,853,478	17,014,718	15,078,201	14,479,340	11,531,451	10,28	



Verify Health System St Vincent Medical Center Balance Sheet June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-1251-12017 CIP - FYE 2017	1,201,388	1,277,471	1,389,129	1,051,629	1,164,515	1,533,616	1,514,107	1,580,523	1,580,523	1,598,858	1,710,483	1,693,375	0
8510-1251-12018 CIP - FYE 2018	0	21,063	43,947	89,955	175,826	207,214	656,216	1,701,977	1,745,637	1,755,341	2,034,469	2,075,006	5,274,844
Total: Construction in Progress	3,912,630	4,082,563	4,322,780	4,048,172	4,594,626	4,975,810	5,961,922	7,168,522	7,212,432	7,383,509	7,888,266	7,649,389	6,231,321
Total Fixed Assets	288,657,394	288,973,845	289,438,825	289,538,222	290,187,312	290,842,741	292,028,047	293,459,835	293,851,234	294,324,556	295,293,173	296,470,908	296,496,622
Less - Accumulated Depreciation:													
8510-1260-12690 ACCUM DEPN OTH LAND IMPF	(2,108,470)	(2,109,368)	(2,110,267)	(2,111,165)	(2,112,063)	(2,112,961)	(2,113,859)	(2,114,739)	(2,115,620)	(2,116,500)	(2,117,380)	(2,118,260)	(2,119,141)
8510-1271-12710 Accum Depr - Hospital Building	(51,979,082)	(52,137,526)	(52,294,801)	(52,452,270)	(52,610,738)	(52,768,645)	(52,926,465)	(53,082,277)	(53,238,089)	(53,393,675)	(53,549,199)	(53,704,724)	(53,867,574)
8510-1275-12750 Accum Depr - Fixed Equipment	(54,399,524)	(54,485,566)	(54,568,860)	(54,652,977)	(54,731,117)	(54,811,975)	(54,892,594)	(54,971,124)	(55,049,308)	(55,121,025)	(55,191,531)	(55,261,019)	(55,331,019)
8510-1280-12800 A/D-LEASEHOLD IMPROVEMEN	(3,014,776)	(3,028,356)	(3,041,936)	(3,055,516)	(3,069,096)	(3,082,676)	(3,096,256)	(3,109,836)	(3,122,416)	(3,135,997)	(3,149,577)	(3,163,157)	(3,177,737)
8510-1291-12910 Accum Depr - Major Movable	(129,149,503)	(129,378,262)	(129,589,539)	(129,802,052)	(130,015,407)	(130,229,059)	(130,442,306)	(130,655,584)	(130,836,645)	(131,037,872)	(131,250,557)	(131,510,493)	(131,914,215)
8510-1294-12940 Accum Depr - Corp Allocated Eau	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)	(2,920,419)
Total: Less - Accumulated Depreciation	(243,571,775)	(244,059,498)	(244,525,821)	(244,992,179)	(245,458,841)	(245,925,735)	(246,391,901)	(246,833,980)	(247,283,477)	(247,735,676)	(248,199,157)	(248,709,984)	(249,372,105)
Net Operating PP&E	45,085,618	44,914,347	44,913,004	44,546,043	44,728,471	44,917,006	45,636,146	46,625,855	46,567,757	46,588,880	47,094,016	47,760,924	47,124,517
Other Assets:													
Notes Receivable LT:													
Total: Notes Receivable LT	0	0	0	0	0	0	0	0	0	0	0	0	0
Other LT Assets:													
8510-1350-13505 Deposit - Long Term	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
8510-1350-13555 Prepaid Expense - Long Term	10,342	10,342	10,342	10,342	10,342	10,342	10,342	10,342	10,342	10,342	10,342	10,342	10,342
Total: Other LT Assets	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342
Total Other Assets	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342	13,342
Total Assets	133,986,718	133,486,130	129,909,879	119,949,439	123,867,585	122,832,856	142,233,348	138,146,878	132,104,076	125,588,785	128,362,466	125,970,605	119,121,843
Liabilities and Fund Balances													
Current Liabilities:													
Current maturities of long-term debt:													
8510-2014-20143 Current Portion Series 2005A	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	866,662
Total: Current maturities of long-term debt	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	833,157	866,662
Accounts Payable:													
8510-2021-20210 ACCOUNTS PAYABLE	9,351,224	8,549,713	10,323,202	11,476,401	10,071,503	6,838,622	7,104,805	8,311,687	9,770,931	5,167,995	5,033,549	6,496,352	5,865,295
8510-2021-20213 AMEX Trade Payables	0	0	0	0	0	0	525,290	(72,000)	0	0	0	(115,739)	0
8510-2021-20214 AP Cardinal Invoices	272,086	3,265,171	302,048	324,132	365,334	473,777	325,318	150,226	500,554	659,857	1,008,170	1,005,137	479,297
8510-2029-20290 Other Accounts Payable	3,489,071	3,565,171	3,529,734	4,292,992	4,109,904	4,284,033	4,122,091	5,504,807	5,259,160	6,167,654	6,383,206	6,549,409	6,446,387
8510-2029-20294 AP PATIENT REFUND	0	(8,948)	(8,948)	(8,948)	(8,948)	(8,948)	(8,948)	(8,948)	(8,948)	(8,948)	(8,726)	(140,228)	(140,228)
8510-2029-20295 AP - ASAP Program	103,596	103,596	103,596	103,596	103,596	103,596	103,596	103,596	103,596	103,596	103,596	103,596	103,596
8510-2029-20296 AP - Unclaimed Checks	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	54,167	100,250
8510-2029-20299 Patient Credit Balances	592,318	969,919	1,100,734	1,437,026	2,165,773	2,356,428	1,998,108	1,720,313	1,926,051	1,659,636	2,000,498	2,714,311	2,377,462
Total: Accounts Payable	13,853,515	13,580,900	15,404,532	17,679,367	16,861,330	14,101,676	14,224,509	15,763,929	17,605,592	13,804,039	14,574,319	16,798,508	13,432,059
Due to governmental agencies:													
8510-2061-22012 Mcare Sitemf 2012	289,427	289,427	289,427	289,427	289,427	289,427	289,427	289,427	289,427	289,427	289,427	289,427	289,427
8510-2061-22014 Mcare Sitemf 2014	0	349,404	349,404	349,404	349,404	349,404	349,404	349,404	349,404	349,404	349,404	349,404	349,404
8510-2061-22016 Mcare Sitemf 2016	0	0	148,618	148,618	148,618	148,618	148,618	148,618	148,618	148,618	148,618	148,618	148,618
8510-2061-22017 Mcare Sitemf 2017	665,046	665,046	824,427	824,427	824,427	0	0	0	0	107,014	107,014	107,014	107,014
8510-2061-22018 Mcare Sitemf 2018	0	0	469,499	344,381	453,867	238,316	572,945	949,028	766,358	754,885	690,407	594,183	624,249
8510-2062-20629 MediAid Withhold Clearing	0	0	0	0	0	0	0	(17,529)	20,436	0	0	0	0
8510-2062-22011 Mcal Sitemf 2011	209,373	209,373	209,373	209,373	209,373	209,373	209,373	209,373	209,373	209,373	209,373	209,373	209,373
Total: Due to governmental agencies	1,513,250	1,513,250	2,290,749	2,185,630	2,275,116	1,235,139	1,569,768	1,928,022	1,783,617	1,858,721	1,794,243	1,698,019	1,728,085
Due to related entities:													
8510-2090-20905 I/C A/P - Seton 6011	2,372,470	2,376,750	0	0	595,599	599,152	605,736	609,838	609,838	609,838	609,838	609,838	609,838
8510-2090-20908 I/C A/P - Verity Medical Foundatio	0	0	0	0	0	0	0	0	3,150	3,150	3,150	3,150	24,463
8510-2090-20908 I/C A/P - Verity Holdings LLC 8 05	1,735,451	1,916,575	2,175,600	2,317,774	2,430,282	2,602,882	2,740,984	2,955,944	3,134,657	3,311,213	3,487,789	3,664,325	4,489,942
8510-2090-20932 I/C A/P - Verity Business Services	2,048,902	1,956,749	2,136,394	2,455,077	2,977,605	3,541,244	3,573,614	3,034,746	3,655,719	4,161,715	4,931,521	4,644,696	5,234,860
8510-2090-20965 I/C A/P - O'Connor 8010	0	0	0	0	0	1,737,056	1,758,306	1,770,594	1,772,049	1,773,057	1,774,522	1,775,719	1,775,865
8510-2090-20967 I/C A/P - St. Francis 8511	108,661,063	107,664,204	107,673,062	105,801,310	106,729,413	108,010,532	107,457,978	107,423,371	107,385,461	107,345,340	107,292,640	107,263,055	107,260,807
8510-2091-20971 I/C A/P - Verity Health System 801	102,060,280	107,007,856	99,213,046	106,061,464	108,031,432	112,350,227	117,218,947	113,532,227	111,533,605	114,653,934	120,937,015	123,539,831	129,838,241
8510-2090-20975 I/C A/P - St. Foundation 6540	0	0	0	0	0	0	11,476,312	10,778,957	10,701,935	11,402,178	12,336,090	12,474,725	12,485,207
Total: Due to related entities	216,878,561	220,922,135	211,198,105	216,635,625	220,764,334	228,841,043	244,872,797	240,105,717	238,793,265	243,260,426	251,372,945	253,975,344	261,718,324
Accrued Liabilities- Payroll:													
8510-2031-20310 Accrued Payroll	1,249,086	1,850,319	2,469,013	0	614,754	1,024,760	1,768,319	2,654,720	2,519,571	1,244	2,729,356	1,095,976	1,715,172
8510-2035-20350 Federal Income Taxes Withheld	(9,293)	68,342	(9,311)	429,528	429,360	(9,254)	28	1,055	1,055	433,034	429,904	817	1,055
8510-2036-20360 FICA Social Security Taxes Withh	138,170	187,478	235,326	584,233	509,677	116,772	156,119	250,741	242,111	577,179	695,350	127,881	168,052
8510-2037-20370 State Income Taxes Withheld	(7,514)	(7,514)	(7,514)	143,923	143,843	(514)	(514)	(514)	(514)	168,794	166,542	(555)	(514)
8510-2038-20380 Unemployment Taxes Payable	66,418	79,629	16,400	24,600	32,800	49,900	31,400	41,900	52,300	56,400	25,000	15,400	23,100
8510-2039-25000 Other P/R Ded - SDI Withheld	36	36	36	23,871	21,991	33	33	33	33	35,067	34,302	26	33
8510-2039-25010 Other P/R Ded - Union Dues	(16,886)	11,698	11,698	40,447	29,188	194	0	0	0	32,638	30,112	0	0
8510-2039-25023 P/R Ded - Cafeteria	55,333	55,192	57,728	62,042	63,536	63,684	65,353	65,828	66,812	64,524	75,580	67,783	59,481
8510-2039-25026 Other P/R Ded - VOLB	32,822	5,944	7,675	8,030	8,038	5,427	5,427	5,427	5,427	9,360	9,237	5,427	5,427
8510-2039-25030 Other P/R Ded - Long Term Care I	0	0	0	1,207	1,164	0	0	0	0	1,136	1,136	0	0
8510-2039-25031 Other P/R Ded-Short Term Care L	(4,045)	(5,778)	(6,976)	(2,130)	(3,733)	(5,286)	(6,950)	(10,020)	(4,639)	(5,193)	(6,350)	(7,980)	(7,980)
8510-2039-25045 Other P/R Ded - HLTH Care Reim	19,618	20,700	22,847	33,339	35,230	40,184	41,767	36,263	32,222	34,057	35,107	33,557	33,557
8510-2039-25046 Other P/R Ded - Dependent Care	12,440	15,046	13,206	15,073	16,752	14,610	15,720	18,343	15,342	19,851	21,952	26,027	30,107
8510-2039-25065 Other P/R Ded - Pension Payable	(26,335)	(482)	(482)	232,998	228,056	76,330	344,754	0	(540)	269,201	268,365	263,078	(21,877)
8510-2039-25066 Other P/R Ded - 403 B Match	73,434	52,410	55,940	58,889	59,885	76,886	44,546</						



Verity Health System  
St Vincent Medical Center  
Balance Sheet  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-2250-22507 LTD-CSCDA Series 2005A	54,192,044	54,122,615	54,053,185	53,983,755	53,914,325	53,844,896	53,775,466	53,706,036	53,636,606	53,567,177	53,497,747	53,428,317	53,325,382
Total: Bonds Payable	54,192,044	54,122,615	54,053,185	53,983,755	53,914,325	53,844,896	53,775,466	53,706,036	53,636,606	53,567,177	53,497,747	53,428,317	53,325,382
Total Long-Term Debt	54,192,044	54,122,615	54,053,185	53,983,755	53,914,325	53,844,896	53,775,466	53,706,036	53,636,606	53,567,177	53,497,747	53,428,317	53,325,382
<b>NET ASSETS:</b>													
Unrestricted:													
8510-2310-33100 URF-Unrestricted Net Assets	(158,679,583)	(203,042,814)	(203,042,814)	(204,042,814)	(204,042,814)	(204,042,814)	(204,042,814)	(204,042,814)	(204,042,814)	(204,042,814)	(204,042,814)	(204,042,814)	(204,615,500)
8510-2310-33132 URF-DCHS Pension	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(82,373,000)	(76,849,000)
8510-2310-33134 URF-Pension OCI Prior Service C	9,145,772	9,145,772	9,145,772	9,145,772	9,145,772	9,145,772	9,145,772	9,145,772	9,145,772	9,145,772	9,145,772	9,145,772	8,631,000
8510-2331-33310 Donated Property Plant & Equipm	22,352,751	22,352,751	22,352,751	22,352,751	22,352,751	22,407,265	22,407,265	22,407,265	22,407,265	22,577,692	22,577,692	22,577,692	22,577,692
Total: Unrestricted	(209,554,061)	(253,917,292)	(253,917,292)	(254,917,292)	(254,917,292)	(254,862,777)	(254,862,777)	(254,862,777)	(254,862,777)	(254,692,350)	(254,692,350)	(254,692,350)	(250,055,808)
Temporarily Restricted:													
8510-2570-35540 TRF - Federal Bioterrorism/First R	226,779	226,779	226,779	226,779	226,779	226,779	226,779	226,779	226,779	226,779	226,779	226,779	226,779
8510-2570-35612 TRF - Restricted	296,162	296,162	296,162	296,162	296,162	296,162	296,162	296,162	296,162	296,162	296,162	296,162	296,162
Total: Temporarily Restricted	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941	522,941
Permanently Restricted:													
8510-2670-35543 PRF TRUST - BATEMAN	1,809,607	1,809,607	1,809,607	1,809,607	1,863,144	1,863,144	1,884,139	1,884,139	1,884,139	1,884,139	1,884,139	1,884,139	1,839,010
8510-2670-36722 PRF- Langenberger Fund	461,059	461,059	461,059	461,059	461,059	461,059	461,059	461,059	461,059	461,059	461,059	461,059	461,059
8510-2670-36723 PRF- Cantwell Fund	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
8510-2670-36724 PRF - Other Charity	249,051	249,051	249,051	249,051	249,051	249,051	249,051	249,051	249,051	249,051	249,051	249,051	249,051
8510-2670-36725 PRF - Kenneally Fund	213,084	213,084	213,084	213,084	213,084	213,084	213,084	213,084	213,084	213,084	213,084	213,084	213,084
Total: Permanently Restricted	2,742,801	2,742,801	2,742,801	2,742,801	2,796,338	2,796,338	2,817,334	2,817,334	2,817,334	2,817,334	2,817,334	2,817,334	2,772,204
Total Net Assets	(249,151,549)	(255,279,278)	(260,895,256)	(267,210,794)	(273,214,109)	(277,458,590)	(284,205,276)	(286,511,589)	(294,189,835)	(299,915,398)	(306,297,813)	(309,568,140)	(313,159,384)
TOTAL LIABILITIES AND FUND BALANCE	133,986,718	133,486,130	120,909,879	119,949,439	123,867,585	122,832,856	142,233,348	138,146,878	132,104,076	125,588,785	128,362,466	125,970,605	119,121,843

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Verity Health Systems St Vincent Medical Center Trended Income Statement June 30, 2018													
	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
REVENUE													
IP Acute Self Pay	8540,777	8538,251	8716,810	8898,452	8893,332	8505,291	81,266,552	81,369,852	8794,281	81,522,696	8682,588	8663,077	8322,308
IP Acute - Comm Ins	480,310	1,155,013	11,505	243,124	124,686	259,808	446,066	235,419	478,888	418,407	296,749	485,455	576,929
IP Acute-Comm MgtCare	7,841,878	9,356,559	9,140,439	8,622,402	7,303,616	6,784,837	8,181,525	7,862,840	6,199,435	7,882,840	8,749,093	8,248,298	6,083,364
IP Acute-Comm at Risk	444,869	553,487	41,324	611,390	1,247,667	655,654	301,210	390,280	217,880	353,219	0	83,196	24,152
WIC Comp	294,757	60,295	292,757	2,012,719	399,814	299,814	0	534,882	312,597	265,435	295,438	725,693	555,327
Medicare	37,985,282	34,785,198	35,161,718	31,147,809	35,088,163	39,615,967	38,699,612	46,723,642	41,574,901	45,417,032	36,666,964	42,528,434	36,123,100
Medicare MgtCare	7,822,990	9,901,664	10,066,340	11,002,252	12,612,203	10,079,065	13,350,996	12,099,758	10,554,885	14,054,295	14,476,560	12,179,670	12,256,684
Medicare Risk	4,556,562	3,173,674	4,898,269	5,188,618	4,265,019	4,897,353	6,897,325	6,035,996	8,675,739	9,545,866	6,990,980	5,910,262	3,914,001
Med-Cal	5,127,221	4,320,882	5,140,332	5,167,413	5,169,245	5,360,245	9,307,760	8,940,599	6,088,597	7,379,771	6,088,595	5,812,187	2,299,127
Med-Cal MgtCare	11,950,583	11,825,905	12,091,870	12,506,459	11,876,503	13,885,147	16,167,754	18,596,268	15,099,352	16,424,550	17,152,471	13,073,345	11,516,128
Other Govt	0	0	23,386	0	73,155	23,433	0	0	0	83,507	0	132,165	6,262
Other Indigent	0	0	0	0	0	32,195	74,140	83,429	0	5,136	43,212	0	0
Other	527,243	254,247	12,541	(444,842)	910,900	424,364	(705,695)	697,550	45,698	(461,104)	852,179	(253,188)	(906,269)
Total Acute	77,756,581	75,892,886	77,551,862	75,182,399	79,894,752	83,294,878	91,015,104	104,381,451	92,863,737	101,600,366	93,385,143	88,881,910	76,288,166
SNF:													
Comm Ins	0	0	0	0	0	0	0	0	0	0	0	2,805	0
Comm MgtCare	182,573	219,791	120,729	90,024	261,245	177,031	177,927	57,491	327,376	50,877	0	56,278	2,605
Comm Risk	0	0	0	0	0	0	49,536	0	0	0	0	0	0
Medicare	2,967,711	3,099,344	2,605,610	2,852,714	2,418,809	3,255,298	3,312,213	2,902,830	3,060,726	3,118,560	2,213,539	2,242,322	212,313
Medicare MgtCare	419,589	90,291	76,885	106,182	162,824	99,011	0	120,533	0	164,762	293,428	271,129	5,210
Medicare Risk	132,056	122,504	509,518	333,095	491,496	122,348	261,139	192,982	142,362	154,012	405,836	150,491	5,210
Med-Cal	23,988	0	0	0	0	0	45,999	141,466	0	80,755	130,631	71,622	0
Med-Cal MgtCare	136,335	134,919	111,240	101,200	103,226	92,692	242,882	300,922	2,871	77,862	304,091	114,285	37,176
Total SNF	3,862,251	3,670,949	3,423,982	3,483,215	3,437,400	3,745,340	4,089,696	3,716,224	3,533,335	3,688,422	3,378,344	2,909,732	262,514
Rehab:													
Comm MgtCare	173,335	235,386	472,947	348,903	103,295	6,958	94,003	7,787	0	184,285	162,152	329,693	239,612
Comm Risk	23,050	89,435	54,104	87,516	45,275	196,528	0	0	0	0	0	0	0
WIC Comp	0	0	0	0	50,819	0	0	0	0	0	0	0	104,679
Medicare	2,858,862	2,633,063	2,659,961	2,989,697	2,694,252	2,721,000	2,874,961	2,541,862	2,780,797	2,841,156	2,678,977	2,379,389	2,288,562
Medicare MgtCare	92,485	15,578	0	73,453	0	0	270,560	341,667	555,207	214,968	216,968	379,300	588,562
Medicare Risk	102,456	26,007	0	0	56,199	0	92,379	193,880	271,878	56,003	91,977	51,766	119,365
Med-Cal	0	0	0	0	0	47,352	0	0	0	225,262	67,562	102,956	141,973
Med-Cal MgtCare	45,137	0	219,897	29,305	315,263	352,222	98,108	116,894	219,933	206,159	112,291	441,687	26,682
Total Rehab	3,249,445	2,999,469	3,406,599	3,455,421	3,528,156	3,324,520	3,431,541	3,204,170	2,827,815	3,727,850	3,330,237	3,673,231	3,519,610
Total Gross Inpatient Revenue	84,868,278	82,563,304	84,382,443	82,121,035	86,860,309	90,364,739	98,536,341	111,301,845	99,224,887	109,016,638	100,093,723	95,464,873	80,070,290
Gross Outpatient Revenue:													
Outpatient:													
Self Pay	136,750	79,758	98,849	282,545	35,137	61,242	57,883	25,910	238,147	137,565	62,499	66,670	15,425
Comm Ins	285,113	264,898	419,917	219,606	395,256	663,416	679,023	779,641	136,556	474,754	139,629	432,152	364,666
Comm MgtCare	4,551,808	4,413,459	4,289,456	3,977,456	3,214,243	2,750,167	3,432,082	4,409,706	4,434,879	5,039,170	4,686,693	4,644,656	5,415,077
Comm Risk	11,966	55,951	107,582	115,641	424	42,731	207,116	52,747	71,111	15,889	92,241	54,901	143,379
WIC Comp	28,635	12,526	163,964	15,400	81,843	49,750	62,260	84,441	108,271	41,570	59,066	68,286	0
Medicare	9,593,774	8,528,904	8,485,575	7,656,204	8,177,781	7,655,537	8,654,088	8,937,474	7,961,597	9,898,624	10,387,000	11,217,330	9,150,064
Medicare MgtCare	2,713,526	2,736,109	4,000,575	3,897,235	3,214,243	2,510,187	3,432,082	4,409,706	2,335,459	6,230,603	5,002,865	4,442,003	3,512,152
Medicare Risk	482,517	447,399	590,321	714,805	817,478	990,405	937,775	860,015	1,022,636	1,405,455	1,453,861	1,870,667	1,048,722
Med-Cal	324,639	386,266	391,790	556,836	253,304	215,449	496,222	481,801	559,123	717,913	665,021	805,729	524,254
Med-Cal MgtCare	3,032,529	2,675,316	3,285,066	2,590,167	3,522,877	3,588,566	3,436,519	3,546,662	2,334,731	3,835,674	2,681,379	3,415,818	3,259,124
Other Govt	3,443	463	0	3,122	4,747	463	13,689	3,355	0	1,159	1,159	18,588	882
Other Indigent	0	0	0	0	0	0	0	0	0	0	8,701	0	0
Other	1,251,404	226,657	944,341	(247,737)	448,890	1,212,615	235,182	328,040	283,001	1,082,023	(63,068)	401,691	402,310
Total OP	22,416,075	20,827,742	22,735,807	19,791,251	21,029,435	21,505,197	21,708,755	24,321,852	19,685,521	28,884,398	25,206,508	26,399,768	23,900,152
ER:													
Self Pay	1,217,629	1,296,699	1,356,186	1,333,523	1,273,818	940,849	1,319,328	1,264,362	1,072,374	1,095,325	1,269,969	1,000,952	673,073
Comm Ins	189,744	66,070	159,664	270,864	212,768	147,432	218,851	191,507	127,564	224,566	99,564	174,765	95,367
Comm MgtCare	885,019	1,137,277	1,207,711	1,091,599	1,059,281	944,880	1,353,099	1,243,344	1,276,367	1,122,605	1,262,615	1,014,597	1,117,283
Comm Risk	17,228	45,463	16,585	33,543	57,750	13,478	55,170	9,123	27,599	10,182	58,618	32,031	14,485
WIC Comp	49,306	59,362	71,994	26,822	24,241	32,262	39,654	29,713	14,059	15,775	42,507	58,805	0
Medicare	1,797,314	2,216,228	2,005,132	1,874,177	1,874,177	399,753	2,146,207	2,146,207	2,281,199	2,035,960	2,281,199	1,605,000	1,605,000
Medicare MgtCare	943,324	1,052,167	1,225,188	1,172,819	1,194,620	888,464	1,327,669	1,348,481	975,711	1,356,687	1,246,239	1,096,053	1,371,207
Medicare Risk	146,246	125,668	214,200	120,900	123,106	243,527	240,160	269,239	236,002	283,538	469,883	287,833	0
Med-Cal	1,539,366	1,743,298	1,466,137	1,529,596	1,518,3								



# **EXHIBIT 1**

## **PART 4**

# **EXHIBIT 1**

## **PART 4**



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Total - Contractual Allowances</b>	<b>100,692,948</b>	<b>95,448,744</b>	<b>101,948,079</b>	<b>96,286,047</b>	<b>97,953,899</b>	<b>104,702,000</b>	<b>103,310,876</b>	<b>125,953,037</b>	<b>111,640,976</b>	<b>127,840,428</b>	<b>117,219,666</b>	<b>110,418,392</b>	<b>100,655,696</b>
Charity:													
Charity	1,436,689	2,298,273	(3,912,250)	336,467	103,704	123,330	986,279	207,789	452,235	91,088	(12,607)	4,342,528	611,720
<b>Total - Charity Allowances</b>	<b>1,435,689</b>	<b>2,298,273</b>	<b>(3,912,250)</b>	<b>336,467</b>	<b>103,704</b>	<b>123,330</b>	<b>986,279</b>	<b>227,789</b>	<b>452,235</b>	<b>91,088</b>	<b>(12,607)</b>	<b>4,242,528</b>	<b>611,720</b>
Other:													
Other	3,112,722	742,728	3,795,838	467,723	1,338,262	64,876	1,271,901	1,312,486	1,510,364	1,171,871	3,325,694	(267,796)	850,842
<b>Total - Other Allowances</b>	<b>3,112,722</b>	<b>742,728</b>	<b>3,795,838</b>	<b>467,723</b>	<b>1,338,262</b>	<b>64,876</b>	<b>1,271,901</b>	<b>1,312,486</b>	<b>1,510,364</b>	<b>1,171,871</b>	<b>3,325,694</b>	<b>(267,796)</b>	<b>850,842</b>
DSH:													
<b>Total - Deductions From Revenue</b>	<b>105,241,358</b>	<b>98,489,744</b>	<b>101,831,667</b>	<b>97,090,237</b>	<b>99,395,865</b>	<b>104,890,206</b>	<b>105,569,056</b>	<b>127,493,312</b>	<b>113,603,575</b>	<b>129,103,386</b>	<b>120,532,754</b>	<b>114,393,124</b>	<b>102,118,258</b>
<b>Pat. Rev. Net of Contractuals &amp; Other Deductions</b>	<b>12,266,600</b>	<b>16,365,561</b>	<b>16,442,758</b>	<b>15,781,304</b>	<b>19,514,113</b>	<b>16,716,733</b>	<b>27,021,484</b>	<b>20,783,314</b>	<b>15,783,862</b>	<b>20,045,280</b>	<b>16,951,723</b>	<b>18,183,009</b>	<b>13,003,472</b>
<b>Provision for Doubtful Accounts</b>	<b>(2,843,493)</b>	<b>755,843</b>	<b>3,151,882</b>	<b>1,690,379</b>	<b>2,087,949</b>	<b>1,400,695</b>	<b>674,384</b>	<b>907,429</b>	<b>1,376,469</b>	<b>2,384,405</b>	<b>360,936</b>	<b>(523,751)</b>	<b>(1,983,132)</b>
<b>Net Patient Revenue</b>	<b>15,110,093</b>	<b>15,609,718</b>	<b>13,290,876</b>	<b>14,090,925</b>	<b>17,426,164</b>	<b>15,316,038</b>	<b>26,347,100</b>	<b>19,875,885</b>	<b>14,407,393</b>	<b>17,660,875</b>	<b>16,590,787</b>	<b>18,706,760</b>	<b>14,986,604</b>
Other Revenue:													
Other Revenue	48,837	44,457	278,392	53,143	30,682	(11,395)	415,838	130,541	55,445	33,107	24,314	31,796	142,405
Gain or Loss on Property Sale	0	0	0	0	2,309	2,312	0	0	0	0	0	0	0
<b>Total Other Revenue</b>	<b>48,837</b>	<b>44,457</b>	<b>278,392</b>	<b>53,143</b>	<b>32,891</b>	<b>(29,084)</b>	<b>415,838</b>	<b>130,541</b>	<b>55,445</b>	<b>33,157</b>	<b>24,314</b>	<b>31,766</b>	<b>142,405</b>
Capitation Premium Revenue	2,876,570	2,811,108	3,937,134	2,973,962	3,868,394	3,036,348	3,034,742	3,397,987	3,232,478	3,253,427	3,298,251	3,297,811	3,808,485
Capitation Risk Pool Reserve	(324,520)	(71,426)	(1,157,166)	(897,942)	(1,111,526)	(441,774)	(327,255)	65,217	(793,825)	(604,913)	(233,338)	(890,555)	(2,624,366)
<b>Total Capitation Revenue</b>	<b>2,481,449</b>	<b>2,741,682</b>	<b>2,769,968</b>	<b>2,085,620</b>	<b>2,756,828</b>	<b>2,593,575</b>	<b>2,707,486</b>	<b>3,382,314</b>	<b>2,448,653</b>	<b>2,848,514</b>	<b>3,064,892</b>	<b>2,517,252</b>	<b>1,174,119</b>
Unrestricted Contributions:													
Unrestricted Contributions	17,113	75,913	45,276	31,836	47	0	7,666	697,315	77,062	181,886	192,918	54,143	(342,583)
<b>Total Unrestricted Contribution</b>	<b>17,113</b>	<b>75,913</b>	<b>45,276</b>	<b>31,836</b>	<b>47</b>	<b>0</b>	<b>7,666</b>	<b>697,315</b>	<b>77,062</b>	<b>181,886</b>	<b>192,918</b>	<b>54,143</b>	<b>(342,583)</b>
<b>Total Revenues</b>	<b>17,657,492</b>	<b>18,471,770</b>	<b>16,384,512</b>	<b>16,261,524</b>	<b>20,215,930</b>	<b>17,880,529</b>	<b>29,478,090</b>	<b>24,086,055</b>	<b>16,988,553</b>	<b>20,724,431</b>	<b>19,872,912</b>	<b>21,309,921</b>	<b>15,960,546</b>
<b>EXPENSES:</b>													
Productive Salaries:													
70000 Mgmt & Supervision	600,381	590,881	699,004	639,224	605,925	594,638	694,060	582,992	585,206	578,137	575,014	594,749	(79,470)
70100 Technician & Specialist	1,323,220	1,187,554	1,274,468	1,292,122	1,345,025	1,541,689	1,265,534	1,265,534	1,265,536	1,446,598	1,462,279	1,405,067	1,405,067
70110 Tech & Spec Prem Pay	144,980	138,538	101,045	137,270	105,590	127,275	132,192	306,610	126,600	204,655	155,821	152,090	153,502
70200 Registered Nurses	2,303,291	2,298,766	2,561,869	2,426,721	2,586,614	2,426,434	2,701,767	2,657,397	2,651,667	2,825,684	2,852,874	2,455,907	2,455,907
70210 Registered Nurses Premium	383,388	438,935	306,204	352,190	264,162	432,289	438,883	769,355	336,558	540,410	337,379	272,689	323,195
70300 Licensed Vocational Nurses	44,145	43,023	58,441	48,947	48,947	55,765	44,979	45,298	51,579	48,309	47,254	72,279	72,279
70310 Licensed Vocational Nurses Premium	6,449	7,377	6,375	7,558	6,517	12,530	9,915	18,956	4,811	7,096	4,026	3,350	4,488
70400 Aides & Orderlies	161,355	161,337	168,562	168,577	164,960	160,970	172,275	180,577	159,207	152,340	157,771	168,932	177,066
70410 Aides & Orderlies Premium	27,247	28,903	16,136	22,489	12,040	33,474	22,272	58,047	1,971	28,899	18,520	15,935	18,737
70500 Clerical & Other Admin	392,141	373,237	411,009	403,322	433,340	396,190	464,841	389,190	424,881	469,267	477,602	449,846	449,846
70510 Clerical & Other Admin Premium	30,576	29,478	18,150	21,031	12,689	17,462	14,421	15,179	4,085	20,840	17,249	14,787	22,655
70600 Environmental & Food Services	20,869	21,093	20,066	24,835	29,733	27,514	30,771	42,125	43,182	42,942	43,337	42,633	40,204
70610 Environmental & Food Services Premium	6,759	6,001	4,551	2,688	1,999	4,078	1,678	5,797	3,311	5,757	4,864	8,443	4,864
70800 Non-Phys Medical Practitioners	78,689	88,395	91,893	68,141	74,336	70,408	79,987	84,988	113,046	103,864	112,386	125,417	110,240
70810 Non-Phys Medical Practitioners Premium	1,962	1,521	(23)	376	171	0	0	0	0	0	117	191	0
<b>Total Productive Salaries</b>	<b>5,515,093</b>	<b>5,407,039</b>	<b>5,640,072</b>	<b>5,624,945</b>	<b>5,742,878</b>	<b>5,632,289</b>	<b>6,368,134</b>	<b>6,527,733</b>	<b>5,904,052</b>	<b>6,483,231</b>	<b>6,231,737</b>	<b>6,216,508</b>	<b>5,159,298</b>
Non-Productive Salaries:													
71200 Vacation Holiday & Sick Leav	692,086	662,739	697,461	710,483	682,301	806,309	718,734	953,054	511,971	938,753	708,116	785,809	762,776
71260 SICK PAY	62,510	62,834	51,002	49,780	30,075	41,872	50,436	52,204	67,781	82,770	42,142	53,992	97,549
71270 Other Paid Time Off	9,595	12,360	14,058	(3,333)	2,200	8,458	3,320	6,158	6,304	6,627	5,074	9,329	13,143
71280 SERV DUTY	305	1,375	(598)	3,553	1,340	716	491	1,367	1,033	2,380	4,591	4,549	861
71290 Inservice Education	302,033	433,225	312,848	245,545	260,370	223,701	396,659	184,409	168,598	280,656	239,756	231,624	207,282
71291 ON CALL Standby	133,747	139,260	123,522	143,152	123,664	152,469	144,536	166,613	129,441	156,271	141,477	159,110	156,392
71292 BONUS	8,750	0	0	0	0	9,750	25,000	0	(4,481)	5,200	25,000	12,400	5,000
71293 Medical Meals	4,898	6,385	7,807	3,387	5,497	16,464	16,249	72,052	16,249	19,817	9,812	6,094	6,094
71297 IT Application Training	0	0	104	0	0	243	0	1,762	(527)	242	2,309	999	999
71900 Severance Pay	0	0	0	0	0	0	0	0	16,923	56,378	63,461	63,461	171,215
<b>Total Non- Productive Salaries</b>	<b>1,213,924</b>	<b>1,317,919</b>	<b>1,205,999</b>	<b>1,152,547</b>	<b>1,114,507</b>	<b>1,249,981</b>	<b>1,357,710</b>	<b>1,434,947</b>	<b>898,004</b>	<b>1,544,963</b>	<b>1,239,676</b>	<b>1,331,935</b>	<b>1,421,312</b>
<b>Total - Salaries &amp; Wages</b>	<b>6,729,017</b>	<b>6,724,957</b>	<b>6,846,072</b>	<b>6,777,492</b>	<b>6,857,386</b>	<b>6,882,271</b>	<b>7,725,844</b>	<b>7,962,680</b>	<b>6,802,056</b>	<b>8,028,194</b>	<b>7,471,414</b>	<b>7,548,443</b>	<b>6,580,610</b>
Registry:													
72500 Registry Nursing Personnel	649,355	569,280	545,750	618,963	492,243	(12,455)	428,473	381,007	512,923	954,062	667,174	262,815	377,299
72600 Registry LVN	7,907	4,615	5,028	6,101	2,829	7,348	4,712	3,563	6,390	3,110	5,467	924	(3,102)
72910 Registry CHA-Orderlies	50,840	24,030	37,172	43,374	35,044	42,547	53,068	66,316	50,343	14,724	59,331	56,654	17,257
73100 Medical Therapists & Other	38,135	172,603	97,432	97,443	90,321	17,949	48,165	68,784	93,362	38,469	62,681	31,134	61,394
<b>Total Registry Labor</b>	<b>747,236</b>	<b>770,527</b>	<b>630,323</b>	<b>765,881</b>	<b>530,437</b>	<b>55,389</b>	<b>535,416</b>	<b>520,669</b>	<b>629,618</b>	<b>1,010,365</b>	<b>794,653</b>	<b>345,516</b>	<b>452,748</b>
Contract Labor													
72602 Oth Crdct Serv-Temp Shiftm	312,366	42,298	158	6,742	60,961	113,407	29,708	41,180	79,372	45,633	37,416	40,759	65,949
<b>Total - Contract Labor</b>	<b>312,366</b>	<b>42,298</b>	<b>158</b>	<b>6,742</b>	<b>60,961</b>	<b>113,407</b>	<b>29,708</b>	<b>41,180</b>	<b>79,372</b>	<b>45,633</b>	<b>37,416</b>	<b>40,759</b>	<b>65,949</b>
Benefits & Taxes:													
71000 FICA	504,890	514,653	505,482	475,797	466,040	462,599	462,817	623,339	514,352	591,968	554,973	564,877	542,602
71100 SUI - FUI	34,863	4,800	44,484	8,200	8,200	17,100	10,430	10,500	10,400	4,100	9,046	(8,600)	7,700
71150 SUI - RIF	(35,262)	8,411	(80,229)	0	0	0	0	0	0	0	1,587	1,587	0
71300 Group Health Insurance	208,088	253,932	246,969	247,589	248,704	260,356	259,457	(88,425)	(52,943)	(78,981)	(62,710)	(58,406)	(68,436)
71310 Group Health Insured	358,024	355,521	357,636	360,874	379,628	400,039	561,424	827,624	900,000	601,550	672,613	698,882	1,048,097
71310 Group Health Insured	101,270	(28,550)	89,356	47,001	93,358	83,739	80,321	121,547	124,007	143,889	138,778	66,633	114,406
71320 Group Health Vision	23,923	13,995	9,677	9,591	13,147	10,265	10,982	11,911	10,986	7,230	19,419	10,647	(480)
71330 Dental Insured	51,269	54,431	71,977	(25,389)	(15,468)	(16,877)	(15,308)	(17,602)	(26,061)	(26,061)	(11,207)	(20,867)	(20,879)
71331 Dental Insured IBNR	(49,951)	(62,962)	432	62,960	62,402	61,773	63,089	63,890	63,927	53,357	63,484	88,948	72,375



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
73110 AICD & Leads	118,937	154,593	160,129	167,960	(57,749)	76,140	41,142	63,483	40,596	68,471	125,798	65,669	16,399
73111 Atrial Resect	20,859	24,527	24,527	20,391	19,232	1,084	30,175	16,816	1,489	30,021	1,489	6,791	19,391
73112 Rings-Angioplasty	868	0	0	1,517	0	0	0	2,250	2,250	3,100	0	0	0
73113 Pumps-Implantable	0	0,080	0,080	0,080	0,080	0,080	0,080	0,080	0,080	18,002	18,980	19,870	0
73114 Neuro Stimulators/ Leads	0	0	0	1,680	0	0	0	0	0	2,200	2,222	4,410	0
73115 Vascular Grafts	2,978	16,233	16,233	16,233	6,547	26,314	26,314	17,552	15,875	15,875	15,875	15,875	2,352
73116 Stents	36,607	55,320	73,293	55,410	61,563	26,697	216,342	100,750	52,653	16,576	76,683	114,238	21,389
73117 Stent DES	33,728	19,365	32,532	76,306	45,037	32,617	38,083	55,075	61,426	104,207	79,803	54,671	0
73180 Cochlear Implants	397,650	248,154	482,309	289,280	224,099	337,560	251,482	520,176	401,686	401,772	541,408	369,000	120,128
73200 Arteries & Surgical Needles	37,179	22,072	22,072	25,118	34,728	19,294	15,989	23,389	21,572	19,960	24,718	22,225	0
73201 Endoscopy	67,391	74,172	42,555	61,216	54,134	46,463	43,283	77,541	89,593	88,001	122,542	52,169	55,200
73300 Surgical Packs & Sets	28,696	27,689	30,955	30,610	31,161	27,035	30,365	27,897	30,483	30,230	35,182	26,352	0
73400 Surgical Supplies-General	331,717	306,463	283,453	309,817	357,871	291,372	406,110	348,443	308,387	433,479	354,078	471,633	289,799
73401 SURGICAL SUPPLIES - CV	804	7,199	7,499	19,954	20,797	10,725	7,105	7,949	16,315	9,329	11,064	11,098	22,729
73402 Perfusion/Cat Silver	1,838	1,452	1,909	1,508	2,868	2,950	1,190	3,205	3,312	1,303	1,215	2,185	0
73403 Ortho Supplies	88,165	86,570	89,647	102,009	95,100	91,579	93,738	127,313	111,552	103,996	108,111	103,848	60,637
73404 Heartport Supplies	0	0	0	0	0	0	0	0	0	25,000	2,375	25,000	0
73500 Anesthetic Materials	2,672	5,445	4,521	7,331	4,493	4,116	3,748	3,515	6,032	3,039	1,906	(11,669)	2,343
73600 Oxygen & Other Medical Gases	1,511	960	3,007	1,336	2,771	3,816	1,382	1,382	2,352	2,408	2,122	2,218	0
73700 IV Solutions	48,219	86,564	54,619	107,217	62,107	68,987	108,849	325,200	86,378	88,294	55,155	86,940	16,699
73800 Pharmaceuticals	870,566	707,514	726,219	630,966	770,724	702,138	1,016,125	805,197	883,877	757,385	928,807	781,176	1,204,379
73801 Contrast Media Non-Ionic	0	0	0	0	0	0	0	0	0	0	0	(138)	0
73900 CONTRAST MEDIA - Combined	1,144	1,179	674	150	0	858	241	501	371	465	150	718	662
75000 Radioactive Materials	15,333	10,422	13,172	12,980	10,944	15,093	13,238	23,265	11,576	9,658	13,136	23,070	31,596
76000 Radiology Films	1,217	1,454	859	266	1,345	14,619	3,140	536	356	1,683	2,193	143	720
74100 Other Medical Care Materials & Supplies	375,596	327,421	389,491	313,739	378,433	338,513	331,953	457,762	359,407	398,973	405,022	348,136	393,463
74101 Endoscopy	5,359	6,295	11,099	2,830	6,296	4,294	6,296	6,296	6,296	6,296	6,296	6,296	6,296
74102 Goggles	38,289	35,884	38,289	36,112	34,385	34,385	27,241	38,060	35,558	45,103	27,618	39,207	30,000
74103 Angio/Diagnostic Caths	58,913	40,277	72,607	55,734	77,070	57,467	53,138	93,967	54,552	84,680	69,650	72,807	47,304
74104 Guidewires	31,002	27,188	31,517	30,830	25,742	29,317	34,222	33,323	33,058	44,838	34,710	37,248	29,647
74105 Percutaneous Catheters	8,186	10,233	10,233	10,233	10,233	10,233	10,233	10,233	10,233	10,233	10,233	10,233	10,233
74106 LV Pressure Monitoring Supplies	104	0	635	774	360	0	412	364	175	21	61	66	280
74107 Balloon Cor. Dilation	62,625	97,976	81,457	80,727	84,877	79,269	48,786	104,283	87,281	113,843	91,024	101,148	100,771
74108 Inflation Devices	6,287	3,104	3,650	3,530	8,287	2,813	7,827	8,816	7,110	9,454	13,922	4,953	7,143
74109 Interventional Devices	4,322	13,822	13,822	13,822	13,822	13,822	13,822	13,822	13,822	13,822	13,822	13,822	13,822
74110 Vascular Interventions	27,064	27,064	38,342	38,342	38,342	38,342	38,342	38,342	38,342	38,342	38,342	38,342	38,342
74111 Flow Directed Catheters	4,929	815	4,944	2,394	7,516	1,299	7,516	513	5,541	6,091	909	3,958	1,397
74112 Pacing Temp Electrode/Catheter	1,560	0	2,340	0	0	0	0	0	0	6,240	2,309	187	0
74113 Guiding Catheters	12,864	5,095	6,868	10,252	10,355	8,323	4,139	15,412	12,914	15,132	17,111	11,659	11,444
74114 EPICAC Accessories	0	0	0	1,308	0	0	0	220	220	482	48	964	0
74115 Intra-Aortic Balloons	10	0	0	0	0	0	0	0	0	0	0	1,811	881
74116 Ultrasound Catheters	0	248	0	0	0	0	0	0	0	462	44	0	0
74117 Coronary Guidewires	7,618	2,816	6,227	4,735	4,396	3,463	3,904	4,450	3,885	9,283	8,993	5,888	4,594
74118 Resectoscopes	0	0	0	0	0	0	0	0	0	0	0	0	0
74119 Chemistry Solutions	125,624	104,037	131,997	94,048	82,466	117,774	139,228	170,028	117,080	139,634	126,713	79,759	37,961
74120 Hematology	16,855	17,841	9,004	20,569	13,607	8,230	9,020	19,924	7,339	13,634	9,966	9,723	19,916
74121 Serology	911	123	1,508	805	3,760	3,194	596	6,336	1,320	4,015	1,312	398	3,891
74122 Urinalysis	394	1,596	373	1,153	1,482	1,095	817	1,028	1,028	1,152	1,152	384	0
74123 Microbiology	34,267	17,793	35,346	21,781	40,307	36,052	55,003	26,673	31,294	31,231	41,210	23,455	24,089
74124 Phlebotomy	3,819	4,917	4,398	3,318	5,187	3,491	3,718	3,955	3,689	7,416	3,106	3,926	2,716
74125 Histology	37	0	90	0	0	(45)	45	0	34	12	0	45	0
74126 Pathology	1,252	365	1,252	1,252	1,252	1,252	1,252	1,252	1,252	1,252	1,252	1,252	1,252
74127 EPS-Ablation Catheters	3,915	5,954	14,344	9,981	29,046	25,410	12,201	26,993	25,967	21,610	18,176	14,936	17,191
74128 Blood Supplies	179,624	94,874	193,082	150,750	122,860	122,551	181,356	179,516	179,977	160,219	284,582	190,756	174,385
74129 Blood Processing	2,721	(620)	1,870	3,506	1,808	1,277	4,536	3,410	829	1,114	5,777	3,339	641
74130 Seta and Supplies	1,702	1,702	1,702	1,702	1,702	1,702	1,702	1,702	1,702	1,702	1,702	1,702	1,702
74131 Inventory Adjustments	167,339	15,613	56,806	21,481	74,402	26,296	29,051	69,762	22,606	40,987	25,189	31,550	(615,963)
74300 Food-Other	3,380	2,686	3,156	3,858	3,454	2,875	3,964	3,197	3,107	2,411	3,010	1,196	2,645
74400 Linen & Bedding	1,569	704	1,257	201	803	754	1,408	2,011	3,746	5,714	2,495	1,756	1,398
74500 Cleaning Supplies	(990)	4,122	7,316	4,816	4,816	4,816	4,816	4,816	4,816	4,816	4,816	4,816	4,816
74600 Office & Administrative Supplies	19,429	5,587	32,298	3,278	499	2,484	20,853	13,931	13,715	5,574	22,511	22,135	22,135
74800 Forms	12,344	16,368	21,378	11,028	32,517	36,782	34,430	20,309	34,930	16,363	3,175	17,488	15,622
74900 Paper & Toner Computer	3,869	3,023	2,735	3,593	2,907	2,767	3,384	3,436	2,964	1,783	1,008	2,681	0
75100 Employee Wearing Apparel	18,495	11,446	13,578	10,578	13,578	13,578	18,493	15,791	16,993	14,356	14,425	16,716	16,716
75200 Instruments & Minor Medical Eq	46,491	46,491	60,066	42,114	21,382	47,050	60,066	38,102	38,102	28,888	29,297	18,484	0
75300 Other Minor Equip	11,529	3,996	6,402	7,500	10,755	6,503	11,822	2,566	11,100	5,411	6,269	11,524	5,432
75400 Software Computer	878	878	3,948	(2,192)	878	878	878	878	878	878	878	(7,192)	776
75500 Hardware Computer	3,331	1,995	(1,378)	30	1,370	0	0	460	0	1,310	0	0	0
75600 Other Non-Medical Supplies	40,571	34,551	63,879	36,715	37,224	54,726	45,118	84,651	45,118	84,651	45,118	84,651	84,651
75900 Cost Reduction - Rebate & Discount	(180,739)	(15,100)	(15,100)	(98,439)	(55,816)	(30,055)	(16,323)	(21,113)	(28,993)	(32,759)	(71,263)	30,937	0
75900 Books & Manuals	724	0	1,771	0	0	346	0	304	729	0	0	0	0
75901 Freight	29,877	6,853	28,744	22,223	4,168	10,783	8,637	15,465	14,464	24,691	424	(6,478)	60,448
75902 Ship To To City CC-Supplies	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)	(63,297)
75903 Ship To To City CC-Supplies	40,793	31,597	26,844	6,631	48,904	44,355	103,141	68,935	82,532	25,686	30,732	85,641	32,764
<b>Total - Supplies</b>	<b>4,583,259</b>	<b>3,906,502</b>	<b>4,494,673</b>	<b>4,186,751</b>	<b>4,152,619</b>	<b>4,069,737</b>	<b>4,620,291</b>	<b>5,343,454</b>	<b>4,343,617</b>	<b>4,698,654</b>	<b>4,612,342</b>	<b>4,446,816</b>	<b>3,300,006</b>
<b>P/S - Professional Fees:</b>													
72200 Consultant & Mgmt Fees	4,625	26,086	22,227	(16,885)	7,153	8,646	6,350	113,709	663	(23,867)	33,533	24,590	(136,785)
72300 Legal	4,998	31,335	(351)	11,046	(5,158)	45,076	52,871	(7,148)	8,139	9,766	6,565	130,221	0
<b>Total - Professional Fees</b>	<b>9,623</b>	<b>57,401</b>	<b>21,876</b>	<b>(5,839)</b>	<b>1,994</b>	<b>53,721</b>	<b>59,221</b>	<b>106,561</b>	<b>8,801</b>	<b>(13,301)</b>	<b>40,299</b>	<b>40,256</b>	<b>(6,563)</b>
Out-Of-Area- Network Expense:													
78110 Purch Serv Out-Of-Network Cost	1,299,825	1,689,708	1,362,316	721,780	1,302,961	1,041,909	1,835,474	1,450,707	1,956,627	2,360,376	2,281,047	(279,514)	(193,945)
<b>Total - Out-Of-Area- Network Expense</b>	<b>1,299,825</b>	<b>1,689,708</b>	<b>1,362,316</b>	<b>721,780</b>	<b>1,302,961</b>	<b>1,041,909</b>							



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
79002 Other Advertising	0	0	601	0	0	0	0	0	0	0	0	0	2,875
79003 Gifts & Entertainment	0	0	0	0	0	0	0	0	5,000	1,515	165	0	3,319
79010 Postage	2,115	1,639	154	2,676	14,500	12,110	1,500	27,388	18,500	19,689	2,216	(17,341)	17,707
79036 Cash Over or Short	150	0	0	0	0	0	0	0	0	0	0	0	0
79050 Community Benefit Expenses	500,000	0	0	0	5,190	0	1,664	0	0	0	0	0	500,000
79050 Charity	0	0	0	0	0	0	0	0	0	0	300	0	0
79072 Awards & Banquets	5,000	0	0	2,500	0	0	0	0	0	0	0	0	1,000
79073 Contribution Fees	0	0	0	0	4,244,573	0	12,478,985	1,144,828	1,098,461	1,098,461	1,098,461	2,096,215	2,078,441
79090 Advertising	642	0	0	38	0	0	0	3,366	290	0	0	0	1,445
79880 Cash - AP Offset Account	(577,702)	0	0	0	0	0	0	0	0	0	0	0	47,239
79883 Cash - PPE Purchase Temp Acct - Accrual	(577,702)	0	0	0	0	0	0	0	0	0	0	0	(47,335)
79896 Cash - Repayment Temp Acct	65,242	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430
79898 Cash - Contra Offset Acct	(65,242)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)
<b>Total - Other Expenses</b>	<b>678,972</b>	<b>69,097</b>	<b>107,860</b>	<b>123,791</b>	<b>4,346,741</b>	<b>80,185</b>	<b>12,575,797</b>	<b>1,294,528</b>	<b>1,252,835</b>	<b>1,220,543</b>	<b>1,319,708</b>	<b>2,426,413</b>	<b>2,794,431</b>
<b>Total - P/S &amp; Other Expenses</b>	<b>7,557,838</b>	<b>8,528,081</b>	<b>6,691,656</b>	<b>6,601,394</b>	<b>11,316,057</b>	<b>7,639,784</b>	<b>19,781,828</b>	<b>8,927,642</b>	<b>9,278,987</b>	<b>9,550,480</b>	<b>9,703,291</b>	<b>8,822,065</b>	<b>9,770,995</b>
<b>Bad Debt Expense:</b>													
<b>Insurance:</b>													
78101 Insurance-Professional Liability	188,596	0	0	0	0	0	0	808,849	114,107	114,567	157,686	135,571	135,571
78200 Insurance-Other	36,684	190,915	191,808	191,219	153,657	213,594	209,007	(611,005)	36,559	73,004	79,535	106,727	107,481
<b>Total - Insurance</b>	<b>225,291</b>	<b>190,915</b>	<b>191,808</b>	<b>191,219</b>	<b>153,657</b>	<b>213,594</b>	<b>209,007</b>	<b>197,844</b>	<b>150,666</b>	<b>187,571</b>	<b>237,221</b>	<b>242,299</b>	<b>243,053</b>
<b>Utilities:</b>													
77700 Utilities-Electricity	366,220	287,937	319,024	319,096	371,742	298,140	293,793	287,542	245,976	290,713	239,625	238,938	382,219
77800 Utilities-Gas	36,055	20,314	24,463	22,092	21,414	24,494	30,320	32,921	65,147	34,890	43,903	22,994	21,162
77900 Utilities-Water	42,902	26,286	21,252	6,043	34,351	30,429	26,195	26,934	23,589	26,480	21,482	23,628	27,535
78000 Utilities-Other	940	205	755	615	701	807	804	804	805	804	804	804	804
<b>Total - Utilities</b>	<b>440,117</b>	<b>339,742</b>	<b>365,525</b>	<b>347,845</b>	<b>428,208</b>	<b>353,870</b>	<b>351,074</b>	<b>348,201</b>	<b>335,517</b>	<b>352,797</b>	<b>305,815</b>	<b>306,064</b>	<b>433,740</b>
<b>Depreciation</b>													
77100 Depr&Amort L& Improvements	898	898	898	898	898	898	898	880	880	880	880	880	880
77200 Depr&Amort Buildings & Improve	123,992	157,577	156,407	157,102	157,101	157,040	156,953	154,945	154,925	154,739	154,655	154,657	161,983
77201 Depreciation Expenses - F&M	967	967	967	967	967	967	967	967	967	967	967	967	967
77250 Building Service Equipment Depr Am	25,863	86,041	83,294	81,398	80,860	80,658	80,620	78,929	78,185	80,905	80,812	80,906	81,088
77300 Depr&Amort Leasehold Improve	13,580	13,580	13,580	13,580	13,580	13,580	13,580	13,580	13,580	13,580	13,580	13,580	13,580
77400 Depr&Amort Equip	207,000	228,759	211,276	212,513	213,356	213,652	213,247	193,278	201,060	201,228	212,684	259,937	403,722
<b>Total - Depreciation</b>	<b>372,200</b>	<b>487,723</b>	<b>466,323</b>	<b>466,358</b>	<b>466,662</b>	<b>466,894</b>	<b>466,165</b>	<b>442,079</b>	<b>449,497</b>	<b>452,199</b>	<b>463,481</b>	<b>510,827</b>	<b>662,120</b>
<b>Amortization:</b>													
<b>Interest Expense:</b>													
78410 Interest Expense - Long Term Debt	264,030	260,279	260,279	260,279	260,279	260,279	260,279	260,279	260,279	260,279	260,279	260,279	260,279
78490 Interest Expense-Other	(8,878)	(21,003)	(22,884)	(21,348)	(21,499)	(25,380)	(31,330)	(37,277)	(37,623)	(38,174)	(43,933)	(41,178)	(28,912)
<b>Total - Interest Expense</b>	<b>255,152</b>	<b>239,216</b>	<b>237,395</b>	<b>238,931</b>	<b>236,813</b>	<b>234,899</b>	<b>228,949</b>	<b>223,002</b>	<b>222,656</b>	<b>222,105</b>	<b>216,346</b>	<b>219,103</b>	<b>231,366</b>
<b>Total Expenses</b>	<b>23,297,859</b>	<b>23,099,499</b>	<b>22,000,489</b>	<b>21,577,063</b>	<b>26,272,782</b>	<b>22,179,525</b>	<b>36,245,772</b>	<b>26,392,368</b>	<b>24,666,799</b>	<b>26,624,652</b>	<b>26,251,096</b>	<b>24,580,247</b>	<b>24,143,203</b>
<b>Operating Income</b>	<b>(5,640,367)</b>	<b>(4,627,729)</b>	<b>(5,615,978)</b>	<b>(5,315,538)</b>	<b>(6,056,852)</b>	<b>(4,298,996)</b>	<b>(6,767,681)</b>	<b>(2,306,313)</b>	<b>(7,678,246)</b>	<b>(5,900,221)</b>	<b>(6,378,184)</b>	<b>(3,270,326)</b>	<b>(8,182,657)</b>
<b>Investment Income:</b>													
Investment Earnings	2	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total - Investment Income</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Income</b>	<b>(5,640,365)</b>	<b>(4,627,729)</b>	<b>(5,615,978)</b>	<b>(5,315,538)</b>	<b>(6,056,852)</b>	<b>(4,298,996)</b>	<b>(6,767,681)</b>	<b>(2,306,313)</b>	<b>(7,678,246)</b>	<b>(5,900,221)</b>	<b>(6,378,184)</b>	<b>(3,270,326)</b>	<b>(8,182,657)</b>
Total Revenue per GL	17,657,494	18,471,770	16,384,512	16,261,524	20,215,930	17,880,529	29,478,090	24,086,055	16,988,553	20,728,862	19,868,681	21,309,921	15,960,546
Total Revenue per Report	17,657,494	18,471,770	16,384,512	16,261,524	20,215,930	17,880,529	29,478,090	24,086,055	16,988,553	20,724,431	19,872,912	21,309,921	15,960,546
Check Total Revenue	0	0	0	0	0	0	0	0	0	4,231	(4,231)	0	0



Verity Heat Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
IP Acute Self Pay:													
8510-3010-41101 IP Acute Self Pay	\$41,955	\$55,940	\$27,970	\$167,820	\$125,865	\$41,955	\$125,865	\$223,760	\$55,940	\$237,745	\$69,925	\$153,835	\$83,910
8510-3011-41101 IP Acute Self Pay	13,985	0	27,970	0	0	27,970	27,970	13,985	27,970	0	0	0	0
8510-3151-41101 IP Acute Self Pay	92,536	123,384	216,922	164,512	133,866	30,846	164,512	174,794	154,230	123,714	30,846	123,714	41,128
8510-3170-41101 IP Acute Self Pay	45,266	55,712	27,856	56,712	27,856	70,456	31,685	48,748	24,374	80,086	31,338	45,266	10,446
8510-3171-41101 IP Acute Self Pay	3,482	3,482	41,784	21,711	10,446	17,410	17,410	27,856	27,856	0	0	17,410	0
8510-3172-41101 IP Acute Self Pay	0	0	0	0	0	8,068	0	8,068	12,102	0	0	4,034	0
8510-3173-41101 IP Acute Self Pay	2,752	4,034	12,102	28,238	28,238	20,170	16,136	0	8,068	8,068	28,238	12,102	4,034
8510-4010-41101 IP Acute Self Pay	33,145	21,530	40,155	75,955	38,570	60,221	30,350	97,200	90,126	128,951	28,417	51,701	6,623
8510-4220-41101 IP Acute Self Pay	71	0	37	0	0	65	36	0	0	0	0	0	0
8510-4420-41101 IP Acute Self Pay	17,869	0	70,215	19,326	0	22,125	117,127	0	0	193,463	76,525	0	0
8510-4421-41101 IP Acute Self Pay	121,675	0	0	0	0	0	107,323	87,682	0	0	0	0	0
8510-4470-41101 IP Acute Self Pay	0	0	0	0	0	0	344	63	30	0	0	0	0
8510-4500-41101 IP Acute Self Pay	36,807	53,341	61,037	97,135	68,543	55,909	75,622	136,304	70,875	132,486	61,749	72,876	21,973
8510-4520-41101 IP Acute Self Pay	916	0	3,717	302	0	302	1,094	676	0	1,818	0	0	0
8510-4540-41101 IP Acute Self Pay	5,109	4,606	3,155	4,160	2,849	3,328	2,853	4,086	3,051	9,756	2,846	1,026	0
8510-4570-41101 IP Acute Self Pay	0	715	0	0	0	117,819	48,932	107,091	138,959	45,424	0	0	0
8510-4580-41101 IP Acute Self Pay	9,820	32,288	16,289	14,290	39,864	22,515	46,160	61,400	41,318	118,905	30,068	16,273	2,885
8510-4620-41101 IP Acute Self Pay	0	0	1,437	0	0	1,437	0	0	0	2,874	0	0	0
8510-4630-41101 IP Acute Self Pay	6,930	26,294	24,390	24,730	25,055	16,285	26,091	30,176	8,487	35,307	15,917	15,999	8,188
8510-4631-41101 IP Acute Self Pay	0	517	263	568	355	263	51,225	822	6,803	710	0	0	0
8510-4650-41101 IP Acute Self Pay	0	16,538	17,136	0	5,936	0	0	0	0	0	5,936	0	0
8510-4660-41101 IP Acute Self Pay	8,807	13,516	5,417	5,417	6,758	6,758	23,979	19,916	6,758	11,384	18,506	13,516	0
8510-4670-41101 IP Acute Self Pay	3,927	3,488	7,010	7,415	19,108	2,935	0	19,209	17,305	5,835	3,933	6,531	3,933
8510-4680-41101 IP Acute Self Pay	25,351	40,731	31,086	47,559	46,554	27,005	39,461	106,465	42,112	73,932	73,756	62,276	54,564
8510-4710-41101 IP Acute Self Pay	25,233	33,209	43,072	123,141	39,807	88,069	79,211	36,022	99,865	33,919	46,967	15,480	0
8510-4720-41101 IP Acute Self Pay	25,854	35,969	6,320	82,523	52,893	7,795	45,119	129,691	16	107,604	20,542	81,780	56,741
8510-4730-41101 IP Acute Self Pay	6,072	4,791	7,037	22,042	17,567	3,194	11,109	25,083	1,770	16,233	6,478	17,680	7,080
8510-4740-41101 IP Acute Self Pay	0	0	21,028	0	0	5,633	0	10,738	0	11,086	0	0	5,533
8510-4760-41101 IP Acute Self Pay	0	0	0	16,658	0	0	0	0	0	4,338	0	0	0
8510-4770-41101 IP Acute Self Pay	4,153	2,104	4,612	3,583	0	6,676	1,293	7,200	4,100	3,901	1,791	0	0
8510-4780-41101 IP Acute Self Pay	0	0	0	0	0	2,315	0	0	0	0	1,389	0	0
8510-4790-41101 IP Acute Self Pay	1,749	799	0	0	0	0	1,988	2,625	1,153	745	0	0	0
8510-4871-41101 IP Acute Self Pay	0	5,136	0	3,042	10,074	1,521	8,101	11,629	4,972	5,810	5,054	0	0
Total IP Acute Self Pay	540,777	536,251	716,810	998,462	893,332	905,291	1,266,552	1,369,862	794,291	1,522,696	892,588	863,077	322,308
IP Acute - Comm Ins:													
8510-3010-41121 IP Acute Comm Ins	153,835	391,580	0	0	0	27,970	41,955	0	27,970	0	13,985	97,895	0
8510-3011-41121 IP Acute Comm Ins	0	0	0	27,970	0	0	0	0	0	13,985	0	0	13,985
8510-3151-41121 IP Acute Comm Ins	0	0	0	0	0	41,128	102,820	0	41,128	10,282	0	30,846	10,282
8510-3170-41121 IP Acute Comm Ins	10,446	55,710	13,926	20,882	20,882	34,482	38,902	38,902	34,482	31,338	13,700	45,266	25,162
8510-3171-41121 IP Acute Comm Ins	17,410	40,210	0	17,410	20,882	3,482	6,964	6,964	24,374	10,446	24,374	0	13,028
8510-3172-41121 IP Acute Comm Ins	0	0	4,034	0	0	0	16,136	28,238	0	0	0	0	0
8510-3173-41121 IP Acute Comm Ins	0	44,374	0	0	4,034	20,170	4,034	8,068	52,442	52,442	64,544	0	8,402
8510-4010-41121 IP Acute Comm Ins	32,841	18,362	4,157	0	12,860	14,822	49,312	11,761	41,244	5,523	11,224	43,207	18,219
8510-4020-41121 IP Acute Comm Ins	424	0	0	0	0	0	0	0	0	0	0	0	0
8510-4220-41121 IP Acute Comm Ins	0	0	108	0	0	0	0	0	0	0	0	0	0
8510-4420-41121 IP Acute Comm Ins	0	133	0	0	29,683	0	7,473	49,049	0	384	71,340	0	212,580
8510-4421-41121 IP Acute Comm Ins	0	0	164,166	0	0	0	0	0	0	195,075	0	0	210,962
8510-4470-41121 IP Acute Comm Ins	0	0	0	0	0	935	0	0	53	0	0	0	0
8510-4500-41121 IP Acute Comm Ins	33,783	70,773	1,678	7,202	9,582	26,501	46,028	19,910	36,555	12,665	18,726	41,007	8,870
8510-4520-41121 IP Acute Comm Ins	0	1,532	0	3,582	2,466	0	1,968	58	1,411	543	543	1,219	0
8510-4540-41121 IP Acute Comm Ins	2,829	8,726	0	479	479	968	1,651	0	4,336	513	913	0	2,763
8510-4570-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	47,826	0	0	0	0	0
8510-4580-41121 IP Acute Comm Ins	7,145	19,295	535	535	535	21,829	13,304	6,694	19,505	5,540	577	25,045	1,154
8510-4620-41121 IP Acute Comm Ins	0	1,437	0	0	0	0	0	0	0	0	0	0	0
8510-4630-41121 IP Acute Comm Ins	13,147	14,912	0	0	693	5,544	4,710	6,386	8,049	1,386	2,043	11,093	2,082
8510-4631-41121 IP Acute Comm Ins	305	147,842	0	0	0	0	832	832	0	0	0	19,142	0
8510-4650-41121 IP Acute Comm Ins	0	0	0	0	5,936	0	0	0	0	0	0	0	0
8510-4660-41121 IP Acute Comm Ins	0	0	0	0	6,758	5,874	0	5,417	8,826	0	13,516	8,993	0
8510-4670-41121 IP Acute Comm Ins	563	3,187	0	1,545	0	1,545	0	3,968	3,193	0	7,796	3,389	0
8510-4680-41121 IP Acute Comm Ins	14,084	14,163	0	3,658	14,596	6,994	14,971	4,845	0	0	23,742	3,877	0
8510-4680-41121 IP Acute Comm Ins	712	0	0	0	0	0	0	0	0	0	0	0	0
8510-4710-41121 IP Acute Comm Ins	23,744	93,981	275	19,848	8,750	12,670	33,129	21,244	35,919	23,756	20,680	38,419	23,629
8510-4720-41121 IP Acute Comm Ins	129,688	203,421	826	836	12,359	26,654	83,981	23,170	41,745	33,446	49,466	43,446	1,960
8510-4730-41121 IP Acute Comm Ins	19,164	17,584	0	0	6,388	3,494	0	3,540	5,310	1,770	0	0	1,770
8510-4740-41121 IP Acute Comm Ins	0	0	0	0	0	0	0	5,535	0	0	22,132	0	0
8510-4760-41121 IP Acute Comm Ins	0	4,526	0	0	0	0	0	7,270	0	0	0	0	0
8510-4770-41121 IP Acute Comm Ins	0	896	0	2,891	0	842	0	2,305	2,531	2,046	7,186	3,602	0
8510-4780-41121 IP Acute Comm Ins	0	526	0	1,580	0	1,580	0	1,689	1,153	990	5,262	2,886	0
8510-4871-41121 IP Acute Comm Ins	0	3,995	0	0	2,568	0	1,596	0	2,486	0	2,568	0	0
Total IP Acute - Comm Ins	460,310	1,159,013	11,805	243,124	124,696	2999							



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4720-41123 IP Acute-Corn AI Risk	10,175	14,244	0	0	114,200	49,202	0	0	16	4,884	0	0	0
8510-4720-41123 IP Acute-Corn AI Risk	0	1,281	0	1,597	6,138	10,554	0	0	1,770	0	0	0	0
8510-4760-41123 IP Acute-Corn AI Risk	10,910	0	0	0	89,335	52,590	0	5,533	0	5,533	0	0	0
8510-4760-41123 IP Acute-Corn AI Risk	0	0	3,133	58,709	12,053	0	0	0	0	0	0	0	0
8510-4770-41123 IP Acute-Corn AI Risk	5,761	7,400	0	4,743	15,335	3,019	0	1,542	0	1,036	0	0	0
8510-4780-41123 IP Acute-Corn AI Risk	0	0	0	0	10,580	3,023	0	0	0	1,389	0	0	0
8510-4790-41123 IP Acute-Corn AI Risk	1,361	5,605	0	743	6,268	0	0	0	983	962	0	0	0
8510-4871-41123 IP Acute-Corn AI Risk	2,568	0	0	1,521	2,502	3,117	6,517	2,568	1,586	2,568	0	1,521	0
Total IP Acute-Corn AI Risk	444,889	950,487	21,254	611,280	1,247,887	665,654	301,210	350,280	217,880	363,219	0	83,156	24,152
WIC Comp:													
8510-3151-41131 IP Acute-WIC	0	0	0	41,128	0	0	0	0	41,128	0	0	0	0
8510-3170-41131 IP Acute-WIC	38,302	0	27,896	6,964	55,712	59,194	0	59,194	27,896	27,896	20,882	97,496	62,676
8510-3171-41131 IP Acute-WIC	0	0	24,374	0	0	0	0	0	0	0	0	24,374	0
8510-3173-41131 IP Acute-WIC	0	28,228	0	0	0	0	0	0	0	0	0	0	0
8510-4010-41131 IP Acute-WIC	0	5,188	6,254	0	0	5,043	0	8,997	14,743	0	0	13,519	0
8510-4220-41131 IP Acute-WIC	74	74	74	87	108	0	0	195	46	0	0	0	0
8510-4420-41131 IP Acute-WIC	218,363	11,128	127,687	128,807	268,457	1,951,416	0	355,846	128,931	190,612	92,844	403,319	431,130
8510-4470-41131 IP Acute-WIC	0	0	0	0	1,618	0	0	0	0	0	0	2,023	0
8510-4500-41131 IP Acute-WIC	7,221	10,016	15,523	8,807	8,537	8,379	0	11,732	24,046	8,597	6,909	20,163	6,332
8510-4520-41131 IP Acute-WIC	806	106	1,049	419	1,952	1,008	0	2,715	1,394	2,665	1,086	3,954	962
8510-4540-41131 IP Acute-WIC	2,270	0	2,611	1,185	4,411	0	0	1,421	918	2,349	0	4,995	1,323
8510-4580-41131 IP Acute-WIC	0	535	535	6,075	0	535	0	577	15,536	577	0	577	0
8510-4630-41131 IP Acute-WIC	2,200	693	0	697	3,982	4,486	0	4,782	10,445	916	1,314	13,826	2,012
8510-4631-41131 IP Acute-WIC	0	0	0	0	0	0	0	0	832	0	0	329	0
8510-4650-41131 IP Acute-WIC	0	0	6,690	0	0	6,630	0	4,339	5,938	0	0	7,614	1,980
8510-4660-41131 IP Acute-WIC	0	0	0	0	0	0	0	5,874	6,758	0	0	7,587	0
8510-4670-41131 IP Acute-WIC	0	0	0	0	0	0	0	0	951	0	0	951	0
8510-4880-41131 IP Acute-WIC	0	3,631	0	0	3,449	0	0	8,282	0	0	0	13,314	0
8510-4720-41131 IP Acute-WIC	12,403	19,873	25,673	16,602	29,080	15,702	0	28,633	19,475	18,365	16,761	66,701	21,524
8510-4720-41131 IP Acute-WIC	30	0	0	0	26	0	0	38	0	0	38	16	0
8510-4730-41131 IP Acute-WIC	0	0	0	2,562	0	0	0	0	6,690	5,966	7,104	25,177	16,471
8510-4770-41131 IP Acute-WIC	9,079	0	5,170	2,752	14,894	13,284	0	18,806	6,000	2,762	3,334	13,598	4,489
8510-4780-41131 IP Acute-WIC	2,468	0	794	743	4,380	4,380	0	94,963	1,976	2,468	2,468	9,944	7,458
8510-4871-41131 IP Acute-WIC	2,486	0	2,486	0	4,972	0	0	7,458	5,054	4,972	2,486	9,944	7,458
Total WIC Comp	294,787	69,206	247,097	212,176	400,164	329,818	0	534,882	312,597	265,435	152,654	725,683	555,327
Medicare:													
8510-3010-41141 IP Acute-Medicare	3,034,745	2,208,630	2,503,527	2,475,345	2,797,000	2,978,805	3,076,700	3,006,775	2,475,345	3,818,525	3,048,730	3,384,370	2,433,390
8510-3011-41141 IP Acute-Medicare	41,955	41,955	8,919	27,970	153,835	153,835	83,910	125,985	55,940	153,835	41,955	41,955	83,910
8510-3151-41141 IP Acute-Medicare	6,533,346	5,933,346	5,933,346	6,023,203	5,923,408	5,722,567	6,414,380	7,070,496	6,995,272	4,002,242	4,002,390	4,403,919	4,403,919
8510-3170-41141 IP Acute-Medicare	2,180,246	2,098,880	1,950,438	1,951,717	1,922,880	2,173,056	2,173,056	2,398,651	2,398,651	2,398,651	2,398,651	2,180,227	2,180,227
8510-3171-41141 IP Acute-Medicare	1,110,940	1,166,808	1,343,345	1,081,411	989,016	1,048,181	982,891	1,600,193	886,440	1,278,278	901,618	1,228,853	1,154,400
8510-3172-41141 IP Acute-Medicare	24,204	28,238	24,204	24,204	68,578	225,304	701,916	693,484	467,844	512,318	334,822	350,958	205,734
8510-3173-41141 IP Acute-Medicare	790,864	810,834	1,000,432	617,372	895,548	1,000,432	782,396	875,378	835,038	549,472	726,120	552,696	685,700
8510-3188-41141 IP Acute-Medicare	6,964	6,964	6,964	6,964	0	3,482	0	0	0	0	0	6,964	0
8510-3580-41141 IP Acute-Medicare	13,025	0	0	0	0	0	0	0	0	0	0	0	0
8510-4010-41141 IP Acute-Medicare	1,323,858	1,348,474	1,418,264	1,121,960	1,589,231	1,490,639	2,184,677	2,087,833	1,826,542	1,800,031	2,023,175	1,370,588	2,076,122
8510-4071-41141 IP Acute-Medicare	1,818	1,864	780	238	7,704	8,739	6,529	12,057	4,074	6,043	2,118	6,096	4,188
8510-4072-41141 IP Acute-Medicare	0	920	0	0	0	375	0	0	0	0	0	0	0
8510-4082-41141 IP Acute-Medicare	44	216	450	212	424	212	0	474	0	240	800	720	0
8510-4181-41141 IP Acute-Medicare	26,422	18,725	212	0	79,968	59,935	72,772	73,400	30,245	38,384	125,580	271,779	47,929
8510-4220-41141 IP Acute-Medicare	5,533	1,131	3,200	3,950	8,092	6,395	1,734	2,521	8,916	12,485	5,886	8,530	13,308
8510-4420-41141 IP Acute-Medicare	6,956,473	6,576,542	6,188,117	5,902,129	5,902,129	6,432,574	7,089,427	6,942,357	7,916,320	6,973,076	8,273,108	6,273,108	6,273,108
8510-4421-41141 IP Acute-Medicare	0	472,309	428,186	228,687	414,253	414,253	409,734	345,572	345,572	345,572	166,074	415,903	415,903
8510-4470-41141 IP Acute-Medicare	7,216	(148,029)	11,293	5,926	2,987	9,346	1,991	16,357	15,809	17,826	22,196	11,846	0
8510-4500-41141 IP Acute-Medicare	3,237,966	2,998,774	3,095,585	2,610,091	2,986,293	3,451,033	3,484,475	3,891,555	3,417,919	3,664,255	3,002,300	3,118,112	3,250,933
8510-4570-41141 IP Acute-Medicare	107,393	107,393	69,840	69,840	78,743	78,743	78,743	175,819	126,348	143,951	119,199	146,489	146,489
8510-4580-41141 IP Acute-Medicare	239,789	298,247	239,960	188,208	212,882	206,065	237,460	266,199	239,777	253,112	261,734	292,073	229,390
8510-4570-41141 IP Acute-Medicare	440,560	852,041	853,937	1,192,011	649,017	385,064	222,465	964,900	1,590,535	1,292,438	519,440	948,821	2,073,886
8510-4580-41141 IP Acute-Medicare	863,787	722,810	839,109	624,063	784,307	831,864	863,179	962,612	1,000,420	1,057,927	852,570	866,053	864,010
8510-4610-41141 IP Acute-Medicare	0	1,873	0	3,893	0	2,207	0	0	0	0	1,473	0	0
8510-4620-41141 IP Acute-Medicare	20,181	29,740	15,861	23,118	17,244	33,174	17,244	33,174	25,966	11,466	22,962	21,565	0
8510-4630-41141 IP Acute-Medicare	705,838	613,265	695,902	605,000	722,849	770,488	862,907	770,792	850,840	867,793	736,945	696,289	696,289
8510-4631-41141 IP Acute-Medicare	695,443	552,965	561,620	524,154	601,855	544,882	564,368	593,586	788,302	955,032	844,681	1,135,957	1,135,957
8510-4632-41141 IP Acute-Medicare	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4633-41141 IP Acute-Medicare	135,744	189,126	120,344	140,705	218,153	135,706	158,617	163,056	182,400	176,000	152,000	169,000	169,000
8510-4650-41141 IP Acute-Medicare	220,780	312,582	274,905	243,207	302,966	408,593	388,088	271,572	234,315	494,617	337,930	345,994	310,764
8510-4670-41141 IP Acute-Medicare	338,999	303,321	276,636	297,034	330,834	329,155	315,476	351,476	357,568	311,347	381,412	333,838	333,838
8510-4680-41141 IP Acute-Medicare	761,012	745,805	859,041	674,796	831,008	798,871	1,097,368	1,068,716	1,095,131	1,097,744	1,018,641	1,177,697	1,149,040
8510-4681-41141 IP Acute-Medicare	1,281	679	679	679	679	679	679	679	679	679	679	679	679
8510-4682-41141 IP Acute-Medicare	2,066	902	2,667	712	7,147	2,385	1,910	7,306	2,470	2,668	3,785	1,544	2,774
8510-4710-41141 IP Acute-Medicare	3,220,377	2,708,397	2,527,193	2,194,809	2,357,690	3,207,653	3,269,814	4,254,284	3,404,310	3,733,321	3,254,251	3,825,664	3,599,143
8510-4720-41141 IP Acute-Medicare	2,461,420	1,442,003	1,908,662	1,680,245	1,928,136	2,723,238	3,703,448	2,447,070	2,062,415	2,308,050	2,422,074	1,968,445	1,968,445
8510-4730-41141 IP Acute-Medicare	298,822	189,248	349,264	247,812	322,844	334,252	426,573	426,573	326,823	326,823	326,823	326,823	326,823
8510-4760-41141 IP Acute-Medicare	919,625	1,081,910	1,072,023	630,600	688,405	756,720	866,152	1,303,250	896,346	1,038,174	841,016	1,399,447	1,399,447
8510-4760-41141 IP Acute-Medicare	271,345	138,692	262,641	129,695	242,957	214,621	282,477	248,027	268,929	206,472	232,299	194,896	230,631
8510-4771-41141 IP Acute-Medicare	500,841	419,154	385,411	315,757	391,047	415,173	404,698	599,919	534,620	475,489	502,346	513,244	513,244
8510-4780-41141 IP Acute-Medicare	29,852	39,476	39,476	39,476	39,476	41,128	41,128	74,128	83,443	74,128	83,443	84,432	84,432
8510-4790-41141 IP Acute-Medicare	158,009	129,521	127,999	118,566	113,592	164,811	14						



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4300-41143 IP Acute-Medicare At Risk	10,836	14,974	14,625	13,946	7,603	14,904	21,770	7,577	13,678	45,562	15,850	17,898	18,934
8510-4300-41143 IP Acute-Medicare At Risk	32,515	19,295	13,295	49,237	13,295	27,474	43,295	24,549	72,139	64,195	27,376	22,079	20,273
8510-4370-41143 IP Acute-Medicare At Risk	202,001	0	173,519	214,810	125,270	119,028	169,515	103,556	224,960	718,994	278,809	616,761	171,390
8510-4360-41143 IP Acute-Medicare At Risk	118,925	64,684	158,099	118,877	113,546	103,699	147,307	180,039	164,498	187,680	131,068	129,286	111,330
8510-4810-41143 IP Acute-Medicare At Risk	0	0	0	0	0	0	0	5,473	0	0	0	0	0
8510-3170-41143 IP Acute-Medicare At Risk	5,748	0	4,311	10,659	4,311	4,374	5,748	5,748	14,354	8,422	1,437	0	0
8510-4330-41143 IP Acute-Medicare At Risk	66,424	72,576	96,776	99,391	64,809	82,524	144,904	104,278	110,522	145,746	87,640	99,795	60,089
8510-4631-41143 IP Acute-Medicare At Risk	128,473	1,139	209,332	136,321	166,098	106,054	274,371	337,527	313,401	194,950	23,207	82,224	19,885
8510-4550-41143 IP Acute-Medicare At Risk	48,749	42,222	34,497	21,111	24,845	29,493	29,168	48,396	41,400	66,415	36,096	51,917	29,880
8510-4660-41143 IP Acute-Medicare At Risk	32,575	6,758	69,596	69,596	39,598	59,597	67,773	67,773	47,235	46,285	43,933	31,420	31,420
8510-4670-41143 IP Acute-Medicare At Risk	23,136	22,711	27,956	25,913	29,211	23,973	71,863	26,894	41,725	34,981	30,504	31,641	25,616
8510-4680-41143 IP Acute-Medicare At Risk	103,172	82,554	113,659	141,001	127,733	182,138	155,825	145,687	151,185	213,613	119,340	117,778	89,454
8510-4710-41143 IP Acute-Medicare At Risk	268,275	253,851	272,781	296,083	253,598	325,671	609,528	404,977	596,729	721,465	400,314	328,751	316,055
8510-4720-41143 IP Acute-Medicare At Risk	307,204	148,254	153,806	351,527	277,513	309,273	594,557	733,160	1,240,739	1,252,333	631,725	399,036	203,108
8510-4730-41143 IP Acute-Medicare At Risk	25,560	18,949	37,900	38,731	35,299	31,144	68,733	111,541	105,555	105,176	53,148	34,729	25,675
8510-4740-41143 IP Acute-Medicare At Risk	89,335	52,550	52,550	78,825	52,550	42,040	69,427	27,865	248,885	210,254	188,122	127,132	27,865
8510-4760-41143 IP Acute-Medicare At Risk	46,103	13,304	23,233	26,121	26,581	30,205	10,358	47,224	42,007	31,573	34,694	59,468	59,468
8510-4770-41143 IP Acute-Medicare At Risk	40,656	34,271	67,081	69,065	49,493	64,796	68,728	68,032	76,538	87,305	77,244	54,138	66,563
8510-4780-41143 IP Acute-Medicare At Risk	3,808	2,541	12,862	7,620	9,656	9,656	30,891	24,308	21,040	6,429	12,490	16,606	16,606
8510-4790-41143 IP Acute-Medicare At Risk	22,376	10,735	22,376	24,929	27,867	28,634	27,323	29,582	42,983	32,576	26,890	29,678	29,678
8510-4871-41143 IP Acute-Medicare At Risk	29,429	12,618	40,760	18,618	30,242	20,076	46,364	27,804	37,814	16,613	24,760	13,037	18,910
Total Medicare Risk	4,556,562	3,173,674	4,898,299	5,188,618	4,265,019	4,897,363	6,897,325	6,035,996	8,675,759	9,545,866	5,890,980	5,010,262	3,914,001
Med-Cal:													
8510-3010-41151 IP Acute-Medi-Cal	825,115	391,590	601,355	237,745	629,325	307,670	727,220	1,076,845	699,250	741,205	601,355	545,415	489,475
8510-3150-41151 IP Acute-Medi-Cal	13,985	13,985	0	0	13,985	0	0	0	0	0	0	0	0
8510-3151-41151 IP Acute-Medi-Cal	1,125,720	647,766	688,854	925,380	1,028,200	1,223,558	855,406	1,285,250	1,285,250	801,996	832,842	730,022	771,150
8510-3170-41151 IP Acute-Medi-Cal	188,812	341,236	520,715	504,890	258,914	416,628	440,178	422,110	584,876	706,846	536,228	414,358	490,862
8510-3171-41151 IP Acute-Medi-Cal	107,842	153,208	207,346	191,510	257,048	306,893	104,460	151,634	222,848	142,762	359,069	167,136	205,438
8510-3172-41151 IP Acute-Medi-Cal	0	0	0	0	0	0	0	0	0	0	153,292	153,292	153,292
8510-3173-41151 IP Acute-Medi-Cal	52,442	76,446	149,258	112,952	48,408	141,190	266,244	133,122	133,122	84,714	72,612	112,952	169,428
8510-3188-41151 IP Acute-Medi-Cal	13,928	0	0	0	0	0	0	0	0	0	0	0	0
8510-4010-41151 IP Acute-Medi-Cal	340,517	379,376	378,607	414,133	448,011	372,109	560,000	640,441	503,463	396,956	992,609	436,255	621,947
8510-4101-41151 IP Acute-Medi-Cal	0	0	0	0	0	29,493	8,854	0	86,251	37,722	14,466	0	0
8510-4220-41151 IP Acute-Medi-Cal	0	74	37	37	0	0	0	0	814	3,632	0	1,648	0
8510-4420-41151 IP Acute-Medi-Cal	194,045	551,482	244,414	284,149	185,280	257,529	507,360	489,995	427,273	181,499	413,460	652,599	397,763
8510-4421-41151 IP Acute-Medi-Cal	111,634	30,464	58,260	174,017	192,931	77,474	18,629	63,056	205,397	0	0	205,164	29,286
8510-4470-41151 IP Acute-Medi-Cal	142	0	7,734	42	42	1,639	0	3,944	6,104	311	4,689	935	1,870
8510-4500-41151 IP Acute-Medi-Cal	504,862	457,199	511,358	532,378	517,178	620,533	660,566	889,856	674,673	674,176	677,626	676,468	676,468
8510-4502-41151 IP Acute-Medi-Cal	1,632	7,532	6,337	7,646	7,646	6,560	17,514	24,685	20,421	38,882	5,889	11,283	0
8510-4540-41151 IP Acute-Medi-Cal	31,088	30,523	20,248	26,410	42,671	20,212	29,349	41,124	38,756	113,273	43,308	25,631	12,709
8510-4570-41151 IP Acute-Medi-Cal	161,079	64,365	42,186	59,101	51,042	98,813	22,458	82,157	302,890	146,054	114,038	0	0
8510-4580-41151 IP Acute-Medi-Cal	157,734	120,436	144,030	162,268	162,268	189,335	147,050	192,701	238,658	151,020	199,235	133,821	199,235
8510-4610-41151 IP Acute-Medi-Cal	0	0	0	1,873	0	0	0	0	0	5,473	0	0	7,505
8510-4620-41151 IP Acute-Medi-Cal	2,874	2,874	2,874	2,874	2,874	1,437	0	5,748	4,311	5,748	2,874	2,874	2,874
8510-4630-41151 IP Acute-Medi-Cal	98,389	74,982	113,895	112,735	93,807	98,372	110,147	137,472	96,039	152,342	88,589	99,163	99,163
8510-4640-41151 IP Acute-Medi-Cal	84,859	84,859	192,799	90,678	90,678	134,479	134,479	192,799	238,656	379,799	151,588	151,588	151,588
8510-4650-41151 IP Acute-Medi-Cal	35,185	27,529	39,919	70,026	39,919	40,451	36,682	7,816	7,816	28,007	12,780	55,590	55,590
8510-4660-41151 IP Acute-Medi-Cal	67,607	77,763	88,388	23,054	23,054	87,740	52,324	114,790	88,713	53,203	117,321	102,570	56,628
8510-4670-41151 IP Acute-Medi-Cal	38,764	48,267	48,487	52,309	44,982	48,671	49,010	61,213	89,110	35,026	54,821	46,177	60,119
8510-4680-41151 IP Acute-Medi-Cal	136,244	151,013	207,611	170,130	131,274	161,231	305,899	307,159	203,779	203,779	203,107	230,064	230,064
8510-4691-41151 IP Acute-Medi-Cal	0	0	0	0	0	0	0	0	0	2,144	0	0	0
8510-4710-41151 IP Acute-Medi-Cal	371,244	288,309	479,143	312,150	347,758	344,554	757,593	757,172	395,814	616,786	451,462	396,912	396,912
8510-4720-41151 IP Acute-Medi-Cal	410,963	160,989	214,978	312,263	396,771	545,784	513,816	947,254	793,226	476,549	573,068	373,946	399,811
8510-4730-41151 IP Acute-Medi-Cal	51,243	23,323	192,799	20,862	20,862	60,595	134,479	134,479	61,764	61,764	89,236	67,468	67,468
8510-4740-41151 IP Acute-Medi-Cal	99,845	68,315	63,060	94,590	94,590	143,024	162,589	127,259	237,556	110,660	121,726	44,254	44,254
8510-4760-41151 IP Acute-Medi-Cal	12,592	29,832	41,393	23,222	27,696	33,858	33,875	60,361	65,896	32,147	69,967	6,268	37,465
8510-4770-41151 IP Acute-Medi-Cal	44,203	22,862	36,588	47,162	34,563	45,619	42,594	81,690	82,277	84,863	72,668	71,398	70,471
8510-4780-41151 IP Acute-Medi-Cal	51,672	51,672	51,672	51,672	51,672	51,672	51,672	51,672	51,672	51,672	51,672	51,672	51,672
8510-4790-41151 IP Acute-Medi-Cal	14,093	10,977	21,260	29,064	18,891	20,573	18,300	27,529	46,476	36,981	34,477	42,874	39,387
8510-4865-41151 IP Acute-Medi-Cal	0	0	0	0	0	0	301	0	0	0	0	0	0
8510-4871-41151 IP Acute-Medi-Cal	23,427	15,300	25,510	30,696	11,453	36,425	29,324	32,102	32,835	20,538	24,375	17,590	25,360
Total Medi-Cal	5,327,231	4,329,882	5,140,532	5,104,519	5,199,343	5,892,245	6,375,588	9,367,969	8,940,364	6,868,387	7,379,771	6,098,552	5,812,180
Med-Cal MgtCare:													
8510-3010-41152 IP Acute-Medi-Cal MgtCare	839,100	881,055	950,980	1,314,590	945,415	853,085	972,375	1,832,035	1,146,770	1,440,455	2,041,810	1,314,590	1,021,155
8510-3150-41152 IP Acute-Medi-Cal MgtCare	13,985	13,985	0	41,965	13,985	0	0	0	0	0	0	0	0
8510-3151-41152 IP Acute-Medi-Cal MgtCare	2,055,400	1,902,170	1,881,006	2,199,849	2,313,450	2,385,424	3,033,190	2,962,062	2,159,220	2,899,524	1,834,883	1,709,356	1,994,708
8510-3170-41152 IP Acute-Medi-Cal MgtCare	651,134	446,965	780,969	515,336	550,156	730,098	912,284	981,924	842,991	665,062	852,428	564,084	515,336
8510-3171-41152 IP Acute-Medi-Cal MgtCare	536,228	665,641	622,364	548,356	493,998	599,331	600,338	369,646	496,208	466,588	694,778	431,768	377,855
8510-3172-41152 IP Acute-Medi-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	342,599	342,599	342,599
8510-3173-41152 IP Acute-Medi-Cal MgtCare	447,774	296,448	229,938	306,584	411,468	225,904	407,434	309,958	363,060	580,896	193,632	229,938	217,836
8510-3188-41152 IP Acute-Medi-Cal MgtCare	0	(6,964)	3,482	0	0	0	0	3,482	(3,482)	0	0	3,482	0
8510-4010-41152 IP Acute-Medi-Cal MgtCare	620,554	528,264	520,549	674,123	629,151	596,575	931,262	861,124	840,248				



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-3181-41191 IP Acute-Other	20,564	0	20,564	0	0	10,282	10,282	10,282	0	0	20,564	20,564	0
8510-3172-41191 IP Acute-Other	0	0	0	0	6,964	0	0	0	0	0	0	0	0
8510-3171-41191 IP Acute-Other	0	0	0	0	6,964	10,446	17,410	0	0	13,928	6,964	3,482	0
8510-3172-41191 IP Acute-Other	0	0	0	0	0	0	0	0	4,034	4,034	0	0	0
8510-3173-41191 IP Acute-Other	28,238	0	0	0	0	0	0	0	8,068	0	0	0	0
8510-3168-41191 IP Acute-Other	0	0	0	0	0	0	0	0	0	0	3,482	0	0
8510-3900-41191 IP Acute-Other	431,762	204,047	(35,943)	(444,842)	865,325	286,447	(932,310)	658,304	(41,314)	(631,506)	728,587	(556,962)	(606,269)
8510-4010-41191 IP Acute-Other	13,585	0	10,439	0	11,137	15,615	13,296	8,045	0	7,018	7,963	0	0
8510-4230-41191 IP Acute-Other	0	0	0	0	0	37	46	0	3,322	3,778	1,247	0	0
8510-4420-41191 IP Acute-Other	0	0	0	0	10,192	54,726	61,670	0	52,023	105,730	64,624	185,893	0
8510-4470-41191 IP Acute-Other	0	0	42	0	0	0	0	0	0	0	20	0	0
8510-4500-41191 IP Acute-Other	13,449	0	1,842	0	7,003	21,457	19,582	4,484	5,651	14,918	11,160	16,061	0
8510-4520-41191 IP Acute-Other	0	0	0	0	0	0	0	0	2,861	0	0	0	0
8510-4540-41191 IP Acute-Other	0	0	0	0	0	1,185	1,323	513	0	2,646	0	1,323	0
8510-4680-41191 IP Acute-Other	7,893	0	7,107	0	0	14,290	1,731	0	577	177	3,462	1,154	0
8510-4620-41191 IP Acute-Other	1,437	0	0	0	0	0	0	0	0	0	0	0	0
8510-4630-41191 IP Acute-Other	693	0	693	0	0	1,386	4,086	0	1,386	693	0	1,477	0
8510-4670-41191 IP Acute-Other	0	0	0	0	0	0	1,551	0	0	0	0	11,898	0
8510-4680-41191 IP Acute-Other	3,649	0	0	0	0	0	0	0	0	0	0	0	0
8510-4710-41191 IP Acute-Other	3,300	0	2,358	0	3,115	8,493	9,761	389	11,551	4,495	6,267	48,164	0
8510-4720-41191 IP Acute-Other	0	0	580	0	0	0	1,539	0	0	709	38	0	0
8510-4730-41191 IP Acute-Other	0	0	0	0	0	0	1,770	0	0	0	0	0	0
8510-4740-41191 IP Acute-Other	0	0	0	0	0	0	5,533	0	5,533	0	0	0	0
8510-4770-41191 IP Acute-Other	1,842	0	1,934	0	0	0	3,940	0	0	0	1,293	1,299	0
8510-4780-41191 IP Acute-Other	0	0	847	0	0	0	0	0	0	0	0	0	0
8510-4790-41191 IP Acute-Other	1,044	0	2,079	0	0	0	0	0	0	0	0	745	0
Total Other	527,243	294,047	12,241	(444,842)	910,990	424,364	(755,695)	687,590	45,698	(461,104)	852,179	(251,189)	(896,269)
Total Acute	77,756,581	75,892,886	77,551,862	75,182,399	79,894,752	83,294,878	91,015,104	104,381,451	92,863,737	101,600,366	93,385,143	88,881,910	76,288,166
SNF:													
Comm Ins:													
8510-3980-41221 SNF-Comm	0	0	0	0	0	0	0	0	0	0	0	2,895	0
Total Comm Ins	0	0	0	0	0	0	0	0	0	0	0	2,895	0
Comm MgtCare:													
8510-3980-41222 SNF-Comm MgtCare	96,385	114,620	72,940	41,680	132,855	91,175	107,440	33,865	153,695	23,445	0	31,260	2,605
8510-4470-41222 SNF-Comm MgtCare	0	0	0	0	0	0	0	0	0	2,378	0	0	0
8510-4500-41222 SNF-Comm MgtCare	9,387	10,249	512	4,932	6,474	6,996	4,404	5,014	26,372	1,743	0	4,333	0
8510-4520-41222 SNF-Comm MgtCare	0	1,247	0	0	0	0	0	0	0	0	0	0	0
8510-4540-41222 SNF-Comm MgtCare	0	0	0	0	0	0	0	0	5,391	0	0	0	0
8510-4580-41222 SNF-Comm MgtCare	0	0	0	0	535	535	0	0	7,732	0	0	0	0
8510-4610-41222 SNF-Comm MgtCare	0	0	1,873	0	1,437	0	0	0	0	0	0	0	0
8510-4620-41222 SNF-Comm MgtCare	0	0	0	0	1,437	0	0	0	0	0	0	0	0
8510-4630-41222 SNF-Comm MgtCare	1,436	2,745	3,871	693	2,789	693	0	2,079	698	0	0	0	0
8510-4660-41222 SNF-Comm MgtCare	0	0	0	6,768	0	6,163	0	0	0	0	0	0	0
8510-4670-41222 SNF-Comm MgtCare	0	0	0	0	1,813	0	0	1,425	0	0	0	2,242	0
8510-4710-41222 SNF-Comm MgtCare	25,414	35,579	10,911	17,394	27,209	35,393	21,215	5,982	52,091	8,328	0	3,837	0
8510-4720-41222 SNF-Comm MgtCare	0	0	0	0	3,435	0	0	2,456	0	0	0	0	0
8510-4770-41222 SNF-Comm MgtCare	26,687	28,669	12,531	8,561	33,516	20,491	14,102	7,302	45,128	9,236	0	6,498	0
8510-4780-41222 SNF-Comm MgtCare	0	0	0	1,474	0	9,905	0	0	4,437	0	0	0	0
8510-4790-41222 SNF-Comm MgtCare	23,254	26,725	18,091	8,072	37,940	19,262	12,025	5,428	26,570	5,049	0	8,108	0
8510-4871-41222 SNF-Comm MgtCare	0	0	0	0	0	2,486	0	0	0	0	0	0	0
Total Comm MgtCare	182,573	219,791	120,729	90,024	261,245	177,031	177,927	57,491	327,376	60,877	0	65,278	2,605
Comm Risk:													
8510-3980-41223 SNF-AI Risk	0	0	0	0	0	0	26,048	0	0	23,445	13,025	0	0
8510-4470-41223 SNF-AI Risk	0	0	0	0	0	0	0	0	0	0	4,711	0	0
8510-4500-41223 SNF-AI Risk	0	0	0	0	0	2,187	0	0	0	1,842	2,067	0	0
8510-4580-41223 SNF-AI Risk	0	0	0	0	0	0	577	0	0	0	0	0	0
8510-4610-41223 SNF-AI Risk	0	0	0	0	0	693	0	1,386	0	1,386	0	0	0
8510-4710-41223 SNF-AI Risk	0	0	0	0	0	10,682	0	0	2,699	1,255	0	0	0
8510-4720-41223 SNF-AI Risk	0	0	0	0	0	0	0	0	46	0	0	0	0
8510-4730-41223 SNF-AI Risk	0	0	0	0	0	0	0	0	1,281	0	0	0	0
8510-4740-41223 SNF-AI Risk	0	0	0	0	0	0	5,010	0	5,215	4,570	0	0	0
8510-4760-41223 SNF-AI Risk	0	0	0	0	0	0	0	0	1,370	1,332	0	0	0
8510-4790-41223 SNF-AI Risk	0	0	0	0	0	4,366	0	0	4,289	3,558	0	0	0
Total Comm Risk	0	0	0	0	0	0	40,536	0	0	41,573	30,818	0	0
Medicare:													
8510-3980-41241 SNF-Medicare	1,370,230	1,440,565	1,117,545	1,268,635	1,195,695	1,477,035	1,775,844	1,312,913	1,211,325	1,299,895	1,036,790	961,245	104,200
8510-4470-41241 SNF-Medicare	0	0	0	1,890	2,441	0	3,940	3,940	12,884	0	0	2,023	0
8510-4520-41241 SNF-Medicare	29,052	0	0	0	0	0	0	0	0	0	7,538	0	0
8510-4470-41241 SNF-Medicare	0	0	0	0	0	940	341	0	3,034	0	4,796	2,044	0
8510-4500-41241 SNF-Medicare	120,712	131,486	115,203	128,089	111,432	158,456	141,850	97,829	139,465	139,904	90,956	119,973	14,208
8510-4520-41241 SNF-Medicare	0	576	0	0	0	0	0	0	1,379	0	0	0	0
8510-4540-41241 SNF-Medicare	6,538	0	8,231	6,670	4,214	4,167	5,534	5,400	15,462	10,377	4,469	16,704	0
8510-4570-41241 SNF-Medicare	0	0	0	0	0	52,429	(52,429)	0	0	0	0	0	0
8510-4580-41241 SNF-Medicare	11,425	2,140	10,749	18,035	1,605	17,063	2,643	13,696	9,389	8,832	1,731	11,771	0
8510-4610-41241 SNF-Medicare	0	1,873	0	0	0	0	0	0	0	0	0	0	0
8510-4620-41241 SNF-Medicare	1,437	1,437	0	0	0	0	0	1,437	0	0	0	0	0
8510-4630-41241 SNF-Medicare	17,903	22,489	19,129	21,132	22,489	24,502	31,227	21,429	36,830	15,626	6,459	19,595	2,297
8510-4631-41241 SNF-Medicare	305	559	0	254	517	2,297	811	3,218	67	0	36,721	0	0
8510-4660-41241 SNF-Medicare	0	20,079	7,037	0	0	6,693	0	13,715	6,878	13,767	0	0	0
8510-4670-41241 SNF-Medicare	5,847	16,446	19,440	18,499	24,904	5,874	6,796	25,330	6,298	13,940	6,796	6,796	0
8510-4670-41241 SNF-Medicare	6,862	9,625	5,285	9,797	1,659	8,165	3,447	5,955	5,879	2,382	6,189	0	0
8510-4680-41241 SNF-Medicare	3,649	11,870	6,310	10,956	0	16,731	34,155	12,475	8,359	3,877	19,156	0	0
8510-4710-41241 SNF-Medicare	327,294	360,916	324,208	389,879	373,397	371,311	303,989	653,186	297,075	326,129	326,129	24,713	0
8510-4720-41241 SNF-Medicare	144,518,933	197,009	124,539	190,824	21,116	117,420	147,679	99,520	113,276	89,470	41,488	0	0
8510-4730-41241 SNF-Medicare	1,597	3,194	2,035	6,806	0	7,992	1,770	1,770	5,310	3,540	5,310	0	0
8510-4740-41241 SNF-Medicare	0	0	0	0	0	0	0	5,533	0	0	0	0	0
8510-4770-41241 SNF-Medicare	545,843	541,387	480,665	489,326	394,031	551,891	532,917	512,833	526,631	513,917	413,822	371,681	41,596
8510-4780-41241 SNF-Medicare	13,893	19,893	27,790	18,499	24,904	41,955	60,490	72,455	25,956	14,795	22,214	1,026	0
8510-4790-41241 SNF-Medicare	351,295	354,028	315,389	322,099	263,128	344,271	301,866	268,579	302,604	332,566	247,732	250,909	22,247
8510-4871-41241 SNF-Medicare	8,979	9,523	11,506	0	1,521	4,007	0	2,078	4,007	8,979	4,007	8,979	0
Total Medicare	2,987,711	3,095,344	2,605,610	2,852,714	2,418,699	3,255,258	3,312,213	2,892,830	3,080,726	3,118,569	2,213,539	2,242,322	212,313
Medicare MgtCare:													
8510-3980-41242 SNF-Medicare MgtCare	192,770	54,705	39,075	54,705	83,360	57,310	0	42,331	0	70,335	114,620	127,645	5,210
8510-4470-41242 SNF-Medicare MgtCare	0	0	0	0									



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-3980-41251 SNF-Med-Cal	13,025	0	0	0	0	0	35,816	74,242	0	80,755	96,385	36,470	0
8510-4300-41251 SNF-Med-Cal	231	0	0	0	0	0	0	20,125	0	0	918	1,991	0
8510-4360-41251 SNF-Med-Cal	0	0	0	0	0	0	0	5,540	0	0	0	0	0
8510-4830-41251 SNF-Med-Cal	0	0	0	0	0	0	0	1,324	0	0	0	0	0
8510-4850-41251 SNF-Med-Cal	0	0	0	0	0	0	0	15,439	0	0	0	0	0
8510-4710-41251 SNF-Med-Cal	3,839	0	0	0	0	0	4,680	24,796	0	0	6,527	7,387	0
8510-4770-41251 SNF-Med-Cal	3,801	0	0	0	0	0	4,294	0	0	0	11,841	11,993	0
8510-4780-41251 SNF-Med-Cal	0	0	0	0	0	0	0	0	0	0	2,800	0	0
8510-4790-41251 SNF-Med-Cal	3,252	0	0	0	0	0	1,209	0	0	0	14,960	10,991	0
Total Med-Cal	23,988	0	0	0	0	0	45,999	141,466	0	80,755	130,631	71,622	0
Med-Cal MgtCare:													
8510-3980-41252 SNF-Med-Cal MgtCare	78,150	80,755	80,755	78,150	80,755	78,150	172,569	165,415	0	23,445	96,385	57,310	18,235
8510-4230-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	3,632
8510-4470-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	0	4,711	0
8510-4500-41252 SNF-Med-Cal MgtCare	1,613	2,198	722	1,733	1,380	722	7,623	11,460	5,735	11,338	6,298	4,775	0
8510-4540-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	0	0	1,495	0	1,935	0	0
8510-4630-41252 SNF-Med-Cal MgtCare	0	0	0	829	0	693	829	0	0	0	0	0	693
8510-4680-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	3,877	4,374	0
8510-4710-41252 SNF-Med-Cal MgtCare	19,645	20,449	10,406	16,910	16,296	10,479	25,321	55,799	451	35,478	104,232	14,354	2,622
8510-4720-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	36,216	1,628	423
8510-4730-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	5,310	0	1,770
8510-4770-41252 SNF-Med-Cal MgtCare	17,966	18,452	10,355	3,578	4,625	3,341	21,274	44,783	1,488	6,311	25,121	10,844	3,409
8510-4780-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	926	0	0	254	0	0	0
8510-4790-41252 SNF-Med-Cal MgtCare	18,961	13,961	0	0	0	0	14,576	21,114	932	5,144	21,472	12,971	1,617
8510-4871-41252 SNF-Med-Cal MgtCare	0	0	0	0	0	0	1,521	0	0	0	0	0	0
Total Med-Cal MgtCare	136,335	134,919	111,240	101,200	103,226	92,692	242,882	305,922	2,871	77,862	354,091	114,285	37,176
Total SNF	3,862,251	3,670,949	3,423,982	3,483,215	3,437,400	3,745,340	4,089,696	3,716,224	3,533,335	3,688,422	3,378,344	2,909,732	262,514
Rehab:													
Comm MgtCare:													
8510-3440-41422 IP Rehab-Comm Ins Mgt Cre FFS	94,014	121,870	233,294	153,208	58,176	3,452	48,748	3,452	0	73,122	66,158	118,388	118,388
8510-4470-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	0	0	0	0	0	0	0	3,313	945	791	0
8510-4500-41422 IP Rehab-Comm Ins Mgt Cre FFS	6,631	4,458	21,196	13,853	4,166	255	2,570	528	7,055	8,216	20,162	12,822	0
8510-4540-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	0	0	0	0	0	0	0	0	0	1,935	0
8510-4590-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	535	0	0	0	0	0	0	577	0	0	0
8510-4630-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	3,948	1,472	5,737	0	0	0	0	0	0	6,144	693	0
8510-4640-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	0	363	0	0	0	0	0	0	329	0	0
8510-4660-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	5,690	6,758	0	0	0	0	0	0	0	18,234	0
8510-4670-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	2,382	553	0	0	0	0	0	0	951	3,187	0
8510-4680-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	3,649	0	0	0	0	0	0	0	0	3,877	0
8510-4710-41422 IP Rehab-Comm Ins Mgt Cre FFS	13,073	19,073	43,983	61,344	5,425	347	5,603	797	0	12,544	10,336	19,511	14,604
8510-4720-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	30	0	0	0	0	0	0	0	0	9,671	0	0
8510-4740-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	0	0	0	0	0	0	0	16,599	16,599	44,264	0
8510-4760-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	3,133	0	0	0	0	0	0	0	0	0	0
8510-4770-41422 IP Rehab-Comm Ins Mgt Cre FFS	27,957	36,198	63,741	54,315	17,726	1,958	11,585	1,012	22,144	29,901	42,459	36,435	0
8510-4780-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	18,198	11,888	0	0	7,906	654	0	17,095	7,348	18,128	24,912
8510-4790-41422 IP Rehab-Comm Ins Mgt Cre FFS	31,660	39,916	72,240	45,256	17,800	876	16,622	1,314	0	21,135	23,541	35,572	31,522
8510-4871-41422 IP Rehab-Comm Ins Mgt Cre FFS	0	0	2,486	2,486	0	0	0	0	0	0	2,486	1,509	0
Total Comm MgtCare	173,335	235,386	472,947	348,903	103,295	6,958	94,003	7,787	0	184,285	162,162	329,693	239,612
Comm Risk:													
8510-3440-41423 IP Rehab-Comm Ins at Risk	10,448	41,794	24,374	45,268	24,050	94,894	0	0	0	0	0	0	0
8510-4500-41423 IP Rehab-Comm Ins at Risk	1,130	8,825	5,882	5,419	2,826	6,891	0	0	0	0	0	0	0
8510-4580-41423 IP Rehab-Comm Ins at Risk	0	535	0	0	0	0	0	0	0	0	0	0	0
8510-4630-41423 IP Rehab-Comm Ins at Risk	693	693	693	693	693	693	0	0	0	0	0	0	0
8510-4640-41423 IP Rehab-Comm Ins at Risk	0	0	0	0	0	13,516	0	0	0	0	0	0	0
8510-4660-41423 IP Rehab-Comm Ins at Risk	1,000	4,475	5,983	5,583	3,120	10,319	0	0	0	0	0	0	0
8510-4760-41423 IP Rehab-Comm Ins at Risk	0	0	0	0	0	4,475	0	0	0	0	0	0	0
8510-4770-41423 IP Rehab-Comm Ins at Risk	3,690	13,200	10,269	12,407	5,539	23,362	0	0	0	0	0	0	0
8510-4780-41423 IP Rehab-Comm Ins at Risk	2,750	8,271	0	5,534	4,357	19,746	0	0	0	0	0	0	0
8510-4790-41423 IP Rehab-Comm Ins at Risk	3,124	11,650	4,780	12,604	4,380	23,095	0	0	0	0	0	0	0
8510-4871-41423 IP Rehab-Comm Ins at Risk	0	0	1,521	0	0	0	0	0	0	0	0	0	0
Total Comm Risk	23,050	89,435	54,104	87,516	45,275	196,928	0	0	0	0	0	0	0
WIC Comp:													
8510-3440-41431 IP Rehab-WIC	0	0	0	0	27,896	0	0	0	0	0	0	0	52,230
8510-4300-41431 IP Rehab-WIC	0	0	0	0	1,223	0	0	0	0	0	0	0	4,002
8510-4630-41431 IP Rehab-WIC	0	0	0	0	0	0	0	0	0	0	0	0	1,018
8510-4710-41431 IP Rehab-WIC	0	0	0	0	3,943	0	0	0	0	0	0	0	6,888
8510-4770-41431 IP Rehab-WIC	0	0	0	0	5,197	0	0	0	0	0	0	0	22,330
8510-4790-41431 IP Rehab-WIC	0	0	0	0	8,400	0	0	0	0	0	0	0	18,211
Total WIC Comp	0	0	0	0	50,619	0	0	0	0	0	0	0	104,679
Medicare:													
8510-3440-41441 IP Rehab-Medicare	1,292,470	1,281,942	1,282,294	1,375,252	1,370,714	1,332,412	1,341,136	1,183,918	794,072	1,293,592	1,152,404	944,854	965,400
8510-4470-41441 IP Rehab-Medicare	59,105	0	0	15,600	0	0	17,465	0	0	4,993	45,197	0	0
8510-4470-41441 IP Rehab-Medicare	503	0	1,902	1,902	0	1,406	150	3,323	2,378	11,284	1,890	945	5,865
8510-4500-41441 IP Rehab-Medicare	141,935	123,075	105,252	152,677	159,912	147,346	121,343	105,808	85,521	133,901	142,416	122,121	0
8510-4520-41441 IP Rehab-Medicare	0	1,646	0	1,932	0	1,152	360	4,954	1,909	1,278	0	611	0
8510-4540-41441 IP Rehab-Medicare	6,892	3,296	478	2,370	1,378	1,787	3,732	8,414	4,176	1,334	0	2,317	0
8510-4570-41441 IP Rehab-Medicare	0	0	0	0	0	0	0	0	0	51,729	0	0	0
8510-4590-41441 IP Rehab-Medicare	12,354	9,285	2,140	6,420	14,662	3,210	3,346	9,579	10,733	10,793	11,325	2,885	3,462
8510-4620-41441 IP Rehab-Medicare	0	1,437	0	0	0	0	0	2,874	0	2,874	0	0	0
8510-4640-41441 IP Rehab-Medicare	21,055	17,558	7,581	13,175	25,862	12,046	13,719	9,478	9,478	20,476	14,338	19,628	0
8510-4631-41441 IP Rehab-Medicare	14,588	0	55,832	0	3,185	263	32,146	0	75,035	0	0	93,549	0
8510-4650-41441 IP Rehab-Medicare	7,037	0	0	0	7,395	0	0	0	0	5,936	0	0	0
8510-4680-41441 IP Rehab-Medicare	8,807	6,738	33,369	5,690	8,941	5,690	0	7,207	6,206	6,768	26,864	14,559	0
8510-4720-41441 IP Rehab-Medicare	97,929	6,815	2,382	7,114	5,569	8,954	0	9,262	9,262	0	2,382	4,446	10,713
8510-4680-41441 IP Rehab-Medicare	7,298	12,987	10,956	14,747	7,307	25,516	12,171	22,502	7,754	9,347	19,919	36,302	3,877
8510-4710-41441 IP Rehab-Medicare	222,788	195,538	192,682	244,255	260,677	210,121	256,797	231,653	119,138	246,364	247,041	172,245	263,830
8510-4720-41441 IP Rehab-Medicare	128,503	69,308	70,654	108,679	51,125	74,282	69,295	48,006	63,292	81,884	108,402	117,796	162,486
8510-4740-41441 IP Rehab-Medicare	1,597	2,976	0	3,197	0	3,194	0	0	1,770	0	4,621	7,586	3,540
8510-4760-41441 IP Rehab-Medicare	94,590	94,590	89,335	189,180	94,930	52,550	97,926	22,132	88,528	60,863	49,797	121,726	16,599
8510-4760-41441 IP Rehab-Medicare	0	7,445	0	13,365	0	0	17,675	4,338	4,338	3,134	0	0	0
8510-4770-41441 IP Rehab-Medicare	347,354	352,611	332,368	353,794	343,821	316,350	340,145	395,478	218,081	413,203	391,128	310,948	337,039
8510-4780-41441 IP Rehab-Medicare	97,929	115,139	94,906	115,577	138,331	122,423	195,129	151,538	98,610	102,247	82,133	95,907	118,427



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4720-41443 IP Rehab-Medicare At Risk	0	0	0	0	1,232	0	2,331	28,155	92,031	0	0	0	8,807
8510-4720-41443 IP Rehab-Medicare At Risk	0	0	0	0	0	0	1,770	1,770	0	0	0	0	0
8510-4760-41443 IP Rehab-Medicare At Risk	16,041	0	0	0	0	0	5,449	0	0	0	0	0	0
8510-4770-41443 IP Rehab-Medicare At Risk	11,424	3,960	0	0	9,184	0	12,463	16,076	17,910	8,774	15,836	7,513	19,088
8510-4780-41443 IP Rehab-Medicare At Risk	10,525	1,348	0	0	0	0	13,148	16,866	13,952	7,422	0	4,732	1,670
8510-4790-41443 IP Rehab-Medicare At Risk	10,771	4,146	0	0	0	0	13,083	21,552	16,972	6,489	14,486	7,263	13,627
8510-4871-41443 IP Rehab-Medicare At Risk	0	0	0	0	0	0	0	6,481	0	0	0	0	0
Total Medicare Risk	102,456	26,007	0	0	86,199	0	69,379	193,980	271,678	56,003	91,977	51,786	119,865
Med-Cal:													
8510-3440-41451 IP Rehab-Medi-Cal	0	0	0	0	0	27,856	0	0	0	48,748	17,410	52,230	53,110
8510-4420-41451 IP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	0	16,606
8510-5470-41451 IP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	0	2,378
8510-4900-41451 IP Rehab-Medi-Cal	0	0	0	0	0	1,731	0	0	0	4,868	1,130	2,933	10,204
8510-4520-41451 IP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	0	174
8510-4540-41451 IP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	0	513
8510-4990-41451 IP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	577	577	0	0	0
8510-4630-41451 IP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	3,312	693	0	0	0
8510-4710-41451 IP Rehab-Medi-Cal	0	0	0	0	0	1,062	0	0	31,180	12,317	5,140	17,380	0
8510-4720-41451 IP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	34,919	407	0	0	0
8510-4770-41451 IP Rehab-Medi-Cal	0	0	0	0	0	6,087	0	0	35,181	15,995	16,531	19,107	0
8510-4780-41451 IP Rehab-Medi-Cal	0	0	0	0	0	2,040	0	0	35,351	698	5,062	5,278	0
8510-4790-41451 IP Rehab-Medi-Cal	0	0	0	0	0	8,546	0	0	29,617	17,204	17,115	17,163	0
8510-4871-41451 IP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	1,509	1,521	0	0	0
Total Med-Cal	0	0	0	0	0	47,362	0	0	225,262	87,662	100,996	141,673	0
Med-Cal MgtCare:													
8510-3440-41452 IP Rehab-Medi-Cal MgtCare	24,374	0	104,460	13,928	170,818	141,040	48,748	48,748	108,118	80,086	59,194	201,996	13,928
8510-4420-41452 IP Rehab-Medi-Cal MgtCare	0	0	0	0	1,982	0	0	0	2,891	0	0	0	0
8510-4900-41452 IP Rehab-Medi-Cal MgtCare	1,518	0	8,088	1,223	14,983	19,638	3,668	4,737	8,507	7,990	2,741	23,206	759
8510-4500-41452 IP Rehab-Medi-Cal MgtCare	0	0	0	0	0	535	0	0	577	0	0	577	0
8510-4630-41452 IP Rehab-Medi-Cal MgtCare	0	0	4,422	0	0	7,643	693	0	693	693	693	693	0
8510-4670-41452 IP Rehab-Medi-Cal MgtCare	0	0	1,813	0	0	6,756	0	0	0	0	0	7,801	0
8510-4680-41452 IP Rehab-Medi-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4710-41452 IP Rehab-Medi-Cal MgtCare	5,871	0	18,289	861	19,802	36,003	5,516	9,320	11,882	7,372	3,677	39,201	1,128
8510-4720-41452 IP Rehab-Medi-Cal MgtCare	0	0	7,651	0	0	42,164	0	19,185	0	0	842	6,008	0
8510-4740-41452 IP Rehab-Medi-Cal MgtCare	0	0	0	0	0	0	0	27,665	0	0	0	0	0
8510-4770-41452 IP Rehab-Medi-Cal MgtCare	7,123	0	25,152	3,945	40,455	29,091	10,377	15,379	31,563	29,627	18,705	65,043	4,793
8510-4780-41452 IP Rehab-Medi-Cal MgtCare	0	0	23,473	4,082	21,303	33,332	16,022	7,744	25,510	21,367	5,814	29,970	1,016
8510-4790-41452 IP Rehab-Medi-Cal MgtCare	9,716	0	26,239	5,266	46,320	35,418	13,084	11,742	33,660	24,474	15,082	63,355	5,058
Total Med-Cal MgtCare	49,137	0	210,957	29,305	315,263	352,222	68,109	118,654	219,933	208,109	112,291	441,687	26,662
Total Rehab	3,249,445	2,999,469	3,406,599	3,455,421	3,528,156	3,324,520	3,431,541	3,204,170	2,827,815	3,727,850	3,330,237	3,673,231	3,519,610
Total Gross Inpatient Revenue	84,868,278	82,563,304	84,382,443	82,121,035	86,860,309	90,364,739	98,536,341	111,301,845	99,224,887	109,016,638	100,093,723	95,464,873	80,070,290
Gross Outpatient Revenue:													
Outpatient:													
Self Pay:													
8510-3010-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	8,904	0	0	0	0
8510-3151-44501 O/P-Self Pay (5,088)	0	0	0	0	0	0	0	0	0	0	0	0	(3,816)
8510-4070-44501 O/P-Self Pay	0	0	404	0	0	0	0	0	0	0	0	0	0
8510-4071-44501 O/P-Self Pay	662	1,729	3,146	2,242	1,376	212	0	792	504	504	1,565	504	3,964
8510-4079-44501 O/P-Self Pay	0	0	1,775	0	0	0	0	0	0	1,033	0	0	0
8510-4092-44501 O/P-Self Pay	0	0	0	238	238	238	0	0	0	0	0	0	0
8510-4095-44501 O/P-Self Pay	2,226	852	2,154	0	2,980	1,136	1,104	3,744	2,496	1,728	2,736	1,968	1,704
8510-4470-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4230-44501 O/P-Self Pay	731	384	2,193	380	0	1,603	4,980	0	2,262	2,170	1,302	868	0
8510-4420-44501 O/P-Self Pay	116,817	0	0	33,087	0	39,739	0	0	0	0	0	0	0
8510-5421-44501 O/P-Self Pay	0	29,304	67,545	215,121	0	32,729	0	131,544	121,506	32,182	38,467	0	0
8510-5470-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	238	0	0	0	0
8510-4020-44501 O/P-Self Pay	11,360	5,299	6,167	1,044	6,921	5,985	3,517	11,635	8,439	6,987	6,876	6,998	4,893
8510-4520-44501 O/P-Self Pay	0	0	0	0	0	0	302	0	0	0	0	0	0
8510-4540-44501 O/P-Self Pay	832	0	0	0	0	0	1,935	0	0	0	0	0	0
8510-4670-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	63,289	0	0	0	0
8510-4680-44501 O/P-Self Pay	0	7,539	0	0	0	535	0	0	1,731	0	0	577	0
8510-4630-44501 O/P-Self Pay	679	1,386	0	3,010	390	2,697	679	784	1,386	784	693	488	0
8510-4690-44501 O/P-Self Pay	0	7,037	0	0	0	0	0	0	0	0	0	0	0
8510-4690-44501 O/P-Self Pay	0	7,801	0	6,768	0	0	0	0	0	0	0	0	0
8510-4670-44501 O/P-Self Pay	2,382	7,146	9,528	7,146	14,392	4,764	9,528	4,764	2,382	2,382	11,910	2,382	7,146
8510-4680-44501 O/P-Self Pay	0	8,543	0	7,307	5,025	0	0	0	3,877	0	0	4,892	0
8510-4890-44501 O/P-Self Pay	2,418	1,323	2,733	0	3,401	251	0	1,579	1,674	471	666	918	1,534
8510-4970-44501 O/P-Self Pay	2,587	0	3,607	5,788	534	3,365	2,399	515	7,229	0	3,145	2,995	0
8510-4720-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	703	0	0	0	0
8510-4770-44501 O/P-Self Pay	926	0	0	0	0	0	2,097	1,509	0	678	0	0	0
8510-4862-44501 O/P-Self Pay	238	0	0	0	0	0	0	0	0	0	0	0	0
8510-4865-44501 O/P-Self Pay	0	0	0	0	0	0	0	0	0	456	0	0	0
Total Self Pay	136,700	79,738	68,849	280,545	35,137	61,242	67,683	25,910	238,147	137,565	62,499	60,670	15,425
Comm Ins:													
8510-3170-44521 O/P-Comm Ins	0	0	0	0	0	0	0	0	0	0	0	0	17,808
8510-4071-44521 O/P-Comm Ins	2,627	2,179	926	238	1,726	1,461	1,971	240	504	240	2,142	1,512	1,709
8510-4079-44521 O/P-Comm Ins	0	514	375	0	0	0	770	5,886	1,313	0	0	0	0
8510-4094-44521 O/P-Comm Ins	0	0	0	0	0	0	0	0	0	0	456	415	415
8510-4095-44521 O/P-Comm Ins	0	0	0	0	0	0	0	0	0	0	547	0	0
8510-4181-44521 O/P-Comm Ins	193,520	174,488	268,688	152,233	368,165	351,939	554,786	661,977	93,525	236,470	(42,697)	338,062	268,767
8510-4230-44521 O/P-Comm Ins	4,275	2,656	4,969	5,719	1,103	5,415	5,045	5,045	3,124	2,170	7,378	2,170	2,170
8510-4420-44521 O/P-Comm Ins	31,234	68,673	17,184	30,825	11,639	127,624	39,732	67,707	26,523	35,809	73,485	27,414	17,434
8510-4470-44521 O/P-Comm Ins	26,155	0	114,999	20,387	0	42,409	67,298	34,794	15,057	0	58,833	0	0
8510-4470-44521 O/P-Comm Ins	0	174	0	0	0	0	0	0	218	0	0	0	0
8510-4500-44521 O/P-Comm Ins	2,555	3,295	45	219	178	2,940	6,191	1,030	1,684	2,329	4,391	6,916	0
8510-4520-44521 O/P-Comm Ins	0	0	0	352	547	604	721	476	0	838	(11)	1,082	1,489
8510-4540-44521 O/P-Comm Ins	832	479	832	0	0	0	0	0	918	2,434	0	2,441	0
8510-4670-44521 O/P-Comm Ins	2,887	0	0	0	0	0	0	0	0	20,792	0	0	0
8510-4680-44521 O/P-Comm Ins	8,441	536	1,775	0	535	1,070	0	577	0	1,154	0	577	0
8510-4630-44521 O/P-Comm Ins	1,909	3,567	0	1,845	551	4,074	1,985	0	784	2,261	2,261	1,391	2,540
8510-4690-44521 O/P-Comm Ins	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4690-44521 O/P-Comm Ins	0	0	0	0	0	0	0	0	0	0	0	4,626	0
8510-4670-44521 O/P-Comm Ins	0	0	0	0	0	2,156	0	0	0	0	0	3,406	9,605
8510-4680-44521 O/P-Comm Ins	0	0	0	0	0	0	0	4,147	0	8,024	4,147	11,987	0
8510-4970-44521 O/P-Comm Ins	1,422	533	1,891	30,726	41,553	679	533	591	0	1,588	0	591	0
8510-4093-44521 O/P-Comm Ins	4,540	3,557	2										



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4830-44522 O/P-Comm Mgt/Care	120,875	98,961	123,230	112,811	85,739	91,855	116,458	65,030	85,328	75,011	65,543	88,861	71,618
8510-4710-44522 O/P-Comm Mgt/Care	178,362	102,881	73,462	189,211	69,056	241,812	146,616	191,621	66,967	147,736	149,954	167,386	167,386
8510-4838-44522 O/P-Comm Mgt/Care	3,809	2,710	2,414	5,007	8,238	4,093	3,913	9,430	4,831	6,031	9,351	3,894	2,529
8510-4850-44522 O/P-Comm Mgt/Care	53,758	39,350	34,203	27,460	34,346	54,835	52,095	55,104	33,801	29,815	27,828	30,611	38,781
8510-4860-44522 O/P-Comm Mgt/Care	138,832	188,208	186,010	107,773	141,837	130,168	154,146	189,766	144,387	166,990	151,288	128,312	180,802
8510-4420-44522 O/P-Comm Mgt/Care	132,075	112,796	119,173	111,797	108,440	100,429	123,362	105,337	101,953	113,762	103,989	116,887	116,887
8510-4880-44522 O/P-Comm Mgt/Care	114,461	78,835	66,166	90,863	94,744	165,001	166,530	99,008	126,558	118,947	122,791	158,823	135,946
8510-4891-44522 O/P-Comm Mgt/Care	47,866	36,057	57,291	42,463	52,219	44,814	38,885	82,027	71,728	81,551	73,841	93,783	77,159
8510-4893-44522 O/P-Comm Mgt/Care	49,635	48,209	62,434	46,235	53,513	42,990	43,545	87,584	64,465	63,499	77,651	78,735	89,894
8510-4710-44522 O/P-Comm Mgt/Care	197,886	201,993	183,262	137,951	210,886	180,893	257,977	210,266	209,796	220,476	195,289	281,721	247,339
8510-4720-44522 O/P-Comm Mgt/Care	3,862	9,529	3,971	3,735	7,042	5,935	3,204	1,204	188	9,209	4,035	9,266	2,535
8510-4730-44522 O/P-Comm Mgt/Care	16,005	14,839	3,639	4,798	7,044	1,471	10,476	4,952	1,770	3,051	5,926	7,428	7,686
8510-4740-44522 O/P-Comm Mgt/Care	0	0	10,510	0	0	0	0	5,533	5,255	0	0	0	0
8510-4750-44522 O/P-Comm Mgt/Care	158,468	142,259	138,684	100,554	165,246	108,258	156,458	11,581	98,714	125,775	108,752	206,032	161,787
8510-4770-44522 O/P-Comm Mgt/Care	205,574	188,823	240,727	172,233	163,742	186,434	188,794	185,633	189,134	208,021	198,072	185,545	185,545
8510-4780-44522 O/P-Comm Mgt/Care	4,828	1,871	847	0	2,968	2,968	742	0	0	0	3,243	2,529	1,410
8510-4790-44522 O/P-Comm Mgt/Care	7,653	3,718	4,325	6,421	3,317	0	0	1,898	1,181	1,661	5,005	7,471	5,053
8510-4862-44522 O/P-Comm Mgt/Care	2,070	0	375	2,423	1,603	2,291	726	2,504	1,877	830	1,775	1,562	2,220
8510-4885-44522 O/P-Comm Mgt/Care	7,520	4,797	9,321	7,807	7,515	8,322	10,616	10,867	5,148	8,141	8,154	6,701	6,701
8510-4871-44522 O/P-Comm Mgt/Care	9,143	27,698	7,646	10,108	8,089	7,040	12,552	5,516	11,074	7,131	15,162	11,571	8,120
Total: Comm Mgt/Care	4,551,898	4,413,494	4,257,328	3,997,406	3,977,456	4,504,836	5,297,135	4,796,090	4,434,879	5,039,170	4,689,693	4,644,656	5,410,577
Comm Risk:													
8510-3151-44523 O/P-AI Risk	0	0	0	8,490	0	0	0	0	0	0	0	0	0
8510-3170-44523 O/P-AI Risk	0	0	0	0	0	0	0	0	0	0	9,342	0	19,080
8510-3171-44523 O/P-AI Risk	0	0	0	0	0	0	0	0	0	0	6,360	0	0
8510-4151-44523 O/P-AI Risk	0	424	32,771	0	424	0	0	240	0	240	480	0	0
8510-4230-44523 O/P-AI Risk	0	1,078	2,524	5,742	4,704	1,487	4,704	1,333	3,624	434	1,302	1,302	3,038
8510-4420-44523 O/P-AI Risk	0	17,870	38,876	0	0	25,310	118,275	35,761	30,131	0	24,324	18,190	71,781
8510-4470-44523 O/P-AI Risk	0	0	6,886	0	0	0	0	0	23,753	0	0	0	0
8510-4475-44523 O/P-AI Risk	0	0	0	174	0	0	218	218	0	0	0	218	0
8510-4500-44523 O/P-AI Risk	2,271	7,783	7,320	3,466	0	178	6,759	2,617	17,778	0	5,466	1,444	2,988
8510-4520-44523 O/P-AI Risk	0	1,414	1,005	0	0	3,502	1,042	0	1,023	1,220	0	610	838
8510-4550-44523 O/P-AI Risk	0	0	0	0	0	0	0	0	0	0	513	0	0
8510-4570-44523 O/P-AI Risk	0	0	0	71,734	0	24,729	2,887	0	0	0	0	18,819	0
8510-4580-44523 O/P-AI Risk	0	8,074	0	1,605	0	577	577	0	0	0	577	577	0
8510-4630-44523 O/P-AI Risk	693	693	1,913	2,104	0	815	8,269	784	693	742	17,067	0	2,000
8510-4650-44523 O/P-AI Risk	0	7,037	0	0	0	0	0	0	0	0	0	0	0
8510-4660-44523 O/P-AI Risk	0	0	0	0	0	0	0	0	0	0	2,281	0	12,554
8510-4670-44523 O/P-AI Risk	0	0	6,118	0	0	0	0	0	0	0	0	0	0
8510-4680-44523 O/P-AI Risk	0	0	4,197	0	0	0	0	0	0	0	7,759	0	12,895
8510-4710-44523 O/P-AI Risk	1,591	1,691	7,491	3,999	0	2,507	16,089	8,330	6,917	1,065	7,728	9,480	3,278
8510-4720-44523 O/P-AI Risk	0	0	3,719	980	0	0	0	134	0	0	0	0	0
8510-4730-44523 O/P-AI Risk	0	0	1,997	0	0	0	0	0	0	0	0	0	0
8510-4740-44523 O/P-AI Risk	0	0	5,255	10,510	0	0	10,510	0	0	0	0	0	0
8510-4760-44523 O/P-AI Risk	0	0	0	0	0	4,312	0	0	9,762	0	4,482	0	0
8510-4780-44523 O/P-AI Risk	6,445	5,767	0	0	0	4,620	842	4,688	2,376	4,487	8,796	14,386	0
8510-4790-44523 O/P-AI Risk	0	966	0	0	0	0	0	0	0	0	0	0	0
8510-4865-44523 O/P-AI Risk	0	301	0	301	0	0	0	0	0	0	0	0	0
8510-4871-44523 O/P-AI Risk	0	0	0	0	0	0	1,521	0	0	0	0	0	0
Total: Comm Risk	11,656	55,951	107,082	115,641	424	42,731	207,118	52,747	71,111	15,869	92,241	64,901	143,379
W/C Comp:													
8510-3170-44531 O/P-W/C	0	0	0	0	0	0	0	0	7,258	0	0	0	0
8510-4071-44531 O/P-W/C	6,812	5,270	6,768	5,024	8,390	9,750	6,590	4,680	7,803	8,226	7,494	12,713	7,406
8510-4079-44531 O/P-W/C	301	0	0	(320)	0	0	0	0	0	0	0	829	0
8510-4230-44531 O/P-W/C	384	0	3,197	0	1,078	1,078	723	1,772	944	0	4,687	0	2,083
8510-4420-44531 O/P-W/C	0	0	15,297	0	0	0	0	0	34,978	0	19,335	0	41,136
8510-4421-44531 O/P-W/C	11,087	0	118,002	0	34,595	18,361	15,626	18,977	23,172	0	0	0	0
8510-4470-44531 O/P-W/C	0	42	0	42	0	42	53	0	0	53	0	0	0
8510-4500-44531 O/P-W/C	759	0	2,016	852	4,363	5,391	3,497	5,291	2,674	5,408	(3,253)	0	1,725
8510-4520-44531 O/P-W/C	0	0	352	0	4,340	0	302	0	0	0	174	0	0
8510-4550-44531 O/P-W/C	0	0	535	0	1,070	0	1,212	8,295	5,540	0	0	0	0
8510-4630-44531 O/P-W/C	679	679	0	1,358	679	1,043	679	1,568	3,332	2,450	577	0	784
8510-4650-44531 O/P-W/C	0	0	0	0	0	0	0	5,936	0	0	0	0	0
8510-4660-44531 O/P-W/C	0	0	0	0	0	0	0	9,506	0	0	0	0	0
8510-4670-44531 O/P-W/C	0	0	0	0	0	0	0	0	0	2,168	0	0	0
8510-4680-44531 O/P-W/C	0	0	0	0	0	4,346	0	0	0	0	0	0	0
8510-4693-44531 O/P-W/C	8,538	6,535	9,554	5,899	8,712	7,895	10,909	12,179	15,593	12,499	16,260	12,047	13,292
8510-4710-44531 O/P-W/C	0	265	0	4,964	0	2,653	1,844	7,022	4,366	277	8,383	1,373	822
8510-4720-44531 O/P-W/C	0	0	0	0	0	0	731	0	0	0	0	0	0
8510-4730-44531 O/P-W/C	0	0	0	0	0	0	2,476	0	0	0	0	0	0
8510-4770-44531 O/P-W/C	0	0	1,819	2,040	9,302	8,885	9,155	3,061	10,489	4,625	0	1,090	0
Total: W/C Comp	28,635	12,526	163,964	15,400	81,843	49,750	62,260	84,441	109,271	41,573	93,066	26,952	68,288
Medicare:													
8510-3010-44541 O/P-Medicare	99,123	54,511	25,594	30,528	28,838	23,792	30,528	17,307	19,975	62,616	55,971	80,244	26,287
8510-3151-44541 O/P-Medicare	232,558	202,980	220,003	280,883	232,558	222,122	218,563	193,163	192,964	239,361	199,216	199,216	199,216
8510-3170-44541 O/P-Medicare	202,383	119,051	99,174	94,521	91,593	73,352	94,683	141,829	115,552	69,089	65,645	235,919	123,788
8510-3171-44541 O/P-Medicare	184,332	199,266	96,701	186,016	204,184	105,495	102,426	121,816	93,735	165,749	127,539	82,021	76,196
8510-3173-44541 O/P-Medicare	0	35,102	22,896	8,904	0	69,536	39,920	61,904	11,448	35,616	59,784	52,576	15,284
8510-4070-44541 O/P-Medicare	0	0	15,840	5,846	0	12,872	0	0	0	(10,820)	0	0	(10,820)
8510-4071-44541 O/P-Medicare	200,884	291,453	234,446	188,375	206,514	194,155	190,020	232,552	210,899	216,421	268,473	316,682	228,848
8510-4079-44541 O/P-Medicare	71,850	87,287	86,914	56,668	93,825	93,260	101,173	82,450	95,537	120,309	117,712	104,668	0
8510-4502-44541 O/P-Medicare	43,457	41,250	43,487	25,794	32,372	23,215	33,659	44,953	34,026	56,678	45,252	29,306	38,291
8510-4509-44541 O/P-Medicare	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4560-44541 O/P-Medicare	802	1,116	1,146	678	2,235	0	929	240	1,038	1,072	1,598	692	0
8510-4151-44541 O/P-Medicare	281,796	273,994	355,197	335,699	307,468	266,508	469,744	606,111	695,580	653,173	666,617	1,116,331	924,805
8510-4230-44541 O/P-Medicare	227,987	110,743	147,698	172,029	172,029	167,958	130,246	171,068	131,043	168,105	152,234	158,001	



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4320-44542 O/P-Medicare Mgt/Care	25,297	26,440	27,293	28,044	32,591	18,308	31,747	32,964	30,113	37,406	39,719	25,436	32,674
8510-4320-44542 O/P-Medicare Mgt/Care	5,587	5,437	5,918	6,258	6,384	3,763	15,691	5,362	2,961	15,931	1,611	2,179	1,919
8510-4370-44542 O/P-Medicare Mgt/Care	71,140	1,114,898	1,110,946	1,258,494	901,615	411,905	417,254	1,261,675	203,221	1,501,436	1,768,907	1,028,741	314,315
8510-4380-44542 O/P-Medicare Mgt/Care	49,211	93,226	88,363	102,336	135,332	58,614	118,551	100,522	84,873	158,970	131,129	106,342	97,733
8510-4310-44542 O/P-Medicare Mgt/Care	0	0	1,873	0	0	0	0	0	5,473	0	10,946	10,946	1,437
8510-4320-44542 O/P-Medicare Mgt/Care	1,437	0	0	0	0	0	0	0	2,874	0	0	0	0
8510-4330-44542 O/P-Medicare Mgt/Care	102,038	115,271	138,622	90,721	96,454	86,960	147,211	71,566	54,240	94,309	87,231	135,786	113,905
8510-4631-44542 O/P-Medicare Mgt/Care	151,520	171,190	311,884	217,527	98,711	400,813	48,635	482,478	106,575	175,534	212,475	0	277,835
8510-4328-44542 O/P-Medicare Mgt/Care	13,648	6,820	8,418	9,019	3,806	13,460	13,174	9,205	5,587	11,888	6,174	12,218	8,385
8510-4320-44542 O/P-Medicare Mgt/Care	34,841	96,174	93,499	79,800	50,447	94,060	61,551	59,726	117,420	90,519	49,054	79,848	79,848
8510-4650-44542 O/P-Medicare Mgt/Care	194,142	120,019	127,152	157,524	111,657	103,462	92,755	121,457	110,042	195,156	136,941	96,215	98,200
8510-4670-44542 O/P-Medicare Mgt/Care	84,575	71,516	110,996	74,765	67,152	99,704	83,280	86,104	70,588	62,087	103,803	51,145	85,258
8510-4680-44542 O/P-Medicare Mgt/Care	100,250	141,469	78,165	83,141	66,792	186,040	153,822	120,954	160,766	122,093	133,799	74,880	74,880
8510-4691-44542 O/P-Medicare Mgt/Care	59,505	59,505	54,495	37,344	57,633	55,805	42,493	89,301	75,596	75,677	88,982	88,983	94,501
8510-4693-44542 O/P-Medicare Mgt/Care	11,217	13,843	10,386	11,600	16,707	6,860	11,622	22,063	14,899	18,527	22,432	27,603	21,410
8510-4710-44542 O/P-Medicare Mgt/Care	81,117	103,903	115,407	(70,030)	76,062	67,686	126,687	132,171	110,756	160,705	113,390	158,118	158,145
8510-4720-44542 O/P-Medicare Mgt/Care	1,026	6,313	4,794	19,231	6,440	6,201	4,660	12,302	3,980	12,802	14,829	10,465	12,048
8510-4730-44542 O/P-Medicare Mgt/Care	7,922	13,557	7,162	21,071	7,922	16,187	6,301	16,673	22,128	20,908	28,568	17,754	12,380
8510-4740-44542 O/P-Medicare Mgt/Care	4,720	9,805	16,663	5,418	3,916	4,428	747	727	2,559	2,422	964	1,596	2,103
8510-4760-44542 O/P-Medicare Mgt/Care	66,357	123,942	133,560	74,434	97,690	51,482	80,872	62,237	104,343	105,055	123,275	95,754	57,481
8510-4770-44542 O/P-Medicare Mgt/Care	195,240	194,777	202,627	145,911	211,193	130,906	136,687	165,058	160,354	157,671	233,022	168,888	226,674
8510-4780-44542 O/P-Medicare Mgt/Care	847	4,454	1,860	1,604	1,860	0	3,205	7,878	3,694	11,763	1,860	2,450	9,620
8510-4790-44542 O/P-Medicare Mgt/Care	4,720	9,805	16,663	5,418	3,916	4,428	747	727	2,559	2,422	964	1,596	2,103
8510-4802-44542 O/P-Medicare Mgt/Care	514	750	375	0	1,392	0	1,290	547	871	1,438	456	1,325	415
8510-4885-44542 O/P-Medicare Mgt/Care	3,908	3,834	4,806	3,948	3,638	6,496	3,687	3,252	4,676	4,289	3,874	4,773	4,427
8510-4871-44542 O/P-Medicare Mgt/Care	21,212	19,159	34,906	12,584	18,210	21,481	17,894	22,628	13,818	16,922	49,475	20,504	13,150
Total: Medicare Mgt/Care	2,713,506	3,736,109	4,090,675	3,887,296	3,314,243	2,510,187	3,432,082	4,489,706	2,935,466	6,230,603	6,002,865	4,442,853	3,912,162
Medicare Risk:													
8510-3010-44543 O/P-Medicare At Risk	0	0	0	0	3,392	5,512	0	5,562	0	0	15,626	0	0
8510-3151-44543 O/P-Medicare At Risk	3,209	103,849	33,137	40,280	8,596	5,512	51,100	38,931	112,794	61,123	88,730	14,544	47,301
8510-3170-44543 O/P-Medicare At Risk	44,096	10,523	27,805	36,842	18,232	8,480	48,148	69,112	9,328	14,840	19,504	47,072	59,944
8510-3171-44543 O/P-Medicare At Risk	(15,688)	(1,407)	0	20,592	47,823	12,078	1,638	21,194	16,536	0	3,392	10,538	17,307
8510-3172-44543 O/P-Medicare At Risk	0	0	0	0	0	11,446	0	8,396	0	0	0	0	0
8510-3173-44543 O/P-Medicare At Risk	0	43,269	0	0	10,600	0	0	0	0	0	0	0	0
8510-4071-44543 O/P-Medicare At Risk	0	0	0	238	212	0	480	720	2,187	240	744	480	720
8510-4079-44543 O/P-Medicare At Risk	750	535	715	0	448	0	0	380	992	737	1,116	0	0
8510-4092-44543 O/P-Medicare At Risk	926	1,138	2,520	3,520	2,008	2,938	1,096	2,947	4,804	4,272	2,544	3,048	1,488
8510-4094-44543 O/P-Medicare At Risk	0	0	0	0	0	0	0	0	0	0	0	496	496
8510-4095-44543 O/P-Medicare At Risk	0	0	0	0	0	0	0	360	0	0	0	0	0
8510-4181-44543 O/P-Medicare At Risk	31,103	7,521	74,819	45,385	33,300	51,024	150,880	163,733	82,056	233,606	203,348	31,047	71,715
8510-4230-44543 O/P-Medicare At Risk	16,580	7,649	8,439	28,734	19,053	20,462	23,911	24,503	21,596	7,378	23,162	21,169	22,962
8510-4232-44543 O/P-Medicare At Risk	134,289	46,577	167,180	196,137	203,162	383,358	181,357	273,693	207,317	194,937	217,277	308,191	294,194
8510-4421-44543 O/P-Medicare At Risk	0	0	0	0	12,579	0	0	0	0	0	0	0	0
8510-4470-44543 O/P-Medicare At Risk	148	148	644	496	844	390	857	1,540	1,057	1,401	1,731	218	674
8510-4500-44543 O/P-Medicare At Risk	53,240	39,086	33,479	27,763	34,249	47,804	62,333	41,060	54,960	43,413	41,323	38,139	44,462
8510-4520-44543 O/P-Medicare At Risk	3,195	3,195	5,126	10,404	17,126	12,032	21,979	13,386	12,712	35,706	17,734	14,882	14,882
8510-4540-44543 O/P-Medicare At Risk	0	1,797	958	3,430	3,524	0	5,941	1,935	3,208	1,026	1,944	7,545	1,509
8510-4570-44543 O/P-Medicare At Risk	11,610	12,160	79,861	27,429	191,945	81,566	38,763	92,704	112,671	549,849	962,186	7,848	118,951
8510-4590-44543 O/P-Medicare At Risk	39,645	17,894	11,980	17,028	20,034	24,708	41,728	22,857	69,893	14,085	29,603	8,670	1,437
8510-4620-44543 O/P-Medicare At Risk	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4630-44543 O/P-Medicare At Risk	12,841	7,481	20,723	8,806	15,990	21,590	31,295	5,179	27,932	21,884	13,368	22,700	7,962
8510-4631-44543 O/P-Medicare At Risk	0	0	266	105,801	0	96,344	114,722	(177,529)	1,904	0	0	82,809	0
8510-4638-44543 O/P-Medicare At Risk	0	919	436	4,808	919	2,757	0	1,306	3,939	2,208	3,775	919	1,607
8510-4640-44543 O/P-Medicare At Risk	41,849	7,027	11,459	10,459	15,591	11,672	27,911	49,369	19,498	53,695	5,526	5,526	5,526
8510-4650-44543 O/P-Medicare At Risk	0	6,758	14,559	6,758	6,758	6,758	6,758	6,758	0	2,506	6,758	0	8,506
8510-4670-44543 O/P-Medicare At Risk	3,187	3,821	10,788	11,129	17,507	7,611	7,008	5,309	6,674	9,056	12,107	20,098	16,820
8510-4680-44543 O/P-Medicare At Risk	7,288	16,665	16,586	8,896	7,995	3,449	24,691	15,954	22,013	30,612	23,458	32,408	32,408
8510-4681-44543 O/P-Medicare At Risk	0	0	0	0	0	0	0	0	0	0	1,244	3,184	3,184
8510-4693-44543 O/P-Medicare At Risk	919	919	0	1,455	0	712	916	4,580	916	0	916	916	916
8510-4710-44543 O/P-Medicare At Risk	30,706	9,439	23,394	33,283	44,671	43,447	44,109	60,448	66,451	53,713	78,953	41,793	50,248
8510-4720-44543 O/P-Medicare At Risk	0	1,430	627	20,465	6,057	0	5,200	3,161	10,129	105	6,846	851	10,030
8510-4730-44543 O/P-Medicare At Risk	0	0	3,388	3,201	0	0	0	1,770	489	3,340	3,601	0	1,770
8510-4740-44543 O/P-Medicare At Risk	0	0	10,910	0	10,910	0	0	16,977	11,066	4,977	5,533	10,786	10,786
8510-4760-44543 O/P-Medicare At Risk	0	38,325	4,931	26,077	14,149	43,586	34,711	36,601	25,127	30,659	52,933	43,974	108,514
8510-4770-44543 O/P-Medicare At Risk	52,480	46,509	26,040	44,364	54,212	31,992	30,169	28,058	31,178	30,530	60,728	58,883	58,883
8510-4780-44543 O/P-Medicare At Risk	0	0	0	657	1,976	1,983	926	926	0	2,778	0	930	930
8510-4790-44543 O/P-Medicare At Risk	5,539	5,539	6,195	5,593	3,047	1,651	2,376	2,201	2,211	0	4,957	1,858	3,858
8510-4802-44543 O/P-Medicare At Risk	0	0	0	0	0	514	0	0	547	0	962	974	0
8510-4885-44543 O/P-Medicare At Risk	0	301	676	0	301	301	0	547	1,107	0	0	0	0
8510-4871-44543 O/P-Medicare At Risk	2,510	0	2,568	2,568	0	2,568	7,540	2,568	0	4,089	5,054	0	5,054
Total: Medicare Risk	482,517	447,399	560,321	714,805	817,478	990,405	937,775	808,015	1,022,636	1,409,455	1,483,861	870,667	1,048,722
Med-Cal:													
8510-3181-44551 O/P-Med-Cal	0	0	0	20,699	0	0	0	0	0	347	0	1,372	(16,960)
8510-3170-44551 O/P-Med-Cal	0	0	6,915	(3,816)	0	5,512	0	0	0	0	14,806	0	0
8510-3171-44551 O/P-Med-Cal	0	0	5,438	0	0	0	0	0	0	0	9,904	0	0
8510-3172-44551 O/P-Med-Cal	0	0	11,448	0	0	1,272	0	0	0	0	0	1,120	4,240
8510-4071-44551 O/P-Med-Cal	0	424	424	2,894	0	0	0	0	0	0	240	450	450
8510-4079-44551 O/P-Med-Cal	1,538	2,034	6,075	966	1,445	1,030	1,096	8,295	6,312	2,307	0	981	2,094
8510-4092-44551 O/P-Med-Cal	1,399	212	450	0	0	0	0	240	0	0	292	0	240
8510-4094-44551 O/P-Med-Cal	0	0	0										



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4880-44552 O/P-Medi-Cal Mgt/Care	22,418	21,318	18,969	12,635	0	11,737	31,191	12,098	18,894	12,822	23,194	22,211	15,709
8510-4780-44552 O/P-Medi-Cal Mgt/Care	1,351	1,243	2,380	1,734	0	416	1,543	4,262	0	6,086	4,393	2,792	2,897
8510-4883-44552 O/P-Medi-Cal Mgt/Care	502	502	994	0	1,458	4,244	1,168	5,502	1,392	2,453	4,951	4,869	2,980
8510-4710-44552 O/P-Medi-Cal Mgt/Care	154,832	137,878	168,284	162,879	169,460	222,034	203,750	220,027	132,138	187,189	151,446	187,371	175,745
8510-4720-44552 O/P-Medi-Cal Mgt/Care	1,990	621	588	1,150	4,516	3,580	703	870	473	0	856	4,961	453
8510-4730-44552 O/P-Medi-Cal Mgt/Care	11,973	6,226	1,597	0	5,763	0	0	2,478	2,478	8,881	3,450	1,281	3,540
8510-4740-44552 O/P-Medi-Cal Mgt/Care	0	0	0	0	0	10,510	0	0	0	5,533	0	5,533	0
8510-4760-44552 O/P-Medi-Cal Mgt/Care	338,043	414,240	449,776	388,405	506,917	425,773	440,175	414,985	586,498	729,458	590,743	577,595	507,165
8510-4770-44552 O/P-Medi-Cal Mgt/Care	6,253	6,806	13,522	8,707	8,285	13,802	1,408	5,072	6,597	19,095	19,801	20,514	12,781
8510-4780-44552 O/P-Medi-Cal Mgt/Care	0	0	2,918	1,120	0	1,281	1,388	1,960	1,850	930	0	0	0
8510-4790-44552 O/P-Medi-Cal Mgt/Care	0	743	2,433	0	0	2,001	0	743	2,346	0	994	0	0
8510-4882-44552 O/P-Medi-Cal Mgt/Care	0	0	2(12)	0	375	0	0	871	547	0	0	415	0
8510-4885-44552 O/P-Medi-Cal Mgt/Care	17,083	13,062	20,063	14,831	15,089	16,890	16,241	19,859	13,194	22,679	15,426	13,835	11,773
8510-4871-44552 O/P-Medi-Cal Mgt/Care	9,605	0	1,696	1,521	0	2,922	3,117	1,521	7,622	6,599	0	4,638	1,596
Total Medi-Cal Mgt/Care	3,032,529	2,675,315	3,285,066	2,690,187	3,522,877	3,588,566	3,436,519	3,954,682	2,334,731	3,835,674	2,681,379	3,418,818	3,209,524
Other Govt:													
8510-4071-44561 O/P-Other Govt FFS	0	212	0	0	1,451	212	0	504	0	0	0	504	284
8510-4082-44561 O/P-Other Govt FFS	0	0	0	460	212	0	0	240	0	240	240	240	0
8510-4220-44561 O/P-Other Govt FFS	0	0	0	0	0	0	899	0	0	0	868	0	0
8510-4420-44561 O/P-Other Govt FFS	0	0	0	0	0	0	11,109	0	0	0	0	0	0
8510-4421-44561 O/P-Other Govt FFS	0	0	0	0	0	0	0	0	0	0	10,774	0	0
8510-4500-44561 O/P-Other Govt FFS	352	0	0	1,458	0	0	178	0	0	0	0	231	0
8510-4520-44561 O/P-Other Govt FFS	0	0	0	0	0	0	302	0	0	0	0	302	0
8510-4540-44561 O/P-Other Govt FFS	832	0	0	0	0	0	0	0	0	0	0	0	0
8510-4560-44561 O/P-Other Govt FFS	0	0	0	585	0	0	0	0	0	0	0	0	0
8510-4630-44561 O/P-Other Govt FFS	1,358	0	0	679	0	0	0	0	0	0	0	0	0
8510-4638-44561 O/P-Other Govt FFS	0	0	0	0	919	0	0	0	919	919	0	0	0
8510-4883-44561 O/P-Other Govt FFS	0	251	0	0	2,165	251	0	2,611	0	0	3,437	618	0
8510-4710-44561 O/P-Other Govt FFS	0	0	0	0	0	0	1,201	0	0	0	2,232	0	0
8510-4770-44561 O/P-Other Govt FFS	901	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Govt	3,463	463	0	3,122	4,747	463	13,689	3,365	0	1,199	1,150	19,589	862
Other Indigent:													
8510-3173-44581 O/P-Other Indigent	0	0	0	0	0	0	0	0	0	0	2,544	0	0
8510-4500-44581 O/P-Other Indigent	0	0	0	0	0	0	0	0	0	0	999	0	0
8510-4620-44581 O/P-Other Indigent	0	0	0	0	0	0	0	0	0	0	314	0	0
8510-4620-44581 O/P-Other Indigent	0	0	0	0	0	0	0	0	0	0	4,424	0	0
8510-4710-44581 O/P-Other Indigent	0	0	0	0	0	0	0	0	0	0	220	0	0
Total Other Indigent	0	0	0	0	0	0	0	0	0	0	8,701	0	0
Other:													
8510-3900-44591 O/P-Other	472,442	(202,895)	389,154	(804,494)	121,223	521,088	(502,785)	17,706	(86,508)	506,598	(555,037)	(48,621)	(105,308)
8510-4070-44591 O/P-Other	0	0	0	0	0	0	0	0	0	829	0	0	0
8510-4080-44591 O/P-Other	4,864	16,404	5,416	10,314	4,800	18,156	14,576	6,906	18,156	16,088	17,156	6,315	9,732
8510-4084-44591 O/P-Other	0	0	0	0	0	0	0	0	0	0	0	(665)	0
8510-4085-44591 O/P-Other	0	0	0	0	0	0	0	0	0	0	415	0	0
8510-4220-44591 O/P-Other	1,826	848	1,721	0	0	360	0	4,010	0	4,843	0	886	2,170
8510-4520-44591 O/P-Other	0	0	40,830	0	0	0	0	0	0	51,502	0	33,771	0
8510-4421-44591 O/P-Other	119,167	0	0	0	0	0	0	0	0	0	0	0	0
8510-4500-44591 O/P-Other	163,241	105,298	123,855	90,818	69,913	182,795	392,423	8,471	43,161	129,476	96,413	100,541	117,001
8510-4520-44591 O/P-Other	4,484	273	58	0	0	605	1,889	0	2,915	58	0	610	2,095
8510-4540-44591 O/P-Other	18,718	16,400	14,420	14,616	10,656	26,254	20,299	16,656	19,328	19,553	14,234	15,425	15,425
8510-4580-44591 O/P-Other	107,079	58,531	79,917	45,362	51,612	96,399	72,589	46,358	58,025	68,394	70,769	83,951	56,014
8510-4630-44591 O/P-Other	26,766	21,762	30,673	20,572	20,572	28,412	20,160	17,677	21,745	25,770	17,473	9,408	27,108
8510-4650-44591 O/P-Other	140,740	63,333	105,839	34,309	54,127	125,328	76,189	41,552	68,843	71,232	99,206	92,800	83,048
8510-4660-44591 O/P-Other	6,759	5,497	13,116	0	5,417	0	5,790	0	5,778	12,534	0	0	8,798
8510-4670-44591 O/P-Other	66,696	54,786	58,165	47,095	37,567	68,241	56,623	35,984	49,496	59,023	39,987	33,348	50,022
8510-4680-44591 O/P-Other	27,492	9,740	10,494	24,716	10,519	40,567	13,006	42,394	35,062	25,398	11,900	22,200	22,200
8510-4691-44591 O/P-Other	0	1,358	0	0	251	0	0	2,755	1,102	1,102	0	2,988	0
8510-4710-44591 O/P-Other	13,893	10,537	8,899	3,123	6,296	11,516	5,162	7,874	9,314	15,945	14,154	14,398	13,438
8510-4720-44591 O/P-Other	0	0	0	0	0	0	0	0	0	0	870	0	0
8510-4730-44591 O/P-Other	0	0	0	0	3,201	0	0	0	0	0	4,962	3,450	2,476
8510-4760-44591 O/P-Other	0	0	0	0	0	7,501	0	0	0	0	7,472	23,188	0
8510-4882-44591 O/P-Other	55,671	52,592	54,582	55,944	47,548	63,495	45,190	67,379	61,059	65,863	61,162	57,082	34,206
8510-4885-44591 O/P-Other	1,124	1,290	676	602	577	602	1,467	2,125	3,074	2,116	1,591	415	0
8510-4871-44591 O/P-Other	20,462	10,272	5,136	10,214	0	20,322	15,350	15,186	7,704	12,660	12,762	15,762	5,136
Total Other	1,251,404	226,657	944,341	(247,737)	448,890	1,212,615	235,182	328,040	283,001	1,082,023	(83,639)	401,691	402,310
Total O/P	22,416,075	20,827,742	22,735,807	19,791,251	21,029,435	21,505,197	21,708,755	24,321,852	19,685,521	28,884,398	25,206,508	26,399,768	23,900,152
ER:													
Self Pay:													
8510-4010-44701 ER-Self Pay	693,436	664,647	709,019	834,434	677,141	543,078	663,497	732,888	599,929	568,143	714,959	491,204	338,810
8510-4020-44701 ER-Self Pay	42	0	0	0	0	0	0	0	0	0	0	0	0
8510-4500-44701 ER-Self Pay	169,481	159,706	194,555	142,506	153,201	124,455	188,206	149,157	150,686	169,322	155,610	129,063	64,945
8510-4520-44701 ER-Self Pay	556	0	0	0	0	58	174	0	0	0	0	0	0
8510-4540-44701 ER-Self Pay	3,353	3,832	5,269	2,874	3,353	3,803	5,883	0	5,013	2,664	2,052	1,843	913
8510-4570-44701 ER-Self Pay	22,417	0	0	0	0	0	0	0	0	0	0	0	0
8510-4590-44701 ER-Self Pay	18,190	20,330	20,865	24,610	23,540	15,915	18,172	21,905	14,425	20,772	16,464	28,000	9,809
8510-4630-44701 ER-Self Pay	61,236	58,264	62,647	59,448	55,659	38,874	71,600	66,412	43,274	50,763	54,381	61,156	31,824
8510-4680-44701 ER-Self Pay	0	0	7,801	0	19,170	0	0	12,534	0	0	18,224	0	0
8510-4670-44701 ER-Self Pay	30,310	10,290	14,906	19,280	17,911	30,745	24,197	22,495	24,326	34,299	15,059	13,840	6,951
8510-4680-44701 ER-Self Pay	198,867	227,659	304,964	217,364	295,790	198,085	302,635	204,465	198,797	239,714	239,163	262,857	202,857
8510-4710-44701 ER-Self Pay	22,077	58,760	26,747	22,849	19,931	16,586	30,143	23,771	20,537	21,656	23,913	18,733	12,642
8510-4720-44701 ER-Self Pay	19,985	593	2,483	5,210	608	2,727	5,095	4,747	7,877	4,909	11,768	3,718	2,836
8510-4730-44701 ER-Self Pay	1,597	1,597	0	2,678	0	5,796	4,332	1,281	0	5,310	4,821	0	0
8510-4871-44701 ER-Self Pay	4,972	3,040	3,030	5,528	4,838	6,481	5,094	1,521	3,042	0	1,509	1,521	2,486
Total Self Pay	1,247,609	1,206,699	1,356,186	1,333,623	1,273,818	940,849	1,319,328	1,264,382	1,072,674	1,069,325	1,260,969	1,006,062	673,073
Comm Ins:													
8510-4010-44721 ER-Comm Ins	94,930	42,417	73,733	140,894	131,134	66,586	117,363	55,118	77,785	118,593	54,838	83,207	69,825
8510-4071-44721 ER-Comm Ins	0	0	0	0	0	0	0	0	0	0	0	447	0
8510-4420-44721 ER-Comm Ins	0	0	69	0	0	0	0	0	0	0	0	0	0
8510-4500-44721 ER-Comm Ins	35,040	7,735	21,366	50,635	27,103</								



6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
3,008	4,803	2,368	8,111	3,410	1,622	9,359	2,807	4,344	1,688	9,918	4,985	1,727
0	479	479	479	0	0	479	0	0	0	513	0	0
535	535	0	0	1,070	535	2,566	577	1,194	1,194	2,308	2,308	0
0	693	723	693	2,109	2,195	4,003	488	1,386	693	2,772	1,386	0
0	0	0	0	43,696	0	0	(7,282)	0	0	0	0	0
0	8,941	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	1,561	0	0
3,649	7,316	3,649	0	0	0	4,845	7,977	0	0	6,994	0	0
293	135	198	591	315	64	540	1	427	0	492	424	17
0	0	0	0	0	0	0	0	0	0	1,418	0	0
17,228	40,463	16,585	33,543	57,793	13,478	55,170	9,123	27,659	10,162	58,616	32,031	14,446
25,899	28,125	35,340	18,072	18,793	22,199	25,659	19,294	23,431	11,908	13,693	28,930	27,649
0	0	0	0	0	0	0	0	0	0	0	0	1,441
6,487	3,230	3,578	178	5,194	178	3,720	2,751	1,712	1,519	1,969	727	1,337
479	479	0	0	0	0	0	0	0	0	0	0	0
1,070	1,070	1,070	0	0	0	0	0	0	0	577	0	0
5,780	8,524	6,911	3,098	1,831	3,052	1,599	3,088	3,333	0	471	1,162	2,317
7,262	17,396	24,430	4,894	0	4,894	4,894	13,764	0	0	0	11,831	0
828	1,093	875	280	423	319	1,960	757	1,237	632	155	57	9
1,521	0	0	0	0	1,521	0	0	0	0	0	0	0
49,326	59,382	71,904	26,522	24,241	32,262	37,832	38,654	29,713	14,059	15,775	42,507	58,899
878,693	1,169,203	858,228	997,614	946,427	843,509	938,022	1,168,548	747,568	863,252	1,037,871	940,614	1,054,516
0	0	0	0	0	0	0	754	754	754	0	1,649	0
0	0	0	0	0	4,101	1,302	1,302	(1,302)	1,302	0	0	0
0	0	20,178	276	207	17,886	0	(19,323)	0	2,264	86	0	0
63	0	0	0	0	0	0	0	0	0	0	0	0
286,713	345,376	327,016	301,802	268,438	300,907	320,178	360,576	245,927	297,289	249,831	253,286	242,070
116	0	(174)	0	0	106	0	0	0	0	0	58	66
7,188	5,881	8,323	9,374	7,491	11,305	10,755	12,841	10,242	6,913	8,268	6,016	6,601
46,775	49,775	49,220	52,965	42,360	52,365	41,864	60,608	48,458	36,458	44,268	34,458	34,458
87,424	120,755	94,085	106,220	98,770	114,961	137,627	101,623	117,426	117,468	78,698	78,698	78,698
113,570	16,133	107,830	29,254	4,890	242,909	50,114	76,528	90,177	134,846	151,614	102,213	54,455
0	6,758	4,626	0	13,516	21,373	19,252	6,206	0	12,964	0	27,247	0
17,386	34,418	37,275	37,275	33,295	33,423	26,139	33,189	33,189				



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4710-44761 ER-Other Govt FFS	25	630	1,181	8	56	211	126	263	637	762	192	0	472
Total: Other Govt	7,825	31,513	45,656	9,364	9,960	15,149	5,216	17,355	26,111	21,712	25,056	1,000	20,969
Other MgtCare:													
8510-4500-44792 ER-Other MgtCare	0	0	(178)	0	0	0	0	0	0	0	0	0	0
8510-4500-44792 ER-Other MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	577
Total: Other MgtCare	0	0	(178)	0	0	0	0	0	0	0	0	0	577
Other Risk:													
8510-4010-44793 ER-Other At Risk	16,949	21,009	17,088	1,701	21,707	6,971	4,679	4,495	5,103	7,990	16,536	2,852	17,852
8510-4500-44793 ER-Other At Risk	3,984	5,352	4,997	17	8,934	1,501	3,110	178	1,857	4,496	178	0	4,206
8510-4540-44793 ER-Other At Risk	0	0	0	0	479	0	0	0	0	0	0	0	0
8510-4590-44793 ER-Other At Risk	535	535	1,805	0	0	0	0	0	0	0	0	0	577
8510-4630-44793 ER-Other At Risk	0	693	693	0	1,102	0	693	1,934	2,602	0	4,096	1,164	5,440
8510-4880-44793 ER-Other At Risk	0	0	3,649	0	4,197	0	0	0	0	3,877	0	14,261	0
8510-4710-44793 ER-Other At Risk	262	325	168	0	1,129	115	370	375	35	(96)	73	0	391
8510-4720-44793 ER-Other At Risk	0	0	0	0	0	0	799	0	0	0	0	0	799
8510-4871-44793 ER-Other At Risk	0	0	0	0	1,509	0	0	0	0	0	0	0	0
Total: Other Risk	21,339	28,514	28,200	1,718	39,057	8,587	9,561	6,962	9,597	12,390	24,760	4,016	43,426
Total ER	10,223,606	11,464,259	11,156,175	10,950,256	11,020,234	9,737,003	12,345,444	12,652,929	10,477,029	11,247,630	12,184,246	10,711,491	11,151,288
Total Gross Outpatient Revenue	32,639,681	32,292,002	33,891,982	30,750,506	32,049,669	31,242,200	34,054,199	36,974,782	30,162,550	40,132,028	37,390,754	37,111,260	35,051,441
Total Gross Revenue	117,507,959	114,855,306	118,274,424	112,871,542	118,909,978	121,606,939	132,590,540	148,276,626	129,387,437	149,148,666	137,484,477	132,576,133	115,121,730
Deductions from Revenue													
Inpatient Contractual Allowances:													
Medicare Traditional:													
8510-5811-51441 CONT REHAB MCARE FFS	0	0	0	0	0	0	0	4,328	0	0	0	5	101,475
8510-5811-51443 CONT REHAB MCARE FFS	24,473,408	32,089,617	32,064,098	32,811,235	29,784,417	32,354,896	36,002,372	39,872,632	37,208,378	38,262,082	32,426,955	36,066,442	27,878,758
8510-5811-51811 IP PIP PAYMENT	(629,460)	(660,183)	(1,026,669)	(931,770)	(961,863)	(841,430)	(659,763)	(870,324)	(897,163)	(880,504)	(607,124)	(880,566)	(880,566)
8510-5811-51820 CA MgtCare FFS SNF	3,725,231	2,054,328	1,708,320	873,615	5,494,326	2,680,361	2,494,806	3,168,548	2,616,531	2,517,613	2,886,855	2,150,643	2,414,380
Total: Medicare Traditional	27,269,852	33,183,762	32,745,749	32,753,079	34,316,879	33,993,826	37,537,416	42,111,125	38,954,585	39,882,380	34,423,917	37,294,366	29,504,047
Medicare - Managed Care:													
8510-5812-51442 CONT REHAB MCARE MCD CARE	2,358,430	1,989,194	1,409,383	1,850,035	533,083	4,485,801	2,901,746	1,810,222	2,125,754	1,661,728	623,136	1,696,239	3,640,002
8510-5812-51443 CONT REHAB MCARE RISK	123,314	131,991	115,967	0	0	0	0	0	0	138,605	11,696	0	91,977
8510-5812-51810 CA MgtCare FFS Inpt Acute	10,280,949	6,208,280	6,613,302	6,201,988	7,648,867	4,285,631	5,931,882	6,843,877	3,881,183	12,758,402	10,274,969	9,614,475	11,624,300
8510-5812-51820 CA MgtCare FFS SNF	153,616	(7,555)	93,319	0	68,788	269,527	377,584	36,205	34,846	117,801	1,562	80,301	294,201
Total: Medicare - Managed Care	12,816,309	7,923,880	8,237,917	8,052,023	8,265,738	9,040,759	9,211,183	8,360,305	6,041,763	14,676,534	10,911,363	11,386,715	15,650,580
Medicare - At Risk:													
8510-5813-51810 CA MgtCare At Risk Inpt Acute	5,995,811	4,886,924	2,752,955	856,876	1,695,263	1,557,695	2,126,402	1,739,750	3,649,165	2,614,783	3,836,602	10,569,005	7,780,958
8510-5813-51820 CA MgtCare At Risk SNF	204,562	117,020	0	0	165,544	7,540	385,666	136,263	173,359	85,166	0	542,939	88,055
8510-5820-51810 CA MgtCare FFS Inpt Acute	4,028,067	7,875,255	7,376,151	5,094,963	3,798,207	3,732,414	716,404	2,817,079	4,000,816	6,742,173	3,596,014	4,535,534	5,711,027
8510-5820-51820 CA MgtCare FFS SNF	321,377	5,299	132,755	0	10,043	3,792	3,059	0	2,576	0	0	0	0
Total: Medicare - At Risk	10,549,858	12,884,558	10,261,861	5,951,839	5,642,087	5,301,509	3,230,171	4,695,112	7,823,890	9,444,697	7,423,616	15,647,477	13,580,041
Medical Traditional:													
8510-5821-51451 CONT REHAB MCARD FFS	0	9,020	0	0	1,260	0	0	0	0	0	0	0	0
8510-5821-51810 CA MICAL FFS IP	(2,945,907)	933,423	(6,614,422)	3,613,561	1,311,192	6,867,512	3,018,668	11,924,774	5,074,302	(1,726,372)	3,929,509	1,895,818	(11,841,927)
Total: Medical Traditional	(2,945,907)	942,443	(6,614,422)	3,613,561	1,312,452	6,867,512	3,018,668	11,924,774	5,074,302	(1,726,372)	3,929,509	1,895,818	(11,841,927)
Medical - Managed Care:													
8510-5822-51452 CONT REHAB MCARD MCD CARE	304,990	(5,460)	0	136,140	24,905	42,358	1,100	303,975	(1,317)	82,277	401,045	124,224	328,003
8510-5822-51810 CA MgtCare FFS Inpt Acute	12,225,129	8,861,113	15,393,156	6,598,788	11,419,326	8,891,009	17,401,938	12,205,215	12,300,164	15,795,952	17,030,181	17,331,350	14,075,288
8510-5822-51820 CA MgtCare FFS SNF	103,048	180,185	131,352	(172,799)	0	124,367	134,840	161	52,819	4,113	82,095	1,335,468	31,965
Total: Medical - Managed Care	12,633,167	9,035,838	15,524,508	6,562,126	11,444,431	9,057,735	17,537,876	12,569,351	12,351,865	15,824,117	17,515,321	18,791,042	14,435,266
HMO:													
8510-5840-51422 Cont Rehab: Mgt Care	(103,923)	(43,807)	227,298	199,049	185,171	99,723	279,954	289,744	192,321	0	114,807	169,580	81,583
8510-5840-51810 CA CommMgtCare FFS Inpt Acute	12,137,010	3,614,133	10,477,913	5,104,963	9,433,881	6,025,744	8,192,987	10,072,723	7,806,859	7,548,341	6,228,129	7,501,402	651,862
8510-5840-51820 CA CommMgtCare FFS SNF	14,040	93,225	976	0	196,020	263,077	(421,109)	71,527	98,149	108,841	545,527	547,721	(345,136)
Total: HMO	12,449,049	3,663,551	10,706,187	5,304,012	9,615,072	6,398,544	9,010,442	10,433,994	8,097,378	7,667,162	5,588,162	8,159,732	6,496,022
Commercial:													
8510-5850-51810 CA COMM FFS IP	273,033	100,500	422,236	890,204	413,966	140,595	77,349	247,030	(53,729)	144,674	817,109	171,044	405,843
8510-5850-51820 CA COMM SNF	9,383	0	0	0	0	0	0	0	0	0	0	0	0
Total: Commercial	282,416	100,500	422,236	890,204	413,966	140,595	77,349	247,030	(53,729)	144,674	817,109	171,044	405,843
HMO:													
8510-5852-51810 CA CommMgtCare FFS Inpt Acute	186,411	(616,416)	1,885,159	6,974,300	3,652,894	7,061,855	5,151,264	5,132,078	6,922,745	8,807,672	5,575,638	(12,276,144)	3,999,292
Total: HMO	186,411	(616,416)	1,885,159	6,974,300	3,652,894	7,061,855	5,151,264	5,132,078	6,922,745	8,807,672	5,575,638	(12,276,144)	3,999,292
HMO - At Risk:													
8510-5853-51423 CONT REHAB Risk	0	0	0	0	0	0	54,104	0	329,719	0	0	0	0
8510-5853-51810 CA CommMgtCare Risk Inpt Acute	453,968	1,116,343	1,168,494	631,458	(16,089)	78,696	219,332	570,832	485,307	566,379	1,344,459	352,778	54,614
8510-5853-51820 CA CommMgtCare Risk SNF	0	0	0	0	0	0	0	0	33,815	0	43,856	65,503	0
Total: HMO - At Risk	453,968	1,116,343	1,168,494	631,458	(16,089)	78,696	273,438	570,832	848,841	966,379	1,344,459	398,634	120,117
Workers Compensation:													
8510-5854-51431 Cont Rehab: Workers Comp FFS	3,374	100,867	0	0	0	0	41,284	317	(6,665)	0	0	0	0
8510-5854-51810 CA WC MgtCare FFS Inpt Acute	449,868	594,724	39,534	189,910	65,425	7,077	167,313	302,313	119,154	295,219	309,787	117,132	651,862
8510-5854-51820 CA WC MgtCare SNF	930	5,932	0	0	0	0	0	0	0	0	0	0	0
Total: Workers Compensation	454,202	700,622	39,534	189,910	65,425	7,077	208,597	309,629	112,489	295,219	309,787	117,132	651,862
Other:													
8510-5855-51810 CA WC FFS Inpt Acute	106,673	0	0	0	116,468	0	0	0	0	0	0	0	10,479
Total: Other	106,673	0	0	0	116,468	0	0	0	0	0	0	0	10,479
Total - Inpatient Contractual Allowances	73,853,998	68,935,035	74,377,278	70,922,535	75,014,313	77,938,109	85,256,401	96,324,230	86,133,950	95,622,480	88,847,882	81,582,785	73,011,582
Outpatient Contractual Allowances:													
Medicare Traditional:													
8510-5811-54850 CA MgtCare FFS Outpatient	3,346,372	10,036,293	7,470,114	6,717,351	7,425,784	7,000,680	5,109,713	7,662,303	6,322,529	9,139,338	10,344,005	9,300,125	7,794,979
8510-5811-54851 OP PIP PAYMENT	(10,500)	(11,760)	(7,989)	(8,820)	(10,080)	(10,920)	(12,180)	(7,580)	(7,580)	(12,296)	(12,892)	(14,896)	(14,896)
Total: Medicare Traditional	3,335,872	10,024,533	7,462,124	6,708,531	7,415,704	6,989,760	5,097,533	7,654,723	6,314,949	9,126,166	10,331,769	9,285,229	7,780,083
Medicare - Managed Care:													
8510-5812-54850 CA MgtCare MgtCare Outpatient	3,438,311	1,485,562	1,944,997	1,058,477	1,913,794	1,393,394	2,556,635	2,353,257	1,745,315	3,059,547	2,814,392	2,301,944	3,615,539
Total: Medicare - Managed Care	3,438,311	1,485,562	1,944,997	1,058,477	1,913,794	1,393,394	2,556,635	2,353,257	1,745,315	3,059,547	2,814,392	2,301,944	3,615,539



6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
186,822	59,712	333,752	228,752	79,975	15,221	251,293	(2,227)	67,922	61,995	186,063	196,538	(12,131)
186,822	59,712	333,752	228,752	79,975	15,221	251,293	(2,227)	67,922	61,995	186,063	196,538	(12,131)
(891,044)	(424,821)	1,553,021	1,289,899	1,833,416	2,443,202	2,662,325	2,621,018	598,314	2,871,498	(438,288)	175,564	1,326,645
(891,044)	(424,821)	1,553,021	1,289,899	1,833,416	2,443,202	2,662,325	2,621,018	598,314	2,871,498	(438,288)	175,564	1,326,645
103,410	34,501	220,637	71,148	15,560	129,224	14,493	244,249	171,727	280,487	119,370	24,880	79,312
103,410	34,501	220,637	71,148	15,560	129,224	14,493	244,249	171,727	280,487	119,370	24,880	79,312
98,621	98,506	46,600	91,884	11,405	63,585	20,925	69,798	102,876	59,951	105,247	35,277	43,778
98,621	98,506	46,600	91,884	11,405	63,585	20,925	69,798	102,876	59,951	105,247	35,277	43,778
10,347	43,369	0	0	18,631	0	0	0	5,808	0	0	0	0
10,347	43,369	0	0	18,631	0	0	0	5,808	0	0	0	0
<b>15,061,912</b>	<b>18,464,810</b>	<b>20,270,262</b>	<b>17,971,048</b>	<b>19,229,394</b>	<b>16,471,928</b>	<b>18,138,142</b>	<b>22,614,872</b>	<b>14,792,723</b>	<b>22,597,208</b>	<b>21,123,421</b>	<b>20,513,746</b>	<b>21,589,687</b>

## Medicare Traditional:

Medicare - Managed Care:

Total: Medicare - Managed Care	1,013,028	465,380	490,072	458,996	539,868	652,342	748,812	657,998	618,991	736,931	530,901	701,342	1,326,281
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8510-5813-54880 CA Mre atRisk ER	162,460	102,181	78,222	226,209	30,923	583,024	213,839	80,697	153,888	291,374	304,167
8510-5813-54880 CA Mre atRisk ER	162,460	102,181	78,222	226,209	30,923	583,024	213,839	80,697	153,888	291,374	304,167

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8510-5822-54880 CA MsaId MgdCre ER	4,622,308	2,089,751	2,499,414	1,758,965	2,341,242	4,524,898	3,746,576	2,999,160	3,759,837	4,194,635	3,473,349	4,856,696	2,299,234
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Total: HMO	1,727,501	781,410	1,000,028	785,455	623,316	855,294	954,969	876,665	1,059,942	1,109,555	1,013,331	1,085,886	1,001,768
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8510-5850-54880 CA COMM ER	161,779	11,624	(42,883)	22,373	34,734	19,167	17,340	38,924	105,044	56,975	109,965	6,382	24,821
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Total HMO	6,179	721	9,060	8,306	284	7,354	2,534	82	0	230	1,477	5,570	855
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Other:	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612</
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8510-5821-54877 Provider Fee - Medi-Cal	0	0	0	0	0	0	(8,992,169)	(1,342,367)	(869,095)	(869,095)	(869,095)	(869,095)	(869,095)	(869,095)
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[illegible]

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8510-5870-51491 CONT REHAB OTHER	0	0	0	0	0	0	0	0	0	1,720	0	0	0	0
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8510-5870-54850 CharityDisc Othr Outpatient	48,811	0	22,645	21,106	498	380	35	262	963	4,327	0		
8510-5870-54880 CharityDisc Othr ER	419,658	1,640,707	203,004	0	51,150	48,643	707,671	17,360	3,043	15,717	(4,543)	570,168	1,571

Total Charity	14,20,089	2,495,273	(3,912,430)	335,467	103,104	123,330	990,219	22,1709	452,235	91,005	(12,017)	4,242,325	611,720
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[illegible]

8510-5930-54850 Admin Ad Outpatient	1,273,450	1,005,612	575,679	22,050	864,642	(259,022)	109,658	1,342,835	1,372,288	528,758
8510-5930-54880 Admin Ad FR	2,936,844	508,219	109,111	15,961	57,135	90,737	171,602	26,095	36,609	57,038

[illegible][illegible]

Total - Other Allowances	3,112,722	742,728	3,795,838	467,723	1,338,262	64,876	1,271,901	1,312,486	1,510,364	1,171,871	3,325,694	(267,796)	850,842
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Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Total - Deductions From Revenue</b>	<b>105,241,358</b>	<b>98,489,744</b>	<b>101,831,667</b>	<b>97,090,237</b>	<b>99,395,865</b>	<b>104,890,206</b>	<b>105,569,056</b>	<b>127,493,312</b>	<b>113,603,575</b>	<b>129,103,386</b>	<b>120,532,754</b>	<b>114,393,124</b>	<b>102,118,258</b>
<b>Pat. Rev. Net of Contractuals &amp; Other Deductions</b>	<b>12,266,600</b>	<b>16,365,561</b>	<b>16,442,758</b>	<b>15,781,304</b>	<b>19,514,113</b>	<b>16,716,733</b>	<b>27,021,484</b>	<b>20,783,314</b>	<b>15,783,862</b>	<b>20,045,280</b>	<b>16,951,723</b>	<b>18,183,009</b>	<b>13,003,472</b>
<b>Provision for Doubtful Accounts:</b>													
<b>8510-5800-51000 Bad Debt Expense - IP</b>	<b>(2,843,493)</b>	<b>755,843</b>	<b>3,151,882</b>	<b>1,690,379</b>	<b>2,087,949</b>	<b>1,400,695</b>	<b>674,384</b>	<b>907,429</b>	<b>1,376,469</b>	<b>2,384,405</b>	<b>360,936</b>	<b>(523,751)</b>	<b>(1,983,132)</b>
<b>Total: Provision for Doubtful Accounts</b>	<b>(2,843,493)</b>	<b>755,843</b>	<b>3,151,882</b>	<b>1,690,379</b>	<b>2,087,949</b>	<b>1,400,695</b>	<b>674,384</b>	<b>907,429</b>	<b>1,376,469</b>	<b>2,384,405</b>	<b>360,936</b>	<b>(523,751)</b>	<b>(1,983,132)</b>
<b>Net Patient Revenue</b>	<b>15,110,093</b>	<b>15,609,718</b>	<b>13,290,876</b>	<b>14,090,925</b>	<b>17,426,164</b>	<b>15,316,038</b>	<b>26,347,100</b>	<b>19,875,885</b>	<b>14,407,393</b>	<b>17,660,875</b>	<b>16,590,787</b>	<b>18,766,760</b>	<b>14,986,604</b>
<b>Other Revenue:</b>													
Other Revenue:													
8510-5614-59810 OTHER NON OPERATING REV.	0	0	0	1,500	0	750	0	0	0	0	0	0	0
8510-5635-59920 OTHER NON-OPERATING REVENUE	0	0	0	0	0	0	0	2,285	0	0	0	0	18,548
8510-5670-59930 Sale of Scraps and Wastes	809	125	3,364	182	1,150	720	814	989	1,200	194	996	787	363
8510-5700-59910 Medical Records/Abstract Sales	2,003	5,476	1,241	2,403	1,586	874	2,516	2,158	1,454	833	3,194	2,411	1,777
8510-5740-59920 INSERVICE EDUCATION	613	(613)	0	0	0	0	0	301	0	0	574	1,057	0
8510-5780-59920 Other Operating Revenue	350	(300)	61,017	398	50	145	396,654	150	39,336	50	350	570	86,526
8510-7095-59920 Other Oper Rev	15,799	13,751	5,629	29,507	10,840	13,835	9,526	36,545	45	17,530	75	7,514	18,721
8510-5910-59920 Other Operating Revenue	18,555	13,500	6,167	8,167	3,915	(60,271)	(6,100)	76,541	0	7,770	0	6,176	6,965
8510-9280-59810 Seton Guest Center Revenue	10,760	13,015	12,985	19,985	13,140	12,690	13,335	9,572	13,400	14,790	11,765	12,210	9,915
8510-9400-59937 Other Revenue -CJR	0	0	194,366	0	0	0	0	0	0	0	0	0	0
8510-9553-59800 Rest Oper Rev Off Shop	147	0	0	0	0	0	0	0	0	0	0	0	0
Total: Other Revenue	48,837	44,457	278,392	53,143	30,692	(31,396)	415,838	130,541	95,445	33,167	24,314	31,786	142,405
Gain or Loss on Property Sale:													
8510-9010-59965 Gains/Loss-Hospital Property	0	0	0	0	2,209	2,312	0	0	0	0	0	0	0
Total: Gain or Loss on Property Sale	0	0	0	0	2,209	2,312	0	0	0	0	0	0	0
<b>Total Other Revenue</b>	<b>48,837</b>	<b>44,457</b>	<b>278,392</b>	<b>53,143</b>	<b>32,891</b>	<b>(29,084)</b>	<b>415,838</b>	<b>130,541</b>	<b>55,445</b>	<b>33,157</b>	<b>24,314</b>	<b>31,766</b>	<b>142,405</b>
<b>Capitation Premium Revenue:</b>													
8510-5960-61880 Capitation Revenue - M/CARE	2,805,870	2,813,108	3,927,134	2,973,562	3,868,354	3,035,348	3,034,742	3,297,097	3,232,478	3,263,427	3,298,221	3,387,811	3,808,485
Total: Capitation Premium Revenue	2,805,870	2,813,108	3,927,134	2,973,562	3,868,354	3,035,348	3,034,742	3,297,097	3,232,478	3,263,427	3,298,221	3,387,811	3,808,485
<b>Capitation Risk Pool Reserve:</b>													
8510-5960-61881 Risk Pool Reserves	(324,520)	(71,426)	(1,197,166)	(887,942)	(1,111,526)	(441,774)	(327,255)	85,217	(783,825)	(404,913)	(233,338)	(850,559)	(2,634,366)
Total: Capitation Risk Pool Reserve	(324,520)	(71,426)	(1,197,166)	(887,942)	(1,111,526)	(441,774)	(327,255)	85,217	(783,825)	(404,913)	(233,338)	(850,559)	(2,634,366)
<b>Total Capitation Revenue</b>	<b>2,481,449</b>	<b>2,741,682</b>	<b>2,769,968</b>	<b>2,085,620</b>	<b>2,756,828</b>	<b>2,593,575</b>	<b>2,707,486</b>	<b>3,382,314</b>	<b>2,448,653</b>	<b>2,848,514</b>	<b>3,064,882</b>	<b>2,517,252</b>	<b>1,174,119</b>
<b>Unrestricted Contributions:</b>													
Unrestricted Contributions:													
8510-9040-59955 Unrestricted Contributions	17,113	75,913	45,276	31,836	47	0	7,666	697,315	77,062	181,886	192,918	54,143	(342,583)
Total: Unrestricted Contributions	17,113	75,913	45,276	31,836	47	0	7,666	697,315	77,062	181,886	192,918	54,143	(342,583)
<b>Total Unrestricted Contribution</b>	<b>17,113</b>	<b>75,913</b>	<b>45,276</b>	<b>31,836</b>	<b>47</b>	<b>0</b>	<b>7,666</b>	<b>697,315</b>	<b>77,062</b>	<b>181,886</b>	<b>192,918</b>	<b>54,143</b>	<b>(342,583)</b>
<b>Total Revenues</b>	<b>17,657,492</b>	<b>18,471,770</b>	<b>16,384,512</b>	<b>16,261,524</b>	<b>20,215,930</b>	<b>17,880,529</b>	<b>29,478,090</b>	<b>24,086,055</b>	<b>16,988,553</b>	<b>20,724,431</b>	<b>19,872,912</b>	<b>21,309,921</b>	<b>15,960,546</b>
<b>EXPENSES:</b>													
<b>Productive Salaries:</b>													
70000 Mgmt & Supervision:													
8510-6010-70000 Mgmt & Supervision	(188)	0	9,643	11,127	12,776	10,014	12,487	9,643	14,244	11,243	15,261	5,906	0
8510-6011-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	0	0	0	577	0
8510-6101-70000 Mgmt & Supervision	14,049	11,239	16,079	13,120	14,853	12,637	14,436	9,920	12,839	14,139	13,795	14,036	12,090
8510-6170-70000 Mgmt & Supervision	13,877	12,307	12,227	13,627	14,770	12,483	15,247	8,672	14,770	14,103	14,975	14,808	13,258
8510-6171-70000 Mgmt & Supervision	14,255	12,145	15,621	13,813	14,972	1,256	17,387	13,620	9,466	12,267	10,819	14,344	10,094
8510-6440-70000 Mgmt & Supervision	13,346	13,812	15,025	14,419	14,899	8,747	13,073	13,121	13,313	(1,260)	0	0	0
8510-6580-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	0	0	2,346	1,857	0
8510-7010-70000 Mgmt & Supervision	13,084	12,769	9,730	15,578	13,152	12,610	15,904	5,504	13,152	12,220	11,007	13,526	1,789
8510-7071-70000 Mgmt & Supervision	18,898	20,831	16,703	24,384	22,650	21,026	23,151	22,612	21,678	21,462	23,147	20,445	22,143
8510-7079-70000 Mgmt & Supervision	362	(132)	0	0	0	0	0	0	0	0	0	0	0
8510-7101-70000 Mgmt & Supervision	3,458	4,357	4,615	3,221	4,119	3,980	4,556	4,556	4,367	4,646	4,596	3,422	0
8510-7420-70000 Mgmt & Supervision	16,071	8,364	16,343	10,373	11,566	12,691	14,567	9,822	9,490	0	12,487	19,163	16,362
8510-7421-70000 Mgmt & Supervision	8,109	12,493	8,125	12,314	9,725	11,360	11,066	12,937	7,483	9,943	11,367	9,129	9,725
8510-7300-70000 Mgmt & Supervision	61,873	59,048	59,048	72,284	70,414	65,024	72,397	66,950	84,773	79,672	79,808	76,851	62,590
8510-8420-70000 Mgmt & Supervision	12,397	8,959	14,022	14,685	12,927	11,726	13,402	12,599	13,190	12,939	13,167	10,891	10,891
8510-7360-70000 Mgmt & Supervision	5,155	5,694	5,694	6,019	7,018	5,922	7,245	5,877	6,651	6,324	6,710	6,710	3,988
8510-7630-70000 Mgmt & Supervision	12,507	17,536	16,636	19,415	19,948	17,343	19,252	14,761	18,296	17,245	23,616	17,648	18,364
8510-7710-70000 Mgmt & Supervision	27,327	30,687	31,281	30,415	27,423	27,379	29,029	29,397	24,728	29,048	28,662	30,133	28,880
8510-7720-70000 Mgmt & Supervision	7,027	6,708	4,990	7,238	6,783	9,362	8,099	7,137	5,821	8,048	7,593	6,696	6,833
8510-7820-70000 Mgmt & Supervision	39,255	43,917	43,913	39,397	40,096	47,687	45,169	45,919	28,052	29,719	28,662	19,629	18,629
8510-8215-70000 Mgmt & Supervision	0	0	0	0	0	0	1,302	5,635	(1,696)	0	0	0	0
8510-8380-70000 Mgmt & Supervision	13,136	12,359	14,981	12,033	12,827	14,191	22,306	17,793	19,395	25,432	25,014	24,203	20,839
8510-8420-70000 Mgmt & Supervision	14,289	13,152	15,025	12,342	13,639	11,909	12,336	11,591	10,257	14,801	14,393	19,176	13,672
8510-8520-70000 Mgmt & Supervision	25,839	26,127	26,761	22,824	25,866	22,107	27,170	25,944	21,320	13,176	0	0	0
8510-8530-70000 Mgmt & Supervision	16,343	12,171	15,823	16,833	0	0	0	0	0	0	0	0	0
8510-8560-70000 Mgmt & Supervision	6,486	5,793	6,158	6,542	7,141	6,578	11,602	11,836	10,245	9,995	10,441	12,455	9,477
8510-8610-70000 Mgmt & Supervision	98,078	101,347	100,269	101,019	104,387	86,243	90,506	77,769	65,447	88,002	90,917	100,362	(902,456)
8510-8620-70000 Mgmt & Supervision	0	0	16,371	10,211	18,785	18,132	0	7,911	0	0	0	0	0
8510-8635-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	0	0	0	3,785	12,948
8510-8650-70000 Mgmt & Supervision	25,812	20,364	19,906	18,211	19,739	19,102	19,739	12,608	17,829	18,848	19,102	18,529	19,136
8510-8860-70000 Mgmt & Supervision	6,723	4,306	11,091	7,159	8,326	8,093	10,038	6,925	8,688	9,104	9,338	8,171	9,182
8510-7101-70000 Mgmt & Supervision	11,612	10,950	9,932	10,932	10,932	9,932	9,932	5,118	11,121	9,932	10,429	8,401	8,401
8510-8720-70000 Mgmt & Supervision	57,194	60,262	66,496	52,178	59,013	61,041	66,585	67,106	58,056	72,430	66,324	67,399	54,323
8510-8751-70000 Mgmt & Supervision	13,752	12,843	14,513	13,835	9,821	13,835	9,821	11,899	11,892	0	0	0	0
8510-8752-70000 Mgmt & Supervision	15,321	14,475	17,249	11,146	15,229	14,787	17,657	15,960	7,835	0	0	0	8,360
8510-8760-70000 Mgmt & Supervision	8,914	13,583	13,688	9,444	12,910	10,974	13,990	9,919	8,831	12,416	12,504	13,593	6,576
8510-8764-70000 Mgmt & Supervision	3,846	0	2,231	11,235	10,438	12,749	9,870	10,707	11,793	11,304	11,593	11,593	11,593
8510-9553-70000 Mgmt & Supervision	4,290	4,922	5,354	4,898	5,309	4,487	5,240	4,990	4,387	5,258	4,898	4,984	4,744
8510-9605-70000 Mgmt & Supervision	0	0	0	0	0	0	0	0	(110)	110	0	0	0



**Verity Health Systems**  
**St Vincent Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7720-70100 Technician & Specialist	129,029	106,895	130,753	143,442	125,395	142,836	155,242	138,818	149,143	162,413	150,203	132,389	172,238
8510-7740-70100 Technician & Specialist	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7760-70100 Technician & Specialist	308	257	143	2,187	2,540	2,313	2,765	1,968	2,772	2,588	2,812	2,394	4,205
8510-7780-70100 Technician & Specialist	56,064	56,388	56,160	60,131	57,089	53,634	71,568	66,417	63,477	72,360	77,373	74,607	72,009
8510-7785-70100 Technician & Specialist	40,166	40,121	43,477	38,888	50,945	44,365	39,815	35,577	49,893	45,035	50,134	53,438	42,599
8510-8110-70100 Technician & Spec Prem Pay	6,547	6,243	6,424	6,424	7,739	6,124	6,950	6,595	8,235	9,111	10,237	10,973	10,539
8510-8215-70100 Technician & Specialist	6,567	31,172	27,706	36,195	29,521	25,363	20,352	23,537	25,382	25,382	25,382	20,788	18,236
8510-8360-70100 Technician & Specialist	5,632	11,494	27,981	21,180	23,780	21,096	26,664	21,943	22,290	24,313	24,609	20,249	18,943
8510-8380-70100 Technician & Specialist	28,240	28,547	28,341	30,823	31,990	31,947	40,028	31,774	35,243	33,631	36,614	36,614	40,633
8510-8400-70100 Technician & Specialist	5,141	5,321	5,106	5,307	6,455	5,925	4,744	5,394	5,221	5,779	5,278	5,086	5,086
8510-8510-70100 Technician & Specialist	6,679	6,565	7,521	3,512	7,458	6,303	7,698	6,784	6,735	7,121	7,217	11,689	5,870
8510-8610-70100 Technician & Specialist	11,910	7,423	13,952	12,934	12,475	10,155	14,212	10,697	11,635	10,883	12,100	13,398	12,117
8510-8630-70100 Technician & Specialist	18,282	16,354	14,203	9,012	8,409	8,409	9,456	7,076	2,634	11,000	8,714	10,393	10,393
8510-8635-70100 Technician & Specialist	3,009	2,995	3,279	3,147	3,220	3,079	3,234	3,297	3,185	3,306	3,330	3,408	3,347
8510-8650-70100 Technician & Specialist	8,947	4,586	4,995	6,021	6,200	5,221	6,823	5,796	4,778	5,326	4,969	10,511	0
8510-8665-70100 Technician & Specialist	0	0	0	0	0	0	0	0	0	0	0	4,033	8,798
8510-8710-70100 Technician & Specialist	11,802	11,665	12,083	11,391	12,647	10,375	12,861	16,890	14,195	16,135	15,152	16,269	12,139
8510-8725-70100 Technician & Specialist	2,181	4,761	74	8,933	3,493	0	725	0	0	0	0	0	0
8510-8730-70100 Technician & Specialist	151,270	98,956	66,327	95,524	103,889	106,607	106,607	98,862	114,513	105,846	112,829	132,513	113,635
8510-8752-70100 Technician & Specialist	24,025	22,335	24,025	26,156	35,235	26,777	38,789	31,015	25,641	35,893	34,545	38,779	32,842
8510-8753-70100 Technician & Specialist	0	0	0	6,878	9,606	5,473	10,176	6,891	8,406	8,919	8,405	7,159	8,328
8510-8754-70100 Technician & Specialist	0	0	0	0	0	0	0	0	0	0	0	0	2,423
8510-9605-70100 Technician & Specialist	0	0	0	0	0	0	0	0	1,587	(1,587)	0	0	0
<b>Total 70100 Technician &amp; Specialist</b>	<b>1,323,220</b>	<b>1,187,554</b>	<b>1,276,498</b>	<b>1,292,122</b>	<b>1,345,925</b>	<b>1,234,846</b>	<b>1,541,689</b>	<b>1,385,634</b>	<b>1,385,958</b>	<b>1,445,588</b>	<b>1,452,279</b>	<b>1,459,859</b>	<b>1,495,947</b>
7010 Tech & Spec Prem Pay:													
8510-6151-70110 Tech & Spec Prem Pay	2,027	3,348	1,126	3,111	1,881	4,882	3,403	8,341	2,931	4,620	601	1,711	2,365
8510-6170-70110 Tech & Spec Prem Pay	0	0	0	0	0	478	(126)	0	0	0	12	466	116
8510-6171-70110 Tech & Spec Prem Pay	0	0	18	0	0	0	0	0	0	0	0	0	0
8510-6172-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	0	0	0	0	0	118	0
8510-6440-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	0	0	0	0	264	(33)	0
8510-6580-70110 Tech & Spec Prem Pay	266	1,917	(199)	1,339	295	219	493	949	1,745	608	121	(14)	181
8510-7010-70110 Tech & Spec Prem Pay	995	2,527	716	1,842	914	2,122	1,247	4,280	1,161	1,468	799	920	1,195
8510-7046-70110 Tech & Spec Prem Pay	5,948	5,129	4,981	6,037	6,037	3,556	4,418	5,178	3,329	3,749	3,749	3,749	3,572
8510-7097-70110 Tech & Spec Prem Pay	172	172	249	151	19	66	66	65	(20)	0	0	0	0
8510-7181-70110 Tech & Spec Prem Pay	612	598	123	360	220	350	656	628	1,407	1,820	1,128	841	657
8510-7420-70110 Tech & Spec Prem Pay	12,315	14,023	5,138	10,823	7,261	14,122	9,334	18,123	4,215	14,657	11,440	14,555	13,964
8510-7421-70110 Tech & Spec Prem Pay	610	3,003	2,948	3,724	2,669	2,285	4,074	3,942	887	2,550	2,492	2,524	2,629
8510-7430-70110 Tech & Spec Prem Pay	15,122	12,345	14,616	17,546	16,498	22,952	16,335	32,763	10,035	17,907	12,873	6,246	12,127
8510-7920-70110 Tech & Spec Prem Pay	358	2,117	1,588	766	188	322	470	1,753	1,035	624	769	205	205
8510-7970-70110 Tech & Spec Prem Pay	10,116	12,352	6,252	18,903	14,212	12,594	11,241	18,839	15,570	25,505	20,095	15,105	16,881
8510-7990-70110 Tech & Spec Prem Pay	5,055	2,183	725	3,487	2,207	2,188	2,388	4,866	4,378	6,125	4,145	4,329	7,142
8510-7991-70110 Tech & Spec Prem Pay	2,159	2,159	4,596	1,962	1,096	6,017	12,071	2,095	6,231	1,101	4,795	3,477	2,922
8510-7631-70110 Tech & Spec Prem Pay	8,624	8,035	3,453	1,823	5,085	4,532	6,474	7,607	4,387	5,023	5,006	6,204	1,692
8510-7638-70110 Tech & Spec Prem Pay	0	0	45	0	0	0	0	0	0	0	0	30	0
8510-7660-70110 Tech & Spec Prem Pay	4,880	6,788	10,463	2,476	5,328	9,099	10,772	6,484	8,404	5,814	6,674	5,025	7,211
8510-7661-70110 Tech & Spec Prem Pay	4,395	4,395	3,816	3,816	3,816	3,816	3,816	3,816	1,793	4,483	5,071	3,473	3,473
8510-7670-70110 Tech & Spec Prem Pay	3,980	3,944	3,032	2,952	3,952	3,075	5,708	5,708	3,916	3,916	3,983	2,622	2,622
8510-7680-70110 Tech & Spec Prem Pay	2,194	3,847	5,470	1,041	614	3,763	(477)	7,802	(1,173)	2,823	6,086	1,029	6,104
8510-7681-70110 Tech & Spec Prem Pay	(4)	65	27	0	0	72	(16)	0	0	0	16	96	14
8510-7682-70110 Tech & Spec Prem Pay	235	155	207	145	254	227	1,053	(52)	65	135	25	114	0
8510-7710-70110 Tech & Spec Prem Pay	8,097	6,646	1,927	8,007	2,389	9,983	8,062	26,367	6,955	18,189	10,359	7,388	12,794
8510-7725-70110 Tech & Spec Prem Pay	16,637	7,487	6,375	6,660	3,048	20,405	2,732	73,901	23,373	23,103	13,846	10,225	7,280
8510-7740-70110 Tech & Spec Prem Pay	0	0	0	0	0	0	0	0	0	0	88	(11)	0
8510-7741-70110 Tech & Spec Prem Pay	0	0	0	135	0	0	0	452	688	834	622	347	272
8510-7862-70110 Tech & Spec Prem Pay	0	170	(67)	0	0	133	143	(83)	0	0	53	0	0
8510-7865-70110 Tech & Spec Prem Pay	0	0	0	0	0	26	0	0	46	146	265	231	195
8510-7871-70110 Tech & Spec Prem Pay	661	792	196	799	171	899	249	2,075	(88)	679	333	314	839
8510-7875-70110 Tech & Spec Prem Pay	768	1,305	850	1,396	1,134	768	1,729	3,495	1,739	4,483	5,071	3,473	1,349
8510-8360-70110 Tech & Spec Prem Pay	0	0	19	(11)	0	0	0	0	0	0	0	0	0
8510-8380-70110 Tech & Spec Prem Pay	3,191	3,894	4,026	3,111	4,763	4,371	6,075	9,850	3,684	6,239	5,725	9,442	3,469
8510-8470-70110 Tech & Spec Prem Pay	474	1,243	(110)	2,353	67	68	844	(1)	1,915	737	2,189	3,861	(93)
8510-8610-70110 Tech & Spec Prem Pay	0	0	52	(16)	0	0	0	3	(1)	0	0	0	0
8510-8650-70110 Tech & Spec Prem Pay	261	381	10,195	83,653	155	115	(16)	158	(54)	0	0	0	252
8510-8710-70110 Tech & Spec Prem Pay	201	287	275	47	140	281	220	112	123	48	87	98	112
8510-8751-70110 Tech & Spec Prem Pay	33,523	25,918	17,133	29,535	21,436	36,592	33,539	47,937	29,292	46,597	36,764	40,946	40,304
8510-8753-70110 Tech & Spec Prem Pay	0	0	0	21	47	17	181	68	149	119	0	0	177
<b>Total 70110 Tech &amp; Spec Prem Pay</b>	<b>144,880</b>	<b>138,538</b>	<b>101,045</b>	<b>137,270</b>	<b>105,690</b>	<b>172,275</b>	<b>132,192</b>	<b>386,610</b>	<b>129,680</b>	<b>204,655</b>	<b>155,921</b>	<b>152,099</b>	<b>153,952</b>
70200 Registered Nurses:													
8510-6010-70200 Registered Nurses	372,399	326,037	363,945	347,235	372,236	359,259	373,979	413,906	420,686	415,448	485,138	462,657	325,742
8510-6011-70200 Registered Nurses	22,490	35,175	24,447	40,056	23,811	14,111	42,545	30,300	448	33,927	24,445	23,778	33,415
8510-6151-70200 Registered Nurses	462,232	462,504	452,820	449,534	510,391	478,458	491,497	484,099	486,386	533,387	440,315	443,078	444,033
8510-6170-70200 Registered Nurses	312,752	342,629	374,025	399,336	387,480	385,467	388,895	402,987	385,521	403,597	435,616	423,252	387,122
8510-6171-70200 Registered Nurses	190,779	190,779	189,141	175,829	184,495	184,495	184,495	184,495	184,495	184,495	184,495	184,495	184,495
8510-6172-70200 Registered Nurses	3,723	4,801	6,000	9,036	4,823	30,933	79,986	65,768	81,226	69,485	75,655	66,667	27,209
8510-6173-70200 Registered Nurses	107,269	113,193	120,025	121,676	130,977	116,674	116,674	109,341	109,302	127,319	121,862	124,419	124,419
8510-6174-70200 Registered Nurses	0	0	0	0	0	0	0	1,135	(900)	0	0	0	0
8510-6450-70200 Registered Nurses	118,587	126,587	126,587	135,941	164,294	164,294	164,294	164,294	164,294	164,294	164,294	164,294	164,294
8510-6580-70200 Registered Nurses	128,063	63,855	77,973	89,950	85,105	79,120	81,400	89,342	72,174	81,794	92,973	85,650	24,943
8510-7010-70200 Registered Nurses	155,804	152,330	235,468	203,766	189,067	165,517	217,658	226,311	221,820	209,100	217,522	217,522	189,913
8510-7230-702													



6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
284	(106)	135	1,098	348	375	1,174	2,990	807	959	6	0	55
2,372	2,466	251	2,312	1,475	1,819	2,537	5,941	956	2,728	1,419	947	3,053
221	(40)	61	267	1,004	101	1,031	(220)	278	113	235	609	
0	0	0	29	24	71	82	(33)	82	41	57	7	
51	(6)	28	(147)	7	800	169	47	7	0	9	1,118	
(314)	0	37	413	4	236	0	0	0	0	22	(2)	
3,836	3,908	5,963	3,627	3,910	8,258	6,317	8,874	3,021	3,144	2,446	2,088	(393)
6.449	7.377	6.375	7.558	6.017	12.530	9.915	15.956	5.821	7.086	4.026	3.350	4.488

	Total 70400 Aides & Orderlies															
	181,222	181,237	185,262	185,277	185,295	185,310	175,255	152,047	139,237	132,290	127,771	105,532	177,685			
8510-6010-70410 Aides & Orderlies Premium	928	185	73	606	133	843	636	2,243	(142)	329	83	67	112			
8510-6010-70410 Aides & Orderlies Premium	(2)			11		9	0	0	0	0	0	0				
8510-6110-70410 Aides & Orderlies Premium	6,182	4,271	2,849	2,831	4,584	2,262	8,920	(1,048)	4,287	598	1,608	3,425				
8510-6110-70410 Aides & Orderlies Premium	6,946	8,304	5,261	5,875	3,180	10,774	6,118	18,266	2,162	9,627	7,504	3,575	5,699			
8510-6117-70410 Aides & Orderlies Premium	1,086	3,696	846	2,156	571	2,637	2,147	7,257	(123)	2,585	1,528	1,911	3,060			
8510-6117-70410 Aides & Orderlies Premium	15	(3)	13	109	14	156	694	1,300	236	1,742	993	1,028	(118)			
8510-6117-70410 Aides & Orderlies Premium	1,071	2,793	1,885	2,793	1,685	4,793	1,684	415	3,961	1,581	1,581	1,581	1,581			
8510-6440-70410 Aides & Orderlies Premium	2,258	1,770	1,990	1,476	1,518	3,614	3,061	1,747	1,136	1,404	1,008	1,008	1,008			
8510-6580-70410 Aides & Orderlies Premium	6,425	3,741	2,131	3,701	1,411	4,870	2,901	12,360	1,799	2,448	1,972	803	1,972			
8510-7420-70410 Aides & Orderlies Premium	1,708	3,140		2,287	1,567	3,957	2,526	4,340	(117)	2,925	1,779	3,245	3,021			
8510-7420-70410 Aides & Orderlies Premium	160		42	60		190	594	1,275	1,275	771	771	771	771			
8510-7570-70410 Aides & Orderlies Premium	103	(10)		0	203	123	107	188	207	95	86	86	127			
8510-7760-70410 Aides & Orderlies Premium	366	366	551	122	362	86	346	680	469	395	85	147				
8510-8665-70410 Aides & Orderlies Premium	0	10	(4)		0	0	0	10	(5)	0	0	0	0			
8510-8720-70410 Aides & Orderlies Premium	0			93	82	0	0	0	0	0	12	0	0			

8510-6010-70510 Clerical & Other Admin Premitu	2	8	44	(20)	0	72	0	105	335	446	245	257	302
8510-6110-70510 Clerical & Other Admin Premitu	382	0	14	(6)	148	(12)	0	15	0	0	0	0	0
8510-6170-70510 Clerical & Other Admin Premitu	1,718	1,343	1,029	2,063	1,240	1,557	1,803	3,878	438	1,633	488	358	1,400
8510-6171-70510 Clerical & Other Admin Premitu	0	0	28	663	184	(20)	218	612	14	454	244	(2)	533
8510-6172-70510 Clerical & Other Admin Premitu	0	0	30	(14)	34	6	0	0	0	0	0	0	0
8510-6173-70510 Clerical & Other Admin Premitu	374	761	(96)	169	82	527	559	916	(272)	95	150	32	322
8510-6184-70510 Clerical & Other Admin Premitu	196	0	17	32	70	21	21	30	56	87	26	39	20
8510-6580-70510 Clerical & Other Admin Premitu	0	137	0	182	162	0	312	0	(177)	190	10	(1)	0
8510-7010-70510 Clerical & Other Admin Premitu	1,592	2,066	2,389	2,880	950	1,325	742	5,806	736	1,083	1,419	2,129	2,344
8510-7071-70510 Clerical & Other Admin Premitu	3,452	1,400	2,133	1,273	1,068	240	503	1,528	24	254	597	199	698
8510-7079-70510 Clerical & Other Admin Premitu	0	0	0	(39)	71	10	138	91	(1)	0	1	0	0
8510-7092-70510 Clerical & Other Admin Premitu	1,173	446	1,816	(373)	143	12	143	129	(23)	227	159	103	103
8510-7095-70510 Clerical & Other Admin Premitu	7	0	0	0	0	0	0	0	15	0	0	0	0
8510-7181-70510 Clerical & Other Admin Premitu	(3)	0	0	0	0	0	0	0	0	0	0	0	0
8510-7230-70510 Clerical & Other Admin Premitu	226	(22)	73	118	106	162	108	1,099	(340)	354	172	95	64
8510-7420-70510 Clerical & Other Admin Premitu	38	83	22	89	44	22	204	426	(143)	34	124	131	131
8510-7421-70510 Clerical & Other Admin Premitu	1,652	1,052	787	787	378	378	434	797	201	191	80	180	180
8510-7427-70510 Clerical & Other Admin Premitu	320	203	342	251	179	352	349	931	(1)	247	193	328	650
8510-7500-70510 Clerical & Other Admin Premitu	0	0	0	0	0	0	0	0	14	321	210	55	461
8510-7520-70510 Clerical & Other Admin Premitu	1	1,048	538	269	196	224	160	298	193	299	172	62	354
8510-7570-70510 Clerical & Other Admin Premitu	16	4	0	7	8	(1)	0	0	0	0	0	0	0
8510-7580-70510 Clerical & Other Admin Premitu	63	0	0	0	0	0	0	0	0	0	0	0	0
8510-7630-70510 Clerical & Other Admin Premitu	515	379	365	213	35	150	150	1,501	(244)	467	27	546	287
8510-7710-70510 Clerical & Other Admin Premitu	0	0	1	29	31	53	53	50	144	74	25	23	15
8510-7760-70510 Clerical & Other Admin Premitu	0	0	0	0	30	15	34	20	2	0	0	22	0
8510-7860-70510 Clerical & Other Admin Premitu	255	162	192	42	202	115	115	4,011	(1,709)	208	191	144	(14)
8510-7865-70510 Clerical & Other Admin Premitu	0	7	0	17	17	0	13	961	(1419)	0	0	0	0
8510-8215-70510 Clerical & Other Admin Premitu	562	861	994	463	375	190	2,295	1,370	888	856	901	683	560
8510-8370-70510 Clerical & Other Admin Premitu	381	726	(120)	457	17	577	44	2,443	(215)	1,261	480	481	1,522
8510-8380-70510 Clerical & Other Admin Premitu	2,584	1,694	2,464	716	728	2,118	1,390	5,617	617	2,490	2,412	2,309	2,806
8510-8470-70510 Clerical & Other Admin Premitu	2,451	1,857	2,762	1,688	1,379	2,065	316	4,366	1,792	1,423	2,084	2,538	2,863
8510-8530-70510 Clerical & Other Admin Premitu	628	0	0	0	0	0	0	0	0	0	0	0	0
8510-8560-70510 Clerical & Other Admin Premitu	10,540	8,602	1,188	5,185	3,227	3,350	2,781	11,234	3,663	5,009	3,732	2,174	2,973
8510-8570-70510 Clerical & Other Admin Premitu	0	0	0	0	49	8	13	399	(150)	237	7	21	6
8510-8635-70510 Clerical & Other Admin Premitu	21	8	(4)	0	0	(2)	0	0	0	0	0	0	0
8510-8860-70510 Clerical & Other Admin Premitu	207	(45)	(8)	154	36	21	69	(1)	61	(21)	0	0	0
8510-8970-70510 Clerical & Other Admin Premitu	1,184	1,219	1,209	1,136	209	786	1,278	2,105	1,278	885	1,209	824	809
8510-8751-70510 Clerical & Other Admin Premitu	1,206	777	282	1,428	274	1,816	687	1,617	2,731	2,003	2,000	3,270	2,973
8510-8752-70510 Clerical & Other Admin Premitu	0	0	0	0	0	20	46	(16)	30	11	11	1	10
8510-8753-70510 Clerical & Other Admin Premitu	34	0	127	80	28	38	16	11	24	(5)	19	(6)	6



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total: 70800 Environmental & Food Services	20,889	21,095	20,886	24,835	28,793	27,514	30,771	42,126	43,182	42,942	43,337	42,633	40,294
70810 Environmental & Food Services Premium													
8510-8420-70810 Environmental & Food Services Premium	6,759	6,001	4,551	2,688	1,999	4,078	1,678	5,057	1,377	4,494	2,969	3,745	4,276
8510-8485-70810 Environmental & Food Services Premium	0	0	0	0	0	0	0	741	1,934	1,263	1,896	4,698	588
Total: 70810 Environmental & Food Services Premium	6,759	6,001	4,551	2,688	1,999	4,078	1,678	5,797	3,311	5,757	4,864	8,443	4,864
70800 Non-Phys Medical Practitioners:													
8510-7095-70800 Non-Phys Medical Practitioners	12,307	8,922	14,132	11,197	9,665	6,126	9,348	9,982	12,411	6,443	11,936	13,837	11,936
8510-7096-70800 Non-Phys Medical Practitioners	30,443	50,008	48,725	29,465	40,390	31,862	34,228	51,616	65,538	57,612	39,480	49,176	43,063
8510-7420-70800 Non-Phys Medical Practitioners	22,190	16,610	20,241	17,688	24,481	32,420	36,411	23,390	35,066	31,687	32,692	38,692	28,656
8510-7885-70800 Non-Phys Medical Practitioners	13,749	12,854	8,795	1,649	0	0	0	0	0	0	14,543	16,034	13,870
8510-8095-70800 Non-Phys Medical Practitioners	0	0	0	7,363	0	0	0	0	0	0	13,729	15,488	12,774
8510-8720-70800 Non-Phys Medical Practitioners	0	0	0	0	0	0	0	0	0	1,354	0	0	0
Total: 70800 Non-Phys Medical Practitioners	78,689	85,395	91,893	68,141	74,536	75,408	79,887	84,988	113,046	103,864	112,386	125,417	110,242
70810 Non-Phys Medical Practitioners Premium:													
8510-7096-70810 Non-Phys Medical Practitioners Premium	986	1,139	(446)	0	0	0	0	0	0	0	0	0	0
8510-7420-70810 Non-Phys Medical Practitioners Premium	576	382	423	375	171	0	0	0	0	0	117	191	0
Total: 70810 Non-Phys Medical Practitioners Premium	1,562	1,521	(23)	375	171	0	0	0	0	0	117	191	0

Total Productive Salaries	5,515,093	5,407,039	5,640,072	5,624,945	5,742,878	5,632,289	6,368,134	6,527,733	5,904,052	6,483,231	6,231,737	6,216,508	5,159,298
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Non-Productive Salaries:													
71200 Vacation Holiday & Sick Leave:													
8510-6010-71200 Vacation Holiday & Sick Leave	61,843	68,368	62,295	61,663	57,631	65,767	59,368	90,036	43,355	79,351	62,010	69,760	61,834
8510-6011-71200 Vacation Holiday & Sick Leave	1,428	1,461	1,526	1,622	584			0	0	0	0	0	0
8510-6151-71200 Vacation Holiday & Sick Leave	73,215	73,134	75,314	68,589	72,114	85,020	78,821	112,805	58,680	104,377	78,034	86,937	85,626
8510-6170-71200 Vacation Holiday & Sick Leave	66,045	52,585	67,510	73,333	69,371	77,637	69,016	87,309	50,817	88,114	67,768	71,896	70,581
8510-6171-71200 Vacation Holiday & Sick Leave	32,420	32,149	32,414	35,024	33,893	38,417	33,052	53,889	25,192	46,522	35,549	39,274	40,192
8510-6172-71200 Vacation Holiday & Sick Leave	2,771	2,778	2,832	2,731	2,191	4,011	5,443	8,910	4,188	10,869	8,028	7,523	9,857
8510-6173-71200 Vacation Holiday & Sick Leave	15,101	13,898	15,770	15,770	15,649	17,912	15,824	26,414	12,138	22,297	17,158	18,288	19,400
8510-6440-71200 Vacation Holiday & Sick Leave	20,748	21,772	21,964	18,847	19,776	23,693	20,786	31,581	14,458	25,604	19,879	23,089	24,878
8510-6580-71200 Vacation Holiday & Sick Leave	20,024	19,463	20,040	21,130	19,033	22,057	20,219	23,051	15,588	25,555	19,450	22,453	11,859
8510-7010-71200 Vacation Holiday & Sick Leave	28,367	27,495	27,397	26,170	25,054	29,655	25,655	40,060	16,031	33,951	22,434	25,153	24,470
8510-7017-71200 Vacation Holiday & Sick Leave	2,918	7,916	8,577	8,409	9,755	8,621	9,834	5,693	10,758	8,300	9,033	8,904	8,954
8510-7079-71200 Vacation Holiday & Sick Leave	2,512	2,225	2,037	2,529	2,340	2,668	2,554	2,732	1,954	2,947	2,458	2,626	2,188
8510-7095-71200 Vacation Holiday & Sick Leave	2,571	2,461	2,461	5,539	4,071	4,570	3,972	4,316	3,019	4,673	3,827	4,194	4,013
8510-7096-71200 Vacation Holiday & Sick Leave	0	0	0	0	0	0	0	0	0	0	0	0	264
8510-7095-71200 Vacation Holiday & Sick Leave	2,321	2,480	2,320	2,463	3,025	3,564	2,871	3,005	2,072	3,271	2,652	2,851	2,805
8510-7096-71200 Vacation Holiday & Sick Leave	10,555	9,745	10,568	7,452	8,741	8,881	7,876	11,774	9,704	11,861	9,238	9,988	9,989
8510-7097-71200 Vacation Holiday & Sick Leave	1,069	1,030	1,108	1,028	1,158	1,033	1,152	744	1,267	1,047	1,087	1,075	1,043
8510-7097-71200 Vacation Holiday & Sick Leave	9,920	9,645	10,191	10,922	10,407	11,889	10,982	11,878	8,233	12,899	10,989	10,989	10,922
8510-7183-71200 Vacation Holiday & Sick Leave	8,016	0	0	0	0	0	0	0	0	0	0	0	0
8510-7230-71200 Vacation Holiday & Sick Leave	16,941	16,454	21,229	20,184	18,202	20,321	18,885	27,255	14,425	24,337	19,106	21,532	21,126
8510-7420-71200 Vacation Holiday & Sick Leave	39,917	37,618	38,529	40,969	39,750	48,887	43,648	51,910	31,808	52,803	33,114	44,316	42,381
8510-7421-71200 Vacation Holiday & Sick Leave	7,591	8,541	8,751	10,396	9,712	10,436	8,458	9,714	6,410	11,284	8,753	9,478	9,316
8510-7427-71200 Vacation Holiday & Sick Leave	6,940	6,754	5,780	3,639	4,427	5,980	4,779	9,270	4,267	8,674	6,392	7,000	6,794
8510-7500-71200 Vacation Holiday & Sick Leave	25,822	23,572	22,975	23,634	22,902	27,237	23,128	28,213	15,765	29,508	23,948	27,147	25,933
8510-7520-71200 Vacation Holiday & Sick Leave	1,778	2,178	(9,918)	2,672	2,517	2,679	2,642	2,886	1,992	3,126	2,547	2,102	1,243
8510-7570-71200 Vacation Holiday & Sick Leave	15,295	16,114	16,527	7,728	15,919	19,108	17,453	23,038	11,728	23,870	17,244	17,022	17,779
8510-7590-71200 Vacation Holiday & Sick Leave	3,782	4,148	4,638	5,137	4,736	5,727	4,906	5,607	3,324	6,333	4,744	5,185	5,138
8510-7630-71200 Vacation Holiday & Sick Leave	10,799	9,698	11,921	13,573	12,473	15,252	13,917	15,634	10,100	17,075	13,524	14,715	13,774
8510-7631-71200 Vacation Holiday & Sick Leave	8,138	7,644	7,956	9,308	7,500	9,911	8,587	10,070	5,890	11,169	8,382	9,239	8,939
8510-7632-71200 Vacation Holiday & Sick Leave	0	4	8	0	0	0	0	0	0	0	0	0	0
8510-7690-71200 Vacation Holiday & Sick Leave	2,518	2,352	2,479	3,075	2,711	3,566	3,056	3,535	2,038	4,012	2,906	3,208	3,165
8510-7690-71200 Vacation Holiday & Sick Leave	2,173	2,046	2,132	2,680	2,376	2,945	2,638	3,063	1,840	3,335	2,534	2,796	2,553
8510-7670-71200 Vacation Holiday & Sick Leave	2,801	2,700	2,735	3,208	2,977	3,542	3,315	3,666	2,489	4,131	3,228	3,513	2,719
8510-7690-71200 Vacation Holiday & Sick Leave	3,093	2,896	3,076	3,811	3,906	4,975	4,402	5,154	3,592	4,607	4,309	4,710	4,628
8510-7691-71200 Vacation Holiday & Sick Leave	1,958	1,984	2,080	2,090	2,064	2,266	2,262	2,300	1,513	2,501	1,996	2,165	2,202
8510-7693-71200 Vacation Holiday & Sick Leave	1,815	1,751	1,807	2,009	1,885	2,176	1,976	2,172	1,482	2,349	1,904	2,045	2,053
8510-7710-71200 Vacation Holiday & Sick Leave	21,036	21,281	22,515	23,401	21,135	25,955	22,569	26,009	15,637	29,370	23,826	28,865	26,502
8510-7720-71200 Vacation Holiday & Sick Leave	18,075	16,413	17,441	21,513	20,116	23,303	21,285	24,556	14,539	24,520	19,880	20,419	28,340
8510-7740-71200 Vacation Holiday & Sick Leave	14,718	12,026	12,547	13,277	11,471	13,244	10,675	13,244	8,897	15,755	12,753	15,998	15,082
8510-7760-71200 Vacation Holiday & Sick Leave	6,017	5,763	6,401	7,007	6,137	7,091	6,230	7,112	4,299	8,462	6,104	6,660	5,958
8510-7862-71200 Vacation Holiday & Sick Leave	20,642	19,913	22,237	21,899	19,777	23,419	23,018	26,089	16,326	29,318	22,421	24,384	23,982
8510-7885-71200 Vacation Holiday & Sick Leave	8,835	8,604	8,150	8,263	7,063	7,995	7,144	7,884	5,199	8,789	5,084	10,078	9,796
8510-7917-71200 Vacation Holiday & Sick Leave	673	641	667	681	783	907	918	1,005	669	1,082	885	953	926
8510-8215-71200 Vacation Holiday & Sick Leave	5,846	5,658	5,805	5,689	5,382	4,798	4,280	4,867	3,196	5,304	4,228	4,549	4,408
8510-8360-71200 Vacation Holiday & Sick Leave	1,219	2,959	2,886	1,923	2,035	2,023	3,031	1,732	3,246	2,458	2,673	2,721	2,721
8510-8370-71200 Vacation Holiday & Sick Leave	1,931	1,565	1,617	1,882	1,727	2,024	1,803	2,078	1,211	2,248	1,733	1,911	1,877
8510-8380-71200 Vacation Holiday & Sick Leave	6,132	6,132	7,132	7,132	9,130	10,175	10,175	10,636	6,848	11,637	8,929	9,947	9,947
8510-8420-71200 Vacation Holiday & Sick Leave	(996)	4,044	4,344	4,867	4,367	5,407	4,992	5,698	4,737	6,042	5,153	4,908	4,926
8510-8465-71200 Vacation Holiday & Sick Leave	0	0	0	0	0	0	0	201	(395)	1,166	1,408	1,502	
8510-8470-71200 Vacation Holiday & Sick Leave	2,793	2,651	2,818	3,506	3,131	3,759	3,029	3,307	2,388	4,183	3,215	3,510	3,112
8510-8510-71200 Vacation Holiday & Sick Leave	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458
8510-8530-71200 Vacation Holiday & Sick Leave	912	65	117	166	0	0	0	0	0	0	0	0	0
8510-8560-71200 Vacation Holiday & Sick Leave	9,407	10,132	10,811	12,403	11,429	13,829	13,422	15,185	9,840	15,359	12,173	13,172	13,156
8510-8570-71200 Vacation Holiday & Sick Leave	2,091	2,041	2,098	2,597	2,000	2,290	2,191	2,414	1,623	2,640	2,113	2,721	2,720
8510-8605-71200 Vacation Holiday & Sick Leave	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-8610-71200 Vacation Holiday & Sick Leave	3,289	2,156	2,676	2,683	1,686	9,783	7,812	6,043	65	1,710	3,479	4,252	2,976
8510-8614-71200 Vacation Holiday & Sick Leave	888	890	954	918	892	896	984	668	1,071	863	928	901	901
8510-8630-71200 Vacation Holiday & Sick Leave	2,041	1,996	5,028	3,961	3,522	3,863	3,578	809	(39)	2,393	1,210	1,379	1,379
8510-8635-71200 Vacation Holiday & Sick Leave	468	457	457	539	478	598	521	606	331	683	501	1,414	302
8510-8650-71200 Vacation Holiday & Sick Leave	5,885	4,460	4,460	4,460	4,460	4,460	4,460	4,460	4,460	4,460	4,460	4,460	4,460
8510-8660-71200 Vacation Holiday & Sick Leave	1,300	1,256	1,356	1,256	1,257	1,399	1,272	1,396	949	1,521	1,226	1,317	1,317
8510-8660-71200 Vacation Holiday & Sick Leave	0	33	58	34	0	0	0	0	0	0	0	0	0
8510-8710-71200 Vacation Holiday & Sick Leave	317	1,429	1,429	1,429	1,429	1,429	1,429	1,429	545	1,254	979	1,254	979
8510-8720-71200 Vacation Holiday & Sick Leave	9,774	10,303	10,213	11,513	9,907	9,795	8,768	12,542	5,949	14,429	10,756	11,270	10,921
8510-8751-71200 Vacation Holiday & Sick Leave	16,355	15,015	15,395	15,395	14,698	17,783	15,754	19,320	10,899	22,826	15,750	18,003	16,822
8510-8762-71200 Vacation Holiday & Sick Leave	6,966	5,287	5,911	5,909	7,064	8,019	7,099	6,349	5,928	6,991	5,476	5,926	5,926
8510-8753-71200 Vacation Holiday & Sick Leave	0	0	2,819	2,819	2,819	2,819	2,819	2,819	3,538	3,538	3,538	3,538	2,887
8510-8754-71200 Vacation Holiday & Sick Leave	0	0	627	1,384	1,384	1,384	1,384	1,384	(246)	3	6	72	72
8510-8880-71200 Vacation Holiday & Sick Leave	(252)	81	107	103	0	0	0	0	0	0	0	0	0
8510-9553-71200 Vacation Holiday & Sick Leave	713	698	745	720	697	770	770	769	522	837	674	725	705



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-8420-71260 SICK PAY	735	214	679	842	383	0	0	0	394	972	0	0	0
8510-8510-71260 SICK PAY	318	1,096	0	0	0	0	0	0	0	219	732	143	0
8510-8530-71260 SICK PAY	344	0	0	0	0	0	0	0	0	0	0	0	0
8510-8560-71260 SICK PAY	(148)	0	0	86	(15)	0	0	0	0	0	735	391	0
8510-8570-71260 SICK PAY	0	1,222	881	(306)	8	0	0	0	0	0	0	0	0
8510-8570-71260 SICK PAY	0	0	0	0	844	0	0	0	0	0	0	0	0
8510-8630-71260 SICK PAY	0	730	(286)	0	0	0	0	0	0	0	0	0	0
8510-8635-71260 SICK PAY	0	0	0	0	0	0	0	0	0	144	287	0	0
8510-8650-71260 SICK PAY	0	762	(185)	297	0	252	467	(4)	(73)	1,159	242	906	434
8510-8710-71260 SICK PAY	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-8720-71260 SICK PAY	0	481	635	1,211	95	141	(37)	2,704	2,922	1,353	834	735	1,455
8510-8751-71260 SICK PAY	0	7,582	6,773	1,360	1,006	1,221	540	2,009	692	1,766	212	0	0
8510-8752-71260 SICK PAY	(86)	1,909	(747)	1,221	0	0	1,268	(349)	1,068	(470)	1,880	(85)	0
8510-8753-71260 SICK PAY	0	0	0	170	0	1,221	(160)	304	(154)	0	1,073	393	573
Total: 71260 SICK PAY	62,510	62,834	61,052	49,780	30,078	41,872	60,436	52,294	87,781	82,770	42,142	63,952	97,569
71270 Other Paid Time Off:													
8510-6010-71270 OTHER PAID TIME OFF	(234)	0	1,354	347	0	0	0	0	0	0	0	0	3,616
8510-6151-71270 OTHER PAID TIME OFF	952	2,740	(4)	0	0	1,620	65	0	2,556	516	2,117	(219)	0
8510-6170-71270 OTHER PAID TIME OFF	2,857	(857)	0	1,143	652	667	0	0	2,207	1,389	(174)	4,685	0
8510-6171-71270 OTHER PAID TIME OFF	2,389	(1717)	0	0	0	0	0	1,031	0	773	(97)	0	0
8510-6173-71270 OTHER PAID TIME OFF	0	2,200	(900)	0	0	1,857	0	0	0	0	0	0	0
8510-6440-71270 OTHER PAID TIME OFF	535	1,914	(675)	0	0	0	0	0	0	0	0	0	0
8510-6580-71270 OTHER PAID TIME OFF	0	0	1,773	(455)	0	0	0	0	700	0	0	0	0
8510-7010-71270 OTHER PAID TIME OFF	388	0	0	0	0	0	2,251	(833)	224	0	2,397	(239)	0
8510-7071-71270 OTHER PAID TIME OFF	172	0	0	0	0	0	227	0	0	0	0	0	0
8510-7080-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	788	0	0	0	0	0	0
8510-7086-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	0	0	2,483	(204)	0
8510-7181-71270 OTHER PAID TIME OFF	0	0	1,502	0	0	0	0	0	0	0	0	0	0
8510-7220-71270 OTHER PAID TIME OFF	0	1,544	127	0	0	0	0	0	0	0	0	0	0
8510-7420-71270 OTHER PAID TIME OFF	(430)	1,673	(695)	0	0	1,089	0	1,252	1,411	(440)	0	1,216	1,092
8510-7421-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	1,952	0	0	0	1,413	0
8510-7427-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	676	0	0	0	0
8510-7550-71270 OTHER PAID TIME OFF	0	0	3,327	(1,626)	0	0	0	0	0	0	0	0	0
8510-7520-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	0	0	1,167	983	0
8510-7570-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	0	0	727	(191)	0
8510-7631-71270 OTHER PAID TIME OFF	0	0	825	(381)	929	0	0	0	0	0	0	0	0
8510-7650-71270 OTHER PAID TIME OFF	0	0	3,459	(1,556)	0	0	0	0	0	0	0	0	0
8510-7650-71270 OTHER PAID TIME OFF	0	0	0	0	0	1,738	0	0	0	0	0	0	0
8510-7670-71270 OTHER PAID TIME OFF	0	0	0	0	287	0	0	0	0	0	0	0	0
8510-7683-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	1,276	0	0	0	0
8510-7710-71270 OTHER PAID TIME OFF	821	(61)	0	0	0	0	968	(402)	0	1,216	0	(320)	0
8510-7710-71270 OTHER PAID TIME OFF	0	0	1,960	(904)	0	0	0	2,807	(892)	0	0	0	0
8510-7740-71270 OTHER PAID TIME OFF	0	0	2,989	(730)	0	0	0	0	0	0	0	0	0
8510-7862-71270 OTHER PAID TIME OFF	152	966	899	(419)	391	0	615	(224)	0	0	0	0	0
8510-8211-71270 OTHER PAID TIME OFF	0	966	0	0	0	0	0	0	0	0	0	0	0
8510-8420-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	281	(110)	0	0	0
8510-8380-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	1,267	0	0	0	0
8510-8420-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	0	0	145	0	0
8510-8470-71270 OTHER PAID TIME OFF	0	0	467	(216)	0	0	0	0	0	0	0	0	0
8510-8510-71270 OTHER PAID TIME OFF	172	0	0	0	0	0	0	0	0	0	0	0	0
8510-8560-71270 OTHER PAID TIME OFF	1,488	1,552	(686)	0	0	294	136	0	545	866	0	259	696
8510-8610-71270 OTHER PAID TIME OFF	0	0	0	0	0	545	(13)	0	0	0	0	0	0
8510-8710-71270 OTHER PAID TIME OFF	273	(82)	0	0	0	0	0	0	0	0	0	0	0
8510-8720-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	0	236	(104)	0	0	0
8510-8751-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	661	0	0	0	0	0
8510-8753-71270 OTHER PAID TIME OFF	0	0	0	0	0	0	0	1,224	0	0	0	0	0
8510-9553-71270 OTHER PAID TIME OFF	233	0	0	0	0	0	0	0	0	0	0	0	0
Total: 71270 Other Paid Time Off	9,595	12,360	14,058	(2,333)	2,280	8,468	3,320	6,158	6,304	6,627	5,074	9,329	13,143
71271 JURY DUTY:													
8510-6010-71271 JURY DUTY	905	(152)	0	1,011	531	0	0	1,367	(294)	(135)	878	684	(209)
8510-6151-71271 JURY DUTY	0	0	0	1,995	0	0	0	0	0	0	0	0	0
8510-6170-71271 JURY DUTY	0	0	0	491	0	0	491	0	0	0	700	0	0
8510-6171-71271 JURY DUTY	0	0	0	0	697	0	0	0	0	0	0	0	0
8510-6173-71271 JURY DUTY	(200)	0	0	0	0	0	0	0	700	1,400	0	555	0
8510-6440-71271 JURY DUTY	0	0	0	0	809	(145)	0	0	0	1,031	0	0	0
8510-6580-71271 JURY DUTY	0	0	0	0	0	0	0	0	995	676	0	144	0
8510-7010-71271 JURY DUTY	0	0	0	0	0	0	0	1,114	0	0	848	0	1,114
8510-7071-71271 JURY DUTY	0	0	0	0	0	0	0	0	314	0	0	0	0
8510-7220-71271 JURY DUTY	1,527	(686)	0	0	0	0	0	0	0	765	0	(174)	0
8510-7862-71271 JURY DUTY	0	0	0	0	162	0	0	0	0	0	657	(173)	0
8510-8380-71271 JURY DUTY	0	0	0	0	0	0	0	333	0	0	0	0	0
8510-8420-71271 JURY DUTY	0	0	0	145	0	0	0	0	0	0	0	0	0
8510-8460-71271 JURY DUTY	0	0	0	0	0	0	0	0	0	0	246	(84)	0
8510-8751-71271 JURY DUTY	0	0	0	0	0	0	0	0	661	0	2,157	(668)	0
Total: 71271 JURY DUTY	305	1,375	(998)	3,553	1,340	716	491	1,367	1,033	2,586	4,591	4,549	861
71272 Inservice Education:													
8510-6010-71272 INSERVICE EDUCATION EXP	19,205	14,500	15,067	41,700	27,393	15,208	46,318	14,441	30,547	33,923	48,013	79,091	51,358
8510-6011-71272 INSERVICE EDUCATION EXP	0	0	169	498	0	0	0	0	0	117	0	717	1,426
8510-6170-71272 INSERVICE EDUCATION EXP	22,943	69,636	44,367	39,412	20,116	32,458	72,531	47,829	10,587	27,575	16,576	4,998	3,893
8510-6170-71272 INSERVICE EDUCATION EXP	52,874	55,664	60,454	71,093	11,740	16,804	36,246	7,522	2,552	4,965	12,102	4,487	16,066
8510-6171-71272 INSERVICE EDUCATION EXP	39,504	44,825	44,522	8,846	22,217	6,109	27,193	7,391	13,024	22,827	20,321	8,800	20,074
8510-6172-71272 INSERVICE EDUCATION EXP	6,342	11,583	2,518	698	3,518	7,504	20,377	4,383	1,538	6,408	5,024	1,013	9,672
8510-6173-71272 INSERVICE EDUCATION EXP	(13,459)	38,395	28,107	5,512	5,494	6,926	21,554	8,686	6,401	20,321	13,751	8,822	3,286
8510-6440-71272 INSERVICE EDUCATION EXP	3,190	3,190	15,291	21,144	28,623	14,852	16,262	23,719	30,136	16,620	21,915	2,145	0
8510-6580-71272 INSERVICE EDUCATION EXP	(275)	12,120	1,502	5,414	967	3,725	4,497	1,758	22,502	2,951	609	32,810	0
8510-7010-71272 INSERVICE EDUCATION EXP	60,055	96,923	(11,389)	5,691	20,375	24,750	7,255	6,306	17,848	13,426	10,574	11,775	4,243
8510-7071-71272 INSERVICE EDUCATION EXP	0	0	277	(126)	0	0	0	132	(58)	84	187	(20)	0
8510-7220-71272 INSERVICE EDUCATION EXP	0	0	0	0	0	(16)	0	0	0	0	0	0	0
8510-7862-71272 INSERVICE EDUCATION EXP	0	0	0	307	0	0	0	70	(51)	0	0	0	0
8510-7864-71272 INSERVICE EDUCATION EXP	0	0	0	0	0	0	0	0	0	0	0	0	231
8510-7865-71272 INSERVICE EDUCATION EXP	0	0	0	562	0	0	3,600	(1,309)	0	0	0	0	0
8510-7865-71272 INSERVICE EDUCATION EXP	2,397	0	0	0	0	0	4,653	(2,085)	2,453	1,594	0	0	0
8510-7181-71272 INSERVICE EDUCATION EXP	0	0	0	0	0	0	0	0	1,878	0	0	0	0
8510-7230-71272 INSERVICE EDUCATION EXP	6,240	2,167	14,370	19,168	3,927	3,773	4,277	9,771	0	1,850	2,046	10,403	3,236
8510-7420-71272 INSERVICE EDUCATION EXP	21,983	8,114	12,442	3,047	12,152	22,195	23,107	(306)	941	5,649	3,169	(169)	4,116
8510-7421-71272 INSERVICE EDUCATION EXP	8,015	43,467	10,787	20,236	2,382	5,745	8,459	12,123	3,294	0	0	1,584	0
8510-7427-71272 INSERVICE EDUCATION EXP	(921)	232	3,301	6,136	8,663	2,250	6,416	4,866	180	1,110	0	0	1,397
8510-7520-71272 INSERVICE EDUCATION EXP	6,979	(668)	15,280	8,987	16,261	8,339	18,284	27,699	16,476	11,063	6,966	13,640	13,170
8510-7520-71272 INSERVICE EDUCATION EXP	0	0	0	0	0	0	0	0	342	(151)	0	0	0
8510-7570-71272 INSERVICE EDUCATION EXP	7,397	8,396	3,645	7,3									



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7420-71274 ON CALL STANDBY	14,043	17,728	11,995	18,056	11,568	11,768	10,851	17,570	12,369	13,524	12,745	13,778	13,789
8510-7421-71274 ON CALL STANDBY	3,177	3,368	2,177	7,798	2,127	11,839	8,285	5,861	5,399	6,383	6,219	6,836	16,133
8510-7427-71274 ON CALL STANDBY	3,111	3,369	2,512	3,300	2,561	2,301	2,835	3,948	3,286	3,908	3,869	3,326	3,423
8510-7570-71274 ON CALL STANDBY	29,782	28,714	27,288	38,718	35,482	41,086	44,023	35,240	42,054	38,620	38,687	38,705	38,705
8510-7580-71274 ON CALL STANDBY	7,723	8,336	8,193	7,857	7,825	8,402	8,686	8,408	7,195	8,251	7,335	8,385	7,679
8510-7630-71274 ON CALL STANDBY	890	486	0	486	0	0	1,475	0	0	0	0	92	119
8510-7631-71274 ON CALL STANDBY	21,016	20,656	21,242	19,458	20,332	21,210	22,369	25,512	20,055	24,363	22,202	28,356	30,132
8510-7650-71274 ON CALL STANDBY	10,132	10,902	10,614	10,213	11,493	10,783	11,313	12,443	9,507	15,020	10,668	11,361	10,975
8510-7680-71274 ON CALL STANDBY	8,589	8,532	8,894	8,477	8,789	9,655	7,810	10,000	8,725	9,453	8,587	9,427	9,429
8510-7680-71274 ON CALL STANDBY	1,503	2,001	749	2,396	1,221	1,596	1,407	1,500	544	1,810	1,810	1,242	853
8510-7710-71274 ON CALL STANDBY	3,000	3,100	3,100	3,200	3,100	3,000	(200)	0	0	0	0	0	0
8510-7740-71274 ON CALL STANDBY	2,028	2,372	2,121	2,052	1,843	2,318	2,070	2,112	1,422	2,049	1,879	2,049	1,802
8510-7760-71274 ON CALL STANDBY	8,141	7,865	7,195	7,575	7,830	7,413	6,829	7,584	6,724	7,179	6,769	6,943	7,532
8510-7862-71274 ON CALL STANDBY	19,894	18,891	16,221	15,623	17,701	21,166	17,049	18,290	19,291	18,833	17,341	22,138	18,531
8510-8380-71274 ON CALL STANDBY	371	571	500	343	221	79	387	421	457	364	100	371	409
8510-8465-71274 ON CALL STANDBY	0	0	0	0	0	0	0	3,824	2,868	3,284	2,748	3,221	2,870
8510-8560-71274 ON CALL STANDBY	(307)	0	936	0	0	0	0	0	0	0	0	0	0
Total 71274 ON CALL STANDBY	133,747	139,260	123,522	143,152	132,664	152,469	144,536	165,613	129,441	166,271	141,477	169,110	156,362
71275 BONUS:													
8510-6010-71275 BONUS	0	0	0	0	0	0	0	0	0	1,600	0	4,890	0
8510-6101-71275 BONUS	0	0	0	0	0	0	0	0	0	3,000	0	0	0
8510-6173-71275 BONUS	0	0	0	0	0	0	0	0	0	600	0	0	0
8510-7010-71275 BONUS	0	0	0	0	0	0	0	0	0	0	1,600	0	0
8510-7080-71275 BONUS	0	0	0	0	0	6,000	0	0	0	0	0	6,000	0
8510-7420-71275 BONUS	5,000	0	0	0	0	0	0	0	0	0	0	0	0
8510-8380-71275 BONUS	0	0	0	0	0	0	0	0	(4,481)	0	0	0	0
8510-8510-71275 BONUS	3,750	0	0	0	0	3,750	0	0	0	0	0	0	0
8510-8610-71275 BONUS	0	0	0	0	0	0	25,000	0	0	0	25,000	0	0
8510-8680-71275 BONUS	0	0	0	0	0	0	0	0	0	0	0	5,000	0
Total 71275 BONUS	8,750	0	0	0	0	9,750	25,000	0	(4,481)	5,200	25,000	12,490	5,000
71276 Missed Meals:													
8510-6010-71276 MISSED MEALS	(228)	346	1,210	333	431	89	2,201	8,665	1,512	6,096	2,624	1,425	(99)
8510-6011-71276 MISSED MEALS	0	0	0	60	0	0	0	0	0	312	0	0	0
8510-6101-71276 MISSED MEALS	19	0	633	(292)	0	0	2,473	17,764	(3,280)	51	413	5	0
8510-6173-71276 MISSED MEALS	355	42	372	(91)	455	1,710	2,057	31,677	(3,555)	2,620	1,069	389	650
8510-6174-71276 MISSED MEALS	0	76	(26)	0	0	35	0	153	216	0	51	(22)	0
8510-6172-71276 MISSED MEALS	0	0	0	0	0	0	96	0	0	65	(8)	0	0
8510-6173-71276 MISSED MEALS	0	0	0	0	0	0	0	257	0	0	0	0	0
8510-6440-71276 MISSED MEALS	556	1,119	202	261	187	691	3,508	1,541	1,141	374	1,062	972	236
8510-6960-71276 MISSED MEALS	0	0	0	0	0	0	678	14	(20)	56	0	0	0
8510-7010-71276 MISSED MEALS	441	792	1,520	(510)	819	353	1,036	906	332	131	0	178	1,362
8510-7071-71276 MISSED MEALS	82	9	59	(17)	0	21	0	0	0	0	0	0	0
8510-7080-71276 MISSED MEALS	0	77	220	0	0	97	(26)	0	0	143	0	0	0
8510-7170-71276 MISSED MEALS	0	0	0	0	0	0	0	0	139	0	0	0	0
8510-7230-71276 MISSED MEALS	243	(85)	237	69	0	0	104	0	0	0	0	0	0
8510-7420-71276 MISSED MEALS	62	656	(121)	155	122	134	224	222	(74)	267	196	171	239
8510-7421-71276 MISSED MEALS	84	148	133	40	168	108	325	162	8	137	(9)	129	0
8510-7420-71276 MISSED MEALS	0	282	(119)	119	0	0	135	42	0	0	0	77	0
8510-7500-71276 MISSED MEALS	224	59	21	51	0	59	1,133	897	198	691	324	601	465
8510-7520-71276 MISSED MEALS	0	0	0	0	0	0	54	0	25	25	0	38	0
8510-7580-71276 MISSED MEALS	0	0	37	83	22	0	0	0	0	27	(3)	0	0
8510-7670-71276 MISSED MEALS	25	265	226	226	75	75	726	(79)	424	121	0	0	0
8510-7631-71276 MISSED MEALS	(33)	250	119	123	371	130	120	389	301	374	46	507	28
8510-7650-71276 MISSED MEALS	0	76	249	17	50	153	41	71	112	(44)	0	84	0
8510-7670-71276 MISSED MEALS	175	70	22	(33)	132	95	90	51	99	147	156	70	99
8510-7680-71276 MISSED MEALS	31	70	67	196	162	125	82	42	81	0	0	0	0
8510-7681-71276 MISSED MEALS	0	0	0	0	0	0	69	(21)	0	43	(9)	0	0
8510-7710-71276 MISSED MEALS	0	0	0	30	0	80	85	0	0	0	0	0	0
8510-7740-71276 MISSED MEALS	58	0	0	0	0	0	0	0	0	0	0	481	0
8510-7760-71276 MISSED MEALS	125	36	777	(44)	322	559	142	227	207	1,572	628	876	1,054
8510-8170-71276 MISSED MEALS	0	0	34	0	0	0	0	38	0	0	0	0	0
8510-8370-71276 MISSED MEALS	0	0	0	0	0	25	(7)	0	0	30	0	0	0
8510-8380-71276 MISSED MEALS	0	0	0	0	0	0	0	0	0	0	0	17	0
8510-8470-71276 MISSED MEALS	1,866	1,676	1,481	2,411	2,064	1,738	2,122	1,882	1,801	2,241	2,387	2,599	1,587
8510-8610-71276 MISSED MEALS	0	0	0	0	20	0	0	242	57	91	0	0	0
8510-8630-71276 MISSED MEALS	0	0	17	0	0	0	0	0	0	0	0	0	0
8510-8650-71276 MISSED MEALS	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-8680-71276 MISSED MEALS	0	0	0	0	0	0	0	0	0	0	0	167	0
8510-8720-71276 MISSED MEALS	688	168	348	(9)	33	64	307	1,179	(206)	159	69	174	(46)
8510-8750-71276 MISSED MEALS	23	0	23	0	0	0	0	0	0	0	0	0	0
Total 71276 Missed Meals	4,888	6,125	7,603	3,387	5,497	6,464	16,633	72,052	(1,309)	16,249	9,817	8,752	6,094
71277 IT Application Training:													
8510-6010-71277 IT Application Training	0	0	0	0	0	0	0	0	0	0	0	961	(253)
8510-6011-71277 IT Application Training	0	0	0	0	0	0	0	0	0	0	0	730	0
8510-7390-71277 IT Application Training	0	0	104	0	0	0	0	0	0	0	0	0	0
8510-8720-71277 IT Application Training	0	0	0	0	0	243	0	0	0	0	0	0	0
8510-9605-71277 IT Application Training	0	0	0	0	0	0	0	1,762	(527)	242	1,218	1,252	0
Total 71277 IT Application Training	0	0	104	0	0	243	0	1,762	(527)	242	2,909	899	0
71950 Severance Pay:													
8510-6440-71950 Severance Pay	0	0	0	0	0	0	0	0	0	6,729	13,458	13,458	10,093
8510-7862-71950 Severance Pay	0	0	0	0	0	0	0	0	0	8,815	17,630	17,630	123,413
8510-8630-71950 Severance Pay	0	0	0	0	0	0	0	0	16,923	25,385	16,923	33,846	3,862
8510-8750-71950 Severance Pay	0	0	0	0	0	0	0	0	16,450	16,450	16,450	16,450	0
Total 71950 Severance Pay	0	0	0	0	0	0	0	0	16,923	56,378	63,461	63,461	171,215
Total Non- Productive Salaries	1,213,924	1,317,919	1,205,999	1,152,547	1,114,507	1,249,981	1,357,710	1,434,947	898,004	1,544,963	1,239,676	1,331,935	1,421,312
Total - Salaries & Wages	6,729,017	6,724,957	6,846,072	6,777,492	6,857,386	6,882,271	7,725,944	7,962,680	6,802,056	8,028,194	7,471,414	7,548,443	6,580,610
Registry:													
72500 Registry Nursing Personnel:													
8510-6010-72500 Registry Nursing Personnel	131,480	91,530	98,158	106,097	120,625	7,557	57,260	23,210	198,735	247,629	173,017	57,901	102,807
8510-6011-72500 Registry Nursing Personnel	0	1,266	0	387	355	123	0	2,975	0	0	0	0	0
8510-6101-72500 Registry Nursing Personnel	137,862	92,247	83,664	97,432	76,811	(8,927)	115,556	106,988	174,289	304,869	151,656	(18,556)	38,141
8510-6170-72500 Registry Nursing Personnel	1,165	160,500	120,976	141,461	18,004	(39,738)	65,738	45,209	54,979	137,873	96,673	51,283	98,957
8510-6171-72500 Registry Nursing Personnel	37,915	90,348	44,498	61,384	16,933	(5,373)	71,760	65,791	(104)	52,804	42,629	21,618	38,601
8510-6172-72500 Registry Nursing Personnel	1,952	0	348	(70)	(278)	8,212	10,053	8,094	9,958	23,911	9,770	(323)	(323)
8510-6173-72500 Registry Nursing Personnel	12,430	43,733	11,906	25,477	13,881	(4,585)	10,423	6,576	29,329	16,367	(3,330)	7,362	0
8510-6440-72500 Registry Nursing Personnel	17,119	13,014	25,406	17,618	27,281	6,872	7,540</						



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total 72519 Registry CNA-Orderlies	80,840	28,030	37,172	43,374	38,044	42,547	53,096	66,319	90,843	14,724	89,331	80,654	17,287
7210 Medical-Therapists & Other													
8510-7181-72100 Medical-Therapists & Other	0	0	3,000	3,036	7,858	4,607	675	(2,775)	0	7,225	(1,900)	0	0
8510-7190-72100 Medical-Therapists & Other	22,340	108,390	62,933	56,351	41,874	29,532	31,832	24,658	14,739	(8,358)	15,400	25,620	0
8510-7570-72100 Medical-Therapists & Other	616	1,848	1,232	876	4,310	1,206	0	674	616	1,232	0	0	3,812
8510-7590-72100 Medical-Therapists & Other	438	344	0	185	(37)	(148)	0	0	0	1,540	2,494	5,397	0
8510-7670-72100 Medical-Therapists & Other	0	5,574	7,380	3,069	(134)	12,326	4,260	(2,240)	5,520	3,585	7,615	0	0
8510-7720-72100 Medical-Therapists & Other	10,892	26,190	1	8,786	17,889	2,756	11,277	45,262	37,861	32,216	40,579	24,904	18,410
8510-7871-72100 Medical-Therapists & Other	5,040	2,880	960	2,104	538	2,157	2,400	960	480	0	(1,000)	0	0
8510-8360-72100 Medical-Therapists & Other	0	6,565	(19,336)	15,927	(333)	2,232	0	(5,942)	0	0	0	0	0
8510-8380-72100 Medical-Therapists & Other	0	19,602	5,478	4,462	18,454	(15,566)	0	(4,802)	0	0	0	0	8,046
Total 72100 Medical-Therapists & Other	38,135	172,603	42,373	97,443	90,321	77,949	49,168	69,784	99,362	38,469	62,681	31,124	61,204
Total Registry Labor	747,236	770,527	630,323	765,881	530,437	55,589	535,416	520,669	620,618	1,010,365	794,653	345,516	452,748
Contract Labor													
72622 Outr Critcl Serv-Temp Shiftm													
8510-6151-72622 Outr Critcl Serv-Temp Shiftm	92,547	9,200	0	0	0	0	0	0	0	0	0	0	0
8510-6170-72622 Outr Critcl Serv-Temp Shiftm	185,093	9,200	0	0	0	0	0	0	0	0	0	0	0
8510-7421-72622 Outr Critcl Serv-Temp Shiftm	7,265	2,564	7,237	(1,954)	4,182	8,831	4,369	7,604	5,000	6,365	5,769	5,600	5,600
8510-7427-72622 Outr Critcl Serv-Temp Shiftm	0	1,572	(1,572)	0	0	0	0	0	0	0	0	0	0
8510-7590-72622 Outr Critcl Serv-Temp Shiftm	(7,139)	22,114	(37,561)	0	0	0	0	0	0	0	0	0	0
8510-7570-72622 Outr Critcl Serv-Temp Shiftm	0	0	0	787	0	9,174	0	0	0	0	0	0	0
8510-7590-72622 Outr Critcl Serv-Temp Shiftm	344	(344)	0	0	0	0	0	0	0	0	0	0	0
8510-7862-72622 Outr Critcl Serv-Temp Shiftm	9,524	3,576	6,810	7,955	5,395	5,389	7,290	3,845	6,348	6,822	6,948	6,059	7,162
8510-8360-72622 Outr Critcl Serv-Temp Shiftm	33,295	21,861	7,422	(7,902)	2,445	2,529	(4,678)	896	1,392	0	0	0	9,745
8510-8380-72622 Outr Critcl Serv-Temp Shiftm	26,578	(26,300)	15,633	7,856	5,285	29,165	15,474	25,435	15,039	18,400	14,800	14,800	0
8510-8610-72622 Outr Critcl Serv-Temp Shiftm	0	10	3,399	0	5,325	41,990	(8,013)	0	0	0	0	0	0
8510-8660-72622 Outr Critcl Serv-Temp Shiftm	2,786	(2,575)	(2,000)	0	0	15,634	18,908	3,600	16,286	9,900	9,900	9,900	16,025
8510-8714-72622 Outr Critcl Serv-Temp Shiftm	(22,815)	0	0	0	43,605	0	0	0	35,335	4,400	4,400	4,400	12,118
8510-8750-72622 Outr Critcl Serv-Temp Shiftm	0	499	(499)	0	0	0	0	0	0	0	0	0	0
8510-8752-72622 Outr Critcl Serv-Temp Shiftm	(15,000)	0	0	0	0	0	0	0	0	0	0	0	0
8510-8753-72622 Outr Critcl Serv-Temp Shiftm	0	1,400	0	0	0	0	0	0	0	0	0	0	0
Total 72622 Outr Critcl Serv-Temp Shiftm	13,368	42,298	158	6,742	60,861	113,407	29,708	41,180	79,372	45,633	37,416	40,759	65,968
Total - Contract Labor	312,366	42,298	158	6,742	60,861	113,407	29,708	41,180	79,372	45,633	37,416	40,759	65,949
Benefits & Taxes:													
71000 FICA													
8510-6010-71000 FICA	39,967	39,666	39,336	39,374	37,694	36,806	39,170	50,996	43,736	49,419	49,399	48,394	41,861
8510-6011-71000 FICA	835	860	611	730	532	0	0	0	0	0	0	0	0
8510-6150-71000 FICA	51,406	62,933	54,351	53,240	45,340	47,677	53,654	64,331	58,031	58,320	58,320	58,710	0
8510-6170-71000 FICA	43,267	47,136	45,970	43,995	45,248	46,358	55,002	43,006	46,964	45,961	43,035	45,100	0
8510-6171-71000 FICA	25,563	28,151	28,633	23,931	24,522	22,744	21,963	21,575	26,529	29,394	28,125	27,558	27,420
8510-6172-71000 FICA	2,436	3,270	2,510	1,513	2,327	4,363	5,714	6,915	5,188	6,816	6,178	4,968	7,506
8510-6173-71000 FICA	10,275	12,270	11,417	10,259	9,249	8,274	11,249	15,242	13,738	14,366	13,570	13,570	0
8510-6440-71000 FICA	14,802	17,798	16,863	15,543	15,637	14,600	14,032	20,368	16,636	17,404	16,041	16,919	16,503
8510-6560-71000 FICA	16,574	15,441	13,816	14,310	12,573	14,034	12,541	12,896	16,033	14,206	14,478	8,622	0
8510-7010-71000 FICA	23,329	25,280	24,365	23,566	23,172	21,895	23,163	28,006	25,315	24,977	24,411	24,718	25,611
8510-7071-71000 FICA	6,121	6,042	6,033	5,261	5,285	5,165	5,474	5,775	6,221	6,422	6,440	6,449	0
8510-7079-71000 FICA	1,605	1,475	968	1,112	1,126	1,144	1,168	1,089	1,151	1,124	1,188	1,215	1,026
8510-7082-71000 FICA	1,659	1,746	1,859	2,317	2,184	2,173	2,231	1,918	1,908	2,103	2,062	2,129	2,016
8510-7084-71000 FICA	0	0	0	0	0	0	0	0	0	0	0	0	128
8510-7095-71000 FICA	1,403	1,439	1,584	1,798	1,758	1,880	1,887	1,880	1,540	1,385	1,588	1,626	0
8510-7096-71000 FICA	7,794	6,186	5,391	3,104	2,927	2,986	1,909	7,322	8,892	6,379	6,059	6,253	5,695
8510-7087-71000 FICA	621	630	663	637	648	630	650	622	677	676	666	675	661
8510-7181-71000 FICA	5,263	5,934	4,123	4,252	4,375	4,754	2,883	6,548	5,276	5,938	5,610	5,768	5,582
8510-7183-71000 FICA	354	0	0	0	0	0	0	0	0	0	0	0	0
8510-7220-71000 FICA	10,232	11,320	11,320	12,441	12,276	10,550	12,214	12,668	11,236	12,064	12,064	12,069	12,899
8510-7420-71000 FICA	26,023	24,767	22,714	23,290	23,078	26,633	24,198	31,725	24,682	29,757	27,055	30,762	27,561
8510-7421-71000 FICA	5,355	5,596	5,676	6,104	6,000	5,797	6,594	6,728	5,410	6,916	5,922	6,234	6,611
8510-7427-71000 FICA	4,075	4,629	4,496	4,921	3,839	3,013	2,477	7,029	5,495	6,188	4,797	5,656	5,228
8510-7520-71000 FICA	19,722	19,499	21,679	19,204	20,032	19,393	17,150	25,172	20,652	23,356	22,650	22,944	21,536
8510-7520-71000 FICA	1,298	1,921	1,457	1,425	1,800	1,800	1,491	1,297	1,407	1,407	1,410	1,378	0
8510-7570-71000 FICA	12,586	12,238	9,817	9,613	10,688	9,689	18,402	14,630	17,951	16,289	16,066	14,617	0
8510-7590-71000 FICA	3,546	3,869	3,752	3,699	3,630	3,923	4,012	3,884	4,167	3,853	4,102	3,909	3,909
8510-7670-71000 FICA	8,745	8,165	8,036	8,376	8,478	8,445	8,413	10,941	9,343	9,404	8,876	8,846	8,846
8510-7631-71000 FICA	7,505	7,846	7,150	6,938	5,190	2,832	2,243	9,002	6,376	7,390	7,026	8,296	7,139
8510-7650-71000 FICA	2,222	2,843	1,746	633	493	620	565	3,400	2,937	2,825	2,596	2,693	0
8510-7860-71000 FICA	1,912	1,788	2,062	1,934	1,088	1,279	430	2,941	1,713	2,194	2,078	1,772	2,001
8510-7861-71000 FICA	1,800	1,740	1,712	1,800	1,758	1,360	2,360	1,690	2,354	1,940	2,754	2,416	0
8510-7862-71000 FICA	3,777	3,185	3,715	3,335	3,361	3,719	4,230	2,986	3,163	3,472	3,694	3,441	0
8510-7861-71000 FICA	1,241	1,321	1,268	1,192	1,276	1,296	1,362	1,183	1,264	1,291	1,348	1,244	0
8510-7863-71000 FICA	900	978	1,001	895	989	999	1,060	1,164	983	1,099	1,080	1,114	1,093
8510-7870-71000 FICA	16,233	17,066	16,660	15,617	15,022	15,022	15,022	16,271	16,271	16,260	16,005	16,016	0
8510-7720-71000 FICA	12,834	11,842	12,550	13,741	12,519	14,865	14,024	18,226	15,020	16,729	14,327	13,284	16,532
8510-7740-71000 FICA	11,605	10,875	12,388	8,856	7,895	7,329	15,718	11,912	17,490	11,566	11,566	10,488	0
8510-7760-71000 FICA	4,246	3,840	5,192	4,030	3,317	1,110	1,561	5,541	4,895	6,521	4,556	5,091	5,211
8510-7860-71000 FICA	13,774	13,917	13,030	10,838	10,833	11,999	18,579	14,859	17,874	14,680	14,526	14,267	0
8510-7865-71000 FICA	4,975	5,167	5,009	4,671	4,532	4,626	4,151	4,148	4,268	4,516	5,721	6,099	5,866
8510-7871-71000 FICA	434	464	400	426	362	488	452	566	453	520	525	553	529
8510-8215-71000 FICA	3,818	3,367	3,519	3,323	3,085	2,741	1,787	3,119	2,618	2,556	2,608	2,323	0
8510-8360-71000 FICA	670	2,249	2,090	1,899	1,887	1,896	1,987	1,770	2,017	1,948	1,883	1,572	0
8510-8370-71000 FICA	1,124	1,356	1,139	1,136	1,049	1,203	1,594	1,377	1,617	1,404	1,727	1,571	0
8510-8380-71000 FICA	5,588	5,280	5,936	5,290	5,361	7,104	6,546	7,267	5,877	6,913	6,946	6,875	0
8510-8420-71000 FICA	3,295	3,353	3,277	3,426	3,540	3,561	3,517	3,522	3,415	3,698	4,059	3,890	0
8510-8465-71000 FICA	0	0	0	0	0	0	0	1,491	1,408	1,438	1,478	1,812	1,493
8510-8470-71000 FICA	2,345	2,300	2,475	2,300	2,300	2,296	2,305	2,435	2,300	2,374			



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-8881-71320 Group Health Vision	23,923	11,995	9,677	9,591	13,147	10,265	13,982	11,911	10,866	7,230	19,419	10,847	(480)
Total: 71320 Group Health Vision	23,923	11,995	9,677	9,591	13,147	10,265	13,982	11,911	10,866	7,230	19,419	10,847	(480)
71300 Dental Insured:													
8510-8881-71350 Dental Insured	51,299	54,431	71,577	(25,389)	(15,498)	(16,677)	(15,308)	(17,602)	(17,430)	(28,061)	(11,207)	(20,667)	(20,879)
Total: 71350 Dental Insured	51,299	54,431	71,577	(25,389)	(15,498)	(16,677)	(15,308)	(17,602)	(17,430)	(28,061)	(11,207)	(20,667)	(20,879)
71351 Dental Insured IBNR:													
8510-8881-71351 IBNR - Dental	(49,581)	(62,962)	432	62,960	62,402	61,773	63,089	63,980	63,927	63,357	63,484	88,948	72,375
Total: 71351 Dental Insured IBNR	(49,581)	(62,962)	432	62,960	62,402	61,773	63,089	63,980	63,927	63,357	63,484	88,948	72,375
71360 Medical Brf-Contract:													
8510-8881-71360 Medical Brf-Contract	(5,996)	(5,988)	(5,932)	(8,895)	(5,937)	(5,928)	(6,023)	(4,379)	(4,312)	(5,940)	(3,919)	(3,825)	(3,865)
Total: 71360 Medical Brf-Contract	(5,996)	(5,988)	(5,932)	(8,895)	(5,937)	(5,928)	(6,023)	(4,379)	(4,312)	(5,940)	(3,919)	(3,825)	(3,865)
71375 Life AD&D Brf-Contract:													
8510-8881-71375 Life AD&D Brf-Contract	11,992	11,947	2,746	2,754	1,113	1,071	1,089	1,169	1,163	208	1,137	1,087	1,139
Total: 71375 Life AD&D Brf-Contract	11,992	11,947	2,746	2,754	1,113	1,071	1,089	1,169	1,163	208	1,137	1,087	1,139
71400 Group Life Insurance:													
8510-8881-71400 Group Life Insurance	988	1,752	10,509	1,379	10,793	10,845	10,822	11,989	12,182	2,941	11,380	9,206	11,273
Total: 71400 Group Life Insurance	988	1,752	10,509	1,379	10,793	10,845	10,822	11,989	12,182	2,941	11,380	9,206	11,273
71505 Retirement:													
8510-8881-71505 Retirement	321,500	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417
Total: 71505 Retirement	321,500	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417	143,417
71515 4038 - Employer Match:													
8510-8881-71515 4038 - Employer Match	41,473	44,036	41,916	40,226	37,503	49,850	44,727	44,385	42,890	47,579	45,023	46,318	66,279
Total: 71515 4038 - Employer Match	41,473	44,036	41,916	40,226	37,503	49,850	44,727	44,385	42,890	47,579	45,023	46,318	66,279
71516 Retirement Plan - 401 A:													
8510-8881-71516 Verity Retirement Plan - 401 A	3,786	69,691	62,961	66,939	63,668	72,481	99,903	81,580	67,594	78,731	74,560	76,630	100,025
Total: 71516 Retirement Plan - 401 A	3,786	69,691	62,961	66,939	63,668	72,481	99,903	81,580	67,594	78,731	74,560	76,630	100,025
71720 Fringe Benefits:													
8510-8881-71720 Fringe Benefits	0	0	0	0	0	0	2,500	0	2,035	330	287	286	257
Total: 71720 Fringe Benefits	0	0	0	0	0	0	2,500	0	2,035	330	287	286	257
71600 Workers Compensation Insurance:													
8510-8881-71600 Workers Compensation Insuranc	63,348	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666
Total: 71600 Workers Compensation Insurance	63,348	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666	44,666
71601 WC - TPA & Other:													
8510-8881-71601 WC - TPA & Other	0	19,691	19,691	19,691	19,691	19,691	19,691	19,338	19,338	19,283	19,743	19,319	19,319
Total: 71601 WC - TPA & Other	0	19,691	19,691	19,691	19,691	19,691	19,691	19,338	19,338	19,283	19,743	19,319	19,319
71810 LTD:													
8510-8881-71810 LTD	9,060	11,878	9,970	6,981	10,211	12,497	10,456	8,766	14,363	9,333	11,095	11,785	11,832
Total: 71810 LTD	9,060	11,878	9,970	6,981	10,211	12,497	10,456	8,766	14,363	9,333	11,095	11,785	11,832
71900 Other Employee Benefits (Non-Payrol):													
8510-8881-71900 Other Employee Benefits (Non-P	50,389	(82,479)	0	16,544	0	0	0	0	(66)	(7,500)	4,793	(5,174)	(175,378)
Total: 71900 Other Employee Benefits (Non-Payrol)	50,389	(82,479)	0	16,544	0	0	0	0	(66)	(7,500)	4,793	(5,174)	(175,378)
71910 EAP:													
8510-8550-71910 EAP	0	4,007	2,029	2,032	2,043	2,058	2,065	2,100	2,202	2,130	2,130	2,143	2,130
Total: 71910 EAP	0	4,007	2,029	2,032	2,043	2,058	2,065	2,100	2,202	2,130	2,130	2,143	2,130
71930 Ed & Reimburse:													
8510-8880-71930 Ed & Reimburse	(11,824)	3,207	(1,255)	0	1,457	(287)	0	0	1,200	1,543	1,371	(171)	0
8510-8881-71930 Ed & Reimburse	16,940	2,816	2,816	2,816	0	5,631	2,816	7,194	3,577	3,877	19,239	3,577	3,577
Total: 71930 Ed & Reimburse	4,816	6,022	1,561	2,816	1,457	5,344	2,816	0	8,354	5,120	4,948	3,406	3,577
71970 AQMD Incentive Transit Subsidy:													
8510-8880-71970 AQMD INCENTIVETRANISIT SUBSIDY	(51,508)	8,365	5,786	498	4,485	3,942	3,282	11,029	2,364	532	4,013	2,586	3,372
8510-8881-71970 AQMD INCENTIVETRANISIT SUBSIDY	56,059	0	0	0	0	0	0	0	0	0	0	0	0
Total: 71970 AQMD Incentive Transit Subsidy	4,251	8,365	5,786	498	4,485	3,942	3,282	11,029	2,364	532	4,013	2,586	3,372
<b>Total - Taxes &amp; Benefits</b>	<b>1,703,111</b>	<b>1,389,226</b>	<b>1,005,805</b>	<b>1,525,649</b>	<b>1,589,015</b>	<b>1,689,559</b>	<b>1,815,622</b>	<b>1,936,932</b>	<b>1,909,337</b>	<b>1,636,001</b>	<b>1,947,666</b>	<b>1,651,340</b>	<b>1,923,426</b>
<b>Total - Labor Costs</b>	<b>9,491,731</b>	<b>8,927,009</b>	<b>9,082,358</b>	<b>9,075,764</b>	<b>9,037,798</b>	<b>8,740,625</b>	<b>10,106,591</b>	<b>10,461,462</b>	<b>9,420,383</b>	<b>10,720,193</b>	<b>10,251,148</b>	<b>9,586,058</b>	<b>9,022,733</b>
<b>Medical Fees:</b>													
72011 Medical-Physicians Administrat:													
8510-6010-72011 Medical-Physicians Administrat	5,833	5,833	5,833	5,866	3,791	5,300	5,833	5,833	5,833	5,833	0	(5,300)	0
8510-6580-72011 Medical-Physicians Administrat	(300)	500	925	1,088	525	675	575	788	1,200	675	3,600	1,100	1,800
8510-7010-72011 Medical-Physicians Administrat	(8,750)	0	0	2,000	0	0	8,000	2,000	2,000	2,000	2,000	2,000	2,000
8510-7017-72011 Medical-Physicians Administrat	48,280	48,280	36,790	36,799	34,910	19,554	25,917	25,900	25,900	25,900	25,900	25,900	25,900
8510-7079-72011 Medical-Physicians Administrat	0	0	0	0	0	0	45,000	(45,000)	0	0	0	0	16,071
8510-7082-72011 Medical-Physicians Administrat	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7095-72011 Medical-Physicians Administrat	6,667	6,733	6,633	6,667	6,667	6,667	6,667	6,667	6,667	6,667	7,667	6,667	6,667
8510-7191-72011 Medical-Physicians Administrat	(2,999)	4,701	2,701	2,701	2,701	16,419	2,344	1,701	7,550	7,702	12,254	1,701	18,738
8510-7420-72011 Medical-Physicians Administrat	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
8510-7520-72011 Medical-Physicians Administrat	3,066	3,066	3,066	3,066	3,066	3,066	3,066	3,132	3,000	3,066	3,066	3,132	3,132
8510-7570-72011 Medical-Physicians Administrat	7,500	7,500	11,500	3,500	15,000	15,000	(7,500)	60,000	15,000	15,000	15,000	15,000	15,000
8510-7630-72011 Medical-Physicians Administrat	8,625	8,600	8,600	8,600	8,600	8,675	8,600	8,600	8,600	8,600	8,600	8,600	8,700
8510-7650-72011 Medical-Physicians Administrat	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	0
8510-7720-72011 Medical-Physicians Administrat	0	1,500	300	300	300	0	(2,400)	0	0	0	0	0	0
8510-7862-72011 Medical-Physicians Administrat	33,333	33,300	33,333	35,333	33,333	33,333	33,333	33,333	33,967	33,969	33,333	33,333	33,333
8510-8791-72011 Medical-Physicians Administrat	(8,867)	7,000	10,500	10,500	10,500	10,500	(7,000)	4,288	(17,500)	0	0	0	0
8510-8786-72011 Medical-Physicians Administrat	1,815	1,800	1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815
Total: 72011 Medical-Physicians Administrat	106,354	140,997	124,237	130,485	139,151	133,354	156,450	108,802	128,194	105,936	126,485	89,430	144,166
72031 Medical-Phys Call Pri Cov:													
8510-7010-72031 Medical-Phys Call Pri Cov	153,009	217,819	206,000	208,500	212,100	193,900	195,700	301,265	197,700	225,000	220,350	233,866	221,765
8510-7420-72031 Medical-Phys Call Pri Cov	107,166	106,669	107,167	107,167	106,667	107,167	106,667	15,167	107,167	91,667	92,117	91,667	91,667
8510-7630-72031 Medical-Phys Call Pri Cov	6,000	6,000	6,000	6,000	6,000	5,700	6,000	6,400	6,000	6,000	6,000	6,000	5,100
8510-7862-72031 Medical-Phys Call Pri Cov	(957)	9,020	17,390	16,660	17,060	20,000	17,060	17,060	36,400	12,060	16,500	17,060	16,500
Total: 72031 Medical-Phys Call Pri Cov	265,818	339,513	336,517	332,317	341,817	326,767	326,417	319,882	337,267	334,717	334,967	349,583	335,032
<b>Total - Medical Fees</b>	<b>372,272</b>	<b>480,510</b>	<b>470,754</b>	<b>468,801</b>	<b>480,968</b>	<b>460,121</b>	<b>481,866</b>	<b>448,684</b>	<b>465,421</b>	<b>440,653</b>	<b>461,452</b>	<b>447,015</b>	<b>479,188</b>
<b>Supplies:</b>													
73100 Prosthes:													
8510-6161-73100 Prosthes	0	0	0	0	0	65	0	0	0	0	0	0	0
8510-7105-73100 Prosthes	(2,812)	0	0	0	0	0	0	0	0	0	0	0	0
8510-7420-73100 Prosthes	219,389	268,717	363,251	280,180	302,486	358,679	381,500	256,584	253,215	233,234	158,115	301,768	205,962
8510-7614-73100 Prosthes	97,448	38,559	37,943	61,464	25,081	56,084	56,084	59,125	35,908	63,388	34,141	(50,762)	17,777
8510-7620-73100 Prosthes	0	0											



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7070-73101 Pacemakers	0	0	0	0	0	20,260	49	0	0	0	0	0	0
Total: 73101 Pacemakers	118,142	140,597	90,860	125,589	141,820	130,961	19,017	161,967	83,598	163,714	90,315	83,272	3,983
73102 IOL [Lens]													
8510-7420-73102 IOL [Lens]	0	598	1,657	1,041	1,721	469	575	278	0	1,190	0	955	0
Total: 73102 IOL [Lens]	0	598	1,657	1,041	1,721	469	575	278	0	1,190	0	955	0
73103 Spinecare Hardware:													
8510-7420-73103 Spinecare Hardware	31,800	45,347	90,549	30,500	78,738	60,385	60,811	15,850	30,800	54,515	17,275	67,023	(16,475)
8510-7421-73103 Spinecare Hardware	2,668	0	13,868	(60)	30,537	23,385	6,285	25,955	11,270	0	0	0	(24,807)
8510-7370-73103 Spinecare Hardware	11	0	1,200	1,205	4	0	0	0	0	0	0	1,204	2,413
8510-7630-73103 Spinecare Hardware	0	0	0	0	0	0	1,519	0	0	0	0	0	0
Total: 73103 Spinecare Hardware	34,479	45,347	105,617	31,136	109,279	83,770	68,615	43,905	42,070	54,515	17,275	69,227	(48,889)
73104 Knees Total													
8510-7385-73104 Knees Total	0	0	0	0	0	0	0	0	0	0	0	0	5,042
8510-7420-73104 Knees Total	500,500	350,750	313,391	468,423	338,682	282,270	344,295	331,181	388,763	297,650	226,262	355,290	423,573
8510-7300-73104 Knees Total	4,000	0	0	0	0	0	0	0	0	0	0	0	0
Total: 73104 Knees Total	504,500	350,750	313,391	468,423	338,682	282,270	344,295	331,181	388,763	297,650	226,262	355,290	428,615
73105 Hips-Total:													
8510-7082-73105 Hips Total	0	0	0	0	0	0	0	0	71	69	67	6	67
8510-7420-73105 Hips Total	304,370	235,844	110,721	326,207	248,937	133,880	182,745	302,623	150,674	260,545	188,454	203,246	106,119
8510-7421-73105 Hips Total	0	0	0	0	0	0	1,158	0	0	0	0	0	(1,158)
8510-7300-73105 Hips Total	845	0	0	0	0	0	0	0	0	0	0	0	0
8510-7370-73105 Hips Total	0	0	0	0	0	0	0	0	0	0	0	22,024	8,272
Total: 73105 Hips Total	305,215	235,844	110,721	326,207	248,937	133,880	183,902	302,623	150,741	260,617	188,471	225,276	115,300
73106 Hips-Partial:													
8510-7420-73106 Hips-Partial	0	7,561	0	1,500	17,276	2,697	10,343	0	8,138	2,458	4,000	5,501	4,793
Total: 73106 Hips-Partial	0	7,561	0	1,500	17,276	2,697	10,343	0	8,138	2,458	4,000	5,501	4,793
73107 Hips-Compression:													
8510-7420-73107 Hips-Compression	3,507	3,507	3,507	0	3,507	0	0	0	0	0	0	6,574	0
Total: 73107 Hips-Compression	3,507	3,507	3,507	0	3,507	0	0	0	0	0	0	6,574	0
73108 Valves -Heart:													
8510-7420-73108 Valves -Heart	8,300	0	23,160	15,440	0	7,500	4,700	7,720	12,420	27,740	0	15,440	7,500
Total: 73108 Valves -Heart	8,300	0	23,160	15,440	0	7,500	4,700	7,720	12,420	27,740	0	15,440	7,500
73109 Bone:													
8510-7420-73109 Bone	8,008	3,943	14,859	7,441	20,178	14,822	8,201	8,709	11,603	17,326	1,841	18,027	14,288
8510-7421-73109 Bone	1,150	0	0	0	0	2,300	1,255	0	0	0	0	0	(3,565)
Total: 73109 Bone	9,158	3,943	14,859	7,441	20,178	17,122	9,456	8,709	11,603	17,326	1,841	18,027	10,723
73110 AICD & Leads:													
8510-6161-73110 AICD & Leads	152	0	0	1,590	156	0	(648)	1,728	0	135	0	(324)	0
8510-7420-73110 AICD & Leads	1,650	1,955	7,491	25,567	5,738	17,498	3,800	0	0	0	121	12	(121)
8510-7370-73110 AICD & Leads	117,134	152,637	152,638	140,803	(83,644)	58,642	37,990	61,755	40,056	68,336	125,677	65,981	16,480
Total: 73110 AICD & Leads	118,937	154,593	160,129	167,960	(57,749)	76,140	41,142	63,483	40,056	68,471	125,798	65,669	16,359
73111 Tissue:													
8510-7420-73111 Tissue	20,809	8,498	23,852	19,491	8,902	1,219	29,954	18,616	933	30,021	2,327	5,565	19,391
8510-7421-73111 Tissue	0	357	675	900	10,330	675	225	0	532	0	230	0	0
Total: 73111 Tissue	20,809	8,855	24,527	20,391	19,232	1,894	30,179	18,616	1,465	30,021	2,557	5,795	19,391
73112 Rings-Angioplasty:													
8510-7420-73112 Rings-Angioplasty	0	0	0	0	0	0	0	0	0	3,100	0	0	0
8510-7630-73112 Rings-Angioplasty	868	0	0	1,517	0	0	0	2,250	2,250	0	0	0	0
Total: 73112 Rings-Angioplasty	868	0	0	1,517	0	0	0	2,250	2,250	3,100	0	0	0
73113 Pumps-Implantable:													
8510-7420-73113 Pumps-Implantable	0	9,080	9,080	9,080	9,080	9,080	9,080	9,080	9,080	9,080	18,002	19,580	19,870
Total: 73113 Pumps-Implantable	0	9,080	9,080	9,080	9,080	9,080	9,080	9,080	9,080	9,080	18,002	19,580	19,870
73114 Neuro Stimulators/ Leads:													
8510-7370-73114 Neuro Stimulators/ Leads	0	0	0	1,660	0	0	0	0	0	2,200	2,222	4,410	0
Total: 73114 Neuro Stimulators/ Leads	0	0	0	1,660	0	0	0	0	0	2,200	2,222	4,410	0
73115 Vascular Grafts:													
8510-7420-73115 Vascular Grafts	2,979	5,124	4,028	11,195	2,129	6,504	22,154	1,100	10,618	2,688	5,123	8,290	3,328
8510-7370-73115 Vascular Grafts	0	0	4,418	0	4,418	22	0	27,154	0	0	0	0	(4,418)
8510-7630-73115 Vascular Grafts	0	0	2,389	3,187	0	0	6,674	0	6,974	3,187	3,392	8,873	3,392
Total: 73115 Vascular Grafts	2,979	5,124	10,833	14,382	6,647	6,576	28,828	28,314	17,692	5,875	8,515	17,163	2,302
73116 Stents:													
8510-7420-73116 Stents	31,750	39,760	24,849	23,551	16,318	2,953	162,602	33,962	13,420	11,298	49,086	72,205	5,047
8510-7370-73116 Stents	2,079	(3,245)	21,431	4,770	11,380	7,307	4,197	25,458	1,825	1,840	650	13,624	(10,227)
8510-7421-73116 Stents	4,423	12,446	25,635	11,505	31,759	13,850	43,644	19,893	35,028	(2,124)	23,221	15,588	22,119
8510-7631-73116 Stents	355	6,510	0	13,329	0	1,975	7,165	17,815	198	5,256	0	0	1,561
8510-7860-73116 Stents	0	0	1,177	2,735	1,875	248	543	4,453	2,385	2,897	3,727	12,719	2,882
Total: 73116 Stents	38,607	55,326	72,293	55,410	61,363	26,697	214,342	700,700	52,652	18,576	76,663	114,236	21,399
73117 Stent DES:													
8510-7370-73117 Stent DES	33,728	19,365	32,532	72,485	43,542	32,617	36,088	26,475	65,075	59,241	104,207	79,803	54,671
8510-7420-73117 Stent DES	0	0	0	2,025	1,456	0	2,015	2,970	0	2,185	0	0	0
8510-7631-73117 Stent DES	0	0	0	1,795	0	0	0	0	0	0	0	0	0
Total: 73117 Stent DES	33,728	19,365	32,532	76,306	45,037	32,617	38,083	29,445	65,075	61,426	104,207	79,803	54,671
73180 Cochlear Implants:													
8510-7420-73180 COCHLEAR IMPLANTS	0	0	136	0	0	0	0	0	0	0	0	0	0
8510-7421-73180 COCHLEAR IMPLANTS	397,650	248,154	482,172	289,280	224,099	337,560	251,482	520,176	401,686	401,772	541,408	369,000	120,128
Total: 73180 Cochlear Implants	397,650	248,154	482,309	289,280	224,099	337,560	251,482	520,176	401,686	401,772	541,408	369,000	120,128
73200 Sutures & Surgical Needles:													
8510-6010-73200 Sutures & Surgical Needles	106	4	0	0	0	0	4	55	0	118	0	0	36
8510-6101-73200 Sutures & Surgical Needles	0	0	0	0	0	0	0	0	0	0	0	0	49
8510-6170-73200 Sutures & Surgical Needles	0	0	6	0	0	0	0	0	0	0	0	0	0
8510-6440-73200 Sutures & Surgical Needles	0	0	6	0	0	0	0	0	0	0	0	0	0
8510-6580-73200 Sutures & Surgical Needles	0	0	0	0	0	0	0	0	0	0	0	0	33
8510-7010-73200 Sutures & Surgical Needles	183	403	755	960	0	0	1,295	960	0	0	0	0	66
8510-7071-73200 Sutures & Surgical Needles	0	0	0	0	102	0	0	0	0	0	0	0	0
8510-7082-73200 Sutures & Surgical Needles	0	0	211	0	0	155	0	55	0	55	0	0	0
8510-7420-73200 Sutures & Surgical Needles	20,573	28,434	11,916	16,179	20,174	15,820	19,844	29,481	26,236	19,731	18,234	30,860	19,019
8510-7421-73200 Sutures & Surgical Needles	9,144	7,105	9,977	7,843	3,056	108	9,292	20,397	9,135	951	1,047	8,450	995
8510-7422-73200 Sutures & Surgical Needles	0	0	0	0	0	0	0	3	0	0	0	(3)	0
8510-7370-73200 Sutures & Surgical Needles	42	155	296	337	172	0	55	49	0	256	425	119	99
8510-7630-73200 Sutures & Surgical Needles	739	1,014	180	0	530	637	475	359	109	304	103	304	1,832
8510-7660-73200 Sutures & Surgical Needles	87	0	45	0	137	4	69	84	151	0	138	0	115
8510-7780-73200 Sutures & Surgical Needles	404	404	224	0	604	375	1,394	203	30	0	0	203	30
8510-8380-73200 Sutures & Surgical Needles	402	0	0	0	0	0	0	0	0	212	0	0	0
Total: 73200 Sutures & Surgical Needles	31,276	37,179	23,612	25,118	24,795	17,089	30,133	51,890	36,695	21,672	19,946	39,930	22,205
73201 Endomechanicals:													
8510-7010-73201 Endomechanicals	0	0	0	0	0	42	42	85	28	35	71	57	289
8510-7420-73201 Endomechanicals	67,382	73,445	42,554	51,216	54,553	46,441							



**Verity Health Systems**  
**St Vincent Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7422-73300 Surgical Packs & Sets	0	0	0	0	0	0	0	0	1,015	0	0	0	0
8510-7630-73300 Surgical Packs & Sets	2,884	2,884	5,116	3,434	4,384	2,195	2,885	4,131	5,073	4,052	5,178	6,191	3,793
8510-7630-73300 Surgical Packs & Sets	2,624	3,114	2,895	2,624	3,188	2,855	2,336	2,855	3,143	2,624	3,114	3,374	2,336
8510-7862-73300 Surgical Packs & Sets	0	29	29	0	0	29	0	29	0	0	29	0	0
8510-8380-73300 Surgical Packs & Sets	0	0	0	0	0	130	1,043	0	0	0	0	519	92
Total: 73300 Surgical Packs & Sets	28,686	27,689	30,955	23,568	30,610	31,161	27,035	30,355	27,897	30,483	30,230	35,182	26,352
73400 Surgical Supplies-General:													
8510-6010-73400 Surgical Supplies-General	2,060	1,709	1,800	2,106	1,381	2,084	1,904	2,296	2,312	3,722	3,910	1,884	3,184
8510-6011-73400 Surgical Supplies-General	74	70	169	132	77	84	42	102	88	102	83	34	59
8510-6151-73400 Surgical Supplies-General	1,477	1,255	693	627	742	978	1,128	869	1,461	1,283	1,306	593	246
8510-6170-73400 Surgical Supplies-General	2,139	1,127	1,833	1,757	3,952	4,380	3,165	3,401	3,192	2,815	4,668	4,595	4,779
8510-6171-73400 Surgical Supplies-General	348	369	214	317	205	609	258	331	542	284	919	832	479
8510-6173-73400 Surgical Supplies-General	303	147	99	142	102	331	188	325	896	175	325	238	718
8510-6440-73400 Surgical Supplies-General	(612)	52	356	317	333	516	52	74	105	138	288	138	141
8510-6580-73400 Surgical Supplies-General	84	435	488	727	388	185	154	652	345	172	429	66	2
8510-7010-73400 Surgical Supplies-General	1,913	908	1,332	1,782	920	2,996	1,188	1,237	5,583	1,287	1,377	1,693	2,538
8510-7071-73400 Surgical Supplies-General	9	284	54	136	0	262	454	0	0	2	0	61	104
8510-7082-73400 Surgical Supplies-General	(178)	0	74	0	0	0	0	0	0	0	0	0	8
8510-7181-73400 Surgical Supplies-General	15	0	52	0	0	0	0	20	20	15	0	0	15
8510-7230-73400 Surgical Supplies-General	6,707	5,742	6,015	5,718	6,777	5,558	5,672	6,706	6,156	6,386	6,093	6,034	6,825
8510-7420-73400 Surgical Supplies-General	199,854	188,730	178,617	172,852	217,514	192,524	215,524	208,374	161,524	348,503	215,392	349,310	169,487
8510-7421-73400 Surgical Supplies-General	73,016	85,506	50,323	88,976	97,324	41,417	129,209	73,959	56,752	64,322	44,349	56,716	26,131
8510-7422-73400 Surgical Supplies-General	0	0	0	0	0	0	0	0	37	2,558	0	0	0
8510-7423-73400 Surgical Supplies-General	295	0	0	0	0	0	0	0	0	0	69	0	0
8510-7500-73400 Surgical Supplies-General	158	265	190	82	176	215	269	426	273	263	431	34	276
8510-7520-73400 Surgical Supplies-General	0	519	519	472	120	407	280	0	540	28	0	0	179
8510-7570-73400 Surgical Supplies-General	18,347	6,284	19,588	9,800	14,703	13,434	14,857	19,603	16,901	20,707	30,418	24,082	15,175
8510-7630-73400 Surgical Supplies-General	15,989	14,451	3,546	16,535	6,991	12,693	22,630	16,016	19,757	27,439	29,576	(626)	13,270
8510-7631-73400 Surgical Supplies-General	2,700	248	9,900	0	0	5,603	(80)	5,795	10,430	8,255	46	0	4,115
8510-7670-73400 Surgical Supplies-General	0	379	0	0	0	0	0	0	0	0	760	0	0
8510-7680-73400 Surgical Supplies-General	71	0	2	90	989	597	386	173	602	892	810	16	252
8510-7710-73400 Surgical Supplies-General	0	0	295	0	0	0	0	0	0	0	0	0	0
8510-7720-73400 Surgical Supplies-General	425	340	424	424	340	340	591	591	1,011	676	570	870	507
8510-7760-73400 Surgical Supplies-General	3,442	2,834	5,397	6,122	4,461	4,798	3,127	4,830	14,420	40,182	17,861	19,811	18,430
8510-7862-73400 Surgical Supplies-General	0	0	38	4	4	0	0	0	0	8	0	0	0
8510-8380-73400 Surgical Supplies-General	3,012	2,605	899	690	514	443	5,144	2,914	2,799	5,414	2,796	5,868	3,050
Total: 73400 Surgical Supplies-General	331,717	356,463	283,453	359,817	357,971	291,372	406,110	348,443	308,387	433,478	354,078	471,633	269,786
73401 SURGICAL SUPPLIES - CV:													
8510-7420-73401 SURGICAL SUPPLIES - CV	904	7,139	4,059	15,899	11,443	10,694	7,913	7,856	16,251	9,298	11,003	7,455	17,803
8510-7421-73401 SURGICAL SUPPLIES - CV	0	0	121	65	94	31	62	61	61	31	61	61	122
8510-7570-73401 SURGICAL SUPPLIES - CV	0	0	106	0	308	0	0	32	3	0	0	0	0
8510-7630-73401 SURGICAL SUPPLIES - CV	0	0	3,213	3,991	8,952	0	0	0	0	0	0	3,570	4,803
Total: 73401 SURGICAL SUPPLIES - CV	904	7,199	7,489	19,954	20,787	10,725	7,105	7,949	16,315	9,329	11,064	11,086	22,729
73402 Perfusion/Cell Saver:													
8510-7420-73402 Perfusion/Cell Saver	1,549	452	1,621	1,638	2,579	2,560	877	325	2,999	1,303	2,070	1,215	2,185
8510-7421-73402 Perfusion/Cell Saver	289	0	288	0	289	0	313	0	313	0	313	0	0
Total: 73402 Perfusion/Cell Saver	1,838	452	1,909	1,638	2,868	2,560	1,190	325	3,312	1,303	2,383	1,215	2,185
73403 Ortho Supplies:													
8510-6010-73403 Ortho Supplies	29	5	70	0	0	0	7	0	0	0	0	0	0
8510-6151-73403 Ortho Supplies	88	42	10	36	0	0	0	0	0	0	0	36	0
8510-6170-73403 Ortho Supplies	108	153	136	0	93	47	0	0	72	548	0	0	(1,175)
8510-6171-73403 Ortho Supplies	0	0	16	0	0	0	0	0	0	0	0	36	0
8510-6173-73403 Ortho Supplies	0	0	0	0	0	(47)	0	0	0	0	0	0	0
8510-6440-73403 Ortho Supplies	(9)	37	0	0	40	(10)	902	0	0	0	0	72	(598)
8510-6580-73403 Ortho Supplies	(20)	0	111	36	0	0	0	0	93	0	0	0	0
8510-7010-73403 Ortho Supplies	699	876	400	714	0	754	0	1,308	174	773	215	116	237
8510-7076-73403 Ortho Supplies	0	0	0	0	1,689	168	0	0	0	0	0	0	0
8510-7079-73403 Ortho Supplies	0	5	0	0	0	0	0	0	0	0	0	0	0
8510-7420-73403 Ortho Supplies	75,723	90,014	81,930	99,935	84,045	88,335	85,627	121,510	81,128	93,940	101,151	101,145	61,543
8510-7421-73403 Ortho Supplies	1,215	1,830	772	364	0	551	689	26	15,770	0	0	0	(1,164)
8510-7423-73403 Ortho Supplies	0	0	0	0	0	0	0	5	5,242	0	0	0	0
8510-7570-73403 Ortho Supplies	3	0	562	0	0	0	0	250	197	0	5,625	734	(25)
8510-7630-73403 Ortho Supplies	7,152	5,215	5,605	924	8,737	1,634	4,871	5,113	8,077	7,951	1,170	1,170	1,968
8510-7720-73403 Ortho Supplies	0	0	0	0	0	0	0	0	1,140	0	0	0	0
8510-7750-73403 Ortho Supplies	0	0	0	0	0	0	0	0	0	295	0	0	0
8510-7770-73403 Ortho Supplies	7	356	16	0	303	62	1,352	(681)	59	488	(51)	275	(59)
8510-7790-73403 Ortho Supplies	171	0	0	0	194	96	289	(217)	0	0	0	265	(89)
Total: 73403 Ortho Supplies	88,165	98,575	89,647	102,009	95,100	91,579	93,738	127,313	111,852	103,996	108,111	103,846	60,637
73404 Heartport Supplies:													
8510-7570-73404 Heartport Supplies	0	0	0	0	0	0	0	0	0	25,000	2,375	25,000	25,000
Total: 73404 Heartport Supplies	0	0	0	0	0	0	0	0	0	25,000	2,375	25,000	25,000
73500 Anesthetic Materials:													
8510-6010-73500 Anesthetic Materials	132	113	115	116	167	133	157	170	93	114	134	125	126
8510-6011-73500 Anesthetic Materials	19	12	29	9	11	15	15	9	6	11	20	8	9
8510-6151-73500 Anesthetic Materials	127	33	19	81	61	72	83	64	81	86	42	59	70
8510-6170-73500 Anesthetic Materials	106	28	32	57	37	11	35	53	40	26	48	40	24
8510-6171-73500 Anesthetic Materials	91	25	17	15	28	10	34	21	20	16	14	18	21
8510-6173-73500 Anesthetic Materials	10	10	7	26	17	17	34	19	23	15	18	11	4
8510-6440-73500 Anesthetic Materials	0	7	0	4	0	7	4	0	2	6	6	0	3
8510-6580-73500 Anesthetic Materials	10	3	13	7	6	6	6	15	9	13	6	0	0
8510-7010-73500 Anesthetic Materials	18	9	0	0	0	0	0	0	0	0	0	0	39
8510-7420-73500 Anesthetic Materials	2,018	3,977	2,918	6,750	3,735	3,403	2,799	2,856	4,240	2,373	1,081	(1,405)	1,406
8510-7421-73500 Anesthetic Materials	62	964	1,293	229	425								



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total 73802 Pharmaceuticals													
73802 Contrast Media Non-Ionic:	870,566	707,614	726,219	630,666	770,724	702,138	1,016,126	805,197	883,677	787,386	928,807	781,176	1,204,879
8510-7630-73802 Contrast Media Non-Ionic:	0	0	0	0	0	0	0	0	0	0	0	(138)	0
Total 73802 Contrast Media Non-Ionic													
73803 CONTRAST MEDIA Combined:	0	0	0	0	0	0	0	0	0	0	0	(138)	0
8510-7630-73803 CONTRAST MEDIA Combined:	384	1,179	187	0	0	361	0	359	363	89	0	0	571
8510-7660-73803 CONTRAST MEDIA Combined:	150	0	80	150	0	80	150	142	8	0	150	220	0
8510-7760-73803 CONTRAST MEDIA Combined:	0	0	407	0	0	498	91	0	0	407	0	498	91
Total 73803 CONTRAST MEDIA Combined:													
73800 Radiactive Materials:	1,144	1,179	874	150	0	958	241	501	371	498	150	718	652
8510-7650-73800 Radiactive Materials	15,333	10,422	13,172	12,980	10,944	15,093	13,238	23,265	11,576	9,658	13,136	23,070	31,936
Total 73800 Radiactive Materials													
74000 Radiology Films:	16,333	10,422	13,172	12,980	10,944	15,093	13,238	23,265	11,576	9,658	13,136	23,070	31,936
8510-7181-74000 Radiology Films	82	0	0	0	0	10	0	0	0	615	0	0	0
8510-7420-74000 Radiology Films	(203)	0	20	203	0	568	2,692	472	0	813	71	68	199
8510-7570-74000 Radiology Films	0	0	324	0	201	131	0	0	356	0	451	0	0
8510-7630-74000 Radiology Films	1,337	1,454	515	64	1,144	13,910	448	64	0	255	1,671	76	520
Total 74000 Radiology Films													
74100 Other Medical Care Materials & Supplies:	1,217	1,494	859	286	1,345	14,819	3,140	536	306	1,683	2,193	143	720
8510-6010-74100 Other Medical Care Materials & Supplies	46,369	33,308	31,551	31,968	36,633	32,163	27,862	64,113	37,803	53,808	58,133	40,995	37,478
8510-6011-74100 Other Medical Care Materials & Supplies	384	393	0	896	0	874	446	614	1,228	460	0	398	250
8510-6075-74100 Other Medical Care Materials & Supplies	0	0	0	0	168	0	0	0	0	0	0	0	0
8510-6110-74100 Other Medical Care Materials & Supplies	0	0	169	60	0	0	0	0	0	0	0	0	0
8510-6151-74100 Other Medical Care Materials & Supplies	37,424	32,740	31,665	34,681	37,566	38,430	34,229	39,118	39,349	41,471	31,020	27,806	30,002
8510-6152-74100 Other Medical Care Materials & Supplies	25,251	21,813	22,971	24,359	22,821	26,920	20,421	27,411	27,411	27,411	27,411	24,334	26,019
8510-6171-74100 Other Medical Care Materials & Supplies	16,062	14,252	13,450	14,359	11,988	15,850	13,459	15,513	13,459	13,459	13,459	13,459	18,654
8510-6172-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	0	0	0	164	98
8510-6173-74100 Other Medical Care Materials & Supplies	5,869	6,293	6,127	7,270	6,905	8,674	11,262	11,755	10,196	8,677	10,125	9,710	8,805
8510-6178-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	453	0	0	0	0	0	0	0
8510-6440-74100 Other Medical Care Materials & Supplies	6,745	5,967	6,195	5,259	4,875	5,447	5,447	5,635	5,635	5,635	5,635	5,705	5,801
8510-6460-74100 Other Medical Care Materials & Supplies	10,863	6,560	6,897	7,563	6,451	7,734	8,088	7,455	7,974	6,945	7,990	5,937	1,503
8510-7010-74100 Other Medical Care Materials & Supplies	19,988	20,603	27,600	16,620	17,337	17,456	16,478	20,557	19,186	15,550	17,470	13,521	18,878
8510-7421-74100 Other Medical Care Materials & Supplies	4,812	191	1,135	7,739	1,646	389	5,109	1,429	7,334	396	6,873	724	(4,511)
8510-7422-74100 Other Medical Care Materials & Supplies	0	0	0	0	68	0	0	0	0	0	0	0	0
8510-7075-74100 Other Medical Care Materials & Supplies	19	2,567	63	4	418	42	0	110	60	0	141	0	73
8510-7082-74100 Other Medical Care Materials & Supplies	205	0	521	247	887	95	26	300	133	141	131	236	599
8510-7105-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	95	0	0	0	0	0	0
8510-7411-74100 Other Medical Care Materials & Supplies	1,489	1,577	2,870	2,437	1,343	2,302	2,306	718	718	718	718	718	718
8510-7441-74100 Other Medical Care Materials & Supplies	7,244	5,414	6,002	6,705	6,430	4,604	4,785	6,262	4,905	4,890	6,380	5,636	5,558
8510-7420-74100 Other Medical Care Materials & Supplies	51,530	58,333	54,805	49,071	57,306	58,969	71,490	55,666	55,906	60,326	52,944	62,371	62,371
8510-7421-74100 Other Medical Care Materials & Supplies	5,535	4,664	10,913	2,651	10,111	8,149	5,395	11,903	6,768	13,761	4,875	6,002	7,506
8510-7422-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7427-74100 Other Medical Care Materials & Supplies	162	75	909	280	687	1,388	433	1,410	465	383	784	436	651
8510-7500-74100 Other Medical Care Materials & Supplies	3,294	1,654	19,466	991	1,768	4,834	9,507	1,063	13,268	931	13,770	1,687	1,687
8510-7520-74100 Other Medical Care Materials & Supplies	311	219	204	820	998	270	286	366	0	0	114	195	0
8510-7540-74100 Other Medical Care Materials & Supplies	153	37	173	22	195	170	195	195	195	195	427	125	125
8510-7570-74100 Other Medical Care Materials & Supplies	9,329	19,471	16,261	14,666	14,200	8,945	12,807	24,775	9,161	9,308	15,765	10,876	12,306
8510-7590-74100 Other Medical Care Materials & Supplies	839	446	602	664	931	632	637	633	608	744	297	573	414
8510-7610-74100 Other Medical Care Materials & Supplies	0	0	0	173	0	0	0	0	0	0	0	175	0
8510-7615-74100 Other Medical Care Materials & Supplies	0	0	0	1,086	0	0	0	0	0	0	0	0	0
8510-7630-74100 Other Medical Care Materials & Supplies	20,488	13,506	20,941	11,879	21,600	18,729	17,360	28,922	17,043	16,484	16,701	17,839	27,011
8510-7631-74100 Other Medical Care Materials & Supplies	1,596	3,850	6,865	7,954	27,587	10,010	13,489	0	33,328	(832)	5,690	(4,178)	5,690
8510-7650-74100 Other Medical Care Materials & Supplies	55	389	158	178	267	1,977	761	287	198	70	52	414	414
8510-7660-74100 Other Medical Care Materials & Supplies	0	165	0	0	639	61	0	42	0	637	15	0	0
8510-7670-74100 Other Medical Care Materials & Supplies	1,967	1,967	2,153	1,967	1,966	2,004	(1,506)	2,162	8,622	1,196	1,946	720	1,946
8510-7680-74100 Other Medical Care Materials & Supplies	2,995	2,991	5,578	5,444	2,587	3,630	4,906	4,271	5,670	3,378	3,863	4,371	4,371
8510-7710-74100 Other Medical Care Materials & Supplies	41,294	15,957	13,846	15,385	14,643	11,224	27,995	19,907	20,986	15,423	44,132	33,422	24,488
8510-7720-74100 Other Medical Care Materials & Supplies	7,565	5,712	13,411	8,223	16,521	9,894	7,100	23,538	13,150	15,083	22,265	11,214	21,608
8510-7740-74100 Other Medical Care Materials & Supplies	0	0	0	0	241	0	0	0	0	0	0	0	0
8510-7740-74100 Other Medical Care Materials & Supplies	5,853	2,907	8,316	4,619	3,732	4,381	5,187	6,176	6,189	11,405	7,842	4,729	4,900
8510-7760-74100 Other Medical Care Materials & Supplies	10,488	6,719	11,253	8,932	7,715	5,939	10,735	3,387	3,703	9,980	7,010	4,865	11,797
8510-7770-74100 Other Medical Care Materials & Supplies	1,534	194	(870)	473	0	22	(59)	319	525	185	18	194	203
8510-7790-74100 Other Medical Care Materials & Supplies	0	0	0	26	30	205	462	105	0	313	0	0	0
8510-7862-74100 Other Medical Care Materials & Supplies	355	314	641	89	64	277	86	649	0	596	990	204	641
8510-8215-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	1,625	8	0	26	0	0
8510-8340-74100 Other Medical Care Materials & Supplies	0	1	5	0	4	0	0	4	2	0	1	0	26
8510-8360-74100 Other Medical Care Materials & Supplies	27,824	38,888	43,833	15,462	36,212	26,177	12,394	30,191	33,265	18,094	30,696	33,699	22,942
8510-8400-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	0	0	0	0	25,156
8510-8440-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	0	0	0	67	6,611
8510-8460-74100 Other Medical Care Materials & Supplies	0	0	0	2	6	0	0	0	2	0	0	0	0
8510-8465-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	358	0	0	0	0
8510-8470-74100 Other Medical Care Materials & Supplies	0	115	0	0	0	0	0	0	0	0	0	0	0
8510-8530-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	5	1,624	0	0	(1,629)	0
8510-8560-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-8610-74100 Other Medical Care Materials & Supplies	0	0	0	585	0	0	0	0	0	0	0	0	0
8510-8635-74100 Other Medical Care Materials & Supplies	0	0	962	1,724	199	0	321	220	1,306	0	0	0	1,607
8510-8650-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	1,744	0	0	0	0	0	0	(1,744)
8510-8660-74100 Other Medical Care Materials & Supplies	0	0	4	0	0	0	0	0	0	21	205	39	36
8510-8740-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	1,430	0	0	0	0	1,443	0	0
8510-8740-74100 Other Medical Care Materials & Supplies	0	0	0	0	0	0	68	0	0	0	0	0	0
8510-8751-74100 Other Medical Care Materials & Supplies	555	403	0	574	575	420	980	560	383	456	0	420	840
8510-8753-74100 Other Medical Care Materials & Supplies	0	0	0	0	9	0	186	119	0	205	0	0	0
8510-9990-74100 Other Medical Care Materials & Supplies	0	11	0	0	6	0	81	20	0	0	0	0	0
Total 74100 Other Medical Care Materials & Supplies													
74101 Syringes:	375,586	327,421	369,491	313,739	378,433	338,513	331,853	457,762	399,407	398,973	405,202	345,136	393,463
8510-6010-74101 Syringes	600	465	343	786	268	498	697	1,108	653	887	1,218	833	590
8510-6011-74101 Syringes	58	12	12	53	0	39	2	0	0	53	0	0	4
8510-6151-74101 Syringes	1,056	874	489	527	614	845	741	1,166	777	783	918	795	795
8510-6152-74101 Syringes	815	1,027	793	693	496	687	1,328	696	696	745	797	797	797



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7079-74102 Gloves	0	0	0	0	0	0	0	0	0	0	0	0	166
8510-7082-74102 Gloves	0	0	144	0	0	276	0	0	82	0	0	0	163
8510-7181-74102 Gloves	0	0	0	0	276	0	0	0	0	0	0	0	0
8510-7230-74102 Gloves	466	276	460	304	331	366	405	515	322	258	661	423	526
8510-7420-74102 Gloves	6,039	14,718	12,949	5,219	21,089	10,009	4,769	11,202	13,439	18,909	5,600	14,638	9,489
8510-7423-74102 Gloves	455	796	1,009	890	654	995	616	732	821	763	592	1,059	763
8510-7427-74102 Gloves	0	92	368	0	194	0	46	460	0	276	92	368	185
8510-7500-74102 Gloves	942	1,104	999	552	480	644	552	460	736	828	1,374	962	829
8510-7620-74102 Gloves	0	0	0	0	1,000	0	0	0	73	0	0	0	0
8510-7670-74102 Gloves	774	817	1,168	707	1,197	842	696	764	1,022	686	1,001	801	801
8510-7690-74102 Gloves	18	46	18	18	26	26	0	18	0	0	37	0	18
8510-7630-74102 Gloves	1,084	1,114	901	1,099	809	1,176	568	1,060	768	844	1,160	609	625
8510-7639-74102 Gloves	0	114	0	0	276	0	276	0	0	0	92	0	0
8510-7650-74102 Gloves	104	0	0	0	0	0	0	0	0	184	0	184	0
8510-7660-74102 Gloves	0	0	0	18	0	0	0	0	0	0	0	0	0
8510-7710-74102 Gloves	94	92	0	0	0	0	9	110	0	202	184	129	0
8510-7720-74102 Gloves	79	92	9	37	55	37	46	64	92	101	55	64	55
8510-7740-74102 Gloves	313	184	0	592	0	92	0	276	276	276	0	83	194
8510-7760-74102 Gloves	226	202	125	0	230	110	92	129	0	221	184	92	184
8510-7770-74102 Gloves	0	0	92	0	0	0	46	0	0	0	92	0	138
8510-7862-74102 Gloves	0	0	110	0	67	0	171	276	166	0	276	0	67
8510-8340-74102 Gloves	912	110	405	460	644	368	460	276	432	28	0	286	600
8510-8360-74102 Gloves	0	0	0	0	0	0	0	0	0	0	0	37	0
8510-8370-74102 Gloves	0	0	0	0	0	0	37	0	0	0	0	0	0
8510-8380-74102 Gloves	93	0	9	18	0	18	0	121	70	9	302	0	18
8510-8440-74102 Gloves	61	28	18	9	0	18	0	9	64	0	0	101	9
8510-8460-74102 Gloves	10	28	18	9	9	9	9	9	28	18	18	28	28
8510-8465-74102 Gloves	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-8470-74102 Gloves	0	0	18	0	0	0	0	9	0	0	0	0	0
8510-8530-74102 Gloves	0	0	0	0	0	0	0	0	562	0	0	(952)	0
8510-8670-74102 Gloves	0	0	0	0	0	0	135	161	0	0	295	0	0
8510-8700-74102 Gloves	0	18	0	0	0	18	0	0	0	18	0	(95)	0
8510-8720-74102 Gloves	0	0	0	0	0	0	0	0	0	0	0	18	0
8510-8753-74102 Gloves	0	0	0	0	0	0	0	0	110	0	0	0	0
Total: 74102 Gloves	34,622	38,289	35,884	26,112	43,530	34,385	27,241	38,060	35,558	45,103	27,818	39,207	30,000
74103 Angio/Diagnostic Cath:													
8510-6010-74103 Angio/Diagnostic Caths	0	37	62	62	0	0	31	154	31	677	192	(31)	222
8510-7010-74103 Angio/Diagnostic Caths	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7071-74103 Angio/Diagnostic Caths	0	0	0	0	3	4	0	0	0	0	0	0	0
8510-7420-74103 Angio/Diagnostic Caths	26,908	10,473	28,107	10,137	12,757	10,772	19,943	22,283	483	19,712	7,569	21,489	6,181
8510-7423-74103 Angio/Diagnostic Caths	0	0	0	0	0	0	0	0	0	0	0	695	0
8510-7427-74103 Angio/Diagnostic Caths	8,441	23,112	21,486	21,486	26,992	12,406	34,598	37,392	36,805	34,506	21,364	11,867	25,622
8510-7630-74103 Angio/Diagnostic Caths	24,540	23,769	21,063	20,965	36,218	33,463	8,765	33,110	17,880	29,518	34,318	37,057	15,686
8510-7631-74103 Angio/Diagnostic Caths	(975)	0	0	3,084	0	0	(975)	975	0	0	0	0	(975)
8510-7680-74103 Angio/Diagnostic Caths	0	0	263	0	0	744	769	46	153	263	0	0	526
Total: 74103 Angio/Diagnostic Caths	58,913	40,277	72,607	65,734	77,070	67,467	63,138	83,967	64,562	84,660	63,695	72,857	47,304
74104 Guidewires:													
8510-7420-74104 Guidewires	10,743	6,201	10,199	2,955	7,626	9,132	6,371	8,461	12,928	13,926	2,731	10,550	8,425
8510-7570-74104 Guidewires	4,795	6,179	9,505	14,748	5,921	8,021	11,560	5,908	10,584	22,765	18,401	6,589	10,524
8510-7630-74104 Guidewires	11,736	13,344	9,602	11,990	9,479	9,069	12,594	8,247	13,283	8,247	15,703	9,774	9,774
8510-7631-74104 Guidewires	0	370	0	(360)	0	0	2,851	396	172	0	0	0	(110)
8510-7680-74104 Guidewires	0	0	0	62	0	0	135	161	0	0	295	1,476	1,025
8510-7760-74104 Guidewires	3,728	1,094	1,537	1,434	2,615	3,095	782	161	0	0	2,927	0	0
Total: 74104 Guidewires	31,002	27,188	31,617	30,830	25,742	29,317	34,222	33,323	33,098	44,838	34,710	37,248	29,647
74105 Sheath Sets/Dilators:													
8510-6010-74105 Sheath Sets/Dilators	0	0	0	0	0	0	0	0	0	598	53	0	0
8510-7010-74105 Sheath Sets/Dilators	0	0	0	0	0	0	0	0	0	0	0	100	0
8510-7420-74105 Sheath Sets/Dilators	911	1,190	910	5,597	3,818	1,766	1,582	900	1,172	810	2,461	1,215	1,139
8510-7423-74105 Sheath Sets/Dilators	5,364	2,746	4,062	2,937	7,458	3,415	6,307	5,307	6,360	8,531	10,560	5,217	6,217
8510-7630-74105 Sheath Sets/Dilators	3,067	6,297	2,060	19	2,710	4,599	4,841	4,424	2,643	2,146	2,534	3,691	2,064
8510-7631-74105 Sheath Sets/Dilators	(775)	0	775	0	0	0	(775)	775	0	0	0	0	(775)
8510-7680-74105 Sheath Sets/Dilators	0	0	0	0	0	57	0	2	0	0	143	0	0
8510-7760-74105 Sheath Sets/Dilators	0	0	3,476	0	3,000	2,001	0	0	0	4,007	1,823	70	0
Total: 74105 Sheath Sets/Dilators	8,186	10,233	13,233	10,382	12,464	16,323	9,120	14,462	9,952	12,951	15,545	15,699	6,213
74106 I.V. Pressure Monitoring Supplies:													
8510-7570-74106 I.V. Pressure Monitoring Suppl	104	0	635	774	380	0	412	384	175	21	61	66	280
Total: 74106 I.V. Pressure Monitoring Supplies	104	0	635	774	380	0	412	384	175	21	61	66	280
74107 Balloon Cor. Dilators:													
8510-7420-74107 Balloon Cor. Dilator	12,863	40,025	36,270	26,359	36,647	35,447	14,050	62,323	15,522	65,377	32,953	30,737	34,011
8510-7423-74107 Balloon Cor. Dilator	0	21,142	1,952	10,050	930	13,206	0	6,603	0	0	10,050	0	965
8510-7570-74107 Balloon Cor. Dilator	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7630-74107 Balloon Cor. Dilator	16,891	14,066	14,637	21,821	15,796	15,643	12,056	14,905	15,658	27,282	22,217	29,947	23,444
8510-7631-74107 Balloon Cor. Dilator	31,597	21,353	27,678	12,989	26,534	14,764	18,991	24,538	35,828	21,194	24,929	38,873	38,257
8510-7631-74107 Balloon Cor. Dilator	0	0	0	7,750	2,900	210	0	3,065	54	0	0	0	3,425
8510-7760-74107 Balloon Cor. Dilator	1,275	1,391	920	1,758	1,469	0	1,689	2,829	0	1,407	1,591	1,591	640
Total: 74107 Balloon Cor. Dilator	62,625	87,876	81,457	80,727	84,877	79,269	46,786	104,263	67,261	113,843	91,024	101,148	100,771
74108 Inflation Devices:													
8510-7420-74108 Inflation Devices	2,115	1,200	1,365	900	2,352	2,100	3,028	2,838	1,800	2,400	3,156	1,200	1,193
8510-7570-74108 Inflation Devices	3,052	454	1,401	1,128	4,890	713	3,595	5,310	5,985	9,710	2,522	3,842	3,842
8510-7630-74108 Inflation Devices	1,100	1,298	869	1,502	879	0	1,205	0	0	903	903	1,216	2,108
8510-7760-74108 Inflation Devices	0	152	14	0	166	0	0	0	0	166	152	14	0
Total: 74108 Inflation Devices	6,267	3,104	3,650	3,530	8,267	2,813	7,827	8,816	7,110	9,454	13,922	4,953	7,143
74109 Atherectomy Devices:													
8510-7420-74109 Atherectomy Devices	4,322	323	11,099	0	12,990	8,394	17,648	10,862	10,153	3,332	17,580	24,718	15,192
8510-7570-74109 Atherectomy Devices	0	3,045	0	2,800	299	0	0	772	800	0	0	0	0
8510-7631-74109 Atherectomy Devices	0	0	0	0	0	0	(3,395)	3,395	3,395	0	0	0	6,790
Total: 74109 Atherectomy Devices	4,322	3,368	11,099	2,800	13,289	8,394	14,253	15,059	23,398	3,332	17,580	24,718	21,982
74110 Vascular Interventions:													
8510-7420-74110 Vascular Interventions	4,143	6,460	5,220	6,612	15,008	4,367	1,915	7,305	6,581	4,928	6,750	4,794	2,560
8510-7570-74110 Vascular Interventions	5,014	18,040	27,411	10,176	14,247	6,010	16,598	25,123	2,454	10,971	14,079	10,334	16,750
8510-7630-74110 Vascular Interventions	1,361	2,554	5,711	2,947	6,548	3,340	8,738	5,012	214	4,180	3,279	8,115	3,574
8510-7631-74110 Vascular Interventions	0	0	0	0	0	0	0	0	0	0	0	3,395	0
Total: 74110 Vascular Interventions	10,508	27,054	38,342	19,734	35,801	14,698	17,251	37,449	9,208	20,078	24,109	36,128	21,874
74111 Flow Directed Catheters:													
8510-7420-74111 Flow Directed Catheters	336	783	88	274	766	0	334	339	643	52	410	911	358
8510-7570-74111 Flow Directed Catheters	0	0	90	67	404	54	48	0	4,028	1,812	93	0	432
8510-7630-74111 Flow Directed Catheters	4,952	32											



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Total 74114 PTCA Accessories	0	381	512	1,308	0	979	0	220	242	48	0	486	0
74115 Intra-Aortic Balloons:													
8510-7370-74115 Intra-Aortic Balloons	10	0	0	0	0	0	0	0	0	0	964	1,811	881
Total 74115 Intra-Aortic Balloons	10	0	0	0	0	0	0	0	0	0	964	1,811	881
74116 Ultrasound Catheters:													
8510-7821-74116 Ultrasound Catheters	0	248	0	0	0	0	0	0	0	462	44	0	0
Total 74116 Ultrasound Catheters	0	248	0	0	0	0	0	0	0	462	44	0	0
74117 Coronary Guidewires:													
8510-7420-74117 Coronary Guidewires	2,466	0	2,408	1,733	387	915	2,169	1,796	0	2,573	1,235	1,790	802
8510-7421-74117 Coronary Guidewires	0	493	0	913	0	0	458	0	0	915	0	0	0
8510-7370-74117 Coronary Guidewires	3,272	1,253	2,072	843	736	2,139	1,277	876	1,496	5,386	4,916	2,076	2,112
8510-7630-74117 Coronary Guidewires	1,731	1,070	1,744	1,245	3,253	409	0	1,626	2,400	409	2,567	1,749	1,626
8510-7880-74117 Coronary Guidewires	150	0	4	0	0	0	0	162	0	0	261	279	95
Total 74117 Coronary Guidewires	7,618	2,816	6,227	4,735	4,986	3,463	3,804	4,450	3,895	9,283	8,969	5,888	4,594
74118 Rotablaters:													
8510-7370-74118 Rotablaters	0	0	0	0	275	0	0	0	0	984	1,178	0	0
Total 74118 Rotablaters	0	0	0	0	275	0	0	0	0	984	1,178	0	0
74119 Chemistry Solutions:													
8510-6010-74119 Chemistry Solutions	54	30	34	46	63	32	49	56	43	50	72	69	47
8510-6011-74119 Chemistry Solutions	0	0	0	2	0	3	0	0	4	0	0	0	0
8510-6101-74119 Chemistry Solutions	35	34	39	35	34	30	45	60	36	22	40	49	34
8510-6170-74119 Chemistry Solutions	17	44	18	24	22	32	24	43	25	29	33	35	41
8510-6171-74119 Chemistry Solutions	(4)	24	25	17	24	19	19	25	24	26	17	33	23
8510-6173-74119 Chemistry Solutions	0	9	10	6	15	9	24	22	24	26	29	11	25
8510-6440-74119 Chemistry Solutions	(4)	3	0	0	0	0	0	0	0	0	2	6	4
8510-6580-74119 Chemistry Solutions	0	3	0	4	6	5	4	4	11	4	0	0	0
8510-7420-74119 Chemistry Solutions	5	0	0	0	0	0	0	0	0	0	0	0	0
8510-7421-74119 Chemistry Solutions	0	35	0	0	113	0	35	0	0	0	0	73	36
8510-7540-74119 Chemistry Solutions	125,146	103,610	131,453	92,842	81,574	117,211	137,827	109,639	115,994	139,206	124,161	79,393	37,185
8510-7370-74119 Chemistry Solutions	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7540-74119 Chemistry Solutions	0	662	388	662	1,034	431	1,232	145	754	270	2,369	88	566
8510-7370-74119 Chemistry Solutions	0	(419)	0	419	(419)	0	0	0	0	0	0	0	0
Total 74119 Chemistry Solutions	125,624	104,037	131,987	94,648	82,466	117,774	139,238	170,028	117,080	139,634	128,713	79,759	37,861
74120 Hematology:													
8510-6010-74120 Hematology	0	311	0	0	471	12	0	0	0	0	0	0	0
8510-7420-74120 Hematology	387	0	477	264	0	461	246	0	196	0	0	0	43
8510-7300-74120 Hematology	15,568	16,188	7,821	17,237	13,633	6,947	8,016	18,838	5,938	13,024	7,092	8,007	19,360
8510-7320-74120 Hematology	0	593	(119)	0	0	0	76	0	0	0	0	0	0
8510-7420-74120 Hematology	526	(1,542)	560	2,704	(1,012)	591	543	593	649	999	2,874	1,071	613
8510-7320-74120 Hematology	403	145	265	251	515	9	139	494	556	11	0	0	0
8510-7630-74120 Hematology	0	246	0	123	0	219	0	0	0	0	0	0	0
Total 74120 Hematology	16,855	17,941	9,004	20,569	13,607	8,230	9,020	19,904	7,339	13,634	9,965	9,723	19,916
74121 Serology:													
8510-7300-74121 Serology	911	123	1,508	688	3,760	3,194	556	6,336	1,320	4,515	1,312	358	3,691
8510-7320-74121 Serology	0	0	0	118	0	0	0	0	0	0	0	0	0
Total 74121 Serology	911	123	1,508	806	3,760	3,194	556	6,336	1,320	4,515	1,312	358	3,691
74122 Urinalysis:													
8510-7300-74122 Urinalysis	394	1,695	273	1,153	1,452	0	1,024	817	1,028	117	493	1,152	284
Total 74122 Urinalysis	394	1,695	273	1,153	1,452	0	1,024	817	1,028	117	493	1,152	284
74123 Microbiology:													
8510-7010-74123 Microbiology	4,735	4,179	3,379	6,457	4,524	3,310	6,929	4,326	4,236	5,013	3,899	4,359	4,208
8510-7300-74123 Microbiology	26,625	14,926	31,038	14,221	36,217	32,683	48,020	22,235	26,816	26,218	30,377	18,840	19,802
8510-7320-74123 Microbiology	0	0	0	60	29	59	54	112	243	0	124	257	18
8510-7540-74123 Microbiology	0	(1,807)	642	1,033	(1,033)	0	0	0	0	0	0	0	0
8510-7320-74123 Microbiology	2,897	254	289	0	0	0	0	0	0	0	0	0	0
8510-7880-74123 Microbiology	0	0	0	0	0	0	0	0	0	0	6,810	0	0
Total 74123 Microbiology	34,257	17,790	35,346	21,781	45,037	36,052	55,003	26,673	31,294	31,231	41,210	23,456	24,089
74124 Phlebotomy:													
8510-6010-74124 Phlebotomy	16	13	9	35	12	76	70	40	13	80	68	16	15
8510-6011-74124 Phlebotomy	0	0	0	2	0	0	0	0	2	0	0	0	0
8510-6101-74124 Phlebotomy	23	21	29	19	25	24	23	29	22	32	15	95	18
8510-6170-74124 Phlebotomy	9	21	14	14	14	22	13	24	16	19	18	17	25
8510-6171-74124 Phlebotomy	9	15	11	8	6	10	12	16	13	17	12	17	12
8510-6173-74124 Phlebotomy	10	7	7	4	7	8	9	16	14	9	9	7	7
8510-6420-74124 Phlebotomy	0	0	0	5	3	2	0	2	0	0	6	4	0
8510-6580-74124 Phlebotomy	0	0	2	0	1	0	0	0	0	0	1	0	0
8510-7010-74124 Phlebotomy	1,000	966	927	902	925	559	1,123	721	792	3,789	680	699	559
8510-7071-74124 Phlebotomy	4	0	0	26	0	0	0	0	4	0	0	7	13
8510-7079-74124 Phlebotomy	0	0	7	0	0	0	0	0	0	0	0	0	0
8510-7420-74124 Phlebotomy	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7181-74124 Phlebotomy	0	0	7	0	21	0	0	0	0	0	0	0	0
8510-7230-74124 Phlebotomy	106	98	30	47	126	63	70	107	43	57	85	118	7
8510-7420-74124 Phlebotomy	7	7	0	15	10	0	0	0	0	0	7	0	(11)
8510-7421-74124 Phlebotomy	4	4	0	0	0	0	0	0	0	0	0	0	0
8510-7427-74124 Phlebotomy	0	0	7	0	0	13	0	18	0	0	0	17	7
8510-7300-74124 Phlebotomy	2,801	2,602	3,296	2,190	3,923	2,702	2,374	2,939	2,739	3,338	2,218	2,993	1,605
8510-7370-74124 Phlebotomy	0	81	0	0	114	0	0	0	0	0	0	0	0
8510-7420-74124 Phlebotomy	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7630-74124 Phlebotomy	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7880-74124 Phlebotomy	0	1,064	0	0	0	0	0	0	0	0	0	0	0
8510-7770-74124 Phlebotomy	0	0	0	4	0	0	0	4	0	4	0	0	0
8510-7770-74124 Phlebotomy	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7880-74124 Phlebotomy	27	19	47	47	0	12	15	39	0	47	0	6	37
Total 74124 Phlebotomy	3,819	4,917	4,398	3,318	5,187	3,491	3,716	3,955	3,689	7,416	3,106	3,626	2,716
74125 Histology:													
8510-7300-74125 Histology	37	0	0	45	0	0	45	0	0	0	0	45	0
8510-7320-74125 Histology	0	0	0	45	0	(45)	0	0	0	34	12	0	0
Total 74125 Histology	37	0	0	90	0	(45)	45	0	0	34	12	45	0
74126 Cytology:													
8510-7300-74126 Cytology	0	0	0	4	0	0	0	0	0	0	0	0	0
8510-7320-74126 Cytology	1,252	1,209	365	142	513	1,039	855	1,197	1,149	235	1,209	1,225	392
Total 74126 Cytology	1,252	1,209	365	146	513	1,039	855	1,197	1,149	235	1,209	1,225	392
74130 EPS-Ablation Catheters:													
8510-7420-74130 EPS-Ablation Catheters	0	122	0	0	0	0	0	0	0	0	0	0	0
8510-7421-74130 EPS-Ablation Catheters	0	0	0	0	14,175	0	(1,227)	0	0	0	0	(12,800)	0
8510-7370-74130 EPS-Ablation Catheters	3,515	9,472	14,344	9,981	14,871	25,410	13,429	26,093	25,967	21,610	18,176	27,856	17,191
Total 74130 EPS-Ablation Catheters	3,515	9,594	14,344	9,981	29,046	25,410	12,203	26,093	25,967	21,610	18,176	14,936	17,191
74130 Blood Supplies:													
8510-7480-74130 Blood Supplies	0	0	0	0	0	0	57	0	0	0	0	0	0
8510-7300-74130 Blood Supplies	0	0	0	0	0	0	0	0	0	0	0	0	1,167
8510-7540-74130 Blood Supplies	179,624	94,874	193,082	150,750	122,880	122,551	181,359	175,516	179,977	160,008	284,582	190,756	174,385
Total 74130 Blood Supplies	179,624	94,874	193,082	150,750	122,880	122,551	181,359	175,516	179,977	160,219	284,582	190,756	174,385
74151 Blood Processing:													
8510-7540-74151 Blood Processing	2,721	(820)	1,870	3,506	1,808	1,277	4,536	3,410	829	1,114	5,777	3,339	641
Total 74151 Blood Processing	2,721	(820)	1,870	3,506	1,808	1,277	4,5						



**Verity Healt Systems**  
**St Vincent Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-6980-74160 IV SETS AND SUPPLIES	0	6	0	0	6	91	151	121	26	15	161	45	80
8510-7010-74160 IV SETS AND SUPPLIES	30	6	20	30	5	2,148	3,086	2,733	2,096	2,873	2,896	2,827	2,675
8510-7230-74160 IV SETS AND SUPPLIES	0	0	0	0	0	604	1,057	755	1,202	962	1,208	1,208	0
8510-7420-74160 IV SETS AND SUPPLIES	(30)	99	0	787	99	551	363	0	299	809	550	812	0
8510-7421-74160 IV SETS AND SUPPLIES	0	0	0	540	0	76	173	4	0	76	76	0	0
8510-7510-74160 IV SETS AND SUPPLIES	74	82	266	113	237	206	261	456	0	512	204	0	0
8510-7590-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	0	124	0	212	0	0
8510-7630-74160 IV SETS AND SUPPLIES	539	0	49	0	0	533	49	0	0	72	0	61	0
8510-7631-74160 IV SETS AND SUPPLIES	0	0	63	0	0	0	0	0	0	0	0	0	0
8510-7670-74160 IV SETS AND SUPPLIES	515	533	0	0	347	36	0	259	287	231	26	259	259
8510-7680-74160 IV SETS AND SUPPLIES	0	0	0	133	0	0	133	0	0	3	135	0	0
8510-7710-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	0	0	0	0	11	130
8510-7760-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	0	0	0	76	0	0	0
8510-8380-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	134	0	0	0	0	134	0
8510-8460-74160 IV SETS AND SUPPLIES	0	0	0	0	0	0	146	0	0	0	0	0	0
<b>Total: 74160 IV Sets and Supplies</b>	<b>1,702</b>	<b>1,243</b>	<b>790</b>	<b>1,638</b>	<b>1,789</b>	<b>7,019</b>	<b>8,194</b>	<b>8,207</b>	<b>7,795</b>	<b>8,174</b>	<b>9,614</b>	<b>7,800</b>	<b>7,623</b>
<b>74195 Inventory Adjustments:</b>													
8510-7181-74195 INVENTORY ADJUSTMENTS	17,140	0	0	0	0	0	0	0	0	0	0	0	(23,394)
8510-7425-74195 INVENTORY ADJUSTMENTS	(325,905)	0	0	0	0	0	0	0	0	0	0	0	(251,687)
8510-7421-74195 INVENTORY ADJUSTMENTS	25,810	0	0	0	0	0	0	0	0	0	0	0	(69,857)
8510-7500-74195 INVENTORY ADJUSTMENTS	152,417	0	0	0	0	0	0	0	0	0	0	0	(34,074)
8510-7570-74195 INVENTORY ADJUSTMENTS	36,368	0	0	0	0	0	0	0	0	0	0	0	(154,057)
8510-7630-74195 INVENTORY ADJUSTMENTS	(100,952)	0	0	0	0	0	0	0	0	0	0	0	(143,209)
8510-7710-74195 INVENTORY ADJUSTMENTS	355,242	0	0	0	0	0	0	0	0	0	0	0	452,278
8510-7720-74195 INVENTORY ADJUSTMENTS	(27,916)	0	0	0	0	0	0	0	0	0	0	0	32,579
8510-7760-74195 INVENTORY ADJUSTMENTS	(29,558)	0	0	0	0	0	0	0	0	0	0	0	(16,250)
8510-8340-74195 INVENTORY ADJUSTMENTS	9,605	0	0	0	0	0	0	0	0	0	0	0	0
8510-8380-74195 INVENTORY ADJUSTMENTS	44,930	15,613	56,806	21,481	74,402	26,296	29,051	69,762	22,606	40,987	20,189	31,590	(1,213)
<b>Total: 74195 Inventory Adjustments</b>	<b>167,339</b>	<b>15,613</b>	<b>56,806</b>	<b>21,481</b>	<b>74,402</b>	<b>26,296</b>	<b>29,051</b>	<b>69,762</b>	<b>22,606</b>	<b>40,987</b>	<b>20,189</b>	<b>31,590</b>	<b>(615,963)</b>
<b>74300 Food-Other:</b>													
8510-8340-74300 Food-Other	3,380	2,686	3,156	3,858	3,454	2,875	3,482	3,197	3,107	2,411	3,010	1,196	2,645
8510-8752-74300 Food-Other	0	0	0	0	0	0	472	0	0	0	0	0	0
<b>Total: 74300 Food-Other</b>	<b>3,380</b>	<b>2,686</b>	<b>3,156</b>	<b>3,858</b>	<b>3,454</b>	<b>2,875</b>	<b>3,954</b>	<b>3,197</b>	<b>3,107</b>	<b>2,411</b>	<b>3,010</b>	<b>1,196</b>	<b>2,645</b>
<b>74400 Linen &amp; Bedding:</b>													
8510-7010-74400 Linen & Bedding	0	50	0	0	0	101	0	0	0	0	0	0	0
8510-8350-74400 Linen & Bedding	1,559	654	1,257	201	503	654	1,408	2,011	3,746	5,714	2,207	1,756	1,308
8510-9590-74400 Linen & Bedding	0	0	0	0	0	0	0	0	0	0	288	0	0
<b>Total: 74400 Linen &amp; Bedding</b>	<b>1,559</b>	<b>704</b>	<b>1,257</b>	<b>201</b>	<b>503</b>	<b>754</b>	<b>1,408</b>	<b>2,011</b>	<b>3,746</b>	<b>5,714</b>	<b>2,495</b>	<b>1,756</b>	<b>1,308</b>
<b>74500 Cleaning Supplies:</b>													
8510-6010-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	88
8510-6151-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	56
8510-6170-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	180
8510-6171-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	112
8510-6440-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	81
8510-7010-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	0	0	0	22
8510-7230-74500 Cleaning Supplies	18	0	0	0	0	0	0	0	0	0	0	0	0
8510-7420-74500 Cleaning Supplies	117	1,848	613	782	871	5	253	5	1,492	1,079	0	300	0
8510-7500-74500 Cleaning Supplies	4	0	15	0	0	0	8	0	0	0	0	25	3
8510-7720-74500 Cleaning Supplies	0	0	0	0	0	0	3	0	0	3	0	0	0
8510-7740-74500 Cleaning Supplies	146	91	61	154	59	159	122	119	502	196	126	230	123
8510-8370-74500 Cleaning Supplies	0	0	0	0	0	0	0	0	0	75	0	0	0
8510-8440-74500 Cleaning Supplies	0	146	0	0	0	0	135	0	189	584	1,687	1,486	0
8510-8445-74500 Cleaning Supplies	(1,264)	2,247	3,147	6,380	3,716	0	908	3,944	3,115	4,982	(2,130)	0	1,505
8510-8465-74500 Cleaning Supplies	0	0	0	0	0	0	0	4	0	0	0	0	0
<b>Total: 74500 Cleaning Supplies</b>	<b>(860)</b>	<b>4,132</b>	<b>3,837</b>	<b>7,316</b>	<b>4,645</b>	<b>169</b>	<b>1,296</b>	<b>4,210</b>	<b>5,116</b>	<b>6,529</b>	<b>(1,419)</b>	<b>2,223</b>	<b>3,666</b>
<b>74600 Office &amp; Administrative Supplies:</b>													
8510-6010-74600 Office & Administrative Suppl	494	0	970	495	0	0	1,222	441	39	0	1,495	62	326
8510-6151-74600 Office & Administrative Suppl	281	0	2,495	256	0	0	2,495	213	263	0	2,360	(146)	946
8510-6170-74600 Office & Administrative Suppl	445	723	965	0	0	0	935	0	219	0	670	(67)	2,879
8510-6171-74600 Office & Administrative Suppl	901	0	434	0	0	0	722	0	11	0	1,426	(56)	105
8510-6172-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	0	0	633	(316)	18
8510-6173-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	64	0	1,104	(63)	201
8510-6440-74600 Office & Administrative Suppl	481	234	724	0	0	0	289	368	42	0	1,031	36	0
8510-6580-74600 Office & Administrative Suppl	266	0	1,412	0	0	0	535	409	541	0	439	152	(66)
8510-7010-74600 Office & Administrative Suppl	753	0	920	500	0	0	527	195	663	0	1,045	(183)	0
8510-7071-74600 Office & Administrative Suppl	0	0	683	0	0	0	832	424	261	336	746	(116)	118
8510-7072-74600 Office & Administrative Suppl	0	0	302	0	0	0	0	0	0	0	0	0	0
8510-7079-74600 Office & Administrative Suppl	223	0	226	0	0	0	449	151	0	0	256	(44)	30
8510-7082-74600 Office & Administrative Suppl	244	0	576	0	0	0	37	209	219	228	170	82	(48)
8510-7090-74600 Office & Administrative Suppl	445	0	269	0	0	0	1,081	0	325	325	(2)	37	494
8510-7230-74600 Office & Administrative Suppl	322	0	322	0	84	0	750	0	0	0	750	0	0
8510-7181-74600 Office & Administrative Suppl	375	50	575	0	0	0	85	606	658	658	(658)	0	545
8510-7183-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	186	(186)	0	0	0
8510-7230-74600 Office & Administrative Suppl	1,961	0	3,178	0	0	0	1,200	2,612	1,735	625	321	144	879
8510-7420-74600 Office & Administrative Suppl	759	0	0	0	712	0	942	72	229	0	1,121	1,128	0
8510-7421-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	0	0	225	0	0
8510-7500-74600 Office & Administrative Suppl	1,583	369	1,411	854	216	198	1,745	1,760	1,325	869	850	925	2,045
8510-7540-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	0	0	0	148	338
8510-7570-74600 Office & Administrative Suppl	222	0	718	50	496	597	908	163	134	134	723	(254)	0
8510-7630-74600 Office & Administrative Suppl	212	0	600	0	0	0	0	175	73	73	263	(75)	0
8510-7631-74600 Office & Administrative Suppl	233	0	538	0	0	0	808	888	702	895	(195)	1,005	0
8510-7632-74600 Office & Administrative Suppl	0	0	101	0	0	0	0	6	0	0	206	(141)	4
8510-7633-74600 Office & Administrative Suppl	168	0	0	0	0	0	0	0	0	0	0	0	0
8510-7634-74600 Office & Administrative Suppl	0	0	0	0	0	0	29	0	0	0	0	0	0
8510-7680-74600 Office & Administrative Suppl	0	0	383	0	0	0	0	0	0	0	0	0	14
8510-7691-74600 Office & Administrative Suppl	0	0	204	0	0	0	0	0	0	0	76	0	252
8510-7692-74600 Office & Administrative Suppl	0	0	416	0	0	0	0	0	0	0	0	0	0
8510-7710-74600 Office & Administrative Suppl	71	0	328	84	0	0	471	240	138	138	2,455	(277)	251
8510-7720-74600 Office & Administrative Suppl	656	0	85	0	356	149	150	160	76	(76)	46	177	0
8510-7760-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	130	12	0	0	0
8510-7770-74600 Office & Administrative Suppl	317	0	370	0	0	0	315	308	299	299	(108)	81	130
8510-7860-74600 Office & Administrative Suppl	2,583	0	3,999	89	935	68	1,164	682	682	682	2,195	13	46
8510-7865-74600 Office & Administrative Suppl	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7871-74600 Office & Administrative Suppl	168	0	0	0	0	0	0	0	0	0	0	0	0
8510-8201-74600 Office & Administrative Suppl	0	0	0	0	0	0	155	0	383	166	(166)	0	30
8510-8210-74600 Office & Administrative Suppl	71	0	128	0	0	0	0	0	0	0	0	0	475
8510-8380-74600 Office & Administrative Suppl	492	4	648	979	0	0	(222)	912	269	13	630	2,773	3,521
8510-8420-74600 Office & Administrative Suppl	(85)	(140)											



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7230-74850 Forms	0	1,520	3,248	1,708	4,317	4,821	1,635	2,514	2,678	1,651	439	5,098	2,650
8510-7420-74850 Forms	0	0	0	0	0	0	0	0	0	0	0	140	0
8510-7421-74850 Forms	0	78	317	593	699	263	548	358	322	766	55	584	324
8510-7427-74850 Forms	0	554	625	274	969	2,251	4,806	355	1,696	737	(722)	(2,656)	908
8510-7540-74850 Forms	0	892	285	358	1,023	409	2,134	364	3,214	0	(170)	(1,963)	(1)
8510-7570-74850 Forms	0	185	261	239	457	1,315	938	656	1,449	327	313	313	380
8510-7590-74850 Forms	0	41	13	0	36	119	6	160	80	55	(80)	(125)	0
8510-7630-74850 Forms	109	161	513	453	751	990	9,919	(1,242)	2,084	412	(1,389)	(3,221)	54
8510-7650-74850 Forms	0	0	0	0	0	0	0	0	0	0	0	334	0
8510-7681-74850 Forms	0	0	0	0	0	0	0	0	0	0	0	21	0
8510-7710-74850 Forms	0	0	973	0	649	259	1,055	966	983	980	297	(765)	0
8510-7740-74850 Forms	0	574	(574)	0	0	0	0	0	0	0	0	0	0
8510-7760-74850 Forms	73	416	(238)	263	294	118	899	368	576	144	(338)	3,241	0
8510-7770-74850 Forms	0	31	34	23	59	23	(21)	26	36	54	143	790	0
8510-8010-74850 Forms	0	958	1,588	951	2,338	2,338	(2,007)	1,371	796	988	478	2,575	2,477
8510-8340-74850 Forms	0	212	521	337	713	285	(999)	0	0	574	0	306	0
8510-8350-74850 Forms	182	140	(140)	0	0	0	0	0	0	0	0	0	0
8510-8380-74850 Forms	109	89	(21)	0	45	121	(62)	173	140	0	1,085	1,489	0
8510-8460-74850 Forms	0	0	30	0	0	8	(28)	0	0	0	0	0	0
8510-8465-74850 Forms	0	0	0	0	0	0	0	0	105	0	24	48	0
8510-8530-74850 Forms	0	0	0	0	0	0	799	553	1,844	2,850	(21)	(8,024)	0
8510-8550-74850 Forms	73	935	3,082	1,372	3,593	3,779	2,941	2,147	2,432	1,374	142	1,707	2,500
8510-8610-74850 Forms	73	333	(289)	31	51	20	1,174	748	966	0	(399)	(1,007)	109
8510-8637-74850 Forms	0	913	(913)	495	330	132	(462)	0	0	0	0	0	0
8510-8638-74850 Forms	0	0	0	0	0	0	0	0	0	0	0	162	0
8510-8650-74850 Forms	0	114	(84)	0	20	8	406	(165)	12	0	(16)	(48)	0
8510-8720-74850 Forms	0	0	249	0	0	0	689	1,653	0	0	(2,797)	0	0
8510-8710-74850 Forms	0	149	217	0	244	98	(249)	366	(274)	0	334	634	0
8510-8720-74850 Forms	0	0	0	0	0	0	0	0	0	0	0	31	0
8510-8751-74850 Forms	0	236	(236)	0	0	0	998	530	509	0	(382)	(1,146)	0
Total: 74650 Forms	12,344	16,368	21,378	11,028	32,517	36,782	34,430	25,309	34,930	16,353	3,175	17,488	15,622
74680 Paper & Toner Computer:													
8510-6010-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	80	89	79	264	132	79	211	161	132	0	53	185	0
8510-6151-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	268	179	211	238	280	238	211	185	264	185	238	158	211
8510-6170-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	209	149	211	185	79	211	211	211	284	158	92	290	132
8510-6171-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	179	179	26	238	132	158	211	132	0	79	106	106	132
8510-6173-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	0	106	0	0	0	0	0
8510-6440-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	60	149	0	106	106	106	106	106	79	106	158	53	106
8510-6580-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	119	60	79	185	79	79	79	106	185	53	53	53	0
8510-7010-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	238	388	238	132	158	198	185	435	189	280	158	84	79
8510-7071-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	119	60	26	0	0	0	0	0	0	5	0	0	0
8510-7140-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	79	79	0	53	53	53	53	79	79	0	0	0	0
8510-7230-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	209	119	106	238	264	79	238	132	26	106	211	238	211
8510-7310-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	0	0	0	53	0	0	0
8510-7420-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	119	30	79	79	79	53	106	26	132	26	79	132	111
8510-7421-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	79	79	0	26	26	26	53	53	26	79	0	53	106
8510-7427-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	60	89	106	106	53	53	53	26	132	106	132	158	106
8510-7500-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	650	209	317	290	407	293	370	275	396	253	264	396	0
8510-7520-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	26	26	53	26	0	26	0
8510-7570-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	60	60	79	53	79	53	225	53	53	53	372	117	0
8510-7630-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	119	53	370	185	0	132	264	106	53	211	0	0	296
8510-7638-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	60	0	53	53	53	79	0	106	0	0	0	0
8510-7650-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	26	0	0	0	0	0	0
8510-7680-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7710-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	89	179	106	106	53	211	79	53	211	106	79	106	79
8510-7720-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	18	30	26	53	26	53	26	53	53	53	26	48	26
8510-7740-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	12	12	11	0	0	5	5	5	0	0	0	8	5
8510-7840-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	30	30	26	53	26	26	26	26	53	26	53	26	53
8510-8215-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	89	89	79	0	79	0	79	0	0	79	79	0	79
8510-8340-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	149	60	132	106	106	106	132	185	79	79	53	106	132
8510-8360-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	53	0	0	53	53	26	100	0
8510-8370-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	0	0	0	26	0	0	0
8510-8380-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	30	65	79	79	53	53	53	55	0	0	0	0
8510-8420-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	26	0	0	0	0	0	0	0	0
8510-8460-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	53	0	0	53	79	0	53	0	21	0	53	0
8510-8465-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	53	0	0	0	0	0	0	0	0	0	0	0
8510-8470-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	0	0	0	26	0	0	0
8510-8480-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	26	0	(26)	0	0	0	0	0	0	0	0
8510-8486-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	26	26	0	0	26	0	26	0	26	0	0
8510-8530-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	0	0	0	0	(79)	0	0
8510-8550-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	0	0	0	106	0	106	0
8510-8610-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	53	158	185	0	0	53	53	106	79	53	53	53
8510-8650-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	89	60	106	79	79	53	106	106	106	0	132	185	0
8510-8670-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	30	0	0	26	0	0	26	0	0	0	26	0	0
8510-8700-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	209	238	211	211	0	132	106	158	238	264	(1,743)	238	0
8510-8710-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	209	119	0	65	79	79	79	0	106	106	185	0	0
8510-8720-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	60	209	53	106	53	53	106	53	106	106	106	106	0
8510-8752-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	30	0	0	26	0	26	26	26	26	0	26	0	53
8510-8753-74680 PAPER & TONER. COMPUTERPHOTOCOPIER	0	0	0	0	0	0	0	0	0	0	0	0	0
Total: 74680 Paper & Toner Computer	3,589	3,023	2,735	3,593	2,907	2,767	3,384	3,436	2,984	2,751	3,519	1,008	2,661
74700 Employee Wearing Apparel:													
8510-6010-74700 Employee Wearing Apparel	1,805	1,043	1,534	1,698	1,245	1,794	1,814	1,814	1,551	1,847	1,316	1,703	1,656
8510-6011-74700 Employee Wearing Apparel	0	0	0	0	0	0	0	0	0	34	0	0	0
8510-6151-74700 Employee Wearing Apparel	2,142	1,298	1,576	1,794	1,794	1,705	1,633	2,128	2,028	1,764	1,483	1,754	2,070
8510-6170-74700 Employee Wearing Apparel	1,754	1,198	1,552	1,881	1,917	1,575	1,740	2,235	1,881	1,874	1,759	2,084	2,088
8510-6171-74700 Employee Wearing Apparel	2,348	1,155	1,486	2,074	1,476	1,769	1,558	2,345	1,894	1,641	1,244	2,291	2,394
8510-6173-74700 Employee Wearing Apparel	0	0	0	0	0	0	0	0	11	0	0	0	0
8510-6440-74700 Employee Wearing Apparel	1,407	1,071	1,238	1,572	1,488	1,377	1,308	1,530	1,530	1,316	1,008	1,680	1,416
8510-6580-74700 Employee Wearing Apparel	1,880	1,029	1,224	1,881	1,711	1,419	1,430	2,044	1,723	1,176	1,062	1,680	606
8510-7010-74700 Employee Wearing Apparel	204	0	0	23	135	0	0	25	0	0	241	317	0
8510-7080-74700 Employee Wearing Apparel	0	0	0	0	0	0	0	0	46	0	0	0	0
8510-7230-74700 Employee Wearing Apparel	182	91	223	91	199	205	137	327	201	96	144	101	268
8510-7420-74700 Employee Wearing Apparel	2,310	2,941	2,979	1,613	2,913	2,649	3,325	2,432	2,728	2,566	1,474	2,511	2,484
8510-7421-74700 Employee Wearing Apparel	271	234	365	264	339	345	325	336	270	330	270	330	232
8510-7427-74700 Employee Wearing Apparel	46	99	91	91	91	91	91	91	91	78	48	96	0
8510-7500-74700 Employee Wearing Apparel	2,054	792	472	951	1,827	0	1,513	881	1,414</				



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7880-74900 Other Minor Equip	0	0	0	0	0	0	0	376	0	0	0	0	0
8510-7780-74900 Other Minor Equip	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7760-74900 Other Minor Equip	0	0	0	0	0	0	4,995	502	0	0	0	0	0
8510-7770-74900 Other Minor Equip	2,276	0	0	0	0	0	0	0	0	0	0	0	0
8510-7882-74900 Other Minor Equip	0	0	0	0	0	117	0	0	0	0	0	0	0
8510-8370-74900 Other Minor Equip	807	0	0	0	1,929	38	1,788	0	0	0	0	879	0
8510-8380-74900 Other Minor Equip	262	0	877	42	0	0	620	0	60	0	0	517	380
8510-8480-74900 Other Minor Equip	17	0	0	0	0	0	0	0	0	0	0	0	0
8510-8470-74900 Other Minor Equip	0	0	0	0	167	0	101	0	0	0	0	0	0
8510-8510-74900 Other Minor Equip	0	0	0	0	0	0	0	0	0	0	0	4,631	0
8510-8530-74900 Other Minor Equip	0	0	2,670	(2,670)	0	0	0	0	0	0	0	0	0
8510-8751-74900 Other Minor Equip	0	0	0	0	0	0	0	879	803	76	0	0	0
Total: 74900 Other Minor Equip	11,929	3,696	6,402	7,600	19,195	6,503	11,822	2,666	11,100	5,411	6,269	11,624	5,492
74900 Software Computer:													
8510-7181-74950 Software Computer	0	0	0	0	0	0	0	0	0	0	0	0	700
8510-7500-74950 SOFTWARE COMPUTER	0	0	0	0	0	0	0	0	0	0	0	1,591	0
8510-8480-74950 SOFTWARE COMPUTER	0	0	0	0	(3,070)	0	0	0	0	0	0	0	0
8510-8700-74950 SOFTWARE COMPUTER	878	878	878	878	878	878	878	878	878	878	878	(8,783)	0
8510-8720-74950 SOFTWARE COMPUTER	0	0	0	0	0	0	66	0	0	0	0	0	76
Total: 74950 Software Computer	878	878	878	3,848	(2,192)	878	944	878	878	878	878	(7,160)	776
74900 Hardware Computer:													
8510-7181-74960 HARDWARE COMPUTER	0	0	0	0	562	0	0	0	0	0	0	0	0
8510-7780-74960 HARDWARE COMPUTER	34	565	0	0	0	0	0	0	480	0	0	0	0
8510-7880-74960 HARDWARE COMPUTER	0	0	0	0	480	0	0	0	0	0	0	0	0
8510-8215-74960 HARDWARE COMPUTER	0	0	0	0	0	0	0	0	0	0	1,310	0	0
8510-8480-74960 HARDWARE COMPUTER	2,948	1,031	(1,376)	37	308	0	0	0	0	0	0	0	0
8510-8610-74960 HARDWARE COMPUTER	32	0	0	(7)	0	0	0	0	0	0	0	0	0
Total: 74960 Hardware Computer	3,331	1,596	(1,376)	30	1,370	0	0	0	460	0	1,310	0	0
75000 Other Non-Medical Supplies:													
8510-6010-75000 Other Non-Medical Supplies	723	779	1,637	1,057	705	926	1,654	737	2,875	1,072	1,095	1,511	1,724
8510-6011-75000 Other Non-Medical Supplies	18	18	12	25	22	29	22	6	28	74	9	12	8
8510-6030-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	300	0	0	0	0	0
8510-6115-75000 Other Non-Medical Supplies	3,647	3,487	3,544	2,677	1,762	3,593	3,185	2,962	3,290	4,610	2,454	2,911	3,747
8510-6170-75000 Other Non-Medical Supplies	3,262	2,182	2,174	2,078	1,286	3,046	2,373	2,146	2,222	2,934	1,955	1,965	2,607
8510-6171-75000 Other Non-Medical Supplies	2,677	1,143	874	2,179	874	656	1,004	639	432	1,800	1,144	690	2,171
8510-6173-75000 Other Non-Medical Supplies	307	261	251	537	944	376	734	386	321	359	243	358	0
8510-6445-75000 Other Non-Medical Supplies	431	563	813	813	811	549	884	586	851	948	523	1,219	0
8510-6450-75000 Other Non-Medical Supplies	1,029	747	1,445	632	632	693	692	692	1,106	650	422	354	0
8510-7010-75000 Other Non-Medical Supplies	1,257	1,585	1,040	(74)	799	713	953	1,237	1,522	2,160	1,326	884	874
8510-7071-75000 Other Non-Medical Supplies	137	76	33	234	89	1,717	406	1,772	207	226	659	477	(1,381)
8510-7076-75000 Other Non-Medical Supplies	0	0	452	4	0	0	1,278	637	12	0	0	0	0
8510-7078-75000 Other Non-Medical Supplies	97	87	81	81	89	53	81	67	34	34	71	86	0
8510-7086-75000 Other Non-Medical Supplies	11	14	0	25	7	0	0	0	0	0	0	0	0
8510-7092-75000 Other Non-Medical Supplies	35	0	48	336	31	62	51	106	88	35	48	75	86
8510-7094-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	466	0	44	0	0
8510-7095-75000 Other Non-Medical Supplies	31	0	(38)	(18)	0	0	0	0	0	0	14	55	0
8510-7096-75000 Other Non-Medical Supplies	0	0	0	253	0	0	0	2	0	0	0	0	0
8510-7181-75000 Other Non-Medical Supplies	52	176	700	795	4,197	380	33	354	22	45	0	716	78
8510-7230-75000 Other Non-Medical Supplies	434	340	1,728	191	1,387	340	791	1,949	346	515	857	595	1,202
8510-7310-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	22	0	0	0	0
8510-7420-75000 Other Non-Medical Supplies	0	0	0	0	1,246	0	115	0	0	0	0	0	0
8510-7420-75000 Other Non-Medical Supplies	7,935	9,898	12,435	9,829	13,801	9,462	17,588	12,830	8,202	13,035	7,180	8,178	6,757
8510-7421-75000 Other Non-Medical Supplies	581	258	247	486	434	126	671	446	592	934	583	142	206
8510-7422-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	86	0	48	0	0	0
8510-7500-75000 Other Non-Medical Supplies	1,520	1,060	2,684	874	1,189	727	1,771	6,330	553	1,591	2,413	1,980	2,576
8510-7520-75000 Other Non-Medical Supplies	1,099	646	370	300	1,039	219	538	641	645	328	407	716	660
8510-7540-75000 Other Non-Medical Supplies	84	0	90	134	87	157	87	88	425	280	386	742	487
8510-7560-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	12	(12)	0	0	0	0
8510-7570-75000 Other Non-Medical Supplies	3,951	3,012	3,617	4,348	3,753	3,176	10,077	10,077	10,609	6,131	4,720	8,411	2,887
8510-7590-75000 Other Non-Medical Supplies	42	54	140	59	58	64	79	1,143	173	130	649	142	25
8510-7620-75000 Other Non-Medical Supplies	0	0	0	40	0	0	50	50	0	0	0	46	0
8510-7630-75000 Other Non-Medical Supplies	43	625	4,622	837	517	447	0	1,167	1,796	1,081	2,895	592	(1,430)
8510-7630-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	89	26	2,520	0	0	0
8510-7638-75000 Other Non-Medical Supplies	0	120	0	0	29	0	0	394	0	43	140	0	0
8510-7650-75000 Other Non-Medical Supplies	24	674	329	26	0	11	759	64	0	0	0	28	177
8510-7680-75000 Other Non-Medical Supplies	0	0	0	157	0	0	158	0	0	0	0	158	0
8510-7670-75000 Other Non-Medical Supplies	225	0	180	0	181	0	0	0	0	0	907	0	0
8510-7686-75000 Other Non-Medical Supplies	0	0	8	0	0	0	0	0	7	0	0	0	0
8510-7681-75000 Other Non-Medical Supplies	151	0	133	0	0	0	0	0	0	0	0	36	0
8510-7710-75000 Other Non-Medical Supplies	140	103	104	305	56	349	18	91	89	33	78	57	2,802
8510-7720-75000 Other Non-Medical Supplies	584	0	239	1,796	162	491	258	247	176	285	176	46	433
8510-7730-75000 Other Non-Medical Supplies	0	0	0	28	15	0	165	16	0	35	165	16	0
8510-7740-75000 Other Non-Medical Supplies	889	165	1,035	260	174	728	(2,282)	4,386	80	1,059	1,094	235	(263)
8510-7780-75000 Other Non-Medical Supplies	(200)	570	910	734	929	756	447	561	541	2,872	1,046	1,154	1,384
8510-7810-75000 Other Non-Medical Supplies	756	756	756	43	73	127	43	75	43	68	57	67	485
8510-7790-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	4	0	0
8510-7862-75000 Other Non-Medical Supplies	(601)	524	(322)	816	219	595	(730)	967	215	1,351	8,106	(1,148)	(595)
8510-7871-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	429	0	41	0	0	0
8510-8420-75000 Other Non-Medical Supplies	(280)	0	0	280	0	0	(280)	280	0	0	0	(280)	0
8510-8215-75000 Other Non-Medical Supplies	1,343	0	12	7	0	0	0	10	0	12	0	0	0
8510-8340-75000 Other Non-Medical Supplies	284	1,208	136	304	192	7,128	(1,926)	192	331	24	363	487	4,976
8510-8350-75000 Other Non-Medical Supplies	2,015	0	0	0	0	0	0	0	0	0	0	0	0
8510-8360-75000 Other Non-Medical Supplies	65	0	65	43	73	47	75	108	75	43	65	96	72
8510-8370-75000 Other Non-Medical Supplies	29	11	4	30	24	0	84	7	1,821	0	0	0	0
8510-8380-75000 Other Non-Medical Supplies	2,747	1,665	1,120	24,254	2,781	1,924	4,520	4,262	17,990	(3,348)	11,705	(714)	0
8510-8420-75000 Other Non-Medical Supplies	17	38	18	242	22	17	24	7	2,405	17	226	0	0
8510-8445-75000 Other Non-Medical Supplies	395	44	83	51	105	298	64	88	221	491	240	202	111
8510-8460-75000 Other Non-Medical Supplies	494	0	179	793	131	218	0	4,578	351	99	0	276	0
8510-8465-75000 Other Non-Medical Supplies	24	493	905	18	59	0	23	2,487	1,046	11,106	69	1,228	163
8510-8470-75000 Other Non-Medical Supplies	473	336	(72)	227	16	34	859	321	97	60	62	132	40
8510-8480-75000 Other Non-Medical Supplies	905	61	2,736	3,009	(5,805)	0	0	0	0	0	0	0	0
8510-8490-75000 Other Non-Medical Supplies	0	0	22	11	14	14	11	11	29	14	0	0	0
8510-8530-75000 Other Non-Medical Supplies	4	0	0	68	0	0	4,832	127	96	0	(5,171)	0	0
8510-8560-75000 Other Non-Medical Supplies	540	532	699	429	748	533	830	475	2,321	592	548	557	0
8510-8610-75000 Other Non-Medical Supplies	(276)	25	7	689	386	1,634	402	1,810	0	11	22	3,772	22
8510-8620-75000 Other Non-Medical Supplies	0	0	0	0	0	1,320	0	5,520	0	0	0	0	0
8510-8650-75000 Other Non-Medical Supplies	0	14	(788)	226	46	14	(820)	656	32	18	25	29	(895)
8510-8670-75000 Other Non-Medical Supplies	21	0	0	0	0	1	0	0	0	0	0	21	0
8510-8673-75000 Other Non-Medical Supplies	0	0	0	0	0	0	0	0	0	0	0	26	0
8510-8700-75000 Other Non-Medical Supplies	1,545	91	26	36	82	143	29						



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7181-75220 Freight	251	0	0	37	33	8	0	29	0	25	0	0	142
8510-7200-75220 Freight	0	0	0	301	8	0	0	0	0	18	0	0	0
8510-7400-75220 Freight	0	0	0	0	0	0	10	0	0	9	0	0	27
8510-7420-75220 Freight	7,087	1,186	5,924	4,251	(1,169)	2,173	1,348	10,428	1,344	8,692	0	0	10,333
8510-7421-75220 Freight	2,666	720	2,695	2,279	398	679	383	4,117	1,690	2,736	0	0	3,768
8510-7427-75220 Freight	0	0	0	0	0	0	0	17	0	0	0	0	7,821
8510-7429-75220 Freight	0	0	0	0	0	0	0	0	0	9	0	0	9
8510-7450-75220 Freight	0	0	0	0	0	0	0	8	0	0	0	0	0
8510-7470-75220 Freight	0	0	0	0	(10)	0	0	0	0	0	0	0	0
8510-7500-75220 Freight	3,794	1,542	3,057	1,187	3,549	3,597	3,768	5,501	1,602	265	0	0	7,821
8510-7510-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	7,820
8510-7520-75220 Freight	98	31	84	8	61	0	0	162	0	132	0	0	144
8510-7540-75220 Freight	92	0	16	0	0	18	0	30	0	37	0	0	52
8510-7570-75220 Freight	1,128	101	564	983	(398)	258	48	3,118	490	722	0	0	2,015
8510-7600-75220 Freight	26	8	0	0	(2)	0	0	15	9	17	0	0	33
8510-7610-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	9
8510-7620-75220 Freight	14	0	12	0	0	0	0	10	0	0	0	0	0
8510-7630-75220 Freight	748	210	1,083	856	(169)	71	49	1,373	484	770	0	0	2,509
8510-7631-75220 Freight	143	0	92	276	0	17	408	195	192	32	0	0	929
8510-7650-75220 Freight	0	0	11	0	0	0	0	44	0	0	0	0	0
8510-7660-75220 Freight	0	0	0	0	0	0	0	0	12	0	0	0	0
8510-7670-75220 Freight	186	0	32	30	(8)	156	44	84	0	212	0	0	134
8510-7680-75220 Freight	51	0	0	189	(49)	0	88	56	37	0	0	0	145
8510-7710-75220 Freight	622	47	172	440	742	545	263	309	506	169	107	538	467
8510-7720-75220 Freight	294	41	175	286	(82)	93	17	443	45	253	0	0	550
8510-7730-75220 Freight	0	0	0	8	8	0	0	0	0	0	0	0	0
8510-7740-75220 Freight	0	0	0	8	0	0	0	19	0	0	0	0	593
8510-7760-75220 Freight	305	93	221	263	166	182	8	12,165	16	354	0	0	665
8510-7770-75220 Freight	0	0	0	0	0	0	0	0	0	10	0	0	0
8510-7860-75220 Freight	0	0	82	0	0	0	0	17	0	27	0	0	174
8510-8101-75220 Freight	45	0	0	0	0	0	0	0	0	0	0	0	9
8510-8215-75220 Freight	37	0	0	0	(8)	0	0	0	0	0	0	0	40
8510-8380-75220 Freight	4,860	1,452	5,161	5,792	(177)	1,679	1,054	7,056	6,650	6,447	261	192	8,159
8510-8400-75220 Freight	5,680	1,307	3,898	4,696	555	1,029	1,160	5,046	970	3,174	56	0	13,280
8510-8440-75220 Freight	0	0	0	0	0	0	0	0	0	0	0	0	541
8510-8460-75220 Freight	8	0	8	0	0	0	0	16	8	27	0	0	0
8510-8465-75220 Freight	104	8	67	97	72	0	0	182	66	210	0	0	317
8510-8470-75220 Freight	146	11	60	0	(7)	8	0	0	0	0	0	0	0
8510-8480-75220 Freight	140	0	(42)	42	0	0	0	0	0	0	0	0	0
8510-8530-75220 Freight	1,051	36	5,131	0	263	103	84	268	128	141	0	(6,171)	0
8510-8591-75220 Freight	81	0	24	19	0	0	0	75	0	11	0	0	36
8510-8610-75220 Freight	0	0	8	42	170	119	(42)	405	221	59	0	(34)	19
8510-8650-75220 Freight	0	0	0	0	(9)	0	0	44	0	0	0	0	0
8510-8670-75220 Freight	8	0	0	0	0	0	0	0	0	0	0	0	9
8510-8785-75220 Freight	0	0	0	0	0	29	0	32	0	0	0	0	0
Total: 75220 Freight	29,877	6,853	28,744	22,233	4,188	10,783	8,637	51,455	14,464	24,691	424	(5,473)	60,448
79300 Tr To Othr CC-Supplies													
8510-7710-79300 Tr To Othr CC-Supplies	(49,793)	(31,587)	(26,844)	(23,175)	(49,904)	(44,355)	(103,141)	(88,935)	(82,532)	(25,686)	(30,732)	(85,641)	(32,764)
Total: 79300 Tr To Othr CC-Supplies	(49,793)	(31,587)	(26,844)	(23,175)	(49,904)	(44,355)	(103,141)	(88,935)	(82,532)	(25,686)	(30,732)	(85,641)	(32,764)
79700 Tr Fm Othr CC-Supplies													
8510-7071-79700 Tr Fm Othr CC-Supplies	1,258	92	62	321	473	9	97	616	0	1,225	308	0	3
8510-7080-79700 Tr Fm Othr CC-Supplies	5,025	0	6,336	1,065	10,270	521	1,629	0	0	9,739	164	0	0
8510-7181-79700 Tr Fm Othr CC-Supplies	329	0	760	4,507	0	10,122	4,404	0	3,159	0	0	0	847
8510-7420-79700 Tr Fm Othr CC-Supplies	9,625	0	1,375	0	0	0	6,485	0	0	0	0	0	0
8510-7470-79700 Tr Fm Othr CC-Supplies	798	0	0	0	0	10,316	72,081	43,294	71,278	0	0	72,790	0
8510-7480-79700 Tr Fm Othr CC-Supplies	1,359	5,360	7,826	1,630	4,091	0	2,273	8,091	8,590	7,903	3,088	5,345	3,638
8510-7630-79700 Tr Fm Othr CC-Supplies	0	12,113	2,046	0	7,110	15,694	0	8,812	0	11,855	0	1,525	1,781
8510-7631-79700 Tr Fm Othr CC-Supplies	9,474	0	0	0	0	0	0	0	0	0	0	0	1,353
8510-7660-79700 Tr Fm Othr CC-Supplies	2,486	2,378	3,096	1,090	0	10,678	0	0	0	3,153	3,496	3,458	0
8510-7680-79700 Tr Fm Othr CC-Supplies	4,040	11,834	6,103	1,728	6,468	7,127	10,454	3,700	2,446	1,536	13,862	1,831	1,915
8510-7690-79700 Tr Fm Othr CC-Supplies	15,400	0	0	36	0	0	0	37	0	764	0	0	19,665
8510-7760-79700 Tr Fm Othr CC-Supplies	0	0	0	0	32	0	0	0	258	8	0	393	105
8510-8340-79700 Tr Fm Othr CC-Supplies	0	0	0	0	0	0	0	0	0	0	0	97	0
8510-8660-79700 Tr Fm Othr CC-Supplies	0	0	0	0	15,544	0	0	0	0	0	0	0	0
Total: 79700 Tr Fm Othr CC-Supplies	49,793	31,587	26,844	6,531	49,904	44,355	103,141	88,935	82,532	25,686	30,732	85,641	32,764
Total - Supplies	4,583,259	3,906,502	4,494,673	4,186,751	4,152,619	4,069,737	4,620,291	5,343,454	4,343,671	4,698,654	4,612,342	4,446,816	3,300,006
PIS - Professional Fees:													
72200 Consultant & Mgmt. Fees:													
8510-6980-72200 Consultant & Mgmt. Fees	0	0	0	0	0	0	0	0	0	0	0	18,333	5,408
8510-7181-72200 Consultant & Mgmt. Fees	0	0	0	0	0	0	0	0	0	0	3,000	0	0
8510-7630-72200 Consultant & Mgmt. Fees	0	0	0	0	0	0	6,350	1,000	0	0	0	0	0
8510-7690-72200 Consultant & Mgmt. Fees	0	1,066	1,217	0	0	0	0	1,568	0	0	0	0	5,257
8510-7680-72200 Consultant & Mgmt. Fees	0	0	0	0	0	0	0	1,750	0	0	0	0	0
8510-7691-72200 Consultant & Mgmt. Fees	0	0	1,600	0	0	0	0	0	0	0	0	0	0
8510-8510-72200 Consultant & Mgmt. Fees	0	0	280	8,115	7,153	8,646	0	100,663	0	31,188	6,758	0	0
8510-8511-72200 Consultant & Mgmt. Fees	0	0	0	0	0	0	0	0	0	0	0	0	900
8510-8519-72200 Consultant & Mgmt. Fees	4,825	25,000	19,130	(25,000)	0	0	0	109,391	(100,000)	(24,922)	0	0	(148,350)
8510-8700-72200 Consultant & Mgmt. Fees	0	0	0	0	0	0	0	0	1,155	(655)	(501)	7	0
Total: 72200 Consultant & Mgmt. Fees	4,825	26,068	22,227	(16,885)	7,153	8,646	6,350	113,709	663	(23,067)	33,533	24,590	(136,785)
72300 Legal													
8510-8510-72300 Legal	214	7,527	(14,185)	1,607	0	0	(1,000)	8,159	8,139	(3,467)	(5,921)	(1,034)	(4,898)
8510-8610-72300 Legal	(8,129)	3,743	24,215	3,411	(4,203)	14,484	43,871	(15,307)	0	13,233	10,187	8,726	134,961
8510-8650-72300 Legal	0	7,819	0	0	0	0	0	0	0	0	0	0	0
8510-8754-72300 Legal	12,913	12,446											



Verity Healt Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-6161-76100 Purch Serv-Medical	0	0	0	0	0	590	0	0	0	0	0	0	0
8510-6440-76100 Purch Serv-Medical	249,632	241,000	208,828	236,726	232,000	225,700	244,844	237,725	208,867	212,809	228,019	234,710	249,508
8510-7076-76100 Purch Serv-Medical	0	0	0	0	0	0	0	0	0	0	0	0	1,786
8510-7395-76100 Purch Serv-Medical	0	0	5,520	83,823	28,710	(11,919)	600	5,400	5,300	5,400	5,600	5,500	15,043
8510-7420-76100 Purch Serv-Medical	20	0	0	0	0	0	0	0	0	0	0	0	0
8510-7420-76100 Purch Serv-Medical	68,535	31,707	39,201	(17,438)	34,476	21,209	31,173	15,998	22,989	39,046	44,246	25,944	29,850
8510-7421-76100 Purch Serv-Medical	31,400	28,004	22,463	55,970	45,953	28,466	43,929	27,731	31,350	38,800	49,216	39,868	(71,874)
8510-7500-76100 Purch Serv-Medical	56,897	102,289	69,897	60,811	51,514	48,199	57,171	(38,735)	39,808	41,645	39,689	37,280	66,305
8510-7520-76100 Purch Serv-Medical	36,532	27,257	17,000	24,000	76,297	43,153	19,741	17,750	40,602	31,629	25,917	29,797	30,893
8510-7540-76100 Purch Serv-Medical	20,475	250	0	0	0	0	0	0	0	0	0	0	0
8510-7630-76100 Purch Serv-Medical	0	0	0	0	0	2,398	0	0	0	0	0	0	0
8510-7631-76100 Purch Serv-Medical	(2,040)	16,885	3,155	4,175	5,115	18,930	11,050	7,740	16,142	8,115	11,983	10,542	11,510
8510-7650-76100 Purch Serv-Medical	945	0	945	945	945	945	945	945	945	0	1,890	945	945
8510-7670-76100 Purch Serv-Medical	13,440	13,536	6,995	16,873	(5,900)	11,397	10,389	7,860	7,300	7,100	5,573	3,800	11,462
8510-7710-76100 Purch Serv-Medical	6,972	(2,205)	6,369	13,471	(865)	7,200	7,028	8,413	8,700	10,790	6,260	7,300	(43,800)
8510-7740-76100 Purch Serv-Medical	433	975	345	941	330	440	440	834	319	0	0	0	989
8510-7770-76100 Purch Serv-Medical	127,077	119,201	126,672	145,046	120,000	104,795	54,946	98,629	120,586	109,680	109,685	103,498	200,300
8510-7860-76100 Purch Serv-Medical	30,776	28,492	28,009	35,695	30,000	12,460	21,621	34,684	34,698	31,820	31,929	11,696	15,852
8510-7790-76100 Purch Serv-Medical	96,530	79,988	77,725	87,316	85,000	76,838	66,093	68,726	74,208	75,100	75,028	58,461	97,014
8510-7860-76100 Purch Serv-Medical	0	0	0	0	0	0	0	0	0	0	0	0	51
8510-7862-76100 Purch Serv-Medical	10,835	124,177	240,693	250,794	221,416	77,249	74,951	246,958	219,065	149,943	153,531	179,419	173,749
8510-7863-76100 Purch Serv-Medical	0	1,180	2,975	0	0	7,360	2,055	(13,840)	2,055	3,330	0	2,175	295
8510-7866-76100 Purch Serv-Medical	0	0	0	979	0	0	0	0	0	0	0	2,937	0
8510-7871-76100 Purch Serv-Medical	19,270	17,940	12,658	14,890	(8,920)	8,450	7,440	8,415	7,410	2,630	6,335	400	10,788
8510-8590-76100 Purch Serv-Medical	0	0	0	0	0	655	0	0	0	0	0	0	0
8510-8610-76100 Purch Serv-Medical	0	0	0	0	0	0	0	2,500	0	0	0	0	0
8510-8630-76100 Purch Serv-Medical	0	0	250	0	0	0	0	0	0	0	0	0	0
8510-8660-76100 Purch Serv-Medical	0	0	0	0	0	0	0	0	139	0	0	0	0
Total 76100 Purch Serv-Medical	764,729	821,875	869,620	1,015,180	824,230	698,339	695,165	732,613	839,613	768,237	792,942	797,316	801,615
76105 PURCH. SERV. Organs Purchased													
8510-7862-76105 PURCH. SERV. Organs Purchased	308,700	319,500	0	221,890	0	441,000	132,300	91,800	183,600	226,800	140,400	413,100	137,700
8510-7866-76105 PURCH. SERV. Organs Purchased	86,400	44,300	0	43,200	0	86,400	0	0	0	0	89,000	0	44,500
Total 76105 PURCH. SERV. Organs Purchased	395,100	364,000	0	265,090	0	527,400	132,300	91,800	183,600	226,800	229,400	413,100	182,200
76200 Purch Serv-Repairs & Maintain:													
8510-6151-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	0	0	0	0	0	0	895
8510-7010-76200 Purch Serv-Repairs & Maintain	1,658	1,301	1,301	1,301	1,301	268	268	268	268	268	268	268	268
8510-7071-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	2,641	(2,641)	0	0	0	0	0
8510-7076-76200 Purch Serv-Repairs & Maintain	259	0	200	83	0	166	0	0	273	5	0	382	83
8510-7630-76200 Purch Serv-Repairs & Maintain	619	281	281	652	0	319	2,781	2,781	0	0	0	0	0
8510-7095-76200 Purch Serv-Repairs & Maintain	0	0	336	0	0	0	0	0	0	0	0	0	0
8510-7181-76200 Purch Serv-Repairs & Maintain	1,546	1,546	1,546	1,546	1,546	1,546	1,546	20,103	(17,010)	1,546	(33,788)	1,546	5,406
8510-7420-76200 Purch Serv-Repairs & Maintain	3,398	8,027	343	8,088	10,844	3,788	13,081	4,836	5,574	3,764	6,004	2,560	1,488
8510-7421-76200 Purch Serv-Repairs & Maintain	(9,642)	96,420	5,110	9,838	5,966	1,436	(2,945)	22,797	7,088	8,716	5,746	11,599	457
8510-7500-76200 Purch Serv-Repairs & Maintain	0	0	6,997	0	0	0	0	0	0	0	0	0	625
8510-7570-76200 Purch Serv-Repairs & Maintain	107	0	0	0	0	0	0	0	0	0	0	0	1,563
8510-7630-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	0	0	0	0	(26,222)	4,996	28,219
8510-7650-76200 Purch Serv-Repairs & Maintain	10,271	10,271	0	0	20,540	0	10,271	10,271	10,271	10,271	(21,791)	11,619	9,882
8510-7660-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	0	4,128	0	0	(23,895)	0	0
8510-7670-76200 Purch Serv-Repairs & Maintain	10,577	0	0	0	0	0	0	0	0	0	0	33,263	6,653
8510-7680-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-7710-76200 Purch Serv-Repairs & Maintain	0	0	10,577	20,746	25	10,746	0	(10,538)	0	0	(31,733)	42,642	10,682
8510-7760-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	345	33	0	0	0	0	0	0
8510-7862-76200 Purch Serv-Repairs & Maintain	0	690	17	0	0	0	0	0	0	0	3,495	430	0
8510-7863-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	30,072	1,162	0	0	0	0	0	24,010
8510-8380-76200 Purch Serv-Repairs & Maintain	0	(670)	0	670	0	0	(670)	670	0	0	0	0	4,264
8510-8420-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	0	0	0	0	10,100	4,881	0
8510-8460-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	26,120	0	0	0	1,650	91,203	0
8510-8465-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	0	18,750	0	0	0	0	0
8510-8470-76200 Purch Serv-Repairs & Maintain	11,846	(11,846)	0	0	0	0	0	0	0	0	0	0	0
8510-8480-76200 Purch Serv-Repairs & Maintain	2,727	5,987	596	4,727	(11,180)	0	0	527	(527)	0	0	0	0
8510-8610-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	0	7,141	0	0	0	0	0
8510-8720-76200 Purch Serv-Repairs & Maintain	0	0	0	0	0	0	0	0	0	0	5,200	0	0
8510-6760-76200 Purch Serv-Repairs & Maintain	0	0	0	400	0	0	0	0	0	0	0	0	0
Total 76200 Purch Serv-Repairs & Maintain	33,366	72,512	28,898	47,621	29,921	48,277	59,618	71,751	14,345	35,235	(102,828)	128,216	190,622
76205 Repairs & Maintenance Other Contract:													
8510-6010-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	0	0	0	595
8510-6151-76205 Repairs & Maintenance Other Contract	790	820	0	0	0	0	0	0	0	0	895	1,210	10
8510-7010-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	3,874	969	969	989	1,509
8510-7076-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	0	2,799	0	0
8510-7181-76205 Repairs & Maintenance Other Contract	0	1,080	0	0	0	0	0	0	6,033	(25,780)	0	6,883	0
8510-7420-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	20,429	0	4,983	19,933	5,970	0
8510-7390-76205 Repairs & Maintenance Other Contract	0	(30,000)	0	1,500	0	0	0	311	0	0	284	2,767	0
8510-7630-76205 Repairs & Maintenance Other Contract	0	0	450	0	0	1,750	0	1,872	0	0	9,534	0	0
8510-7590-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	10,000	0	0	0	0	0
8510-7630-76205 Repairs & Maintenance Other Contract	0	13,728	10,000	0	0	0	16,144	0	0	13,832	14,348	18,206	0
8510-7631-76205 Repairs & Maintenance Other Contract	0	(40,027)	0	0	0	0	0	0	0	0	31,189	0	0
8510-7650-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	2,050	0	0	0	0	0
8510-7660-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	1,440	0	2,050	0
8510-7660-76205 Repairs & Maintenance Other Contract	0	0	0	0	4,133	0	0	3,980	0	0	0	0	0
8510-7670-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	3,670	0	0	0
8510-7681-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	640	0	0	0	0	0	0	0
8510-7710-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	1,872	0	0	417	0	0
8510-7720-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	0	0	5,700	0
8510-7740-76205 Repairs & Maintenance Other Contract	0	0	801	1,481	934	2,787	(11,151)	13,882	12,703	20,710	37,272	779	0
8510-7760-76205 Repairs & Maintenance Other Contract	3,667	11,890	8,810	2,165	9,933	3,015	8,880	1,625	8,255	146	35	0	(7,731)
8510-7860-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	2,810	0	0	0	0	0
8510-7871-76205 Repairs & Maintenance Other Contract	0	0	0	0	0	0	0	0	0	0	0	4,932	0
8510-8340-76205 Repairs & Maintenance Other Contract	0	0	0	0	1,620	0	0	0	0	0	0	0	0
8510-8380-76205 Repairs & Maintenance Other Contract	14,406	4,362	13,672	3	7,632	9,126	4,675	6,608	20,844	(2,111)	(2,645)	19,216	6,567
8510-8420-76205 Repairs & Maintenance Other Contract	(4,213)	0	0	0	0	0	0	0	0	0	0	0	0
8510-8440-76205 Repairs & Maintenance Other Contract	0	(225)	0	0	0	0	0	0	0	0	0	0	0
8510-8460-76205 Repairs & Maintenance Other Contract	13,516	(20,410)	7,316	203	101	0	7,030	28,946	1,119	14,395	1,006	844	64,181
8510-8465-76205 Repairs & Maintenance Other Contract</													



**Verity Healt Systems**  
**St Vincent Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-7900-76900 Purch Serv-Outside Organizatio	75,352	75,513	171,412	85,492	87,685	87,169	75,406	108,406	91,599	101,027	99,278	98,393	111,891
8510-8215-76900 Purch Serv-Outside Organizatio	0	0	5,697	5,697	5,697	5,697	5,697	5,697	5,697	12,524	1,758	0	2,482
8510-8345-76900 Purch Serv-Outside Organizatio	206,640	207,356	245,384	264,717	261,454	180,423	222,505	219,482	312,880	212,401	233,639	235,367	312,770
8510-8360-76900 Purch Serv-Outside Organizatio	769	2,620	432	793	269	884	1,311	1,057	515	267	118	0	483
8510-8375-76900 Purch Serv-Outside Organizatio	773	0	2,484	1,166	(3,558)	869	11,300	6,114	3,643	1,505	2,784	(11,628)	3,186
8510-8415-76900 Purch Serv-Outside Organizatio	46,775	49,596	52,416	52,900	52,864	51,955	47,009	49,570	47,009	47,009	47,009	56,675	63,419
8510-8385-76900 Purch Serv-Outside Organizatio	4,116	5,470	4,336	9,754	2,506	12,806	7,646	(4,887)	16,814	7,289	3,151	5,959	13,521
8510-8400-76900 Purch Serv-Outside Organizatio	1,111	0	(147)	1,448	(1,301)	50	(700)	2,389	0	5,490	1,725	0	12,752
8510-8420-76900 Purch Serv-Outside Organizatio	13,579	7,556	18,969	23,940	18,296	21,655	38,755	(3,784)	22,422	17,536	15,578	21,376	20,236
8510-8435-76900 Purch Serv-Outside Organizatio	455,556	596,185	272,741	351,392	314,146	271,131	301,993	420,148	265,203	296,337	299,494	375,190	375,190
8510-8450-76900 Purch Serv-Outside Organizatio	420,881	250,545	375,105	321,112	303,848	254,265	465,735	365,472	418,995	318,017	333,557	357,558	556,561
8510-8465-76900 Purch Serv-Outside Organizatio	83,368	401,218	(34,275)	162,230	177,337	176,893	178,147	146,102	0	0	0	0	2,633
8510-8470-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	394	0	0	0
8510-8485-76900 Purch Serv-Outside Organizatio	243	0	0	2,082	(2,082)	0	0	0	0	0	0	0	0
8510-8495-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	49	0	0	0
8510-8510-76900 Purch Serv-Outside Organizatio	121	184	1,008	125	0	290	0	0	0	130	310	2,877	331
8510-8511-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	720	0	0	0	0	0
8510-8530-76900 Purch Serv-Outside Organizatio	3,240	0	0	0	0	0	0	0	0	0	0	0	0
8510-8554-76900 Purch Serv-Outside Organizatio	0	0	8,375	0	0	0	0	0	0	0	0	0	0
8510-8560-76900 Purch Serv-Outside Organizatio	595	595	594	592	1,513	649	649	653	0	3,702	(173)	696	606
8510-8610-76900 Purch Serv-Outside Organizatio	0	0	21	1,265	6,250	1,263	10,001	0	1,435	(170)	0	13,800	0
8510-8615-76900 Purch Serv-Outside Organizatio	(217,152)	19,167	10,627	21,586	21,973	16,667	0	46,395	16,667	25,667	19,667	33,082	19,667
8510-8616-76900 Purch Serv-Outside Organizatio	354	0	0	0	0	0	0	0	0	0	0	0	0
8510-8617-76900 Purch Serv-Outside Organizatio	0	0	2,933	0	0	0	0	506	0	0	0	0	0
8510-8630-76900 Purch Serv-Outside Organizatio	2,758	487	(3,680)	(5,430)	15,563	(3,539)	3,586	(10,200)	900	5,400	(1,100)	5,900	1,900
8510-8635-76900 Purch Serv-Outside Organizatio	240	753	360	160	160	595	447	360	200	0	160	280	280
8510-8705-76900 Purch Serv-Outside Organizatio	13,540	995	(14,000)	22,972	18,066	12,946	16,600	(3,397)	9,408	11,087	12,112	8,198	8,198
8510-8660-76900 Purch Serv-Outside Organizatio	1,400	0	0	0	0	0	0	0	0	297	(116)	0	0
8510-8660-76900 Purch Serv-Outside Organizatio	5,521	0	0	0	0	0	0	0	0	0	0	0	0
8510-8700-76900 Purch Serv-Outside Organizatio	(2)	3,801	10,947	0	0	3,621	0	3,685	0	30,383	3,620	(98,357)	0
8510-8710-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	7,520	1,975	1,006	0	0	0
8510-8720-76900 Purch Serv-Outside Organizatio	0	117	0	9,604	275	0	0	4,156	722	(324)	0	2,425	0
8510-8751-76900 Purch Serv-Outside Organizatio	2,544	3,392	5,088	2,120	5,088	6,592	36,971	16,059	5,445	26,085	20,478	38,398	27,625
8510-8752-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-8753-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	359	0	0	0	0
8510-8754-76900 Purch Serv-Outside Organizatio	0	86	0	0	0	0	0	0	0	150	0	0	209
8510-8794-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	0	0	1,445
8510-8880-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	0	0	0	1,500	0	0
8510-9255-76900 Purch Serv-Outside Organizatio	24,068	24,320	25,422	22,350	24,671	25,750	24,500	(19,559)	(84,750)	12,526	13,767	0	0
8510-9560-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	0	7,520	0	0	0	0	0
8510-9562-76900 Purch Serv-Outside Organizatio	0	0	0	0	0	0	145	0	0	0	0	0	0
8510-9580-76900 Purch Serv-Outside Organizatio	3,694	836	588	860	2,623	4,872	3,324	1,076	2,140	998	1,801	2,729	2,853
<b>Total: 76900 Purch Serv-Outside Organizatio</b>	<b>1,122,700</b>	<b>1,478,776</b>	<b>1,224,296</b>	<b>1,387,284</b>	<b>1,108,970</b>	<b>1,213,439</b>	<b>1,426,310</b>	<b>1,268,472</b>	<b>1,350,035</b>	<b>1,201,162</b>	<b>1,128,821</b>	<b>1,128,642</b>	<b>1,510,689</b>
76904 Transcription Services (Non-MR)													
8510-7071-76904 Transcription Services (Non-MR)	722	0	2,089	3,329	2,826	2,537	0	2,641	3,704	2,601	3,894	3,736	7,800
8510-7862-76904 Transcription Services (Non-MR)	0	0	0	0	0	0	0	0	0	0	3,795	0	6,333
<b>Total: 76904 Transcription Services (Non-MR)</b>	<b>722</b>	<b>0</b>	<b>2,089</b>	<b>3,329</b>	<b>2,826</b>	<b>2,537</b>	<b>0</b>	<b>2,641</b>	<b>3,704</b>	<b>2,601</b>	<b>7,689</b>	<b>3,736</b>	<b>14,132</b>
76906 CHT Pledge:													
8510-8610-76906 Purch Svs - CHT Pledge	0	0	0	0	(40,144)	0	(84,964)	54,593	(2,118)	(2,118)	(2,118)	(15,278)	(12,886)
<b>Total: 76906 CHT Pledge</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(40,144)</b>	<b>0</b>	<b>(84,964)</b>	<b>54,593</b>	<b>(2,118)</b>	<b>(2,118)</b>	<b>(2,118)</b>	<b>(15,278)</b>	<b>(12,886)</b>
76907 PURCHASED SERVICES- LINEN:													
8510-7010-76907 PURCHASED SERVICES- LINEN	0	0	0	0	0	77	0	0	0	0	0	0	(425)
8510-8300-76907 PURCHASED SERVICES- LINEN	38,237	28,798	17,290	41,877	46,340	43,845	41,819	(2,084)	37,776	51,704	110,903	98,282	37,152
8510-8380-76907 PURCHASED SERVICES- LINEN	0	0	0	0	0	1,650	0	0	0	0	0	0	0
<b>Total: 76907 PURCHASED SERVICES- LINEN</b>	<b>38,237</b>	<b>28,798</b>	<b>17,290</b>	<b>41,877</b>	<b>46,340</b>	<b>45,572</b>	<b>41,819</b>	<b>(2,084)</b>	<b>37,776</b>	<b>51,704</b>	<b>110,903</b>	<b>98,282</b>	<b>36,726</b>
76910 Printing & Forms:													
8510-7010-76910 Printing & Forms	48	299	63	0	31	31	31	0	0	0	0	0	0
8510-7071-76910 Printing & Forms	0	0	0	0	0	0	0	0	0	0	0	0	55
8510-7862-76910 Printing/Photocopying/Stationery	0	0	0	0	0	0	0	0	0	0	0	0	32
8510-7865-76910 Printing & Forms	0	0	0	0	0	0	0	0	0	3,616	0	0	0
8510-7910-76910 Printing & Forms	0	0	0	0	0	0	0	0	0	0	0	0	10
8510-8630-76910 Printing & Forms	0	0	0	0	0	0	0	0	0	0	0	152	0
8510-8710-76910 Printing/Photocopying/Stationery	43	0	0	0	0	0	0	0	0	0	0	0	0
8510-8720-76910 Printing/Photocopying/Stationery	0	0	0	0	0	0	0	0	0	0	0	498	0
8510-8753-76910 Printing & Forms	749	0	0	0	0	0	0	0	82	0	0	0	0
<b>Total: 76910 Printing &amp; Forms</b>	<b>839</b>	<b>299</b>	<b>63</b>	<b>0</b>	<b>307</b>	<b>31</b>	<b>31</b>	<b>0</b>	<b>82</b>	<b>3,616</b>	<b>0</b>	<b>0</b>	<b>778</b>
76911 Software Support & Maintenance:													
8510-8530-76911 Software Support & Maintenance	(5,700)	1,358	0	0	0	0	0	0	0	0	0	(1,358)	0
<b>Total: 76911 Software Support &amp; Maintenance</b>	<b>(5,700)</b>	<b>1,358</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,358)</b>	<b>0</b>
76921 Purch Serv - Accretion Exp-Fix47:													
8510-8880-76921 Purch Serv- Accretion Exp - Fix47	125,644	0	0	0	0	0	0	0	0	0	0	0	132,742
<b>Total: 76921 Purch Serv - Accretion Exp-Fix47</b>	<b>125,644</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>132,742</b>
<b>Total: P/S - Other</b>	<b>2,528,131</b>	<b>2,706,526</b>	<b>2,167,485</b>	<b>2,771,290</b>	<b>2,117,819</b>	<b>2,564,323</b>	<b>2,265,884</b>	<b>2,369,669</b>	<b>2,491,305</b>	<b>2,327,981</b>	<b>2,217,039</b>	<b>2,511,319</b>	<b>2,986,060</b>
Rentel & Leases:													
77600 Rental/Lease Costs-Buildings:													
8510-7071-77600 Rental/Lease Costs-Buildings	25,670	25,670	25,670	25,670	19,137	25,203	25,774	24,442	25,108	25,108	25,108	25,108	25,108
8510-7080-77600 Rental/Lease Costs-Buildings	22,344	22,344	22,344	22,344	16,657	21,507	22,435	21,275	21,855	21,855	21,855	21,855	21,855
8510-7090-77600 Rental/Lease Costs-Buildings	10,240	10,240	10,240	10,240	7,634	10,240	9,791	10,240	10,240	10,240	10,240	10,240	10,240
8510-7181-77600 Rental/Lease Costs-Buildings	24,553	24,553	24,553	24,553	(371)	16,507	26,067	22,287	22,287	22,287	22,287	22,287	22,287
8510-7081-77600 Rental/Lease Costs-Buildings	11,556	11,556	11,556	11,556	(175)	7,769	13,210	10,490	10,490	10,490	10,490	10,490	10,490
8510-7862-77600 Rental/Lease Costs-Buildings	29,868	29,868	29,868	29,868	29,868	23,179	33,558	25,136	29,401	29,401	30,510	28,291	29,401
8510-8610-77600 Rental/Lease Costs-Buildings	10,669	10,669	10,669	10,669	(1,746)	5,585	10,612	8,100	8,100	8,100	8,100	8,100	8,685
<b>Total: 77600 Rental/Lease Costs-Buildings</b>	<b>134,900</b>	<b>134,900</b>	<b>134,900</b>	<b>134,900</b>	<b>64,317</b>	<b>116,450</b>	<b>143,938</b>	<b>127,481</b>	<b>127,257</b>	<b>127,257</b>	<b>128,366</b>	<b>128,147</b>	<b>128,841</b>
77600 Rental/Lease Costs-Equip:													
8510-6010-77600 Rental/Lease Costs-Equip	0	0	0	0	0	0	1,050	2,855	0	0	0	0	0
8510-7420-77600 Rental/Lease Costs-Equip	114,812	22,962	23,332	39,063	(18,000)	507	18,246	18,195	18,195	16,242	19,251	48,248	45,248
8510-7470-77600 Rental/Lease Costs-Equip	0	0											



6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
875	875	11,087	(9,317)	3,989	875	1,305	945	985	945	945	945	945
0	0	0	0	0	0	0	0	585	0	0	0	0
17,886	13,774	(15,285)	17,548	14,411	4,490	6,491	5,812	11,438	9,448	8,759	10,335	9,873
17,886	13,774	(15,285)	17,548	14,411	4,490	6,491	5,812	12,024	9,448	8,759	10,335	9,873
0	0	0	0	462	0	0	0	0	0	0	0	0
195	0	0	0	0	0	0	0	0	0	0	0	0
28	0	0	0	0	0	0	0	0	0	0	0	0
45	0	0	0	0	0	0	0	0	0	0	0	0
47,872	675	15,756	51,811	(1,120)	(5,532)	11,968	12,170	11,785	12,000	9,205	2,632	13,828
70	0	0	0	0	0	0	0	0	0	0	0	0
0	0	256	0	0	0	0	0	0	0	0	0	50
48,210	675	16,012	51,811	(680)	(5,532)	11,968	12,170	11,785	12,000	9,205	2,632	13,878
0	2,695	0	4,631	1,898	0	2,305	4,886	2,450	2,350	2,347	2,332	2,330
0	2,695	0	4,631	1,898	0	2,305	4,886	2,450	2,350	2,347	2,332	2,330
0	6,018	0	0	0	0	(224)	224	24,473	343	0	(224)	0
0	0	0	0	0	0	0	0	3,235	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	156	0
265	265	0	75	0	0	0	0	0	0	0	20,563	3,073
438	438	438	438	100	0	0	0	0	0	17,860	0	0
0	0	0	0	0	0	0	0	0	0	0	3,300	0
0	0	150	0	0	0	0	0	0	0	0	0	0
0	0	282	0	0	0	0	0	0	0	0	0	0
1,088	835	625	625	9,625	1,220	625	385	0	0	8,343	481	0
0	0	0	0	325	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	295	539	0	3,685	0	0
0	0	0	0	0	0	0	0	0	0	150	0	0
1,492	0	0	0	0	0	0	0	0	0	12,545	2,955	2,955
0	0	150	0	0	0	0	0	0	0	0	0	0
3,352	7,556	1,645	1,138	10,550	1,220	401	1,145	28,632	343	42,572	27,431	6,028
0	0	0	0	0	0	0	0	0	0	0	0	2,986
0	0	0	0	200	0	0	0	0	0	0	4,254	(1,127)
0	0	0	0	0	0	0	0	0	0	449	0	4,786
0	0	106	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	880	880	0	0	0	0
0	0	0	0	799	0	0	0	0	0	0	0	0
0	0	106	0	999	0	0	880	0	0	449	4,254	6,645
0	0	0	0	0	0	0	0	0	(42)	42	0	0
0	0	0	0	0	500	0	0	0	0	0	0	0
0	0	0	0	650	0	0	0	0	585	750	0	0
133	0	0	0	0	0	0	0	0	0	0	0	0
230	0	0	0	0	0							



[illegible]



6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
0	0	0	0	0	0	0	0	0	0	0	0	1,460
0	0	0	38	0	0	0	0	0	0	0	0	0
460	0	0	0	0	0	0	3,366	0	0	0	0	0
106	0	0	0	0	0	0	0	0	0	0	0	0
642	0	0	38	0	0	0	3,366	290	0	0	0	1,446
(577,702)	0	0	0	0	0	0	0	0	0	0	0	47,339
(577,702)	0	0	0	0	0	0	0	0	0	0	0	47,339
577,702	0	0	0	0	0	0	0	0	0	0	0	(47,339)
577,702	0	0	0	0	0	0	0	0	0	0	0	(47,339)
66,242	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430
66,242	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430	69,430
(65,242)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)
(65,242)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)	(69,430)
678,972	69,097	107,860	123,791	4,346,741	80,185	12,575,797	1,294,528	1,252,835	1,220,543	1,319,708	2,426,413	2,794,431
7,557,838	8,528,061	6,691,656	6,601,394	11,316,057	7,639,784	19,781,828	8,927,642	9,278,987	9,550,480	9,703,291	8,822,065	9,770,995
188,596	0	0	0	0	0	0	808,849	114,107	114,567	157,686	135,571	135,571
188,596	0	0	0	0	0	0	808,849	114,107	114,567	157,686	135,571	135,571
24,952	26,952	27,910	27,910	4,969	29,348	45,063	36,947	(15,897)	23,637	47,664	77,191	77,945
11,873	164,964	163,893	163,304	163,286	164,346	163,945	(641,319)	90,298	(364,119)	2,934	0	0
0	0	0	0	0	0	0	(8,633)	2,158	447,796	29,536	29,536	29,536
36,694	190,915	191,808	191,219	153,657	213,594	209,007	(611,005)	36,559	73,004	79,535	106,727	107,481
225,291	190,915	191,808	191,219	153,657	213,594	209,007	197,844	150,666	187,571	237,221	242,299	243,053
366,220	287,937	319,024	319,096	371,742	296,140	293,793	287,542	245,976	260,713	239,625	258,938	382,219
366,220	287,937	319,024	319,096	371,742	296,140	293,793	287,542	245,976	260,713	239,625	258,938	382,219
30,055	25,314	24,463	22,092	21,414	24,494	30,320	32,921	65,147	34,800	43,903	22,694	23,182
30,055	25,314	24,463	22,092	21,414	24,494	30,320	32,921	65,147	34,800	43,903	22,694	23,182
42,902	26,286	21,282	6,043	34,351	30,429	26,156	26,934	23,589	26,480	21,482	23,628	27,535
42,902	26,286	21,282	6,043	34,351	30,429	26,156	26,934	23,589	26,480	21,482	23,628	27,535
940	205	755	615	701	807	804	804	805	804	804	804	804
940	205	755	615	701	807	804	804	805	804	804	804	804
440,117	339,742	365,525	347,845	428,208								



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Net Income</b>	<b>(5,640,365)</b>	<b>(4,627,729)</b>	<b>(5,615,978)</b>	<b>(5,315,538)</b>	<b>(6,056,852)</b>	<b>(4,298,996)</b>	<b>(6,767,681)</b>	<b>(2,306,313)</b>	<b>(7,678,246)</b>	<b>(5,900,221)</b>	<b>(6,378,184)</b>	<b>(3,270,326)</b>	<b>(8,182,657)</b>
Total Revenue per GL:													
8510-3010-41101 VP Acute-Self Pay	41,955	55,940	27,970	167,820	125,865	41,955	125,865	223,760	55,940	237,745	69,925	153,835	83,910
8510-3010-41121 VP Acute-Comm Ins	153,835	391,580	0	0	0	27,970	41,955	0	27,970	0	13,985	97,895	0
8510-3010-41122 VP Acute-Comm MgtCare	629,325	321,655	321,655	447,520	643,310	209,775	209,775	643,310	335,640	727,220	1,146,770	455,565	97,895
8510-3010-41123 VP Acute-Comm At Risk	41,955	27,970	0	0	69,925	27,970	0	0	0	0	0	0	0
8510-3010-41141 VP Acute-Medicare	3,034,745	2,209,630	2,520,527	2,475,345	2,797,000	2,978,805	3,076,700	3,006,775	2,475,345	3,816,525	3,048,730	3,384,370	2,433,390
8510-3010-41142 VP Acute-Medicare MgtCare	531,430	1,055,825	1,146,770	1,048,875	957,840	1,016,475	1,062,860	741,205	1,070,845	1,216,895	1,342,650	531,430	797,145
8510-3010-41143 VP Acute-Medicare At Risk	293,685	125,865	293,685	531,430	237,745	517,445	626,325	601,355	1,216,895	823,010	391,580	293,685	167,820
8510-3010-41151 VP Acute-Medi-Cal	825,115	391,580	601,355	629,325	629,325	601,355	601,355	601,355	601,355	601,355	601,355	545,415	489,475
8510-3010-41152 VP Acute-Medi-Cal MgtCare	839,100	881,055	950,980	1,314,590	545,415	853,085	972,375	1,832,035	1,146,770	1,440,455	2,041,810	1,314,590	1,021,155
8510-3010-41191 VP Acute-Other	0	0	0	0	0	0	0	0	0	0	0	13,985	0
8510-3010-44501 OIP-Self Pay	0	0	0	0	0	0	0	0	8,904	0	0	0	0
8510-3010-44522 OIP-Comm MgtCare	11,448	6,360	6,784	424	20,438	0	0	0	0	0	0	0	11,871
8510-3010-44541 OIP-Medicare	59,123	54,511	25,594	30,528	28,638	23,792	30,528	17,307	19,975	62,616	55,971	80,244	28,267
8510-3010-44542 OIP-Medicare MgtCare	0	5,512	29,519	7,208	18,232	0	0	0	7,208	20,826	19,928	29,256	16,536
8510-3010-44543 OIP-Medicare At Risk	0	0	0	0	3,392	5,512	0	0	5,642	0	15,628	0	0
8510-3010-44552 OIP-Medi-Cal MgtCare	0	0	0	5,088	0	424	10,600	0	0	0	0	0	11,024
8510-3010-41101 VP Acute-Self Pay	13,985	0	27,970	0	0	27,970	27,970	13,985	27,970	0	0	0	0
8510-3010-41121 VP Acute-Comm Ins	0	0	0	27,970	0	0	0	0	13,985	0	0	0	13,985
8510-3010-41122 VP Acute-Comm MgtCare	181,805	181,805	167,820	167,820	69,925	55,940	111,880	69,925	41,955	69,925	83,910	83,910	27,970
8510-3010-41123 VP Acute-Comm At Risk	13,985	0	0	0	0	0	0	0	0	0	0	0	0
8510-3010-41141 VP Acute-Medicare	41,955	41,955	83,910	27,970	153,835	153,835	83,910	125,865	55,940	153,835	41,955	41,955	83,910
8510-3010-41142 VP Acute-Medicare MgtCare	13,985	27,970	97,895	111,880	69,925	55,940	27,970	55,940	13,985	83,910	27,970	13,985	27,970
8510-3010-41143 VP Acute-Medicare At Risk	13,985	0	0	0	0	0	0	0	0	0	0	0	0
8510-3010-41151 VP Acute-Medi-Cal	13,985	13,985	13,985	69,925	13,985	0	13,985	0	41,955	13,985	27,970	27,970	27,970
8510-3010-41152 VP Acute-Medi-Cal MgtCare	13,985	41,955	41,955	13,985	27,970	27,970	69,925	69,925	41,955	27,970	0	0	0
8510-3010-41191 VP Acute-Other	0	0	0	0	0	13,985	0	0	0	0	0	0	0
8510-3010-41101 VP Acute-Self Pay	92,838	123,384	215,922	164,512	133,666	30,428	174,794	154,230	143,384	123,370	30,846	41,126	0
8510-3010-41121 VP Acute-Comm Ins	0	0	0	0	41,128	102,820	0	41,128	10,282	0	30,846	10,282	0
8510-3010-41122 VP Acute-Comm MgtCare	1,089,892	1,115,756	801,996	1,228,938	640,028	863,688	768,399	782,280	710,152	895,228	575,792	544,946	515,775
8510-3010-41123 VP Acute-Comm At Risk	123,384	133,666	10,282	143,948	575,792	267,332	41,128	123,384	82,256	82,256	0	30,846	10,282
8510-3010-41141 VP Acute-Medicare	0	0	0	0	41,128	0	0	0	0	0	0	0	0
8510-3010-41142 VP Acute-Medicare MgtCare	6,687,737	6,333,546	5,575,366	5,023,203	5,923,608	5,722,957	6,416,380	7,070,499	7,273,799	6,995,272	4,002,242	4,200,930	4,483,919
8510-3010-41143 VP Acute-Medicare At Risk	1,791,027	2,200,348	1,953,580	2,385,706	2,818,087	2,323,732	2,500,121	2,442,388	1,686,248	3,300,522	2,085,253	2,320,217	1,789,068
8510-3010-41151 VP Acute-Medi-Cal	1,059,046	760,868	1,321,534	1,120,738	1,173,362	863,688	1,336,660	1,248,984	1,809,632	1,706,812	1,151,584	904,816	452,408
8510-3010-41152 VP Acute-Medi-Cal MgtCare	1,125,720	847,766	688,894	925,380	1,028,200	1,223,558	853,406	1,798,350	1,285,250	801,896	632,842	730,022	771,150
8510-3010-41191 VP Acute-Other	2,056,400	1,902,400	1,981,400	2,169,940	2,313,450	2,365,424	3,033,190	2,962,062	2,169,200	2,869,554	1,984,700	1,984,700	1,984,700
8510-3010-41101 VP Acute-Self Pay	0	0	0	0	0	0	0	0	0	0	0	20,564	0
8510-3010-41191 VP Acute-Other	20,564	0	20,564	0	0	10,282	10,282	10,282	0	0	20,564	0	0
8510-3010-44501 OIP-Self Pay	(5,086)	0	(5,086)	0	0	0	0	0	0	0	0	(8,916)	0
8510-3010-44522 OIP-Comm MgtCare	46,405	16,960	19,504	56,642	40,791	49,608	40,704	(7,832)	16,262	21,624	33,910	8,504	42,298
8510-3010-44523 OIP-At Risk	0	0	0	8,480	0	0	0	0	0	0	0	0	0
8510-3010-44541 OIP-Medicare	128,008	263,660	228,984	290,893	322,090	222,132	210,539	135,513	103,854	239,361	199,318	186,716	192,516
8510-3010-44542 OIP-Medicare MgtCare	60,453	117,925	140,413	105,167	146,466	70,675	130,816	183,628	64,795	256,633	167,904	98,194	139,382
8510-3010-44543 OIP-Medicare At Risk	3,209	103,849	33,137	40,280	8,056	5,132	51,105	38,937	112,784	61,123	88,210	47,931	0
8510-3010-44551 OIP-Medi-Cal	0	0	20,699	0	0	0	0	0	0	347	0	1,272	(16,960)
8510-3010-44552 OIP-Medi-Cal MgtCare	0	0	10,176	16,501	0	17,384	0	27,560	(17,808)	10,947	0	5,088	(2,120)
8510-3010-41101 VP Acute-Self Pay	45,266	55,712	27,856	55,712	27,856	70,456	31,685	48,748	24,374	80,086	31,338	45,266	10,446
8510-3010-41121 VP Acute-Comm Ins	10,446	55,712	0	13,988	20,892	34,820	34,820	34,820	34,820	13,988	0	25,182	0
8510-3010-41122 VP Acute-Comm MgtCare	490,962	601,096	783,504	423,154	428,286	390,422	515,336	523,088	417,059	216,672	372,574	380,120	372,574
8510-3010-41123 VP Acute-Comm At Risk	13,928	48,748	3,482	41,784	13,928	27,856	52,230	38,202	20,892	6,964	0	0	0
8510-3010-41131 VP Acute-W/C	38,302	0	27,856	6,964	55,712	59,194	0	59,194	27,856	27,856	20,892	97,496	62,676
8510-3010-41141 VP Acute-Medicare	2,180,246	2,058,882	1,939,438	1,801,717	1,822,969	2,173,558	1,953,115	2,842,838	2,036,862	2,209,376	2,399,651	2,029,350	2,189,227
8510-3010-41142 VP Acute-Medicare MgtCare	362,128	575,861	400,430	470,447	559,484	494,444	554,084	518,818	472,434	648,888	591,940	805,868	652,963
8510-3010-41143 VP Acute-Medicare At Risk	360,862	184,992	308,862	303,753	270,319	365,610	376,056	306,416	204,320	278,907	247,222	275,078	193,874
8510-3010-41151 VP Acute-Medi-Cal	188,812	341,236	520,715	504,890	258,914	418,628	448,178	422,110	598,676	700,846	536,228	414,358	490,962
8510-3010-41152 VP Acute-Medi-Cal MgtCare	851,134	466,965	780,969	515,336	550,196	739,098	912,284	981,924	842,891	685,932	852,428	515,336	515,336
8510-3010-41161 VP Acute-Other Govt FFS	0	0	7,719	0	24,374	13,928	0	0	0	10,446	0	6,964	0
8510-3010-41191 VP Acute-Other	0	0	0	6,964	0	0	0	0	0	0	0	0	0
8510-3010-44501 OIP-Self Pay	0	0	0	424	0	0	0	0	0	0	0	0	0
8510-3010-44521 OIP-Comm Ins	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-3010-44522 OIP-Comm MgtCare	78,886	100,668	63,677	22,472	12,339	42,409	27,987	61,243	17,275	70,749	38,510	62,041	17,808
8510-3010-44523 OIP-At Risk	0	0	0	0	0	0	0	0	0	0	9,342	0	19,080
8510-3010-44531 OIP-W/C	0	0	0	0	6,360	0	0	0	7,208	0	0	0	0
8510-3010-44541 OIP-Medicare	202,383	118,051	96,174	94,501	161,393	73,302	94,693	141,629	115,562	69,069	85,645	225,919	122,786
8510-3010-44542 OIP-Medicare MgtCare	35,864	34,403	29,684	21,690	13,568	37,312	19,504	13,876	2,968	59,468	46,611	46,611	27,912
8510-3010-44543 OIP-Medicare At Risk	44,096	10,523	27,805	38,842	18,232	8,480	44,585	69,112	9,328	14,840	19,504	47,072	59,944
8510-3010-44551 OIP-Medi-Cal	0	6,915	(3,816)	0	5,512	0	0	0	0	0	0	14,806	0
8510-3010-44552 OIP-Medi-Cal MgtCare	0	0	0	0	0	22,048	0	22,353	633	0	12,299	0	6,645
8510-3010-41101 VP Acute-Self Pay	3,482	17,809	41,784	21,711	10,446	17,410	27,856	27,856	27,856	0	0	17,410	0
8510-3010-41121 VP Acute-Comm Ins	16,410	40,210	0	17,410	20,892	3,482	6,964	24,374	10,446	24,374	0	13,928	0
8510-3010-41122 VP Acute-Comm MgtCare	170,172	104,460	100,978	121,870	153,208	128,834	184,546	90,396	73,122	198,474	167,483	226,330	252,612
8510-3010-41123 VP Acute-Comm At Risk	0	0	0	0	0	0	6,964	0	0	6,964	0	3,482	0
8510-3010-41131 VP Acute-W/C	0	0	24,374	0	0	0	0	0	0	0	24,374	0	0
8510-3010-41141 VP Acute-Medicare	1,110,940	1,166,808	1,343,345	1,081,411	989,016	1,048,181	982,891	1,630,193	856,440	1,278,278	901,618	1,226,853	1,154,450
851													



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-3580-41223 SNF-AI Risk	0	0	0	0	0	0	26,048	0	0	23,445	13,025	0	0
8510-3580-41241 SNF-Medicare MgtCare	1,370,230	1,440,564	1,117,545	1,268,636	1,195,666	1,477,035	1,775,864	1,312,913	1,211,325	1,299,895	1,036,760	961,246	104,200
8510-3580-41242 SNF-Medicare MgtCare	192,770	54,705	39,075	54,705	83,360	67,310	0	42,331	0	70,335	114,620	127,645	5,210
8510-3580-41251 SNF-Medi-Cal	62,520	75,545	276,130	182,350	283,105	65,120	113,960	102,897	67,730	88,570	205,795	70,335	5,210
8510-3580-41252 SNF-Medi-Cal FFS	13,025	0	0	0	0	0	35,816	74,242	0	80,705	96,385	36,470	0
8510-3580-41252 SNF-Medi-Cal MgtCare	78,150	80,755	80,755	80,755	80,755	172,955	165,416	165,416	165,416	165,416	96,385	96,385	16,235
8510-3900-41191 VP Acute-Other	431,762	204,047	(35,943)	(444,842)	865,525	286,447	(932,310)	658,304	(41,314)	(631,506)	728,587	(559,992)	(909,269)
8510-3900-44591 OIP-Other	472,442	(202,895)	389,154	(604,494)	121,223	521,088	(502,785)	17,706	(89,908)	506,598	(555,037)	(48,621)	(105,308)
8510-4010-41101 VP Acute-Self Pay	33,145	21,539	40,165	75,965	38,970	60,231	39,380	97,290	90,126	128,951	28,417	51,701	6,623
8510-4010-41121 VP Acute-Comm Ins	32,841	16,362	1,157	0	12,590	14,822	11,761	11,761	41,244	5,523	11,224	43,207	16,219
8510-4010-41122 VP Acute-Comm MgtCare	199,676	168,171	250,596	271,442	319,145	218,362	270,491	236,251	271,699	333,028	315,947	229,830	243,625
8510-4010-41123 VP Acute-Comm At Risk	7,039	22,781	0	8,754	20,076	10,097	4,531	10,036	5,850	5,031	0	13,857	0
8510-4010-41131 VP Acute-W/C	0	5,188	6,254	0	0	5,043	0	8,997	14,743	0	0	13,519	0
8510-4010-41141 VP Acute-Medicare	1,323,858	1,348,474	1,416,264	1,712,980	1,599,231	1,490,639	2,184,077	2,087,933	1,826,542	1,600,031	2,023,175	1,370,588	2,076,122
8510-4010-41142 VP Acute-Medicare MgtCare	388,251	387,453	593,519	434,504	527,128	527,128	621,862	599,686	600,669	620,374	550,051	429,488	729,498
8510-4010-41143 VP Acute-Medicare At Risk	161,262	95,225	232,024	157,601	152,630	165,046	278,537	230,225	258,378	217,546	240,444	198,967	199,553
8510-4010-41151 VP Acute-Medi-Cal	340,517	379,376	378,607	414,133	448,011	372,109	560,000	640,441	503,463	396,956	592,609	436,255	621,947
8510-4010-41152 VP Acute-Medi-Cal MgtCare	620,554	528,284	520,549	674,123	629,151	596,575	931,262	861,124	840,248	767,507	1,050,025	670,729	866,432
8510-4010-41161 VP Acute-Other Govt FFS	0	0	5,631	0	7,195	0	4,712	17,639	11,065	9,441	0	6,525	0
8510-4010-41191 VP Acute-Other	13,585	0	10,439	0	11,137	15,615	13,266	13,266	11,095	7,018	7,953	0	0
8510-4010-44701 ER-Self Pay	693,436	664,647	709,019	834,434	677,141	543,078	663,497	732,888	599,929	568,143	714,599	491,204	338,810
8510-4010-44721 ER-Comm Ins	94,630	42,417	73,733	140,884	131,134	68,586	117,363	55,118	77,785	118,593	54,838	83,207	69,825
8510-4010-44722 ER-Comm MgtCare	453,102	576,814	563,353	597,257	470,366	584,036	659,707	659,707	629,525	696,235	689,435	599,427	696,435
8510-4010-44723 ER-W/C	9,743	17,501	9,178	23,669	7,150	9,062	33,678	4,555	20,648	6,647	34,165	22,415	12,633
8510-4010-44731 ER-AI Risk	25,899	28,125	35,340	18,072	16,793	22,199	25,659	19,294	23,431	11,908	12,603	26,930	27,640
8510-4010-44741 ER-Medicare	878,693	1,169,203	859,228	997,614	946,427	843,509	938,022	1,168,548	747,588	863,252	1,037,971	940,814	1,054,506
8510-4010-44742 ER-Medicare MgtCare	416,955	467,452	594,917	594,917	594,917	594,917	425,785	644,761	416,955	655,970	655,970	437,310	664,300
8510-4010-44743 ER-Medicare At Risk	67,640	75,935	96,801	88,841	76,713	131,402	138,278	145,681	125,753	83,568	171,513	170,574	172,319
8510-4010-44751 ER-Medi-Cal	794,803	966,192	777,429	867,822	808,292	798,323	857,104	829,228	730,634	794,368	721,387	1,068,129	1,068,129
8510-4010-44752 ER-Medi-Cal MgtCare	1,664,307	2,010,270	1,770,572	1,950,444	2,044,474	1,622,918	2,091,563	2,121,456	1,801,770	1,720,824	2,191,232	1,597,647	2,069,858
8510-4010-44761 ER-Other Govt FFS	2,429	0	24,765	4,462	12,846	12,846	12,846	17,639	11,065	9,441	0	6,525	0
8510-4010-44793 ER-Other At Risk	16,949	21,009	17,088	1,701	21,707	6,971	4,679	4,495	5,103	7,990	16,536	2,852	17,852
8510-4070-44591 OIP-Other	0	0	0	0	0	0	0	0	0	0	829	0	0
8510-4071-41121 VP Acute-Comm Ins	424	0	0	0	0	0	0	0	0	0	0	0	0
8510-4071-41122 VP Acute-Comm MgtCare	0	212	0	0	0	0	0	0	0	0	0	0	0
8510-4071-41141 VP Acute-Medicare	1,818	1,864	780	238	7,704	8,739	5,291	12,057	4,074	6,043	2,118	6,090	4,188
8510-4071-44501 OIP-Self Pay	662	1,729	3,146	2,242	1,376	212	0	792	504	504	1,555	504	3,964
8510-4071-44521 OIP-Comm Ins	2,627	2,179	926	238	1,726	1,461	1,971	240	504	240	2,142	1,512	1,709
8510-4071-44522 OIP-Comm MgtCare	52,170	32,910	56,398	30,726	41,563	39,660	48,373	72,060	36,866	43,597	43,390	35,306	43,375
8510-4071-44531 OIP-W/C	8,912	6,795	5,024	8,491	9,750	6,591	9,750	6,591	7,803	8,270	7,434	12,713	7,434
8510-4071-44541 OIP-Medicare	200,884	251,453	234,448	168,375	206,614	194,155	190,020	252,533	210,899	216,421	288,473	136,862	228,448
8510-4071-44542 OIP-Medicare MgtCare	15,703	16,747	6,514	13,696	12,431	19,038	12,123	28,551	17,607	17,649	18,266	23,159	24,415
8510-4071-44543 OIP-Medicare At Risk	0	0	238	212	0	480	720	2,187	240	744	480	720	720
8510-4071-44551 OIP-Medi-Cal	387,417	424	424	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884
8510-4071-44552 OIP-Medi-Cal MgtCare	3,138	2,476	848	1,792	2,786	4,341	2,258	6,648	1,704	3,606	1,488	4,377	2,789
8510-4071-44561 OIP-Other Govt FFS	0	212	0	1,451	212	0	504	0	504	0	504	264	264
8510-4071-44721 ER-Comm Ins	0	0	0	0	0	0	0	0	0	0	447	0	0
8510-4071-44722 ER-Comm MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4071-44741 ER-Medicare	0	0	0	0	0	0	754	754	754	754	1,649	0	0
8510-4071-44751 ER-Medi-Cal	0	0	0	0	0	0	0	0	0	895	895	2,495	0
8510-4071-44752 ER-Medi-Cal MgtCare	0	0	611	0	0	0	0	0	800	754	2,428	0	0
8510-4079-41141 VP Acute-Medicare	983	0	517,364	0	598	375	448	380	380	0	1,980	1,980	0
8510-4079-44501 OIP-Self Pay	0	1,775	0	0	0	0	0	0	1,033	0	0	0	0
8510-4079-44521 OIP-Comm Ins	0	514	375	0	0	770	5,886	1,313	0	0	0	0	0
8510-4079-44522 OIP-Comm MgtCare	28,873	24,638	25,633	17,738	19,054	38,783	7,649	18,988	39,140	13,374	17,325	28,119	23,538
8510-4079-44531 OIP-W/C	301	0	0	(20)	0	0	0	0	0	0	0	0	0
8510-4079-44541 OIP-Medicare	71,850	87,287	86,914	56,668	93,825	93,280	61,785	100,137	82,450	95,537	120,309	117,712	104,968
8510-4079-44542 OIP-Medicare MgtCare	65,418	55,548	52,644	42,357	110,805	47,502	38,842	48,477	40,084	52,319	41,154	52,386	105,433
8510-4079-44543 OIP-Medicare At Risk	750	53,55	715	0	448	0	380	992	737	737	1,116	0	0
8510-4079-44551 OIP-Medi-Cal	1,538	2,034	1,538	966	1,465	1,096	1,096	1,312	2,387	2,387	2,045	2,045	2,045
8510-4079-44552 OIP-Medi-Cal MgtCare	128,837	84,464	81,174	78,580	98,007	99,537	82,285	89,449	49,904	55,238	46,629	56,652	50,680
8510-4079-44591 OIP-Other	4,664	16,686	5,415	10,314	4,600	18,143	14,576	6,905	18,155	16,008	17,155	6,312	9,722
8510-4091-44522 OIP-Comm MgtCare	0	594	0	0	0	0	0	0	0	0	238	0	0
8510-4091-44542 OIP-Medicare MgtCare	0	594	0	0	0	0	476	0	944	0	476	357	0
8510-4092-41141 VP Acute-Medicare	424	0	450	212	424	212	424	474	474	240	0	0	0
8510-4092-44501 OIP-Self Pay	0	0	0	238	238	238	0	0	0	0	0	0	0
8510-4092-44522 OIP-Comm MgtCare	19,569	14,169	18,247	16,917	10,464	18,071	13,220	16,606	12,055	15,459	15,436	10,739	29,512
8510-4092-44541 OIP-Medicare	43,457	41,250	43,487	23,794	32,372	23,215	23,215	44,563	34,626	45,252	29,306	36,291	36,291
8510-4092-44542 OIP-Medicare MgtCare	38,628	28,017	27,115	23,516	22,907	21,150	26,910	23,323	21,531	26,910	21,531	26,910	26,910
8510-4092-44543 OIP-Medicare At Risk	0	1,138	2,520	3,929	2,098	2,938	1,096	2,947	4,804	3,672	2,544	3,048	1,488
8510-4092-44551 OIP-Medi-Cal	1,399	212	450	0	0	0	240	0	240	0	292	0	240
8510-4092-44552 OIP-Medi-Cal MgtCare	10,661	10,588	11,398	26,624	13,154	14,147	24,465	28,748	26,462	22,675	24,824	24,819	24,819
8510-4092-44561 OIP-Other Govt FFS	0	0	450	212	0	0	240	240	240	240	240	240	240
8510-4092-44722 ER-Comm MgtCare	0	0	0	0	0	0	0	0	0	0	0	4,369	0
8510-4092-44731 ER-W/C	0	0	0	0	0	0	0	0	0	0	0	1,465	0
8510-4092-44742 ER-Medicare MgtCare	0	0	0	0	0	0	0	0	0	0	0	754	0
8510-4094-44521 OIP-Comm Ins	0	0	0	0	0	0	0	0	0	0	496	415	0
8510-4094-44522 OIP-Comm MgtCare	0	0	0	0	0	0	0	0	0	380	1,631	3,971	0
8510-4094-44541 OIP-Medicare	0	0	0	0	0	0	0	0	0	0	4,071	3,417	0
8510-4094													



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4420-41151 VP Acute-Medi-Cal	194,045	551,482	234,414	284,149	185,280	257,529	507,360	459,995	427,273	181,499	413,460	652,599	397,783
8510-4420-41152 VP Acute-Medi-Cal MgtCare	1,389,076	1,339,451	1,911,544	1,145,234	1,437,281	1,348,250	1,418,570	1,662,843	1,522,873	1,613,741	910,696	1,530,450	884,796
8510-4420-41161 VP Acute-Other Govt FFS	0	0	0	0	16,835	0	0	0	0	31,654	0	71,481	0
8510-4420-41191 VP Acute-Other	0	0	0	0	10,192	54,726	61,670	52,023	105,730	64,624	185,803	0	0
8510-4420-41241 SNF-Medicare	29,052	0	0	0	0	0	0	0	0	0	7,538	0	0
8510-4420-41441 VP Rehab-Medicare	59,105	0	0	15,600	0	0	17,465	0	0	4,983	40,197	0	0
8510-4420-41442 VP Rehab-Medicare MgtCare	0	0	0	0	0	0	0	0	0	0	18,847	0	0
8510-4420-41451 VP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	0	16,606
8510-4420-44501 OIP-Self Pay	0	0	0	33,087	0	39,739	0	0	0	0	0	0	0
8510-4420-44502 OIP-Comm Ins	31,234	68,973	17,194	30,855	11,599	143,478	35,732	57,707	26,023	35,809	73,486	27,414	17,434
8510-4420-44522 OIP-Comm MgtCare	964,419	873,407	730,971	741,179	924,114	618,802	906,630	864,557	756,394	986,971	893,750	1,515,245	1,259,156
8510-4420-44523 OIP-Ai Risk	0	17,970	36,878	0	0	25,310	115,275	35,781	30,131	24,324	18,190	17,781	0
8510-4420-44531 OIP-W/C	0	0	16,807	0	0	0	0	0	34,578	0	19,335	0	41,136
8510-4420-44541 OIP-Medicare	1,495,918	1,195,260	1,269,091	986,498	1,236,241	1,241,912	1,138,554	1,315,013	1,228,733	1,014,684	1,612,226	1,328,214	1,149,482
8510-4420-44542 OIP-Medicare MgtCare	753,796	539,543	428,186	414,388	531,286	317,789	596,055	539,625	333,678	178,973	528,538	961,314	806,315
8510-4420-44543 OIP-Medicare At Risk	134,289	46,577	167,180	166,137	203,592	383,368	181,369	274,654	267,317	194,903	217,377	308,161	294,194
8510-4420-44551 OIP-Medi-Cal	19,232	48,240	1(580)	10,881	47,340	40,810	36,955	51,018	26,916	30,139	82,473	22,796	41,947
8510-4420-44552 OIP-Medi-Cal MgtCare	1,240,536	1,100,819	1,305,023	1,201,807	1,283,913	1,530,148	1,583,979	1,303,617	836,328	1,680,429	1,181,861	1,512,431	1,130,137
8510-4420-44561 OIP-Other Govt FFS	0	0	0	0	0	0	11	0	0	0	0	0	0
8510-4420-44591 OIP-Other	0	0	40,830	0	0	0	0	0	0	51,502	0	33,771	0
8510-4420-44721 ER-Comm Ins	0	0	69	0	0	0	0	0	0	0	0	0	0
8510-4420-44722 ER-Comm MgtCare	0	0	138	69	0	0	0	0	0	0	0	0	0
8510-4420-44741 ER-Medicare	0	0	20,178	276	207	17,886	0	(19,322)	0	0	2,264	0	0
8510-4420-44742 ER-Medicare MgtCare	0	0	207	69	0	0	0	0	0	0	0	0	0
8510-4420-44743 ER-Medicare At Risk	0	0	15,298	0	0	0	0	0	0	0	0	0	0
8510-4420-44751 ER-Medi-Cal	0	0	0	0	0	0	0	0	15,606	(15,606)	0	0	0
8510-4420-44752 ER-Medi-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	2,170	0	0
8510-4421-41101 VP Acute-Self Pay	121,675	0	0	0	0	0	107,323	87,682	0	0	0	0	0
8510-4421-41121 VP Acute-Comm Ins	0	0	0	164,166	0	0	0	0	0	195,075	0	0	210,962
8510-4421-41122 VP Acute-Comm MgtCare	552,962	1,440,217	1,804,116	753,265	604,232	536,885	818,245	692,490	362,376	797,736	757,731	918,580	316,324
8510-4421-41141 VP Acute-Medi-Cal MgtCare	0	0	428,186	228,697	414,388	414,253	414,254	345,572	345,572	262,538	166,074	0	415,963
8510-4421-41142 VP Acute-Medicare MgtCare	0	0	537,983	177,180	386,804	295,933	116,448	416,603	125,415	235,146	233,964	77,225	63,172
8510-4421-41143 VP Acute-Medicare At Risk	0	6,529	0	0	0	0	0	0	0	69,804	0	98,028	0
8510-4421-41151 VP Acute-Medi-Cal	111,834	30,464	58,260	174,017	192,931	77,474	18,629	63,056	205,397	0	205,164	29,286	0
8510-4421-41152 VP Acute-Medi-Cal MgtCare	0	0	45,439	0	86,478	0	0	337,052	0	0	58,631	4,478	0
8510-4421-44501 OIP-Self Pay	116,817	29,904	67,545	215,121	0	32,725	0	131,544	121,508	32,182	36,467	0	0
8510-4421-44521 OIP-Comm Ins	26,155	0	14,999	20,387	0	127,672	60,784	34,794	151,935	58,683	0	0	0
8510-4421-44522 OIP-Comm MgtCare	1,272,317	1,253,781	1,370,733	1,309,645	820,904	1,694,013	1,765,846	1,451,799	1,329,937	1,242,444	1,478,775	737,227	1,389,394
8510-4421-44523 OIP-Ai Risk	0	0	0	6,886	0	0	15,398	0	23,753	0	0	0	0
8510-4421-44531 OIP-W/C	11,087	0	118,002	0	34,586	18,361	18,977	23,172	0	0	0	0	0
8510-4421-44541 OIP-Medicare	684,455	760,434	660,831	165,230	427,510	535,089	328,226	905,262	688,854	674,577	796,887	672,255	700,121
8510-4421-44542 OIP-Medicare MgtCare	175,034	180,338	131,144	134,619	365,330	298,502	27,924	101,550	206,701	131,808	77,089	363,774	179,342
8510-4421-44543 OIP-Medicare At Risk	0	0	0	0	12,579	0	0	0	0	0	0	0	0
8510-4421-44551 OIP-Medi-Cal	182,237	174,804	260,470	300,160	139,547	87,961	193,930	165,508	182,165	258,032	354,156	513,269	367,867
8510-4421-44552 OIP-Medi-Cal MgtCare	73,312	103,844	28,263	48,515	0	28,198	122,981	0	175,101	92,638	47,866	9,745	75,089
8510-4421-44561 OIP-Other Govt FFS	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4421-44591 OIP-Other	119,167	0	0	0	0	0	0	0	0	0	0	0	0
8510-4421-44741 ER-Medicare	63	0	0	0	0	0	0	0	0	0	0	0	0
8510-4421-44752 ER-Medi-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	23,016	0	0
8510-4470-41101 VP Acute-Self Pay	0	158	0	0	0	0	344	53	20	53	0	0	0
8510-4470-41121 VP Acute-Comm Ins	0	0	0	0	0	0	935	0	53	0	0	0	0
8510-4470-41122 VP Acute-Comm MgtCare	360	0	2,897	1,530	1,844	316	3,829	1,084	1,147	8,946	3,733	1,201	0
8510-4470-41123 VP Acute-Comm At Risk	0	16	0	0	16	0	26	53	0	53	0	0	0
8510-4470-41131 VP Acute-W/C	0	0	0	0	0	1,618	0	0	0	0	0	2,023	0
8510-4470-41141 VP Acute-Medicare	7,216	(148,029)	11,293	5,926	2,987	9,346	1,991	18,873	16,367	15,809	17,626	22,196	11,846
8510-4470-41142 VP Acute-Medicare MgtCare	5,338	0	4,111	3,458	3,458	1,155	1,654	4,354	4,659	6,165	4,779	6,478	0
8510-4470-41143 VP Acute-Medicare At Risk	1,253	0	2,832	898	258	322	360	1,216	1,597	4,065	1,507	2,146	2,691
8510-4470-41151 VP Acute-Medi-Cal	142	851	2,734	42	42	1,539	0	3,944	6,104	311	4,869	935	1,870
8510-4470-41152 VP Acute-Medi-Cal MgtCare	1,792	2,657	10,871	3,247	1,061	6,741	2,385	3,655	2,086	2,967	4,042	2,916	3,470
8510-4470-41161 VP Acute-Other Govt FFS	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4470-41191 VP Acute-Other	0	0	42	0	0	0	0	0	0	0	20	0	0
8510-4470-41222 SNF-Comm MgtCare	0	0	0	0	0	0	0	0	0	2,378	0	0	0
8510-4470-41223 SNF-Ai Risk	0	0	0	0	0	0	0	0	0	0	4,711	0	0
8510-4470-41241 SNF-Medicare	0	0	0	0	0	940	341	0	3,034	0	4,756	0	2,044
8510-4470-41242 SNF-Medicare MgtCare	0	0	0	0	0	0	0	0	0	2,378	0	2,023	0
8510-4470-41252 SNF-Medi-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	0	4,711	0
8510-4470-41422 VP Rehab-Comm Ins Mgt Die FFS	0	0	0	0	0	0	0	0	0	0	0	791	0
8510-4470-41441 VP Rehab-Medicare	503	0	1,902	1,902	0	1,406	150	3,323	2,376	11,264	1,690	945	5,865
8510-4470-41442 VP Rehab-Medicare MgtCare	0	0	0	0	0	0	0	0	0	945	0	945	0
8510-4470-41443 VP Rehab-Medicare At Risk	0	0	0	0	0	0	453	0	0	0	0	0	0
8510-4470-41451 VP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	0	0	945	2,378	0
8510-4470-41452 VP Rehab-Medi-Cal MgtCare	0	0	0	1,902	0	0	0	0	2,831	0	0	0	0
8510-4470-44501 OIP-Self Pay	0	0	0	0	0	0	0	0	238	0	7,985	0	0
8510-4470-44521 OIP-Comm Ins	174	0	0	0	0	0	0	0	0	218	0	0	0
8510-4470-44522 OIP-Comm MgtCare	870	1,671	745	386	1,936	628	1,811	2,377	1,361	1,216	1,797	1,174	1,690
8510-4470-44523 OIP-Ai Risk	0	0	0	0	0	0	218	0	0	0	0	218	0
8510-4470-44531 OIP-W/C	0	0	0	174	0	0	0	0	0	0	0	0	0
8510-4470-44541 OIP-Medicare	5,832	6,690	4,624	5,914	4,560	4,711	4,699	5,482	11,255	7,074	9,235	9,545	8,965
8510-4470-44542 OIP-Medicare MgtCare	507	4,491	4,876	3,038	2,214	1,616	1,751	4,403	3,011	5,338	6,502	5,200	2,274
8510-4470-44543 OIP-Medicare At Risk	148	0	644	496	844	390	857	1,540	1,057	1,401	1,731	218	674
8510-4470-44551 OIP-Medi-Cal	42	0	0	0	0	0	0	0	0	0	450	0	0
8510-4470-44552 OIP-Medi-Cal MgtCare	1,214	1,245	932	360	412	863	995	3,086	1,457	1,034	590	1,118	1,368
8510-4470-44701 ER-Self Pay	42	0	0	0	0	0	0	0	0	0	0	0	0
8510-4470-44722 ER-Comm MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	53
8510-4470-44752 ER-Medi-Cal MgtCare	0	2,177	0	0	0	0	0	0	0	0	0	0	0
8510-4500-41101 VP Acute-Self Pay	39,897	53,341	61,037	97,135	68,543	55,909	75,622	136,304	70,975	132,486	61,749	72,676	21,973
8510-4500-41121 VP Acute-Comm Ins	33,783	70,773	1,678	7,202	9,582	26,501	54,698	18,910	36,555	12,665	18,726	41,007	8,870
8510-4500-41122 VP Acute-Comm MgtCare	545,951												



## 17 12/31/2017



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4590-44792 ER-Other MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	577
8510-4590-44793 ER-Other At Risk	536	536	1,809	0	0	0	0	0	0	0	0	0	877
8510-4510-41141 VP Acute-Medicare	0	1,873	0	3,893	0	2,207	0	0	0	0	5,473	0	0
8510-4510-41142 VP Acute-Medicare MgtCare	1,873	0	0	0	0	0	0	0	0	5,473	6,102	0	6,102
8510-4510-41143 VP Acute-Medicare At Risk	0	0	0	0	0	0	5,473	0	0	0	0	0	0
8510-4510-41151 VP Acute-Medi-Cal	0	0	0	1,873	0	0	0	0	0	5,473	0	0	5,473
8510-4510-41152 VP Acute-Medi-Cal MgtCare	0	0	0	0	0	1,391	0	5,473	6,289	5,473	0	0	5,473
8510-4510-41222 SNF-Comm MgtCare	0	0	1,873	0	0	0	0	0	0	0	0	0	0
8510-4510-41241 SNF-Medicare	0	1,873	0	0	0	0	0	0	0	0	0	0	0
8510-4510-44522 OIP-Comm MgtCare	0	0	0	1,873	0	0	5,473	0	0	5,473	0	0	5,473
8510-4510-44541 OIP-Medicare	1,873	1,873	(2,844)	3,746	1,873	2,418	15,937	17,235	0	10,946	5,473	21,852	11,762
8510-4510-44542 OIP-Medicare MgtCare	0	0	1,873	0	0	0	0	5,473	0	10,946	10,946	10,946	10,946
8510-4510-44552 OIP-Medi-Cal MgtCare	0	0	0	0	0	3,334	0	10,946	0	11,575	12,578	6,744	10,946
8510-4520-41101 VP Acute-Self Pay	0	0	1,437	0	0	1,437	1,437	0	0	2,874	0	0	0
8510-4520-41121 VP Acute-Comm Ins	0	1,437	0	0	0	0	0	0	0	0	0	0	0
8510-4520-41122 VP Acute-Comm MgtCare	1,437	0	2,874	4,311	2,874	4,311	1,437	1,437	2,874	0	5,748	2,874	0
8510-4520-41123 VP Acute-Comm At Risk	1,437	0	0	0	1,437	0	0	0	0	0	0	0	0
8510-4520-41141 VP Acute-Medicare	20,181	28,740	27,303	18,681	23,118	14,370	38,174	17,244	26,868	11,496	22,952	21,556	0
8510-4520-41142 VP Acute-Medicare MgtCare	143,193	116,450	128,592	98,391	64,809	86,394	170,877	84,199	97,818	10,059	2,874	24,429	0
8510-4520-41143 VP Acute-Medicare At Risk	5,748	2,874	4,311	10,059	4,311	5,748	1,437	5,745	14,384	8,622	0	1,437	0
8510-4520-41151 VP Acute-Medi-Cal	2,874	5,748	2,874	2,874	2,874	1,437	0	5,748	4,311	5,748	2,874	2,874	2,874
8510-4520-41152 VP Acute-Medi-Cal MgtCare	7,185	8,622	5,748	11,496	7,185	5,748	11,493	15,807	7,185	5,748	4,311	5,748	5,748
8510-4520-41191 VP Acute-Other	1,437	0	0	0	0	0	0	0	0	0	0	0	0
8510-4520-41222 SNF-Comm MgtCare	0	0	0	0	1,437	0	0	0	0	0	0	0	0
8510-4520-41241 SNF-Medicare	1,437	1,437	0	0	0	0	0	1,437	0	0	0	0	0
8510-4520-41441 VP Rehab-Medicare	0	1,437	0	0	0	0	2,874	0	2,874	0	0	0	0
8510-4520-41442 VP Rehab-Medicare MgtCare	0	0	0	0	0	0	0	1,437	0	0	0	0	0
8510-4520-44522 OIP-Comm MgtCare	0	4,311	0	0	1,437	2,971	1,437	0	1,437	0	1,437	1,437	1,437
8510-4520-44541 OIP-Medicare	8,622	1,437	1,437	0	0	10,059	0	1,437	2,874	1,437	0	0	0
8510-4520-44542 OIP-Medicare MgtCare	1,437	0	0	0	0	0	1,437	0	2,874	0	0	0	1,437
8510-4520-44543 OIP-Medicare At Risk	0	2,874	0	0	0	0	0	0	0	0	0	0	0
8510-4520-44552 OIP-Medi-Cal MgtCare	2,971	1,437	0	0	2,874	1,437	1,437	0	1,437	0	1,437	0	0
8510-4530-41101 VP Acute-Self Pay	6,930	26,294	24,190	24,730	25,055	16,285	26,091	30,176	8,487	35,307	15,917	15,999	8,188
8510-4530-41121 VP Acute-Comm Ins	13,147	14,912	0	0	693	5,544	4,710	6,386	8,049	1,386	2,043	11,093	2,002
8510-4530-41122 VP Acute-Comm MgtCare	193,193	116,450	128,592	98,391	64,809	86,394	170,877	84,199	97,818	155,723	127,424	90,815	0
8510-4530-41123 VP Acute-Comm At Risk	3,516	6,884	1,386	11,566	12,295	4,408	3,585	1,446	784	2,079	0	1,970	693
8510-4530-41131 VP Acute-W/C	2,200	693	0	657	3,982	4,486	0	4,782	10,445	916	1,314	13,826	2,012
8510-4530-41141 VP Acute-Medicare	705,838	613,265	695,902	605,090	722,849	783,033	770,488	892,907	770,792	850,840	873,753	738,945	696,289
8510-4530-41142 VP Acute-Medicare MgtCare	159,195	221,625	181,635	201,909	222,494	188,157	266,635	210,025	214,546	318,977	243,722	235,806	242,954
8510-4530-41143 VP Acute-Medicare At Risk	66,624	72,979	96,778	96,391	64,809	82,524	144,904	104,278	110,822	145,748	87,640	99,795	60,086
8510-4530-41151 VP Acute-Medi-Cal	98,389	74,982	113,805	77,152	93,857	98,372	114,668	170,147	137,472	98,039	152,342	88,589	99,163
8510-4530-41152 VP Acute-Medi-Cal MgtCare	234,833	195,889	213,724	237,780	168,310	264,044	288,470	294,803	263,328	343,302	378,380	247,598	198,316
8510-4530-41181 VP Acute-Other Indigent	0	1,083	0	0	390	1,280	0	0	1,403	0	1,324	0	0
8510-4530-41191 VP Acute-Other	0	0	0	0	0	0	0	480	0	0	0	0	0
8510-4530-41191 VP Acute-Other	693	0	693	0	0	1,386	4,096	0	1,386	693	0	1,477	0
8510-4530-41222 SNF-Comm MgtCare	1,436	2,702	3,871	693	2,759	693	2,664	0	2,079	698	0	0	0
8510-4530-41223 SNF At Risk	0	0	0	0	0	0	693	0	1,386	0	0	0	0
8510-4530-41241 SNF-Medicare	17,803	22,849	19,126	21,132	22,849	24,502	31,227	21,429	36,890	15,626	6,499	19,599	2,299
8510-4530-41242 SNF-Medicare MgtCare	6,217	0	0	1,386	1,083	0	0	2,223	0	2,079	2,079	1,957	0
8510-4530-41243 SNF-Medicare At Risk	2,079	0	5,009	6,029	5,010	829	693	2,648	3,944	1,955	2,017	608	0
8510-4530-41251 SNF-Medi-Cal	0	0	0	0	0	0	0	1,324	0	0	0	0	0
8510-4530-41252 SNF-Medi-Cal MgtCare	0	0	829	0	0	0	829	0	0	0	0	0	693
8510-4530-41422 VP Rehab-Comm Ins Mgt Crie FFS	0	3,948	1,472	5,737	0	0	0	0	0	0	6,144	693	0
8510-4530-41423 VP Rehab-Comm Ins at Risk	693	693	693	693	693	829	0	0	0	0	0	0	0
8510-4530-41431 VP Rehab-W/C	0	0	0	13,175	25,682	12,204	0	13,719	9,428	17,871	20,413	14,334	10,624
8510-4530-41441 VP Rehab-Medicare	21,855	17,808	7,581	0	0	679	0	4,729	2,505	488	742	6,781	0
8510-4530-41442 VP Rehab-Medicare MgtCare	0	0	0	0	0	0	0	693	6,084	0	1,477	0	693
8510-4530-41443 VP Rehab-Medicare At Risk	981	0	0	0	0	0	0	4,607	0	3,312	693	0	0
8510-4530-41451 VP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4530-41452 VP Rehab-Medi-Cal MgtCare	0	0	4,422	0	0	7,643	0	693	693	0	0	0	0
8510-4530-44501 OIP-Self Pay	679	1,386	0	3,010	390	2,897	679	784	1,386	784	693	488	0
8510-4530-44521 OIP-Comm Ins	1,909	3,567	0	1,845	551	4,074	1,985	0	784	2,261	2,261	1,391	2,540
8510-4530-44522 OIP-Comm MgtCare	120,875	98,961	123,230	112,811	86,759	91,855	116,459	65,030	85,328	75,011	65,543	88,861	71,618
8510-4530-44523 OIP At Risk	693	693	1,913	2,104	0	815	8,269	784	693	742	17,087	0	2,000
8510-4530-44531 OIP-W/C	679	679	0	1,386	679	0	0	1,386	2,450	0	0	784	0
8510-4530-44541 OIP-Medicare	173,084	197,035	200,062	152,366	172,550	153,604	171,087	186,235	175,283	149,092	181,816	207,079	171,863
8510-4530-44542 OIP-Medicare MgtCare	102,038	115,271	138,622	90,721	98,454	86,960	141,211	71,586	54,240	94,309	87,231	133,786	113,905
8510-4530-44543 OIP-Medicare At Risk	12,641	7,481	20,723	8,606	15,990	21,590	31,295	5,179	27,832	21,884	13,368	22,700	7,962
8510-4530-44551 OIP-Medi-Cal	9,192	15,975	6,009	7,817	6,009	7,817	32,211	5,798	1,731	5,596	0	15,683	0
8510-4530-44552 OIP-Medi-Cal MgtCare	74,664	50,075	206,615	56,703	60,265	81,901	64,381	47,704	32,117	107,799	118,499	81,347	96,827
8510-4530-44561 OIP-Other Govt FFS	1,358	0	0	679	0	0	0	0	0	0	0	0	0
8510-4530-44581 OIP-Other Indigent	0	0	0	0	0	0	0	0	0	0	314	0	0
8510-4530-44591 OIP-Other	28,766	21,763	30,873	16,014	20,572	28,412	20,180	17,877	21,745	25,770	17,473	9,400	27,102
8510-4530-44701 ER-Self Pay	91,236	58,264	62,647	59,448	55,659	38,874	71,600	66,412	43,274	50,763	54,381	61,156	31,924
8510-4530-44721 ER-Comm Ins	6,475	5,728	6,478	11,885	14,110	6,602	9,967	5,774	2,772	5,417	7,239	11,873	4,190
8510-4530-44722 ER-Comm MgtCare	45,006	62,052	61,487	60,848	50,049	49,801	66,763	62,191	62,241	61,630	59,840	43,905	44,366
8510-4530-44723 ER At Risk	0	0	719	693	0	0	1,386	1,386	0	0	2,772	0	0
8510-4530-44731 ER-W/C	0	8,524	6,611	3,098	1,831	3,102	1,599	3,088	3,333	0	471	1,162	2,310
8510-4530-44741 ER-Medicare	97,424	120,785	87,320	94,086	106,220	114,961	137,627	101,623	112,662	107,426	117,468	78,682	0
8510-4530-44742 ER-Medicare MgtCare	51,808	62,511	57,745	69,359	70,087	48,368	87,961	86,200	60,346	65,465	72,701	64,368	64,648
8510-4530-44743 ER-Medicare At Risk	7,719	6,279	7,723	3,859	3,859	13,245	17,112	13,242	13,242	13,242	13,242	13,242	13,242
8510-4530-44751 ER-Medi-Cal	72,206	77,578	63,839	61,375	76,910	73,909	80,728	81,879	90,683	69,026	64,716	59,619	66,770
8510-4530-44752 ER-Medi-Cal MgtCare	182,200	176,481	200,830	180,049	195,815	124,333	207,986	232,315	192,715	171,436	178,055	154,252	175,155
8510-4530-44761 ER-Other Govt FFS	0	2,195	0	3,135	0	691	723	0	1,386	693	693	0	723
8510-4530-44763 ER-Other Indigent	0	693	0	1,102	0	0	0	0	1,386	2,662	1,164	5,440	



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4650-44552 OP-Medi-Cal MgtCare	42,222	20,302	32,401	21,111	37,818	11,872	35,139	28,459	21,929	11,872	5,936	60,357	27,083
8510-4650-44591 OP-Other	140,740	63,333	109,638	39,939	54,127	125,328	76,189	41,552	68,843	71,333	99,280	92,800	83,048
8510-4650-44722 ER-Comm MgtCare	0	0	6,065	0	0	0	0	0	0	0	0	0	0
8510-4650-44741 ER-Medicare	0	0	0	0	0	0	0	0	5,936	0	0	0	3,409
8510-4650-41101 VP Acute-Self Pay	8,807	13,516	5,417	5,417	6,758	23,979	19,916	6,758	11,384	18,508	13,516	18,508	13,516
8510-4650-41121 VP Acute-Medicare At Risk	0	0	14,559	0	6,758	6,758	5,758	5,417	8,926	6,758	6,758	6,758	8,926
8510-4650-41122 VP Acute-Comm MgtCare	56,047	62,724	74,338	48,386	79,588	103,886	86,873	118,731	51,732	118,406	109,037	118,649	61,281
8510-4650-41123 VP Acute-Comm At Risk	0	23,586	0	19,345	13,516	0	4,626	12,534	4,626	6,758	0	0	0
8510-4650-41131 VP Acute-W/C	0	0	0	0	0	0	0	5,874	6,758	0	0	7,587	0
8510-4650-41141 VP Acute-Medicare	220,780	912,582	274,259	245,207	302,990	408,503	383,086	273,572	234,315	494,017	337,234	345,994	310,765
8510-4650-41142 VP Acute-Medicare MgtCare	122,514	105,974	96,426	97,580	141,002	64,586	189,078	119,236	164,721	146,534	128,608	140,415	127,288
8510-4650-41143 VP Acute-Medicare At Risk	32,575	6,758	66,978	65,866	39,938	19,258	59,867	67,773	47,306	48,288	30,310	43,833	31,420
8510-4650-41151 VP Acute-Medi-Cal	67,807	73,129	77,763	68,388	23,054	87,740	52,324	10,440	89,713	53,203	117,321	102,570	56,928
8510-4650-41152 VP Acute-Medi-Cal MgtCare	104,166	118,266	92,143	93,568	117,012	153,274	128,208	224,472	112,495	86,639	127,892	92,508	129,211
8510-4650-41161 VP Acute-Other Govt FFS	0	0	0	0	5,417	0	0	0	0	6,206	0	0	0
8510-4650-41222 SNF-Comm MgtCare	0	0	0	6,758	0	0	6,163	0	0	0	0	0	0
8510-4650-41241 SNF-Medicare	5,417	16,706	19,446	0	0	5,874	0	25,330	6,206	0	0	6,758	0
8510-4650-41243 SNF-Medicare At Risk	0	0	0	0	5,874	0	0	0	0	0	7,374	0	0
8510-4650-41422 VP Rehab-Comm Ins Mgt Cre FFS	0	5,690	6,758	0	0	0	0	0	0	0	0	18,234	0
8510-4650-41423 VP Rehab-Comm Ins at Risk	0	0	0	0	0	13,516	0	0	0	0	0	0	0
8510-4650-41441 VP Rehab-Medicare	8,807	6,758	33,369	5,690	8,941	5,690	0	7,207	6,206	6,758	26,864	14,559	0
8510-4650-41442 VP Rehab-Medicare MgtCare	0	0	0	0	0	0	0	0	13,516	6,206	14,769	6,206	0
8510-4650-41452 VP Rehab-Medi-Cal MgtCare	0	0	0	0	0	6,758	0	0	0	0	0	7,801	0
8510-4650-44501 OP-Self Pay	0	7,801	0	6,758	0	0	0	0	0	0	0	0	0
8510-4650-44521 OP-Comm Ins	0	0	0	0	0	0	0	0	0	0	0	4,626	0
8510-4650-44522 OP-Comm MgtCare	138,632	168,206	150,010	107,773	141,837	130,168	154,146	159,756	144,397	166,950	151,288	128,312	160,862
8510-4650-44523 OP-Ai Risk	0	0	0	0	0	0	0	0	0	0	7,281	0	12,534
8510-4650-44531 OP-W/C	0	0	0	0	0	0	0	8,906	0	0	0	0	0
8510-4650-44541 OP-Medicare	268,642	194,780	167,890	148,883	159,311	190,351	191,768	157,118	200,863	241,666	183,353	208,807	181,092
8510-4650-44542 OP-Medicare MgtCare	164,142	120,019	127,182	157,624	111,697	103,462	92,755	121,457	110,045	199,156	138,941	94,215	96,200
8510-4650-44543 OP-Medicare At Risk	0	6,758	14,559	6,758	6,758	6,758	6,758	6,758	0	25,508	6,758	6,758	8,926
8510-4650-44551 OP-Medi-Cal	0	0	0	6,758	0	0	0	0	0	0	9,282	6,758	0
8510-4650-44552 OP-Medi-Cal MgtCare	0	0	0	0	15,565	15,565	5,417	15,751	6,758	21,925	8,993	7,541	8,993
8510-4650-44591 OP-Other	6,758	5,487	13,516	0	5,417	0	0	5,700	0	5,776	12,534	0	6,758
8510-4650-44701 ER-Self Pay	0	0	7,801	0	19,170	0	0	12,534	0	18,234	0	0	0
8510-4650-44721 ER-Comm Ins	0	0	0	0	0	11,561	0	0	0	0	0	0	0
8510-4650-44722 ER-Comm MgtCare	8,807	0	24,173	12,458	0	14,767	6,758	6,758	0	11,367	6,758	18,838	0
8510-4650-44723 ER-Ai Risk	0	8,941	0	0	0	0	0	0	0	0	0	0	0
8510-4650-44741 ER-Medicare	0	6,758	4,626	0	13,516	21,373	15,262	6,206	0	12,964	0	27,247	0
8510-4650-44742 ER-Medicare MgtCare	6,206	0	21,905	0	0	21,373	20,330	0	0	0	13,516	21,317	5,874
8510-4650-44743 ER-Medicare At Risk	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4650-44751 ER-Medi-Cal	13,516	6,206	6,758	8,807	0	0	0	0	27,579	6,758	12,624	6,758	0
8510-4650-44752 ER-Medi-Cal MgtCare	16,022	17,864	0	0	13,572	6,758	0	49,328	0	13,572	12,458	61,215	13,572
8510-4650-44761 ER-Other Govt FFS	0	0	0	0	0	0	0	0	4,626	0	0	0	0
8510-4670-41101 VP Acute-Self Pay	3,927	0	3,488	7,010	7,415	19,108	2,935	0	19,209	17,935	5,835	3,933	3,933
8510-4670-41121 VP Acute-Comm Ins	553	3,187	0	0	1,545	0	0	9,368	3,193	0	0	7,786	3,369
8510-4670-41122 VP Acute-Comm MgtCare	61,579	54,109	52,938	62,536	49,605	30,077	26,950	77,978	39,918	47,234	83,218	71,289	65,144
8510-4670-41123 VP Acute-Comm At Risk	4,544	0	953	8,686	0	1,781	3,197	0	0	0	0	3,187	0
8510-4670-41131 VP Acute-W/C	0	0	0	0	0	0	0	0	951	0	0	951	0
8510-4670-41141 VP Acute-Medicare	338,999	310,016	303,321	276,636	297,034	330,834	329,155	315,476	357,568	338,791	311,347	383,412	333,838
8510-4670-41142 VP Acute-Medicare MgtCare	70,407	97,297	66,842	67,693	69,164	67,430	89,589	93,494	96,743	91,105	85,374	96,653	106,382
8510-4670-41143 VP Acute-Medicare At Risk	23,136	22,711	27,956	25,913	26,913	23,973	71,863	28,524	41,725	34,981	31,941	25,516	0
8510-4670-41151 VP Acute-Medi-Cal	38,764	46,267	46,497	52,309	44,582	48,671	49,010	61,213	88,110	35,026	54,821	45,177	60,119
8510-4670-41152 VP Acute-Medi-Cal MgtCare	121,837	113,871	143,931	115,664	97,192	152,713	171,801	204,254	132,396	130,434	211,720	99,623	103,814
8510-4670-41161 VP Acute-Other Indigent	0	0	0	0	0	0	0	0	0	0	3,793	0	0
8510-4670-41191 VP Acute-Other	0	0	0	0	0	1,655	0	0	0	0	3,793	0	0
8510-4670-41222 SNF-Comm MgtCare	0	0	0	0	1,813	0	0	0	1,425	0	0	2,242	0
8510-4670-41241 SNF-Medicare	6,862	9,625	5,285	9,797	1,659	8,165	3,447	5,751	5,955	5,879	2,382	6,189	0
8510-4670-41242 SNF-Medicare MgtCare	553	0	0	0	0	0	0	0	0	0	0	0	0
8510-4670-41243 SNF-Medicare At Risk	0	0	0	0	0	0	0	0	0	0	2,382	0	0
8510-4670-41422 VP Rehab-Comm Ins Mgt Cre FFS	0	0	2,382	553	0	0	0	0	0	0	951	3,187	0
8510-4670-41441 VP Rehab-Medicare	553	6,813	2,382	7,114	5,569	8,964	2,382	0	951	0	2,382	4,446	10,733
8510-4670-41442 VP Rehab-Medicare MgtCare	0	0	1,813	0	0	0	0	0	2,382	0	0	3,187	951
8510-4670-41452 VP Rehab-Medi-Cal MgtCare	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4670-44501 OP-Self Pay	2,382	7,146	9,528	7,146	14,282	4,764	9,528	4,764	2,382	2,382	11,910	2,382	7,146
8510-4670-44521 OP-Comm Ins	0	0	0	0	0	2,156	0	0	0	0	0	3,408	9,605
8510-4670-44522 OP-Comm MgtCare	122,075	113,786	119,112	111,757	108,440	100,429	124,062	108,337	101,963	113,901	93,762	103,896	116,687
8510-4670-44523 OP-Ai Risk	0	0	6,116	0	0	0	0	0	0	0	0	0	0
8510-4670-44531 OP-W/C	0	0	0	0	0	0	0	0	0	2,198	0	0	0
8510-4670-44541 OP-Medicare	99,839	127,168	93,823	124,930	87,828	86,836	79,935	97,710	85,302	107,821	126,459	135,918	115,035
8510-4670-44542 OP-Medicare MgtCare	84,575	71,516	110,996	74,765	67,152	99,704	83,280	85,104	70,588	62,087	103,803	51,145	85,258
8510-4670-44543 OP-Medicare At Risk	3,187	3,621	10,788	11,129	17,507	7,611	7,008	5,359	6,874	9,056	12,107	20,098	16,820
8510-4670-44551 OP-Medi-Cal	19,215	12,810	19,215	20,492	4,912	11,732	13,912	23,496	12,132	22,446	19,215	21,627	19,215
8510-4670-44552 OP-Medi-Cal MgtCare	10,397	10,294	14,444	11,320	2,943	7,564	10,040	17,980	0	6,316	10,856	2,168	3,511
8510-4670-44581 OP-Other Indigent	0	0	0	0	0	0	0	0	0	0	4,624	0	0
8510-4670-44591 OP-Other	66,696	54,786	58,155	47,095	37,367	68,241	56,623	28,584	49,495	59,023	39,967	33,348	50,022
8510-4670-44701 ER-Self Pay	20,310	10,289	16,906	16,280	17,911	30,746	24,197	22,455	24,336	34,299	15,049	13,840	6,981
8510-4670-44721 ER-Comm Ins	1,545	0	1,545	0	0	2,382	0	0	5,910	1,551	0	0	0
8510-4670-44722 ER-Comm MgtCare	27,392	25,978	31,537	20,137	32,172	10,684	21,932	25,286	26,554	25,518	31,673	11,232	26,568
8510-4670-44723 ER-Ai Risk	0	0	0	0	0	0	0	0	0	0	1,551	0	0
8510-4670-44741 ER-Medicare	17,396	24,852	34,418	7,275	33,687	33,687	28,139	18,098	18,098	24,321	9,325	11,687	0
8510-4670-44742 ER-Medicare MgtCare	12,424	0	11,010	3,522	9,954	6,180	9,728	5,079	4,711	5,563	2,502	9,533	11,829
8510-4670-44743 ER-Medicare At Risk	0	1,846	2,242	1,846	3,768	6,669	0	1,551	2,242	1,551	3,102	4,653	3,423
8510-4670-44751 ER-Medi-Cal	56,926	49,129	39,113	40,871	37,706	43,185	26,922	44,057	34,216	20,601	18,219	24,432	0
8510													



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4693-41141 VP Acute-Medicare	2,066	502	2,667	712	7,147	2,265	1,910	7,306	2,470	2,658	3,785	1,544	2,874
8510-4693-41142 VP Acute-Medicare Mgt/Care	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-4693-44501 OIP-Self Pay	2,418	1,323	2,733	0	3,401	251	0	1,579	1,674	471	666	618	1,534
8510-4693-44521 OIP-Comm Ins	4,540	3,557	2,013	743	2,277	5,037	2,818	1,934	2,302	784	4,311	3,541	2,028
8510-4693-44522 OIP-Comm Mgt/Care	49,635	48,209	62,434	46,235	53,513	42,990	43,545	87,584	64,465	63,499	77,651	78,735	89,984
8510-4693-44531 OIP-W/C	8,538	6,535	5,851	5,851	8,712	7,895	8,083	12,175	15,593	15,269	16,280	15,551	13,292
8510-4693-44541 OIP-Medicare	207,537	184,853	180,201	143,982	169,971	98,748	98,748	237,820	176,020	202,364	237,628	234,686	217,942
8510-4693-44542 OIP-Medicare Mgt/Care	11,217	13,443	10,398	11,600	16,707	6,840	11,622	22,053	14,959	18,527	22,412	27,653	21,410
8510-4693-44543 OIP-Medicare At Risk	919	919	0	0	1,455	712	916	4,580	916	0	916	919	916
8510-4693-44551 OIP-Other Govt FFS	0	994	0	2,229	1,598	0	0	0	0	919	0	619	0
8510-4693-44552 OIP-Medi-Cal Mgt/Care	502	502	994	0	1,458	4,244	1,168	5,502	1,392	2,453	4,951	4,869	2,590
8510-4693-44561 OIP-Other Govt FFS	0	251	0	0	2,165	251	0	2,611	0	0	0	3,437	618
8510-4693-44722 ER-Comm Mgt/Care	0	0	0	0	0	0	0	0	942	0	0	0	0
8510-4710-41101 VP Acute-Self Pay	26,233	33,209	43,072	123,141	39,807	31,528	88,069	79,211	38,622	99,985	33,915	45,987	15,480
8510-4710-41121 VP Acute-Comm Ins	23,774	275	275	19,848	8,750	33,129	33,129	21,244	35,919	23,756	20,680	38,419	26,529
8510-4710-41122 VP Acute-Comm Mgt/Care	852,184	886,649	987,161	827,591	437,912	391,927	689,792	798,773	554,299	619,201	1,131,602	696,105	541,227
8510-4710-41123 VP Acute-Comm At Risk	34,257	25,803	7,547	31,482	84,954	43,071	29,004	26,174	15,324	15,941	0	3,125	1,352
8510-4710-41131 VP Acute-W/C	12,653	9,673	25,678	16,602	29,990	15,702	0	38,633	19,475	18,505	16,760	65,701	21,524
8510-4710-41141 VP Acute-Medicare	3,220,737	2,705,397	2,627,193	2,194,909	2,557,650	3,299,814	3,299,814	4,294,294	3,404,310	3,733,321	3,258,251	3,825,664	3,595,143
8510-4710-41142 VP Acute-Medicare Mgt/Care	490,325	613,945	503,018	852,875	852,875	550,410	1,002,828	854,564	691,123	847,590	991,324	725,101	895,988
8510-4710-41143 VP Acute-Medicare At Risk	268,275	253,851	272,781	296,083	325,671	605,528	404,977	596,729	721,465	400,314	328,751	316,605	316,605
8510-4710-41151 VP Acute-Medi-Cal	371,244	288,309	479,143	312,150	347,758	344,954	527,808	774,593	757,172	396,614	517,462	396,912	396,912
8510-4710-41152 VP Acute-Medi-Cal Mgt/Care	965,030	859,030	839,255	801,795	900,510	873,425	1,375,237	1,697,711	1,261,705	1,467,373	1,539,622	1,007,860	841,174
8510-4710-41161 VP Acute-Other Govt FFS	0	0	1,015	0	7,398	2,445	0	0	0	8,086	0	10,599	1,732
8510-4710-41181 VP Acute-Other Indigent	0	0	0	0	0	21,388	49,418	55,266	0	10	15,149	0	0
8510-4710-41191 VP Acute-Other	3,300	0	2,358	0	3,115	8,493	9,761	389	11,951	4,495	6,267	49,164	0
8510-4710-41222 SNF-Comm Mgt/Care	25,414	35,578	10,911	17,934	27,299	35,393	21,215	5,882	52,091	8,328	2,899	3,833	0
8510-4710-41223 SNF-At Risk	0	0	0	0	0	0	10,682	0	2,669	1,255	0	0	0
8510-4710-41241 SNF-Medicare	327,294	360,916	324,208	389,879	373,397	371,311	366,436	333,989	653,186	602,646	297,075	326,129	24,713
8510-4710-41242 SNF-Medicare Mgt/Care	33,054	11,011	7,809	12,126	15,647	5,385	0	27,844	0	10,423	45,962	34,602	0
8510-4710-41243 SNF-Medicare At Risk	17,563	15,767	86,939	55,571	52,614	14,097	0	9,805	0	8,879	0	31,892	0
8510-4710-41251 SNF-Medi-Cal	3,839	0	0	0	0	0	4,680	24,796	0	0	6,527	7,387	0
8510-4710-41252 SNF-Medi-Cal Mgt/Care	19,645	20,459	19,408	16,910	16,296	10,479	25,321	55,799	451	35,478	104,232	14,304	2,822
8510-4710-41422 VP Rehab-Comm Ins Mgt Cre FFS	13,073	48,276	43,863	61,344	5,425	347	6,563	797	0	12,544	10,536	19,517	14,024
8510-4710-41423 VP Rehab-Comm Ins at Risk	1,000	1,475	5,585	5,583	3,120	10,319	0	0	0	0	0	0	0
8510-4710-41431 VP Rehab-W/C	0	0	0	0	3,943	0	0	0	0	0	0	0	6,888
8510-4710-41441 VP Rehab-Medicare	222,788	195,538	192,682	244,255	280,677	210,121	256,797	231,653	119,138	246,364	247,041	172,245	263,830
8510-4710-41442 VP Rehab-Medicare Mgt/Care	3,083	704	0	0	5,157	0	17,254	22,445	41,092	10,728	9,323	28,417	36,668
8510-4710-41443 VP Rehab-Medicare At Risk	6,561	1,028	0	0	2,748	0	7,097	8,900	33,607	3,585	8,015	3,971	21,632
8510-4710-41451 VP Rehab-Medi-Cal	0	0	0	0	0	1,092	0	1,201	0	12,317	0	17,360	0
8510-4710-41452 VP Rehab-Medi-Cal Mgt/Care	0	5,871	0	18,289	861	19,802	36,603	5,516	9,320	11,882	7,372	36,201	1,128
8510-4710-44501 OIP-Self Pay	2,567	815	3,607	5,788	534	3,368	2,909	915	7,209	0	3,445	2,908	0
8510-4710-44521 OIP-Comm Ins	4,542	3,557	5,542	4,353	1,034	10,367	7,687	8,404	3,505	10,126	10,674	15,372	1,593
8510-4710-44522 OIP-Comm Mgt/Care	187,508	201,722	137,561	217,961	210,866	190,938	251,677	216,296	220,476	195,290	259,296	247,500	247,500
8510-4710-44523 OIP-W/C	1,591	1,691	7,491	3,999	0	2,507	16,089	8,330	6,917	1,095	7,728	9,480	3,278
8510-4710-44531 OIP-W/C	295	0	4,964	0	2,653	1,844	1,606	7,022	4,366	277	8,383	1,373	822
8510-4710-44541 OIP-Medicare	348,613	264,627	267,712	276,130	286,633	266,038	249,688	401,883	304,786	340,930	390,165	441,035	269,599
8510-4710-44542 OIP-Medicare Mgt/Care	81,117	103,803	115,640	119,040	76,682	67,400	129,807	132,171	110,755	130,765	150,145	150,145	150,145
8510-4710-44543 OIP-Medicare At Risk	30,706	9,439	23,394	33,283	44,671	43,447	44,109	68,448	66,451	53,713	78,653	41,793	50,248
8510-4710-44551 OIP-Medi-Cal	14,178	11,020	13,947	7,797	9,880	14,727	12,495	13,680	24,839	28,549	22,564	23,254	16,845
8510-4710-44552 OIP-Medi-Cal Mgt/Care	154,832	137,878	166,284	162,879	169,460	222,034	203,750	220,027	132,138	187,189	151,448	197,371	175,745
8510-4710-44561 OIP-Other Govt FFS	0	0	0	0	0	1,201	0	0	0	0	2,233	0	0
8510-4710-44561 OIP-Other Indigent	0	0	0	0	0	0	0	0	0	0	220	0	0
8510-4710-44591 OIP-Other	13,893	10,537	8,899	3,123	6,296	11,516	9,162	7,974	9,314	15,945	14,154	14,368	13,438
8510-4710-44701 ER-Self Pay	22,077	59,760	26,747	22,849	19,931	16,588	30,143	23,771	20,537	21,656	23,913	18,733	12,542
8510-4710-44721 ER-Comm Mgt/Care	3,403	3,907	2,902	2,902	2,902	2,902	2,902	2,902	2,902	2,902	2,902	2,902	2,902
8510-4710-44722 ER-Comm Mgt/Care	15,154	18,690	17,268	16,590	12,796	13,896	23,321	21,335	20,439	21,294	20,990	15,507	20,990
8510-4710-44723 ER-At Risk	293	135	198	591	315	64	540	1	427	0	492	424	132
8510-4710-44731 ER-W/C	828	1,093	875	280	423	1,960	757	1,237	632	1,237	632	57	912
8510-4710-44741 ER-Medicare	24,761	27,706	46,761	18,888	28,888	21,910	36,905	25,442	33,657	25,660	28,888	28,888	28,888
8510-4710-44742 ER-Medicare Mgt/Care	11,500	14,750	43,332	20,737	14,848	9,530	44,256	2,691	12,163	18,261	14,410	18,928	23,527
8510-4710-44743 ER-Medicare At Risk	1,955	833	2,083	1,517	1,113	2,386	1,730	4,131	2,169	3,429	1,914	5,065	2,285
8510-4710-44751 ER-Medi-Cal	27,539	27,584	21,620	22,646	24,327	21,280	27,613	30,546	31,583	21,796	13,628	28,541	59,549
8510-4710-44752 ER-Medi-Cal Mgt/Care	54,927	58,443	75,115	49,725	61,262	47,622	61,967	56,196	50,914	76,688	60,939	66,314	59,062
8510-4710-44761 ER-Other Govt FFS	26	630	1,181	86	56	211	603	293	637	192	167	371	392
8510-4710-44793 ER-Other At Risk	282	925	168	0	1,129	516	370	375	35	(96)	73	0	491
8510-4720-41101 VP Acute-Self Pay	25,854	35,959	6,320	82,523	52,893	7,795	45,119	129,691	16	107,004	20,542	81,760	56,741
8510-4720-41121 VP Acute-Comm Ins	129,688	203,421	926	836	12,399	26,054	83,581	23,170	33,445	49,486	43,446	1,980	1,980
8510-4720-41122 VP Acute-Comm Mgt/Care	53,459	136,263	278,262	137,561	169,962	221,677	346,598	277,119	254,647	473,566	190,721	40,435	40,435
8510-4720-41123 VP Acute-Comm At Risk	10,175	14,244	0	13	114,206	49,202	0	0	16	4,884	0	0	0
8510-4720-41131 VP Acute-W/C	30	0	0	0	26	0	0	38	0	38	38	16	0
8510-4720-41141 VP Acute-Medicare	2,461,420	1,442,003	1,936,852	1,690,245	1,528,536	2,723,238	2,705,631	3,750,048	2,847,070	2,962,415	2,305,050	2,422,074	1,959,445
8510-4720-41142 VP Acute-Medicare Mgt/Care	271,196	304,986	716,646	716,646	716,646	716,646	716,646	716,646	716,646	716,646	716,646	716,646	716,646
8510-4720-41143 VP Acute-Medicare At Risk	307,204	146,054	153,806	315,627	227,513	309,273	398,773	733,160	1,240,759	1,232,333	631,725	396,036	203,108
8510-4720-41151 VP Acute-Medi-Cal	410,963	160,989	218,978	321,263	366,771	513,818	947,254	793,226	476,549	573,068	373,946	399,811	399,811
8510-4720-41152 VP Acute-Medi-Cal Mgt/Care	647,780	352,790	621,727	741,713	277,361	668,846	922,599	1,679,452	1,005,077				



Verity Health Systems  
St Vincent Medical Center  
Trended Income Statement  
June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4730-44751 ER-Medi-Cal	1,281	1,597	1,597	0	0	3,194	4,964	0	2,562	0	1,770	1,281	489
8510-4730-44752 ER-Medi-Cal Mgt/Care	3,194	4,476	4,476	5,440	8,634	1,281	3,051	0	3,051	1,770	12,390	4,481	1,770
8510-4740-41101 VP Acute-Self Pay	0	0	21,020	5,255	0	0	5,533	0	10,788	11,066	0	0	5,533
8510-4740-41121 VP Acute-Comm Ins	0	0	0	0	0	0	0	0	5,533	0	0	22,132	0
8510-4740-41122 VP Acute-Comm Mgt/Care	42,040	47,295	105,100	52,550	31,530	0	5,533	33,198	5,533	110,660	121,726	33,198	77,462
8510-4740-41123 VP Acute-Medi-Cal At Risk	10,510	0	0	0	80,335	0	0	0	0	0	0	0	0
8510-4740-41141 VP Acute-Medicare Mgt/Care	919,825	1,061,510	1,072,020	630,600	688,405	756,720	886,152	1,383,250	896,346	1,538,174	841,016	2,362,443	(1,399,447)
8510-4740-41142 VP Acute-Medicare Mgt/Care	52,550	84,080	147,140	126,120	147,140	42,040	144,943	143,858	221,320	160,457	143,858	110,660	110,660
8510-4740-41143 VP Acute-Medicare At Risk	89,335	52,550	52,550	78,825	52,550	69,427	27,665	248,985	210,254	188,122	22,132	27,865	27,865
8510-4740-41151 VP Acute-Medi-Cal	99,845	68,515	63,060	76,825	64,060	143,024	182,589	127,259	127,259	110,660	121,726	44,264	44,264
8510-4740-41152 VP Acute-Medi-Cal Mgt/Care	268,005	273,260	220,710	220,710	252,240	283,770	301,813	354,112	469,504	453,706	331,980	243,452	315,381
8510-4740-41191 VP Acute-Other	0	0	0	0	0	0	5,533	5,533	0	5,533	0	0	0
8510-4740-41241 SNF-Medicare	0	0	0	0	0	0	0	5,533	0	0	0	0	0
8510-4740-41242 VP Rehab-Comm Ins Mgt Cre FFS	0	0	0	0	0	0	0	0	0	16,599	16,599	44,264	0
8510-4740-41441 VP Rehab-Medicare	94,590	94,590	89,335	189,180	94,590	52,550	97,926	22,132	88,508	60,863	49,797	121,726	16,599
8510-4740-41442 VP Rehab-Medicare Mgt/Care	0	0	0	0	0	0	0	22,132	0	0	0	0	0
8510-4740-41452 VP Rehab-Medi-Cal Mgt/Care	0	0	0	0	0	0	0	0	0	27,665	5,533	0	0
8510-4740-44522 OP-Comm Mgt/Care	0	0	10,510	0	0	0	0	5,533	5,255	0	0	0	0
8510-4740-44523 OP-Ai Risk	0	0	5,255	0	10,510	0	10,510	0	0	5,533	0	5,533	0
8510-4740-44541 OP-Medicare	131,375	78,825	63,060	42,040	42,040	63,060	48,963	33,198	33,198	71,929	38,731	88,528	76,906
8510-4740-44542 OP-Medicare Mgt/Care	5,255	5,255	5,255	5,255	5,255	0	5,533	(278)	(278)	5,533	(278)	0	16,599
8510-4740-44543 OP-Medicare At Risk	0	5,255	0	0	10,510	0	(4,977)	(278)	(278)	11,066	4,977	5,533	10,788
8510-4740-44552 OP-Medi-Cal Mgt/Care	0	0	0	0	0	0	0	0	0	0	0	5,533	5,533
8510-4740-41101 VP Acute-Self Pay	0	0	0	16,658	0	0	0	0	0	4,338	0	0	0
8510-4740-41121 VP Acute-Comm Ins	0	4,528	0	0	0	0	0	0	7,270	0	0	0	0
8510-4740-41122 VP Acute-Comm Mgt/Care	50,506	14,699	36,177	64,690	29,566	41,170	55,160	31,431	60,916	68,184	61,568	99,871	106,795
8510-4740-41123 VP Acute-Medi-Cal At Risk	0	0	0	0	0	12,133	0	0	0	0	0	0	0
8510-4740-41141 VP Acute-Medicare At Risk	271,345	138,692	282,641	129,695	242,957	214,621	282,477	248,027	268,529	206,472	232,299	194,856	230,631
8510-4740-41142 VP Acute-Medicare Mgt/Care	38,041	81,244	67,005	91,929	112,142	69,581	70,004	119,780	79,709	162,421	209,362	203,118	114,187
8510-4740-41143 VP Acute-Medicare At Risk	46,103	13,304	23,233	36,372	26,158	30,205	10,358	47,224	42,007	31,573	34,684	59,488	59,488
8510-4740-41151 VP Acute-Medi-Cal	12,392	29,232	41,393	23,222	33,996	33,996	33,996	60,361	65,896	69,741	124,596	77,665	77,665
8510-4740-41152 VP Acute-Medi-Cal Mgt/Care	90,575	41,264	54,091	89,442	40,980	88,668	103,789	86,746	91,910	181,076	86,662	136,006	73,899
8510-4740-41422 VP Rehab-Comm Ins Mgt Cre FFS	0	0	3,133	0	0	0	0	0	0	0	0	0	0
8510-4740-41423 VP Rehab-Comm Ins at Risk	0	0	0	0	0	4,475	0	0	0	0	0	0	0
8510-4740-41441 VP Rehab-Medicare	0	7,445	0	13,365	0	0	0	17,875	4,338	4,338	3,134	0	0
8510-4740-41443 VP Rehab-Medicare At Risk	16,041	0	0	0	0	0	0	5,449	0	0	0	0	0
8510-4740-44521 OP-Comm Ins	0	0	0	7,501	0	6,078	0	0	0	0	0	10,191	10,744
8510-4740-44522 OP-Comm Mgt/Care	158,468	142,058	136,084	100,554	165,246	108,259	156,458	51,581	96,714	120,775	105,752	206,032	161,187
8510-4740-44523 OP-Ai Risk	0	0	0	0	0	4,312	0	0	0	5,782	0	4,462	0
8510-4740-44541 OP-Medicare	176,990	227,002	238,076	224,475	196,359	286,759	92,284	159,600	166,954	187,623	158,223	172,255	148,471
8510-4740-44542 OP-Medicare Mgt/Care	66,357	123,942	133,560	74,434	97,690	80,872	62,237	104,343	105,055	123,275	95,754	67,481	67,481
8510-4740-44543 OP-Medicare At Risk	0	38,325	4,931	26,077	14,149	43,586	34,711	36,601	25,127	30,859	52,933	43,974	108,514
8510-4740-44551 OP-Medi-Cal	4,312	7,277	8,703	13,410	4,312	13,359	0	43,529	15,753	7,527	26,715	7,178	7,178
8510-4740-44552 OP-Medi-Cal Mgt/Care	338,043	414,240	449,778	368,405	508,917	425,773	440,175	414,985	586,495	729,436	590,743	507,695	507,695
8510-4740-44591 OP-Other	0	0	0	0	0	7,501	0	0	0	0	0	7,472	23,188
8510-4740-44741 ER-Medicare	0	0	0	0	0	0	0	0	0	0	0	0	9,304
8510-4770-41101 VP Acute-Self Pay	4,153	2,104	4,612	3,583	0	6,676	1,293	7,200	4,100	3,901	1,791	0	0
8510-4770-41121 VP Acute-Comm Ins	0	0	0	2,891	0	0	2,305	2,305	2,305	2,305	2,305	3,652	3,652
8510-4770-41122 VP Acute-Comm Mgt/Care	72,735	93,500	103,240	75,930	76,629	76,017	100,386	75,601	74,600	70,749	76,157	76,027	74,085
8510-4770-41123 VP Acute-Comm At Risk	5,761	7,400	0	4,743	15,335	3,019	0	1,542	0	1,036	0	0	0
8510-4770-41131 VP Acute-W/C	9,079	0	5,170	2,752	14,894	13,284	0	6,850	5,666	7,104	25,177	16,471	16,471
8510-4770-41141 VP Acute-Medicare At Risk	590,841	479,154	385,411	316,537	391,547	404,068	589,019	480,980	554,620	475,040	520,340	512,244	512,244
8510-4770-41142 VP Acute-Medicare Mgt/Care	82,433	106,157	75,852	120,020	110,459	82,559	136,357	109,783	110,987	132,509	145,030	145,065	154,390
8510-4770-41143 VP Acute-Medicare At Risk	40,656	34,271	67,061	68,065	49,493	54,796	66,728	68,002	76,358	87,305	77,244	64,583	54,138
8510-4770-41151 VP Acute-Medi-Cal	44,203	22,862	36,587	47,182	34,583	45,619	81,690	82,277	72,668	71,386	70,771	71,386	70,771
8510-4770-41152 VP Acute-Medi-Cal Mgt/Care	64,893	72,262	63,073	56,665	57,523	99,053	145,922	124,741	124,596	124,596	181,076	151,066	151,066
8510-4770-41161 VP Acute-Other Govt FFS	0	0	0	0	792	0	0	0	0	0	0	3,046	753
8510-4770-41191 VP Acute-Other	1,842	0	1,934	0	0	0	3,040	0	0	0	1,293	1,299	0
8510-4770-41222 SNF-Comm Mgt/Care	26,687	28,669	12,531	8,581	33,516	20,491	14,102	7,302	45,128	9,236	6,498	0	0
8510-4770-41223 SNF-Ai Risk	0	0	0	0	0	0	0	0	5,215	4,870	0	0	0
8510-4770-41241 SNF-Medicare	545,843	541,387	480,665	499,326	394,031	551,891	532,917	512,833	528,631	513,917	413,822	371,681	41,596
8510-4770-41242 SNF-Medicare Mgt/Care	58,976	12,450	16,008	11,441	22,867	16,530	0	9,862	0	26,002	24,516	38,421	0
8510-4770-41243 SNF-Medicare At Risk	17,973	12,562	64,927	23,890	46,464	15,796	23,325	20,799	16,788	24,485	54,775	29,171	0
8510-4770-41251 SNF-Medi-Cal	3,601	0	0	0	0	0	4,294	0	0	0	11,841	11,993	0
8510-4770-41252 SNF-Medi-Cal Mgt/Care	17,966	18,452	10,355	3,578	4,825	3,341	44,783	1,488	1,488	6,311	25,121	10,845	3,405
8510-4770-41422 VP Rehab-Comm Ins Mgt Cre FFS	27,567	36,198	63,741	54,315	17,726	1,968	11,585	1,012	0	22,144	20,900	42,459	36,235
8510-4770-41423 VP Rehab-Comm Ins at Risk	3,690	13,200	10,269	12,407	5,539	23,362	0	0	0	0	0	0	0
8510-4770-41431 VP Rehab-W/C	0	0	0	0	9,197	0	0	0	0	0	0	22,330	0
8510-4770-41441 VP Rehab-Medicare	347,354	352,611	332,356	353,794	343,821	316,350	340,145	355,478	218,064	413,203	391,129	310,940	337,035
8510-4770-41442 VP Rehab-Medicare Mgt/Care	13,244	1,474	0	0	13,327	0	29,699	46,347	68,163	27,946	24,050	58,978	60,997
8510-4770-41443 VP Rehab-Medicare At Risk	11,424	3,960	0	0	9,184	0	12,463	16,076	17,910	8,774	15,836	7,513	19,088
8510-4770-41451 VP Rehab-Medi-Cal	0	0	0	0	0	6,087	0	0	0	35,181	15,995	16,531	19,107
8510-4770-41452 VP Rehab-Medi-Cal Mgt/Care	7,123	0	25,153	3,945	40,455	29,021	10,273	15,378	31,563	29,627	18,167	65,042	4,795
8510-4770-44501 OP-Self Pay	926	0	0	0	0	0	0	2,097	1,509	0	678	0	0
8510-4770-44521 OP-Comm Ins	0	0	0	0	0	0	0	0	0	0	935	13,410	8,138
8510-4770-44522 OP-Comm Mgt/Care	205,574	183,823	240,722	172,233	163,742	156,434	184,704	188,633	189,124	208,021	204,627	154,072	165,545
8510-4770-44523 OP-Ai Risk	6,545	5,767	0	0	0	4,628	0	4,668	2,376	4,062	1,799	14,280	0
8510-4770-44531 OP-W/C	0	1,819	2,040	9,302	0	8,885	9,155	3,061	10,489	4,625	0	1,050	0
8510-4770-44541 OP-Medicare	238,221	203,379	233,793	254,454	257,887	200,470	264,128	272,615	238,743	218,166	202,785	254,466	203,559
8510-4770-44542 OP-Medicare Mgt/Care	195,240	194,777	202,627	145,911	211,193	139,906	156,058	160,354	107,671	133,022	127,022	185,888	226,674



## Verity Health Systems

## St Vincent Medical Center

## Trended Income Statement

June 30, 2018

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-4790-44541 OP-Medicare	16,271	14,625	3,803	11,012	2,899	2,619	2,459	8,809	4,083	7,857	8,692	10,315	15,233
8510-4790-44542 OP-Medicare MgtCare	4,720	8,805	18,661	5,418	1,428	761	767	2,089	2,422	2,891	1,899	3,193	
8510-4790-44543 OP-Medicare At Risk	5,939	6,683	6,195	6,593	3,047	3,296	1,061	2,376	2,201	2,611	0	4,687	3,338
8510-4790-44551 OP-Medi-Cal	321	642	743	0	0	0	0	0	0	0	0	727	0
8510-4790-44552 OP-Medi-Cal MgtCare	0	743	2,433	0	0	2,001	0	743	2,346	0	934	0	0
8510-4790-44742 ER-Medicare MgtCare	0	0	0	0	0	0	0	0	0	0	0	969	0
8510-4862-41141 VP Acute-Medicare	0	0	0	0	0	0	0	0	415	0	0	0	0
8510-4862-44501 OP-Self Pay	238	0	0	0	0	0	0	0	0	0	0	0	0
8510-4862-44522 OP-Comm MgtCare	2,070	0	375	2,423	1,620	2,291	726	2,504	1,677	830	1,775	1,562	2,220
8510-4862-44541 OP-Medicare	0	845	0	0	1,020	0	415	805	2,981	0	0	0	0
8510-4862-44542 OP-Medicare MgtCare	514	750	375	0	1,392	0	1,290	547	871	1,438	456	1,325	415
8510-4862-44543 OP-Medicare At Risk	0	0	0	0	0	514	0	0	547	962	974	0	0
8510-4862-44551 OP-Medi-Cal	774	1,116	602	301	301	301	463	883	1,118	1,527	1,245	69	0
8510-4862-44552 OP-Medi-Cal MgtCare	0	0	(212)	0	375	0	0	871	947	0	0	415	0
8510-4862-44591 OP-Other	55,671	52,952	54,582	56,944	47,848	63,496	45,190	67,379	61,099	60,863	61,152	57,052	34,206
8510-4865-41141 VP Acute-Medicare	2,193	2,921	2,528	1,278	3,084	6,285	4,519	2,882	4,379	7,575	3,051	2,905	1,245
8510-4865-41151 VP Acute-Medi-Cal	0	0	0	0	0	0	301	0	0	0	0	0	0
8510-4865-44501 OP-Self Pay	0	0	0	0	0	0	0	0	0	0	496	0	0
8510-4865-44521 OP-Comm Ins	0	0	0	0	0	0	0	0	0	415	0	415	0
8510-4865-44522 OP-Comm MgtCare	7,520	4,797	9,321	7,807	7,515	7,257	6,322	10,616	10,867	5,148	8,141	8,154	6,701
8510-4865-44523 OP-At Risk	0	301	0	301	0	0	0	0	0	0	0	0	0
8510-4865-44541 OP-Medicare	151,244	142,524	145,358	121,443	123,056	106,726	131,132	171,024	137,847	146,262	165,974	163,600	148,846
8510-4865-44542 OP-Medicare MgtCare	3,808	3,834	4,806	3,948	3,636	6,496	3,887	3,252	4,576	4,269	3,874	4,773	4,427
8510-4865-44543 OP-Medicare At Risk	0	301	676	0	301	301	0	547	1,107	0	0	0	0
8510-4865-44551 OP-Medi-Cal	4,632	2,408	3,084	3,274	4,529	3,340	2,377	2,076	5,857	1,176	346	6,064	7,192
8510-4865-44552 OP-Medi-Cal MgtCare	17,053	13,062	20,053	14,831	15,099	16,890	16,241	18,859	13,184	22,679	15,428	13,835	11,773
8510-4865-44591 OP-Other	1,204	1,296	602	1,296	1,077	1,077	0	1,487	2,165	2,116	2,116	415	0
8510-4865-44741 ER-Medicare	0	0	0	707	0	0	0	0	346	0	0	0	0
8510-4871-41101 VP Acute-Self Pay	0	5,136	0	3,042	10,074	1,521	8,101	11,629	4,972	5,610	5,054	0	0
8510-4871-41121 VP Acute-Comm Ins	0	3,995	0	0	2,568	0	1,596	0	2,486	0	2,568	0	0
8510-4871-41122 VP Acute-Medi-Cal MgtCare	31,972	56,954	34,629	40,861	34,167	41,168	41,168	22,620	14,198	26,582	34,319	22,826	34,206
8510-4871-41123 VP Acute-Comm At Risk	2,568	0	1,521	2,502	3,117	6,517	6,517	2,568	1,596	2,568	0	1,521	0
8510-4871-41131 VP Acute-W/C	2,486	0	2,486	0	4,972	0	7,458	5,054	4,972	2,486	9,944	7,458	0
8510-4871-41141 VP Acute-Medicare	142,852	121,098	164,296	105,880	158,089	134,961	146,351	171,130	141,032	120,824	169,508	147,240	127,887
8510-4871-41142 VP Acute-Medicare MgtCare	48,821	63,462	54,382	74,728	77,145	27,814	39,786	43,756	37,126	34,786	39,495	51,211	0
8510-4871-41143 VP Acute-Medicare At Risk	29,429	12,618	40,760	18,642	30,242	20,076	46,364	27,804	37,814	24,760	31,037	18,910	0
8510-4871-41151 VP Acute-Medi-Cal	23,427	15,300	25,510	30,696	11,453	36,425	25,324	32,102	32,835	20,538	24,375	17,590	25,380
8510-4871-41152 VP Acute-Medi-Cal MgtCare	54,229	62,048	75,079	63,340	60,798	74,281	69,949	95,711	55,879	58,717	56,804	53,847	63,454
8510-4871-41161 VP Acute-Other Govt FFS	0	0	0	0	0	0	0	0	0	0	0	0	2,486
8510-4871-41222 SNF-Medicare	0	0	0	0	2,486	0	0	0	0	0	0	0	0
8510-4871-41241 SNF-Medicare	8,979	9,523	13,506	0	1,521	4,007	0	2,078	4,007	8,979	4,007	8,979	0
8510-4871-41242 SNF-Medicare MgtCare	2,486	1,521	0	2,486	0	0	0	0	0	2,486	0	0	0
8510-4871-41243 SNF-Medicare At Risk	0	0	0	2,486	1,521	0	0	2,486	0	2,486	0	0	0
8510-4871-41252 SNF-Medi-Cal MgtCare	0	0	0	0	0	0	0	1,521	0	0	0	0	0
8510-4871-41422 VP Rehab-Comm Ins Mgt Cre FFS	0	0	2,486	2,486	0	0	0	0	0	0	0	2,486	1,509
8510-4871-41423 VP Rehab-Comm Ins at Risk	0	1,521	0	0	0	0	0	0	0	0	0	0	0
8510-4871-41441 VP Rehab-Medicare	7,482	9,944	11,784	2,486	11,453	2,486	6,481	2,486	2,486	9,944	0	4,507	6,483
8510-4871-41442 VP Rehab-Medicare MgtCare	0	0	0	0	0	0	0	6,481	6,481	0	0	2,486	0
8510-4871-41443 VP Rehab-Medicare At Risk	0	0	0	0	0	0	0	6,481	0	0	0	0	0
8510-4871-41451 VP Rehab-Medi-Cal	0	0	0	0	0	0	0	0	1,509	1,521	0	0	0
8510-4871-44521 OP-Comm Ins	0	2,510	0	0	0	0	0	0	0	2,486	0	0	0
8510-4871-44522 OP-Comm MgtCare	9,143	27,698	7,649	10,108	8,089	7,049	12,562	5,516	11,074	7,131	15,162	11,571	8,126
8510-4871-44523 OP-At Risk	0	0	0	0	0	0	1,521	0	0	0	0	0	0
8510-4871-44541 OP-Medicare	61,613	63,216	35,719	43,379	32,439	58,380	40,757	38,058	26,186	54,723	38,646	48,289	33,927
8510-4871-44542 OP-Medicare MgtCare	21,212	19,159	34,906	12,584	18,310	21,481	17,894	22,828	13,818	16,922	49,475	20,504	13,150
8510-4871-44543 OP-Medicare At Risk	2,510	0	2,568	2,568	0	2,568	7,169	2,568	2,568	4,089	5,054	0	0
8510-4871-44551 OP-Medi-Cal	0	0	0	0	0	0	0	0	2,568	9,965	0	4,089	0
8510-4871-44552 OP-Medi-Cal MgtCare	9,805	0	1,596	1,521	0	2,922	3,117	1,521	7,622	6,599	0	4,638	1,596
8510-4871-44591 OP-Other	20,462	10,272	5,136	10,214	20,322	15,350	15,186	15,186	0	7,704	12,560	12,782	2,486
8510-4871-44701 ER-Self Pay	4,972	3,042	3,038	5,528	4,638	6,481	6,084	3,042	3,042	1,509	1,521	2,486	0
8510-4871-44721 ER-Comm Ins	0	0	0	0	0	0	0	1,521	0	0	0	0	0
8510-4871-44722 ER-Comm MgtCare	17,435	11,276	3,042	2,486	6,084	6,084	7,124	3,042	3,042	1,521	8,014	8,096	2,486
8510-4871-44731 ER-W/C	1,521	0	0	0	1,521	0	0	0	0	0	0	0	0
8510-4871-44741 ER-Medicare	11,155	24,736	21,251	17,114	21,309	17,278	21,778	16,197	3,995	5,616	18,674	8,726	12,266
8510-4871-44742 ER-Medicare MgtCare	10,079	13,092	20,320	12,734	10,166	9,003	2,810	8,091	6,781	12,009	8,638	7,037	6,659
8510-4871-44743 ER-Medicare At Risk	2,486	4,563	0	4,007	0	0	0	4,588	2,486	1,521	3,030	0	3,117
8510-4871-44751 ER-Medi-Cal	9,610	8,821	14,495	4,563	14,511	5,516	8,030	5,528	8,570	5,528	8,979	0	6,493
8510-4871-44752 ER-Medi-Cal MgtCare	23,763	14,717	29,299	21,198	20,246	15,126	12,033	13,121	9,610	12,553	19,686	21,384	15,063
8510-4871-44753 ER-Other	0	0	0	1,509	0	0	0	0	0	0	0	0	0
8510-5614-59810 OTHER NON OPERATING REV.	0	0	0	1,500	0	750	0	0	0	0	0	0	0
8510-5635-59920 OTHER NON OPERATING REVENUE	0	0	0	0	0	0	0	2,285	0	0	0	0	18,548
8510-5670-59920 Sale of Scrap and Waste	609	125	3,354	162	1,150	720	814	989	1,200	154	596	787	353
8510-5700-59910 Medical Revenue/Related Sales	2,603	2,403	1,241	1,888	1,676	2,816	1,493	1,493	683	3,194	1,717	1,717	0
8510-5740-59920 OPERATING EDUCATION	613	(613)	0	0	0	0	0	301	0	0	574	1,097	0
8510-5780-59920 Other Service Revenue	350	(300)	61,017	398	50	145	395,654	150	39,336	50	350	870	86,526
8510-5800-51000 Bad Debt Expense - VP	2,843,493	(755,843)	(31,181,862)	(1,690,376)	(2,087,949)	(1,400,695)	(674,384)	(907,429)	(1,376,469)	(2,384,405)	(360,396)	523,751	1,983,132
8510-5811-51441 CONT REHAB MCARE INCARE	0	0	0	0	0	0	0	0	0	0	0	0	0
8510-5811-51810 CA Mcre FFS Insr Acute	(24,473,048)	(32,089,617)	(32,064,098)	(32,811,235)	(29,784,417)	(32,354,896)	(36,002,372)	(39,872,632)	(37,208,378)	(38,262,462)	(32,426,565)	(36,068,442)	(27,876,758)
8510-5811-51811 PP PIP PAYMENT	829,460	960,183	1,026,669	931,770	961,863	941,430	959,763	964,383	870,324	897,316	889,504	827,124	890,566
8510-5811-51820 CA Mcre FFS SNF	(7,326,231)	(2,054,328)	(1,708,320)	(873,616)	(4,548,306)	(2,580,361)	(3,198,548)	(2,616,531)	(2,517,613)	(2,886,805)	(2,153,043)	(2,414,389)	(0)
8510-5811-54850 CA Mcre FFS Outpatient	(3,346,372)	(10,426,372)	(6,711,261)	(7,425,144)	(7,425,144)	(8,126,334)	(8,126,334)	(8,322,538)	(8,322,538)	(10,346,338)	(8,322,538)	(7,796,338)	(0)
8510-5811-54851 OP PIP PAYMENT	10,500	11,760	7,980	8,820	10,080	12,180	7,560	7,560	11,172	12,236	13,832	14,896	0
8510-5811-54878 CA Mcre Prior Settlement	0	0	(307,999)	0	0	(28,356)	0	(1,739,092)	(435,029)	3,458	0	0	0
8510-5811-54880 CA Mcre FFS ER	(2,332,948)	(1,788,899)	(1,474,158)	(2,094,718)	(1,371,122)	(1,880,480)	(1,597,218)	(2,164,991)					



**Verity Healt Systems**  
**St Vincent Medical Center**  
**Trended Income Statement**  
**June 30, 2018**

	6/30/2017	7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
8510-5930-54880 Admin Adj ER	(2,935,844)	(508,216)	(109,111)	(15,961)	(57,175)	(99,737)	(171,602)	(28,479)	(25,095)	(26,858)	(36,609)	(124,315)	(52,032)
8510-5940-51491 CONT REHAB OTHER	0	(490)	0	(20)	0	0	0	0	0	0	0	0	0
8510-5940-51810 OTHER Adj Inpt Acute	0	0	0	128,400	21,200	35,600	42,000	38,800	30,400	37,067	45,333	26,000	23,600
8510-5945-51810 OthDed frm Rev Inpt Acute	(389,511)	11,489	3,878	68,666	13,341	0	0	0	0	0	(113)	0	0
8510-5945-54850 OthDed frm Rev Outpatient	(134,135)	(391)	(22,579)	6,541	315	0	0	(30,836)	212	0	(636)	0	0
8510-5945-54880 OthDed frm Rev ER	4,873	(102)	2,661	1,061	(9,064)	(11,798)	(20,674)	(5,713)	0	178	(9,363)	(27,418)	(824)
8510-5946-54850 RsltDonations IndgOre Outpatient	0	(531)	0	0	0	0	0	0	0	0	(927,827)	(161,109)	0
8510-5960-51880 Capitation Revenue - M/CARE	2,805,970	2,813,108	3,927,134	2,973,562	3,888,354	3,035,348	3,034,742	3,297,097	3,232,478	3,253,427	3,298,231	3,367,811	3,808,485
8510-5960-51881 Risk Pool Reserves	(324,520)	(71,426)	(1,157,166)	(887,942)	(1,111,526)	(441,774)	(327,255)	85,217	(783,825)	(404,913)	(233,338)	(850,559)	(2,634,366)
8510-7095-59920 Other Oper Rev	15,799	13,751	5,829	29,507	10,840	13,335	9,526	36,545	45	17,530	75	7,514	16,721
8510-8510-59920 Other Operating Revenue	18,555	13,000	0	8,167	3,815	(80,211)	(6,108)	78,541	0	0	7,770	6,178	6,965
8510-9010-59965 Gains&Loss-Hospital Property	0	0	0	0	2,209	2,312	0	0	0	0	0	0	0
8510-9040-59955 Unrestricted Contributions	17,113	75,913	45,276	31,836	47	0	7,666	697,315	77,062	181,886	192,918	54,143	(342,583)
8510-9060-59960 Investment Interest Income	2	0	0	0	0	0	0	0	0	0	0	0	0
8510-9280-59810 Seion Guest Center Revenue	10,760	13,015	12,585	10,985	13,140	12,690	13,335	9,572	13,400	14,790	11,755	12,210	9,515
8510-9400-59937 Other Revenue -CJR	0	0	194,368	0	0	0	0	0	0	0	0	0	0
8510-9553-59800 Reil Oper Rev-Gift Shop	147	0	0	0	0	0	0	0	0	0	0	0	0
8510-9999-44599 DEFAULT GL ACCT	0	0	0	0	0	0	0	0	0	4,231	(4,231)	0	0
Total: Total Revenue per GL	17,857,494	18,471,770	16,384,512	16,261,524	20,215,930	17,880,529	29,478,090	24,086,055	16,988,553	20,728,662	19,868,681	21,309,921	15,960,546
Total Revenue per Report	17,857,494	18,471,770	16,384,512	16,261,524	20,215,930	17,880,529	29,478,090	24,086,055	16,988,553	20,724,431	19,872,912	21,309,921	15,960,546
Check Total Revenue	0	0	0	0	0	0	0	0	0	4,231	(4,231)	0	0



## **Schedule 2.14 - Legal Proceedings**

*See attached folder “Schedule 2.14 - Legal Proceedings”*



## ATTACHMENT

Schedule 2.14 - Legal Proceedings (Seton Medical Center)

Debtor	Claimant/Plaintiff	Case Number	Court Name	Court Address	Court Address	Court City	Court State	Court Zip	Status of Case	Basis of Claim	Date Claim Incurred
Seton Medical Center	Jenneth Maniese	NUHW-Grievance	Arbitration - pending selection of arbitrator							Grievance: Unjust Termination	8/24/2018
Seton Medical Center	Theodore Parada, MD	18-CIV-05532	Superior Court of California, County of San Mateo (Southern Branch)	400 County Center		Redwood City	California	94063	Pending	Personal injury/property damage/wrongful death	10/26/2016

Schedule 2.14 - Legal Proceedings (St. Vincent Medical Center)

Verity Entity	Claimant/Plaintiff	Case Number	Court Name	Court Address	Court Address	Court City	Court State	Court Zip	Status of Case	Basis of Claim	Date Claim Incurred
St. Vincent Medical Center	Yolanda Mancilla	DC702905	Superior Court of California, County of Los Angeles (Stanley Mosk Courthouse)	111 North Hill Street		Los Angeles	California	90012	Pending	Professional Liability	8/24/17; (filed 9/26/18)
St. Vincent Medical Center	Elise Margaret O'Halloran	18STCV00301	Superior Court of California, County of Los Angeles (Stanley Mosk Courthouse)	111 North Hill Street		Los Angeles	California	90012	Pending	Professional Liability	11/7/17 (filed 10/5/18)
St. Vincent Medical Center	University of Southern California on behalf of Keck Hospital	BC714090	Superior Court of California, County of Los Angeles (Stanley Mosk Courthouse)	111 North Hill Street		Los Angeles	California	90012	Pending	Breach of contract	Filed 11/18/18

Schedule 2.14 - Legal Proceedings (St. Francis Medical Center)

Seller	Claimant/Plaintiff	Case Number	Court Name	Court Address	Court Address	Court City	Court State	Court Zip	Status of Case	Basis of Claim	Date Claim Incurred
St. Francis Medical Center	Rosa Camaco	ULP-21-CA-219922	UNAC-UHCP				California			Unfair Labor Practice Under the Labor Relations Act, art 7.	
St. Francis Medical Center	Rosa Camaco	ULP-21-CA-209435	UNAC-UHCP				California			Unfair Labor Practice Under the Labor Relations Act, art 7.	
St. Francis Medical Center	Edwin Guardado	Guardado-UNAC (Grievance number not yet assigned)	UNAC-UHCP				California			Grievance: Termination	
St. Francis Medical Center	Edwin Guardado	ULP Guardado-21-CA-230499	UNAC-UHCP				California			ULP - Dismissal for Union Activities; Unfair Labor Practice Under the Labor Relations Act, art 7.	
St. Francis Medical Center	Natalie Nguyen	EEOC # 480-2019-00050	US Equal Employment Opportunity Commission, Los Angeles District	255 E. Temple Street	9th Floor	Los Angeles	California	90012	Pending	EEOC-Disability	10/08/18
St. Francis Medical Center	Tammy Sprownson	BC724114	Superior Court of California, County of Los Angeles (Stanley Mosk Courthouse)	111 North Hill Street		Los Angeles	California	90012	Pending	Professional Liability	10/3/2018
St. Francis Medical Center	UNAC	Case Number: 21-CA-231856	National Labor Relations Board, Region 21	312 North Spring Street	Floor 10	Los Angeles	California	90012	Pending		
St. Francis Medical Center	Abbas Khanafer	BC718838	Superior Court of California, County of Los Angeles (Stanley Mosk Courthouse)	111 North Hill Street		Los Angeles	California	90012	Pending	Professional Liability	



## **Schedule 2.15(a) - Seller Plans**

*See attached folder “Schedule 2.15(a) - Seller Plans”*

### **Pension Plans Verity:**

- Verity Health System Retirement Plan (John Hancock - Plan A)
- Verity Health System Retirement Plan (John Hancock - Plan B)

### **Verity Defined Contribution Plans:**

- Verity Health System Retirement Plan Account (RPA) – TT080435
- Verity Health System Supplemental Retirement Plan (401(a)) – TT080286
- Verity Health System Supplemental Retirement Plan (TSA) – TT069202
- Verity Health System Executive Long-Term Savings Plan 457(b) TE098157

### **Medical:**

- Verity EPO Plan (EPO1 and EPO2)
- Verity PPO Plan Buy-up (PPO1 - Verity Network, PPO2 - PPO Network and PPO3 - Out-of-Network)

### **Dental:**

- Cigna Dental HMO Plan
- Delta Dental PPO Plans (Delta PPO 800 and Delta PPO 1200)

### **Vision:**

- VSP Core Plan (VSP CORE Plan and VSP PLUS Plan)

### **Health Benefits:**

All benefit eligible employees are offered Voluntary Life/AD&D, Short-term Disability (STD), Long-term Disability (LTD), Long-term Care (LTC), Employee Assistance Program (EAP), and Flexible Spending Accounts (FSA), except employees represented by CNA are not offered the LTD Buy-up plan.

- Life/AD&D Insurance through Unum
- Voluntary STD through Cigna
- LTD through Cigna
- LTC through Unum
- Flexible Spending Account through Health Now
- Employee Assistance Program through OptumHealth
- Voluntary Benefits through AlliantCHOICE+



Verity Deferred Compensation Plan:

- 457(b) Tax-Exempt Plan through Transamerica Retirement Solutions, LLC (Account No.: TE098157)

Reduction in Force Policy:

- Verity has a Reduction in Force Policy which includes two weeks' notice pay and severance pay for employees based on the following factors: (i) employee status (non-exempt, exempt or management/directors); and (ii) years of service. Severance pay ranges from two (2) weeks of pay (non-Exempt and less than three (<3) years of service) to eighteen (18) weeks of pay (management/directors and over twenty-five (>25) years of service).



# Benefits At-A-Glance

Take a moment to review the full array of benefits Verity Health offers below.

Benefit	Key Features	Required Action During Open Enrollment
Medical Plans	Medical coverage provides you and your family with benefits that help keep you healthy with preventive care screenings and access to urgent care. It also provides important financial protection if you have a serious medical condition. Each plan offers comprehensive coverage with varying networks, copays and out of pocket costs. Refer to your summary of benefits for specific plan details.	If you would like to enroll, add/delete a dependent or change plans, enrollment via SmartBen is required.
Dental	Covers preventive care and other benefits for specialized procedures based on the carrier's covered services and procedures.	If you would like to enroll, add/delete a dependent or change plans, enrollment via SmartBen is required.
Vision	Covers lenses, frames, contact lenses and more. You can visit any licensed provider, but you will save if you choose in-network providers.	If you would like to enroll, add/delete a dependent or change plans, enrollment via SmartBen is required.
Voluntary Life Insurance	Provides you and/or your beneficiaries with financial security in the event of your death. Dependent life insurance is also available for your spouse/registered domestic partner and child(ren).	Enrollment via SmartBen is voluntary. Certain enrollment amounts may require evidence of insurability (EOI) and approval.
Accidental Death & Dismemberment (AD&D)	Provides additional financial security if you are severely injured or die as a result of an accident.	Enrollment via SmartBen is voluntary. Certain enrollment amounts may require evidence of insurability (EOI) and approval.
Long Term Disability (LTD)	Provides long-term income replacement up to a certain percentage of your salary if you can't work due to a long-term illness or injury.	Enrollment via SmartBen is voluntary. Certain enrollment amounts may require evidence of insurability (EOI) and approval.
Voluntary Short-Term Disability (Vol. STD)	Provides short-term income replacement due to a non-work related illness or injury.	Enrollment via SmartBen is voluntary. Certain enrollment amounts may require evidence of insurability (EOI) and approval.
Long Term Care (LTC)	Provides reimbursement dollars for nursing home care, personal care, adult day care and care provided in an assisted living facility.	Not at this time. Look for more information mid-year during the LTC Open Enrollment period.
Health Care Spending Account	Provides the option to use pre-tax dollars to pay for qualified health expenses for you and your family. Taking advantage of this benefit reduces your taxable income.	You must enroll/re-enroll to participate in this spending account in 2019.
Dependent Care Spending Account	Provides the option to use pre-tax dollars to reimburse yourself for qualified out-of-pocket expenses. Taking advantage of this benefit reduces your taxable income. Use this for qualified expenses related to care for a child, such as day or after school care, or care for other dependents who are physically or mentally incapable of self-care.	You must enroll/re-enroll to participate in this spending account in 2019.
Employee Assistance Program	Provides free and confidential assessments, short-term counseling, referrals, and follow-up services to employees and their families up to certain annual maximum.	Employees and dependents are automatically enrolled at no cost to you.
Additional Voluntary Plans	AlliantCHOICE Plus voluntary benefits are available in addition to your core benefits package.	If you wish to enroll, please see page 19 for further details.



# Benefits by Facility

	Medical		Dental				Vision	
	EPO	PPO	HMO	PPO	PPO	PPO	Base	Buy-Up
	Verity Plan	Verity Plan	Cigna	Delta 800	Delta 1200	Delta 1500	VSP	VSP
Verity Business Services								
VBS	X	X	X	X	X		X	X
Verity System Office								
North	X	X	X	X	X		X	X
South	X	X	X	X	X		X	X
St. Francis Medical Center								
Non-Represented	X	X	X	X		X	X	X
SEIU	X	X	X	X		X	X	X
UNAC	X	X		X		X	X	X
Religious	X	X						
St. Vincent Medical Center								
Non-Represented	X	X	X	X		X	X	X
SEIU	X	X	X	X		X	X	X
CNA	X	X	X	X		X	X	X
Seton Medical Center								
Non-Represented	X	X	X	X		X	X	X
NUHW	X	X		X	X		X	X
CNA	X	X			X		X	X
ESC Local 20	X	X	X	X		X	X	X
Seton Coastside Medical Center								
Non-Represented	X	X	X	X		X	X	X
NUHW	X	X		X	X		X	X

**Note:** All benefit eligible employees are offered Voluntary Life/AD&D, Short-term Disability (STD), Long-term Disability (LTD), Long-term Care (LTC), Employee Assistance Program (EAP), and Flexible Spending Accounts (FSA), except SMC and SMCC NUHW and CNA are not offered the LTD Buy-up plan.



	<b>Verity Health System Retirement Plan A &amp; B</b>	
	<b>John Hancock (formerly NYLIM) Monthly Annuity - “Pension Plan” Employer Contribution - Benefit Restriction Applied does not affect the monthly annuity</b>	<b>TSA Match (formerly NYLIM) 12/31/08. 403(b) Optional to Employee - Employer contribution only if Employee Contributed - Benefit Restrictions Could Apply to Lump Sum Match Benefit</b>
<b>Plan Sponsor</b>	<b>Verity Health System</b>	
<b>Plan Recordkeeper</b>	<b>John Hancock</b>	
<b>Actively Employed Participants</b>	<b>2,373 (Plan A 2,229 / Plan B 144)</b>	
<b>Terminated Vested Participants</b>	<b>2,751 (Plan A 2,254 / Plan B 497)</b>	
<b>Retired/Beneficiary Participants</b>	<b>2,680 (Plan A 2,339 / Plan B 341)</b>	
<b>Total Participants</b>	<b>7,804 (Plan A 6,822 / Plan B 982)</b>	
<b>Plan Assets as of 12/31/17</b>	<b>\$342,972,510 (Plan A - \$334,661,036 / Plan B - \$8,311,474)</b>	
<b>Estimated Annual Per Participant Fee</b>	<b>\$74.32</b>	
<b>System Office Executives</b>	Frozen as of 2/28/2011	Frozen as of 12/31/2008
<b>System Office Staff (No. Cal.)</b>	Frozen as of 2/28/2011	Never Eligible
<b>System Office Staff (So. Cal.)</b>	Frozen as of 2/28/2011	Never Eligible
<b>CBS/VBS</b>	Never Eligible	Never Eligible
<b>Seton Non-Represented</b>	Never Eligible	Never Eligible
<b>NUHW</b>	Never Eligible	Never Eligible
<b>CNA</b>	Never Eligible	Never Eligible
<b>Local 20</b>	Never Eligible	Never Eligible
<b>Seton Coastsides Non-Represented</b>	Never Eligible	Never Eligible
<b>NUHW</b>	Never Eligible	Never Eligible
<b>St. Francis Non-Represented</b>	Frozen as of 2/28/2011	Frozen as of 12/31/2008
<b>UNAC</b>	Frozen as of 12/31/2011	Frozen as of 12/31/2008
<b>SEIU</b>	Frozen as of 12/31/2012	Frozen as of 12/31/2008
<b>St. Vincent Non-Represented</b>	Frozen as of 2/28/2011	Frozen as of 12/31/2008
<b>SEIU</b>	Frozen as of 2/28/2011 (with Non-Represented)	Frozen as of 12/31/2008
<b>CNA</b>	Active <sub>1</sub>	Frozen as of 12/31/2008

1. As of 1/1/2017, eligible CNA members in Plan A are accruing a Cash Balance benefit that includes an annual pay credit between 4.25% and 10% of eligible pay based on the participant’s years of service, and a 4% annual interest credit. As of 1/1/17, CNA members ceased to be eligible for new accruals under the Traditional Formula Benefit.



	Verity Health System Supplemental Retirement Plan (TSA) (TT069202)			Verity Health System Supplemental Retirement Plan (401(a)) (TT080286)		Verity Health System Retirement Plan Account (RPA) (TT080435)
	Optional Employee Contribution 403(b)	Lincoln Individual Annuity Contracts Only - Elective deferrals to Lincoln ceased as of 10/31/2006	VALIC Individual Annuity Contracts Only - Elective deferrals to VALIC ceased as of 10/31/2006	Match Benefit = 35% on first 5% of pay. Only applies for employees contributing to the 403(b)	Match Benefit = 50% on first 6% of pay. Only applies for employees contributing to the 403(b)	
Plan Sponsor						
Administrator/Record-keeper	Transamerica	Lincoln <sub>3</sub>	VALIC <sub>3</sub>	Transamerica		
Total Plan Assets	\$542,194,113	\$16,518,074	\$2,672,112	\$60,195,428		\$107,985,358
Active Participants With a Balance / Avg. Account Balance	5,053 / \$79,295	N/A	N/A	4,280 / \$11,506		3,645 / \$25,912
Terminated Participants With a Balance / Avg. Account Balance	2,756 / \$51,348	N/A	N/A	1,481 / \$7,393		1,027 / \$13,179
Total Participants With a Balance / Avg. Account Balance	7,809 / \$69,432	343 / \$48,158	309 / \$8,132	5,761 / \$10,449		4,672 / \$23,113
Eligible Participants Actively Deferring / Eligible Participants	4,764 / 6,870 (69.33%)	N/A	N/A	N/A		N/A
Participants Actively Deferring in Percentage (%) / Avg. Deferral	2,373 / 9.98%	N/A	N/A	N/A		N/A
Participants Actively Deferring in Dollar Amount (\$) / Avg. Deferral	2,391 / \$386 per pay period	N/A	N/A	N/A		N/A



Estimated Annual Per Participant Fee (the per participant range is \$47 to \$77)	\$90.60			\$13.56		\$30.16
Estimated TOTAL Annual EBA Account (6.5 bps)	\$352,426	N/A	N/A	\$39,127		\$70,190
Estimated Annual EBA Allocated to On-sites (4 bps)	\$216,878	N/A	N/A	\$24,078		\$43,194
Estimated Annual EBA Allocated to Qualified Plan Expenses (2.5 bps)	\$135,549	N/A	N/A	\$15,049		\$26,996
Available EBA Account as of 9/30/18	\$287,049	N/A	N/A	\$13,100		\$6,394
Available Forfeitures as of 9/30/18	\$3,991	N/A	N/A	\$112,882		\$103,406
Available Advanced Employer Account as of 9/30/18	\$27,592	N/A	N/A	\$54,685		\$284,769
System Office Executives	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Frozen as of 12/31/2016 <sub>1</sub>	Active as of 1/1/2017 <sub>1</sub>	Frozen as of 12/31/2016 <sub>1</sub>
System Office Staff (No. Cal.)	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Frozen as of 12/31/2016 <sub>1</sub>	Active as of 1/1/2017 <sub>1</sub>	Frozen as of 12/31/2016 <sub>1</sub>
System Office Staff (So. Cal.)	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Frozen as of 12/31/2016 <sub>1</sub>	Active as of 1/1/2017 <sub>1</sub>	Frozen as of 12/31/2016 <sub>1</sub>
CBS/VBS	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Frozen as of 12/31/2016 <sub>1</sub>	Active as of 1/1/2017 <sub>1</sub>	Frozen as of 12/31/2016 <sub>1</sub>
Seton Non-Represented	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Frozen as of 12/31/2016 <sub>1</sub>	Active as of 1/1/2017 <sub>1</sub>	Frozen as of 12/31/2016 <sub>1</sub>
NUHW	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Active	Never Eligible	Active as of 1/1/2013
CNA	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Frozen as of 12/31/2016	Never Eligible	Never Eligible
Local 20	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Active	Never Eligible	Active as of 3/1/2011
Seton Coastside Non-Represented	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Frozen as of 12/31/2016 <sub>1</sub>	Active as of 1/1/2017 <sub>1</sub>	Frozen as of 12/31/2016 <sub>1</sub>



NUHW	Active	Frozen as of 10/31/2006	Frozen as of 10/31/2006	Active	Never Eligible	Active as of 1/1/2013
<b>St. Francis Non- Represented</b>	Active	Never Eligible	Frozen as of 10/31/2006	Frozen as of 12/31/2016 <sub>1</sub>	Active as of 1/1/2017 <sub>1</sub>	Frozen as of 12/31/2016 <sub>1</sub>
UNAC	Active	Never Eligible	Frozen as of 10/31/2006	Active	Never Eligible	Active as of 1/1/2012
SEIU	Active	Never Eligible	Frozen as of 10/31/2006	Active	Never Eligible	Active as of 1/1/2013
<b>St. Vincent Non- Represented</b>	Active	Never Eligible	Frozen as of 10/31/2006	Frozen as of 12/31/2016 <sub>1</sub>	Active as of 1/1/2017 <sub>1</sub>	Frozen as of 12/31/2016 <sub>1</sub>
SEIU	Active	Never Eligible	Frozen as of 10/31/2006	Active	Never Eligible	Active as of 1/1/2013
CNA	Active	Never Eligible	Frozen as of 10/31/2006	Frozen as of 12/31/2016	Never Eligible	Never Eligible

1. Non-represented employees hired on or after 12/15/15 were never eligible for the RPA OR 35% on the first 5% of pay Match Benefit. Non-represented new hires on or after 12/15/15 were eligible for the 50% on the first 6% of pay Match Benefit upon satisfying the RPA eligibility requirements. Non-represented employees re-hired on or after 12/15/15 had their RPA AND 35% on the first 5% of pay Match Benefit frozen as of 5/31/16 and became eligible for the 50% of the first 6% of pay Match Benefit on 6/1/16. As of 1/1/17, all eligible non-represented employees, regardless of hire or re-hire date, are eligible for the 50% on the first 6% of pay Match benefit, and no longer eligible for the RPA AND 35% on the first 5% of pay Match Benefit.

3. Data for Lincoln and Valic is as of December 31, 2017

4. Verity Health System Supplemental Retirement Plan 401(a) (TT080286) forfeitures cannot be used for qualified plan expenses. However, they can be used for future employer contributions.



	<b>Retirement Plan For Hospital Employees - Monthly Annuity - "Pension Plan" (multiemployer plan)</b> Note: Verity is not the plan sponsor of the plan nor is the plan under the purview of the Verity Benefits Administration Committee	<b>Local 39 Retirement Plan - \$9.46 per hour worked per engineer - "Pension Plan" (multiemployer plan)</b> Note: Verity is not the plan sponsor of the plan nor is the plan under the purview of the Verity Benefits Administration Committee
<b>Actively Employed Participants</b>	<b>2,345 (1,060 still actively accruing benefits)</b>	<b>N/A</b>
<b>Terminated Vested Participants</b>	<b>1,341</b>	
<b>Retired/Beneficiary Participants</b>	<b>1,730</b>	
<b>Total Participants</b>	<b>5,416</b>	
<b>Plan Assets as of 12/31/16</b>	<b>\$301,069,509</b>	
<b>Estimated Annual Per Participant Fee</b>	<b>\$116</b>	
<b>Plan Sponsor</b>	<b>Retirement Plan For Hospital Employees Board of Trustees</b>	<b>N/A</b>
<b>Administrator/Record-keeper</b>	<b>RPHE</b>	
<b>System Office Executives</b>	Never Eligible	
<b>System Office Staff (No. Cal.)</b>	Never Eligible	
<b>System Office Staff (So. Cal.)</b>	Never Eligible	
<b>CBS/VBS</b>	Frozen as of 2/28/2011	
<b>Seton Non-Represented</b>	Frozen as of 2/28/2011	
NUHW	Frozen as of 12/31/2012 (as SEIU members)	
CNA	Active	
Local 20	Frozen as of 2/28/2011 (as Non-Represented)	
<b>Seton Coastsides Non-Represented</b>	Frozen as of 2/28/2011	
NUHW	Frozen as of 12/31/2012 (as SEIU members)	
<b>St. Francis Non-Represented</b>	Never Eligible	
UNAC	Never Eligible	
SEIU	Never Eligible	
<b>St. Vincent Non-Represented</b>	Never Eligible	
SEIU	Never Eligible	
CNA	Never Eligible	



	<b>Verity Health System Executive Long-Term Savings Plan (457(b)) - Allows eligible executives to contribute an additional \$18,500 per year (in addition to the TSA Plan) (TE098157)</b>
<b>Plan Sponsor</b>	<b>Verity Health System</b>
<b>Administrator/Record-keeper</b>	<b>Transamerica</b>
<b>Total Plan Assets</b>	<b>\$35,935</b>
<b>Active Participants With a Balance / Avg. Account Balance</b>	<b>3 / \$8,846</b>
<b>Terminated Participants With a Balance / Avg. Account Balance</b>	<b>1 / \$9,398</b>
<b>Total Participants With a Balance / Avg. Account Balance</b>	<b>4 / \$8,984</b>
<b>Eligible Participants Actively Deferring / Eligible Participants</b>	<b>1 / 23 (4.35%)</b>
<b>Participants Actively Deferring in Percentage (%) / Avg. Deferral</b>	<b>0</b>
<b>Participants Actively Deferring in Dollar Amount (\$) / Avg. Deferral</b>	<b>1 / \$1,850 per pay period</b>
<b>Estimated Annual Per Participant Fee</b>	<b>\$11.84</b>
<b>Estimated TOTAL Annual EBA Account (6.5 bps)</b>	<b>\$23</b>
<i>Estimated Annual EBA Allocated to On-sites (4 bps)</i>	<b>\$14</b>
<i>Estimated Annual EBA Allocated to Qualified Plan Expenses (2.5 bps)</i>	<b>\$9</b>
<b>Available EBA Account as of 3/31/18</b>	<b>\$10</b>
<b>Available Forfeitures as of 3/31/18</b>	<b>\$0</b>
<b>Available Advanced Employer Account as of 3/31/18</b>	<b>\$0</b>
<b>Corporate Executives (Vice President and above)</b>	<b>Active</b>
<b>Hospital Executives (Vice President and above)</b>	<b>Active</b>
<b>All Other</b>	<b>Never Eligible</b>



	CNA/Seton Retirement Plan - Frozen Money Purchase Pension Plan as of 12/31/1999 (31000-003 & 31000-004)	Kennedy Savings Plus Plan - Frozen Defined Contribution 403(b) Plan as of 12/31/2001 (CR29639)	Seton Medical Center Coastside Retirement Plan - Frozen Defined Contribution 403(b) Plan as of 12/31/2001 (070034)	St. Vincent Medical Center Supplemental Retirement Plan (TSA - Transamerica) - Frozen Defined Contribution 403(b) Plan as of 12/31/2001 (FA067401)	St. Vincent Medical Center Supplemental Retirement Plan (TSA - Mutual of America) - Frozen Defined Contribution 403(b) Plan as of 12/31/2001
Plan Sponsor	Verity Health System	Verity Health System	Verity Health System	Verity Health System	Verity Health System
Administrator/Record-keeper	VALIC	Lincoln	Mass Mutual	Transamerica	Mutual of America
Total Plan Assets	\$5,111,045	\$810,857	\$70,298	\$8,958	\$553,526
Active Participants With a Balance / Avg. Account Balance	64 / \$43,282	5 / \$32,698	1 / \$4,785	29 / \$309	36 / \$15,376
Terminated Participants With a Balance / Avg. Account Balance	106 / \$22,085	47 / \$13,774	38 / \$1,724		
Total Participants With a Balance / Avg. Account Balance	170 / \$30,065	52 / \$15,593	39 / \$1,803		
Plan Eligibility	Frozen as of 12/31/1999	Frozen as of 12/31/2001	Frozen as of 12/31/2001	Frozen as of 12/31/2001	Frozen as of 12/31/2001



SCHEDULE 2.15A

EMPLOYEE WELFARE BENEFITS

CONTRACTED ENTITY	FACILITIES APPLICABLE	BENEFIT	BENEFIT VENDOR
Verity Health System	SFMC, SVMC, SMC, SMCC	Dental	Delta Dental
Verity Health System	SFMC, SVMC, SMC, SMCC	Dental	Cigna Dental
Verity Health System	SMC CNA	Medical	Blue Shield through 12/31/2018
Verity Health System	SFMC, SVMC, SMC, SMCC	Medical	HealthNow EPO & PPO
Verity Health System	SMC CNA	Medical	HealthNow PPO Grandfathered plan 1/1/2019
Verity Health System	SFMC, SVMC, SMC, SMCC	Vision	VSP
Verity Health System	SFMC, SVMC, SMC, SMCC	Life Insurance	Unum
Verity Health System	SFMC, SVMC, SMC, SMCC	Spouse & Child Life	Unum
Verity Health System	SFMC, SVMC, SMC, SMCC	AD&D	Unum
Verity Health System	SFMC, SVMC, SMC, SMCC	STD & LTD	Cigna
Verity Health System	SFMC, SVMC, SMC, SMCC	LTC	Unum
Verity Health System	SFMC, SVMC, SMC, SMCC	Flex Spending	HealthNow
Verity Health System	SFMC, SVMC, SMC, SMCC	EAP	Optum
Verity Health System	SFMC, SVMC, SMC, SMCC	Voluntary Benefits	AlliantChoice Plus

EMPLOYEE PENSION/RETIREMENT

CONTRACTED ENTITY	FACILITIES APPLICABLE	BENEFIT	BENEFIT VENDOR
Verity Health System	SFMC, SVMC, SMC, SMCC	Retirement - TSA	Transamerica
Verity Health System	SFMC, SVMC, SMC, SMCC	Retirement - 401a	Transamerica
Verity Health System	SFMC, SVMC, SMC, SMCC	Retirement - RPA	Transamerica
Verity Health System	SFMC, SVMC	Retirement - Pension/Annuity	John Hancock
Verity Health System	SMC, SMCC	Retirement - Pension/Annuity	RPHE

PERQUISITES - OTHER EMPLOYEE BENEFITS

DESCRIPTION	FACILITY
Performance Bonus	SFMC
Relocation	SFMC
Sign On/Retention	SFMC, SVMC, SMC, SMCC
Tuition Program	SFMC, SVMC, SMC, SMCC



## **Schedule 2.16 - Hospital Employees**

*See attached folder “Schedule 2.16 - Hospital Employees”*



VHS VBS SHARED SERVICES - POSITION DETAIL

\*\*no bargaining units

x indicates which hospitals  
an employee services  
% of services provided

Dept	Last Name	First Name	Position Title	Status	Classification (EXM or NCN)	SFMC	SVMC	SMC	Location	Notes
FACILITIES PLAN/DEVELOPMENT			SENIOR PROPERTY MANAGER	PDIEM	NCN			x	SMC	Manages all NorCal Verity Holdings properties.
FACILITIES PLAN/DEVELOPMENT			PROJECT ADMINISTRATOR	FTREG	EXM	x	x	x	SMC	Supports all NorCal Verity Holdings and All Verity Facilities Division projects.
Finance			Payroll Manager	FTREG	EXM	x	x	x	North	Provides services to all hospitals
Finance			AP Tech	FTREG	NCN			100%	Seton	Seton Medical Center
Finance			Payroll Supervisor	FTREG	EXM	x	x	x	North	All hospitals / System Office
Finance			AP Tech	FTREG	NCN			100%	Seton	St. Vincent Medical Center
Finance			Director of Strategic Finance & Development	FTREG	EXM	x	x	x	Mariposa	Provides services to all hospitals
Finance			Senior Financial Analyst	FTREG	EXM	x	x	x	Mariposa	Provides services to all hospitals
Finance			Senior Accountant	FTREG	EXM			100%	Seton	Seton Coastside
Finance			VP of Treasury	FTREG	EXM	x	x	x	Mariposa	Provides services to all hospitals
Finance			Finance Analyst	FTREG	EXM	x	x	x	Seton	St. Francis / St. Vincent / Seton / Coastside
Finance			Finance Director	EXM		x	x	x	North	Provides services to all hospitals
Finance			Payroll Tech	FTREG	NCN			100%	Seton	Seton Medical Center / Coastside All hospitals / St. Francis Medical Center / Coastside
Finance			AP Supervisor	FTREG	EXM	x	x	x	Seton	Coastside
Finance			AP Manager	FTREG	EXM	x	x	x	North	Provides services to all hospitals
Finance			Asst. Director of Finance	FTREG	EXM	x	x	x	Mariposa	Provides services to all hospitals
Finance			Payroll Tech	FTREG	NCN			100%	Seton	Seton Medical Center
Finance			Controller	FTREG	EXM	x	x	x	North	Provides services to all hospitals
Finance			Accounting Supervisor	FTREG	EXM	x	x	x	North	All hospitals
Finance			AP Tech	FTREG	NCN		100%		Seton	St. Francis Medical Center
Finance			Payroll Tech	FTREG	NCN			100%	North	St. Vincent Medical Center
Finance			AP Tech	FTREG	NCN			100%	Seton	Seton Medical Center
Finance			Senior Accountant	FTREG	EXM			100%	Seton	St. Vincent Medical Center
Finance			Senior Director of Strategic Finance & Development	FTREG	EXM	x	x	x	Mariposa	Provides services to all hospitals
Finance			Payroll Tech	FTREG	NCN		100%		North	St. Francis Medical Center
Finance			AP Supervisor	FTREG	EXM	x	x	x	Seton	All hospitals / System Office
Finance			Sr Reimbursement Analyst	FTREG	EXM	x	x	x	North	All hospitals
Finance			Sr Reimbursement Analyst	FTREG	EXM	x	x	x	North	All hospitals
Finance			Senior Accountant	FTREG	EXM			100%	North	Seton Medical Center
Finance			Director of Government Programs	FTREG	EXM	x	x	x	North	Provides services to all hospitals
Finance			Senior Accountant	FTREG	EXM		100%		Seton	St. Francis Medical Center
Finance			AP Tech	FTREG	NCN			100%	Seton	St. Vincent Medical Center
Finance			Director of Finance	FTREG	EXM	x	x	x	Mariposa	Provides services to all hospitals
Finance			Senior Accountant	FTREG	EXM			100%	Seton	St. Vincent Medical Center
Finance			Accounting Manager	FTREG	EXM	x	x	x	North	Provides services to all hospitals
Finance			Senior Accountant	FTREG	EXM		100%		Seton	St. Francis Medical Center
Finance			Treasury Analyst	FTREG	EXM	x	x	x	North	Provides services to all hospitals
Foundation - SFMC			Director of Development	FTREG	EXM	x	x		SFMC	Grantwriting for SV and SFMC foundations
Foundation - SFMC			Sr. Regional Grants Manager, SoCal	FTREG	EXM	x	x		SFMC	Grantwriting for SV and SFMC foundations
Foundation VHS Foundation			VP, Communication & Philanthropy	FTREG	EXM	x	x	x	SFMC	Provides Marketing/Communications leadership to all hospitals/Serves as CEO of each of the philanthropic foundations.
Foundation VHS Foundation			Exec Director, Philanthropy, SoCal	FTREG	EXM	x	x		SVMC	Philanthropic foundations - supports SV and SFMC foundations Manages all finances for philanthropic foundations.
Foundation VHS Foundation			Finance Manager, Foundations	FTREG	EXM	x	x	x	SFMC	Shared Services
HUMAN RESOURCES			RECRUITER	FTREG	EXM	x	x	x	SMC	Shared Services
HUMAN RESOURCES			RECRUITING COORDINATOR	FTREG	NCN	x	x	x	SFMC	Shared Services
HUMAN RESOURCES			RECRUITER	FTREG	EXM	x	x	x	SVMC	Shared Services
HUMAN RESOURCES			DIRECTOR, EMPLOYEE SHARED SERVICE/ INTERIM VP, HUMAN RESOURCES, SFMC	FTREG	EXM	x	x	x	ES/ SFMC	Shared Services
HUMAN RESOURCES			SR BENEFITS SPECIALIST	FTREG	EXM	x	x	x	ES	Shared Services
HUMAN RESOURCES			HCMA, SR. ANALYST/ PROGRAMMER	FTREG	EXM	x	x	x	NORTH	Shared Services
HUMAN RESOURCES			RECRUITING COORDINATOR	FTREG	NCN	x	x	x	SVMC	Shared Services
HUMAN RESOURCES			DIRECTOR, EXECUTIVE RECRUITING	FTREG	EXM	x	x	x	ES	Shared Services
HUMAN RESOURCES			BENEFITS SPECIALIST	FTREG	NCN	x	x	x	REMOTE/NORTH	Shared Services
HUMAN RESOURCES			DIRECTOR, SYSTEM RECRUITING	FTREG	EXM	x	x	x	ES	Shared Services
HUMAN RESOURCES			HCMA BUSINESS PARTNER	FTREG	EXM	x	x	x	NORTH	Shared Services
HUMAN RESOURCES			RECRUITER	FTREG	EXM	x	x	x	SFMC	Shared Services
HUMAN RESOURCES			HCMA BUSINESS PARTNER	FTREG	EXM	x	x	x	NORTH	Shared Services
HUMAN RESOURCES			RECRUITER	FTREG	EXM	x	x	x	SFMC	Shared Services
HUMAN RESOURCES			SR. COMPENSATION AND BENEFITS ANALYST	FTREG	EXM	x	x	x	REMOTE/NORTH	Shared Services
HUMAN RESOURCES			DIRECTOR, HCMA	FTREG	EXM	x	x	x	NORTH	Shared Services
HUMAN RESOURCES			RECRUITING COORDINATOR	FTREG	NCN	x	x	x	SMC	Shared Services
HUMAN RESOURCES			HCMA BUSINESS PARTNER	FTREG	EXM	x	x	x	NORTH	Shared Services
IT - Business Intelligence			SR BI/DS/ANALYTICS ANALYST	FTREG	EXM	x	x	x	Remote	Sr, Analyst. Decision Support, business Intelligence, Finance Reporting, Analytics
IT - Business Intelligence			SYS DIR BUSINESS INTELLIGENCE	FTREG	EXM	x	x	x	Remote - FL	Business Analyst. Finance Reporting, Data ETL, Database design.
IT - Business Intelligence			IT BUS ANALYST RCM/FINANCE OPS	FTREG	EXM	x	x	x	Remote	Business Analyst. Finance Reporting, Data ETL, Database design.
IT - Business Management			BUSINESS ANALYST I	FTREG	EXM	x	x	x	SFMC	Finacial analysis, vendor management and budgeting
IT - Clinical Applications			SR BUSINESS ANALYST AMBULATORY	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST AMBULATORY & CLINICS
IT - Clinical Applications			SR BUSINESS ANALYST, LIS	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST, LIS
IT - Clinical Applications			SR BUSINESS ANALYST ANCILLARY	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST ANCILLARY, ED, SURGERY
IT - Clinical Applications			SR BUSINESS ANALYST - LIS	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST - LIS
IT - Clinical Applications			SR BUSINESS ANALYST EMR	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST EMR
IT - Clinical Applications			BUSINESS ANALYST EHR	FTREG	NCN	x	x	x	REMOTE	BUSINESS ANALYST EHR
IT - Clinical Applications			SR BUSINESS ANALYST ANCILLARY	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST ANCILLARY, MSO
IT - Clinical Applications			LEAD, BUSINESS ANALYST EMR	FTREG	EXM	x	x	x	REMOTE	LEAD, BUSINESS ANALYST EMR
IT - Clinical Applications			LEAD, BUSINESS ANALYST AMBUL	FTREG	EXM	x	x	x	SFMC	LEAD, BUSINESS ANALYST AMBULATORY & CLINICS
IT - Clinical Applications			SR BUSINESS ANALYST ANCILLARY	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST ANCILLARY, EMR
IT - Clinical Applications			SR BUSINESS ANALYST EMR	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST EMR
IT - Clinical Applications			LEAD, BUSINESS ANALYST ANCILL	FTREG	EXM	x	x	x	REMOTE	LEAD, BUSINESS ANALYST ANCILLARY [LAB, RT, ED, SURG]
IT - Clinical Applications			SR BUSINESS ANALYST AMBULATORY	FTREG	EXM	x	x	x	REMOTE	SR BUSINESS ANALYST AMBULATORY & CLINICS
IT - Clinical Applications			BUSINESS ANALYST, AMBULATORY	FTREG	EXM	x	x	x	REMOTE	BUSINESS ANALYST, AMBULATORY & CLINICS
IT - Clinical Applications			LEAD, BUSINESS ANALYST - LIS	FTREG	EXM	x	x	x	REMOTE	LEAD, BUSINESS ANALYST - LIS



IT - Clinical Informatics and Performance		ANALYST, CLINICAL INFO NURSING	FTREG	EXM	x	x	x	SVMC	Clinical Informatics Specialist, Nursing - QCPR;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		SPECIALIST, CLINICAL INFORMATI	FTREG	EXM	x	x	x	SMC	Clinical Informatics Specialist, Nursing - QCPR ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, NURSING INFO 10 HR	FTREG	EXM	x	x	x	SFMC	Clinical Informatics Specialist, Nursing - QCPR ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, CLINICAL SYSTEM	FTREG	EXM	x	x	x	SMC	Clinical Informatics Specialist, SIS - SIS ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, CLINICAL INFO ANCILLA	FTREG	EXM	x	x	x	SVMC	Clinical Informatics Specialist, Ancillary - QCPR/Device ConX/MU ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, CLINICAL INFORMATICS	FTREG	EXM	x	x	x	SVMC	Clinical Informatics Specialist, SIS Admin - SIS team lead ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, CLINICAL INFO PHARMAC	FTREG	EXM	x	x	x	SVMC	Clinical Informatics Specialist, Pharmacy - QCPR/Pyxis ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		SPECIALIST, CLINICAL INFORMATI	FTREG	EXM	x	x	x	SMC	Clinical Informatics Specialist, Pharmacy - QCPR/Pyxis ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance	E	ANALYST, CLINICAL INFORMATICS	FTREG	EXM	x	x	x	SVMC	Clinical Informatics Specialist, Nursing - QCPR/MU ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, CLINICAL INFORMATICS	FTREG	EXM	x	x	x	SFMC	Clinical Informatics Specialist, Nursing - QCPR/MU ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, CLINICAL INFORMATICS	FTREG	EXM	x	x	x	SMC	Clinical Informatics Specialist, Nursing - QCPR/MU ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, ANCILLARY INFORMATICS	FTREG	EXM	x	x	x	SFMC	Clinical Informatics Specialist, Ancillary - QCPR ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		ANALYST, CLINICAL SUPPORT	FTREG	EXM	x	x	x	SVMC	Clinical Informatics Specialist, Ancillary - Follow My Health / Ancillary support ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		MANAGER, CLINICAL INFORMTCS SB	FTREG	EXM	x	x	x	SFMC	CI Manager/Lead Nurse Analyst - QPCR/MU/Follow My Health/ CDAS;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		SR BUSINESS ANALYST EHR	FTREG	EXM	x	x	x	SFMC	Clinical Informatics Specialist, Pharmacy - QCPR/Pyxis ;Workflows, Build, and support of clinical systems
IT - Clinical Informatics and Performance		SPECIALIST, CLINICAL INF SOUTH	FTREG	EXM	x	x	x	SFMC	Clinical Informatics Specialist, Pharmacy - QCPR/Pyxis ;Workflows, Build, and support of clinical systems
IT - Data Center Operations		SR IT OPERATIONS REPRESENTATIV	FTREG	NCN	x	x	x	SFMC	Operations Representative monitors Data Center systems, creates user credentials, backs up Helpdesk in creating tickets as needed.
IT - Data Center Operations		SR IT OPERATIONS REPRESENTATIV	FTREG	NCN	x	x	x	SFMC	Operations Representative monitors Data Center systems, creates user credentials, backs up Helpdesk in creating tickets as needed.
IT - Data Center Operations		SR IT OPERATIONS REPRESENTATIV	FTREG	NCN	x	x	x	SFMC	Lead Operations Representative communicates training documentation to Team, monitors Data Center systems, creates user credentials, backs up Helpdesk in creating tickets as needed.
IT - Desktop		VIP EXEC DESKTOP SUPPORT TECH	FTREG	NCN	x	x	x	SFMC	VIP Desktop Technician responsible to take the lead in supporting local Executives, as well as Lead role of local Desktop Team, managing local incidents and requests.
IT - Desktop		IT DESKTOP SUPPORT TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals.
IT - Desktop		IT DESKTOP SUPPORT TECHNICIAN	FTREG	NCN	x	x	x	SVMC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals. Also backfills Helpdesk.
IT - Desktop		IT DESKTOP SUPPORT TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals.
IT - Desktop		IT DESKTOP SUPPORT TECHNICIAN	FTREG	NCN	x	x	x	SVMC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals.
IT - Desktop		IMAC DESKTOP SUPPORT TECH	FTREG	NCN	x	x	x	SMCC	IMAC Desktop Technician responsible to take the lead in local and enterprise project work, traveling if needed, as well as manage local incidents and requests.
IT - Desktop		IT DESKTOP TECHNICIAN	FTREG	NCN	x	x	x	SMCC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals.
IT - Desktop		IT DESKTOP TECHNICIAN	FTREG	NCN	x	x	x	SMCC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals.



IT - Desktop		IT DESKTOP SUPPORT TECHNICIAN	FTREG	NCN	x	x	x	SMCC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals. Also backfills Helpdesk.
IT - Desktop		VIP EXEC DESKTOP SUPPORT TECH	FTREG	NCN	x	x	x	SMCC	VIP Desktop Technician responsible to take the lead in supporting local Executives, as well as Lead role of local Desktop Team, managing local incidents and requests.
IT - Desktop		IT DESKTOP SUPPORT TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals.
IT - Desktop		IT DESKTOP SUPPORT TECHNICIAN	FTREG	NCN	x	x	x	SVMC	Desktop Technician responsible for installing, maintaining, troubleshooting and resolving problems with IT Workstations (both software and hardware), Printers and Peripherals. Also backfills Helpdesk.
IT - Desktop		IMAC DESKTOP SUPPORT TECH	FTREG	NCN	x	x	x	SVMC	IMAC Desktop Technician responsible to take the lead in local and enterprise project work, traveling if needed, as well as manage local incidents and requests.
IT - Desktop		IMAC DESKTOP SUPPORT TECH	FTREG	NCN	x	x	x	SFMC	IMAC Desktop Technician responsible to take the lead in local and enterprise project work, traveling if needed, as well as manage local incidents and requests.
IT - Desktop		SR BUSINESS ANALYST EMR	FTREG	NCN	x	x	x	SVMC	VIP Desktop Technician responsible to take the lead in supporting local Executives, as well as Lead role of local Desktop Team, managing local incidents and requests.
IT - Helpdesk		IT HELPDESK TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Helpdesk Technician responsible for first level support and/or second level assignment of incidents and requests received from all Verity employees and physicians.
IT - Helpdesk		IT HELPDESK TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Helpdesk Technician responsible for first level support and/or second level assignment of incidents and requests received from all Verity employees and physicians.
IT - Helpdesk		IT HELPDESK ANALYST	FTREG	EXM	x	x	x	Remote	Helpdesk Analyst responsible for maintenance and build, training, and development of new processes related to Helpdesk software and notification systems.
IT - Helpdesk		MANAGER IT HELPDESK	FTREG	EXM	x	x	x	Remote	Helpdesk Manager responsible for management of day-to-day coordination, Helpdesk Team and Helpdesk Analyst.
IT - Helpdesk		IT HELPDESK TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Helpdesk Technician responsible for first level support and/or second level assignment of incidents and requests received from all Verity employees and physicians.
IT - Helpdesk		IT HELPDESK TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Helpdesk Technician responsible for first level support and/or second level assignment of incidents and requests received from all Verity employees and physicians.
IT - Helpdesk		IT HELPDESK TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Helpdesk Technician responsible for first level support and/or second level assignment of incidents and requests received from all Verity employees and physicians.
IT - Helpdesk		IT HELPDESK TECHNICIAN	FTREG	NCN	x	x	x	SFMC	Helpdesk Technician responsible for first level support and/or second level assignment of incidents and requests received from all Verity employees and physicians.
IT - Helpdesk/Operations		IT HELPDESK OPERATIONS MANAGER	FTREG	EXM	x	x	x	Remote	Operations Manager responsible for daily ticket reporting/huddles, downtime and change management processes, management of Data Center Operators.
IT - Information Security		INFORMATION SECURITY ENGINEER	FTREG	NCN	x	x	x	SMC	Information Security Engineer - Lead for all new projects with an IT component to coordinate the implementation of the required security controls. Manages the daily reported incidents to remediate issues. Coordinates patching tickets for remediation with FSS. Incident Response team member.
IT - Information Security		DEVELOPER	FTREG	EXM	x	x	x	Remote - Phoenix, AZ	Information Security Engineer / Developer - Manages Carbon Black Protection and Office 365 for compliance and security. Supports Active Directory, Office 365 & computer audit activities. Provides ESX server/VM support as needed. Incident Response team member.
IT - Infrastrucure Management		SERVER ENGINEER I	FTREG	NCN	x	x	x	SVMC	Technical Manager for: VDI, AD, Servers, VMWare
IT - Infrastrucure Management		SERVER ENGINEER I	FTREG	NCN	x	x	x	SFMC	Technology Manager for: Citrix, Backups, Server, Networks
IT - Infrastrucure Management		EXECUTIVE DIR, IT & OPERATIONS	FTREG	EXM	x	x	x	SMC	Manager of Infrastructure Team.
IT - Infrastrucure Management		NETWORK ENGINEER II	FTREG	NCN	x	x	x	SMC	Leads technology architecture and design
IT - Infrastrucure Management		NETWORK ENGINEER II	FTREG	NCN	x	x	x	SFMC	Technical Manager for: VDI, AD, Servers, LAN, SAN, Firewalls, DNS
									Technical Manager for: SAN, Network, Servers, VMWare. Powershell and VB Script programmer



IT - Infrastrucure Management		SERVER ENGINEER II	FTREG	NCN	x	x	x	Remote - Los Angeles	Technical Manager for: VDI, VMWare, AD, Citrix, Storage.
IT - Infrastrucure Management		SENIOR WAN ENGINEER	FTREG	NCN	x	x	x	Remote - Texas	Application administrator for SCCM. SQL DB engineer Network engineer = WAN, LAN, DC switching fabric
IT - Infrastrucure Management		SERVER ENGINEER II	FTREG	NCN	x	x	x	Remote - Los Angeles	Technical Manager for: Networks, Servers, FTP. Advanced application troubleshooting
IT - Infrastrucure Management		SERVER ENGINEER I	FTREG	NCN	x	x	x	SVMC	Technical Manager for: Citrix, VPN, AD, VMWare, Security hardware, Networks
IT - Inovation and development		SENIOR UX DESIGNER	FTREG	EXM	x	x	x	Remote - VA	User Experience & Designer / Analyst - responsible for creating designs & prototypes for web site and mobile applications for clinician & end users. Also, designs & creates newsletters, reports, emails & other graphic designs.
IT - Inovation and development		SR WEB DESIGNER & DEVELOPER	FTREG	EXM	x	x	x	Remote - WA	Sr. Web Developer & Designer. Lead developer & maintainer of vnet.verity.org, hpb.verity.org and transplant.verity.org, verity.org websites, and online class scheduling system for OCH and SLRH.
IT - Inovation and development		SENIOR SOFTWARE ENGINEER	FTREG	EXM	x	x	x	Remote - CA	Senior Server side software developer, linux System Administrator
IT - Integration Development		SR INTERFACE ARCHITECT	FTREG	EXM	x	x	x	REMOTE	SR INTERFACE ARCHITECT
IT - Integration Development		SR INTERFACE DEVELOPER	FTREG	EXM	x	x	x	REMOTE	SR INTERFACE DEVELOPER
IT - Integration Development		SR INTERFACE DEVELOPER	FTREG	EXM	x	x	x	REMOTE	SR INTERFACE DEVELOPER
IT - Integration Development		MANAGER, INTEGRATION SERVICES	FTREG	EXM	x	x	x	SMC	MANAGER, INTEGRATION SERVICES Manages the IT stretegic plan with special focus on bsuiness allignment and communication
IT - IT Strategic business allignment		DIRECTOR, IT STRATEGIC PLAN	FTREG	EXM	x	x	x	Remote - Scottsdale	Manages the clincial infomratcs and performance improvement teams. Active in all clincial system configuration and iptimization
IT - Office of CIO		DIR PERF IMPROV & INFORMATICS	FTREG	EXM	x	x	x	Remote - KS	
IT - Office of the CIO		SR DIRECTOR IT CUSTOMER SER.	FTREG	EXM	x	x	x	SMC	Sr. Director of Customer Support directs and manages Site Support, Helpdesk, Desktop Support, Physician Support, Data Center Operations and Training Teams. Director of application management department
IT - Office of the CIO		EXEC DIR, APPLICATION SERVICES	FTREG	EXM	x	x	x	SFMC	
IT - PACS/Imaging/RIS/CATH LAB/CARDIOLOGY		ADMINISTRATOR,ENT IMAG SOUTH RADIOLOGY/PACS ADMINISTRATOR	FTREG	EXM	x	x	x	SVMC	ADMINISTRATOR,ENT IMAG SOUTH RADIOLOGY/PACS ADMINISTRATOR
IT - PACS/Imaging/RIS/CATH LAB/CARDIOLOGY		RADIOLOGY/PACS ADMINISTRATOR	FTREG	EXM	x	x	x	SMC	RADIOLOGY/PACS ADMINISTRATOR
IT - PACS/Imaging/RIS/CATH LAB/CARDIOLOGY		RADIOLOGY/PACS ADMINISTRATOR	FTREG	EXM	x	x	x	SFMC	RADIOLOGY/PACS ADMINISTRATOR
IT - PACS/Imaging/RIS/CATH-LAB/CARDIOLOGY		MANAGER, IMAGING SYSTEMS	FTREG	EXM	x	x	x	SMC	MANAGER, IMAGING SYSTEMS
IT - Physician Support		PHYSICIAN SUPPORT SR ANALYST	FTREG	EXM	x	x	x	SVMC	Sr. Analyst responsible for supporting remotely and on-site, as well as training, creation of documentation and trouble-shooting in all applications utilized by Verity physicians.
IT - Physician Support		PHYSICIAN SUPPORT SR ANALYST	FTREG	EXM	x	x	x	SFMC	Sr. Analyst responsible for supporting remotely and on-site, as well as training, creation of documentation and trouble-shooting in all applications utilized by Verity physicians.
IT - Physician Support		PHYSICIAN SUPPORT SR ANALYST	FTREG	EXM	x	x	x	SMCC	Sr. Analyst responsible for supporting remotely and on-site, as well as training, creation of documentation and trouble-shooting in all applications utilized by Verity physicians.
IT - Physician Support		PHYSICIAN SUPPORT SR ANALYST	FTREG	EXM	x	x	x	SFMC	Sr. Analyst responsible for supporting remotely and on-site, as well as training, creation of documentation and trouble-shooting in all applications utilized by Verity physicians.
IT - PMO		SR PROGRAM PROJECT MANAGER	FTREG	EXM	x	x	x	Remote - Phoenix, AZ	Sr. Program-Project Manager (Clinical, Business, Infrastructure)
IT - PMO		IT SR PROJECT MANAGER RCM/FIN	FTREG	EXM	x	x	x	Remote - Mesa, AZ	Sr. Project Manager (RCM, Business, Clinical)
IT - PMO		SR PROGRAM PROJECT MANAGER	FTREG	EXM	x	x	x	Remote - Lone Star, TX	Sr. Program-Project Manager (Clinical, Business, Infrastructure)
IT - PMO		PROJECT MANAGER AMBULATORY	FTREG	EXM	x	x	x	SFMC	Project Manager (Ambulatory), Physician Support
IT - PMO		IT SR PROJECT MANAGER ERP	FTREG	EXM	x	x	x	SFMC	Sr. Project Manager (ERP, Business)
IT - PMO		IT PROJECT MANAGER-PORTALS	FTREG	EXM	x	x	x	Remote - Carefree, AZ	Project Manager (Patient Portals)
IT - PMO		IT PROJECT PROTFOLO SYSTEM AD	FTREG	EXM	x	x	x	Remote - Selah, WA	Project Manager (RCM, Clinical), Project Portfolio System Admin
IT - PMO		SR PROGRAM PROJECT MANAGER	FTREG	EXM	x	x	x	Remote - Plano, TX	Sr. Program-Project Manager (Clinical, Business, ERP, Infrastructure)
IT - PMO		IT SR PROJECT MGR REVENUE CYCL	FTREG	EXM	x	x	x	Remote - Rapid City, SD	Sr. Project Manager (RCM, Business)
IT - PMO		IT SR PROJECT MANAGER	FTREG	EXM	x	x	x	Remote - Phoenix, AZ	Sr. Project Manager (Clinical, Business, Infrastructure), DBA
IT - RCM/Financial Applications		BUS ANALYST RCM/PATIENT ACCESS	FTREG	NCN	x	x	x	REMOTE	IT SR BUS ANALYST RCM/PATIENT ACCESS
IT - RCM/Financial Applications		SR BUSINESS ANALYST ANCILLARY	FTREG	EXM	x	x	x	REMOTE	IT SR BUSINESS ANALYST RCM / FINANCE
IT - RCM/Financial Applications		BUSINESS ANALYST, AMBULATORY	FTREG	EXM	x	x	x	REMOTE	IT SR BUSINESS ANALYST RCM/FINAN
IT - RCM/Financial Applications		DIRECTOR RCM FIN APP SERVICES	FTREG	EXM	x	x	x	REMOTE	IT DIRECTOR RCM FIN APP SERVICES, PM - RCM / FINANCE PROGRAM MANAGER
IT - RCM/Financial Applications		IT BUS ANALYST PROCESS IMPROVE	FTREG	EXM	x	x	x	REMOTE	IT BUS ANALYST PROCESS IMPROVE
IT - RCM/Financial Applications		SR BUSINESS ANALYST RCM/FINAN	FTREG	EXM	x	x	x	REMOTE	/ PROJECT LEAD RCM / FINANCE
IT - RCM/Financial Applications		DIR IT PROCESS IMPROVEMENT	FTREG	EXM	x	x	x	REMOTE	IT SR BUSINESS ANALYST RCM/FINAN
IT - RCM/Financial Applications		BUSINESS ANALYST FINANCE ERP	FTREG	EXM	x	x	x	REMOTE	IT SR BUSINESS ANALYST HR / PR
IT - RCM/Financial Applications		SR BUSINESS ANALYST ERP	FTREG	EXM	x	x	x	SFMC	IT SR BUSINESS ANALYST / PROGRAMMER RCM / Finance
IT - RCM/Financial Applications		IT BUS ANALYST PROCESS IMPROVE	FTREG	EXM	x	x	x	REMOTE	IT SR BUSINESS ANALYST / PROGRAMMER RCM / Finance
IT - RCM/Financial Applications		IT BUS ANALYST RCM/FINANCE OPS	FTREG	EXM	x	x	x	REMOTE	IT BUS ANALYST PROCESS IMPROVE RCM
IT - RCM/Financial Applications		BUS ANALYST RCM SCHEDULING	FTREG	EXM	x	x	x	SMC	IT BUS ANALYST RCM



IT - RCM/Financial Applications	BUSINESS ANALYST RCM MIDCYCLE	FTREG	NCN	x	x	x	REMOTE	IT BUSINESS ANALYST RCM MIDCYCLE (HIM - CDI - CM)
IT - RCM/Financial Applications	SR BUSINESS ANALYST ANCILLARY	FTREG	EXM	x	x	x	REMOTE	IT SR BUSINESS ANALYST / PROJECT LEAD RCM / FINANCE
IT - RCM/Financial Applications	LD BUS ANALYST MIDCYCLE RCM	FTREG	EXM	x	x	x	REMOTE	IT LEAD BUS ANALYST MIDCYCLE (HIM - CDI - CM)
IT - RCM/Financial Applications	BUSINESS ANALYST FINANCE ANCL	FTREG	EXM	x	x	x	REMOTE	IT SR BUSINESS ANALYST RCM
IT - RCM/Financial Applications	IT BUSINESS MANAGER/ANALYST	FTREG	EXM	x	x	x	SMC	IT SR BUSINESS ANALYST RCM
IT - RCM/Financial Applications	EXM BUS ANALYST RCM MIDCYCLE	FTREG	EXM	x	x	x	REMOTE	IT BUSINESS ANALYST RCM MIDCYCLE (HIM - CDI - CM)
IT - RCM/Financial Applications	MANAGER, RCM APPLICATIONS	FTREG	EXM	x	x	x	REMOTE	IT MANAGER / Project Lead RCM / FINANCIAL APPLICATIONS
IT - RCM/Financial Applications	DIRECTOR FINANCIAL REPORTING	FTREG	EXM	x	x	x	VHS	IT SR BUSINESS ANALYST FINANCE / FINANCIAL REPORTING
IT - Site Management	IT SITE MANAGER	FTREG	EXM	x	x	x	SVMC	Site Manager responsible for all local IT activities and customer-facing support including Desktop and Physician Teams. Site Director manages Site Managers, as well all local IT activities and customer-facing support including Desktop and Physician Teams.
IT - Site Management	DIRECTOR IT CUSTOMER SUPPORT	FTREG	EXM	x	x	x	SFMC	
IT - Site Management	IT SITE MANAGER	FTREG	EXM	x	x	x	SMCC	Site Manager responsible for all local IT activities and customer-facing support including Desktop and Physician Teams.
IT - Technical/Desktop	IT DESKTOP ENGINEER LEAD	FTREG	NCN	x	x	x	SFMC	Desktop Engineer responsible for managing desktop and VDI images and patching, and providing documentation to Desktop Technicians.
IT - Technical/Desktop	IT DESKTOP ENGINEER LEAD	FTREG	NCN	x	x	x	SMCC	Desktop Engineer responsible for managing desktop and VDI images and patching, and providing documentation to Desktop Technicians.
IT - Training/Sharepoint	IT TRAINING FACILITATOR	FTREG	EXM	x	x	x	Remote	Training Facilitator responsible to make training tools available for both IT and Verity, as well as assist in supporting Sharepoint.
IT - Voice Telecommunications	ENGINEER, SR VOICE/VOIP COMMS	FTREG	NCN	x	x	x	SMC	Telecom Moves adds and changes, manages switch and voicemail
IT - Voice Telecommunications	ENGINEER, VOICE/VOIP COMMS	FTREG	NCN	x	x	x	SFMC	Telecom Moves adds and changes, manages switch and voicemail
IT - Voice Telecommunications	SUPERVISOR TELECOM SCAL	FTREG	EXM	x	x	x	SVMC	Telecom Moves adds and changes, manages switch and voicemail, supervision of the switchboard operators.
IT - Voice Telecommunications	MANAGER, IT TELECOM REGIONAL	FTREG	EXM	x	x	x	SFMC	Voice Telecommunications manager MANAGER MESSAGING/SYSTEM ADMIN SHAREPOINT/SYSTEM ADMIN OFFICE 365/EXCHANGE ADMIN/WEB DESIGN/WEB DEVELOPMENT
IT - Web Dev/SharePoint/O365/DBA	MANAGER MESSAGING /COLLAB	FTREG	EXM	x	x	x	REMOTE	
IT - Web Dev/SharePoint/O365/DBA	SR SOFTWARE DEVELOPER/DBA	FTREG	EXM	x	x	x	REMOTE	SENIOR SQL AND ORACLE DATABASE ADMINISTRATOR/DATABASE DEVELOPER SR SOFTWARE DEVELOPER/DATABASE ADMINISTRATOR/ARCIS REPORTS DEVELOPER
IT - Web Dev/SharePoint/O365/DBA	SR SOFTWARE DEVELOPER/DBA	FTREG	EXM	x	x	x	REMOTE	
Managed Care - Bundled Payments	Sr. Project Manager	FTREG	EXM	x	x		Mariposa	
Managed Care - Contracts & Payer Relations	Sr. Analyst, OPS Performance	FTREG	EXM	x	x		Remote - North	
Managed Care - Contracts & Payer Relations	Manager, Managed Care Finance	FTREG	EXM	x	x		Mariposa	
Managed Care - Contracts & Payer Relations	Contract Manager/Customer Relations	FTREG	EXM	x	x		Mariposa	
Managed Care - Contracts & Payer Relations	Contract analyst	FTREG	EXM	x			Mariposa	
Managed Care - Credentialing Office	Credentialing Program Manager	FTREG	EXM	x	x		SFMC	
Managed Care - Credentialing Office	Credentialing Program Manager	FTREG	EXM	x	x		SFMC	
Marketing & Communications	Marketing Coordinator	FTREG	EXM	100%			SFMC	Provides support to Marketing Director at St. Francis
Marketing & Communications	Marketing Assistant	FTREG	NCN		100%		SVMC	Provides marketing support at SV
Marketing & Communications	Executive Director Public Relations	FTREG	EXM	x	x	x	SVMC	Manages all internal and external communications for all hospitals/Generates income for SV through TV, movies & commercial filming at the hospital campus.
Marketing & Communications	Creative Services Manager	FTREG	EXM	x	x	x	SVMC	Provides graphic design and website and video production services to all hospitals
Marketing & Communications	Director, Marketing & Comm South	FTREG	EXM	100%			SFMC	Marketing Director for SFMC
MATERIALS MANAGEMENT	BUYER ( EXEMPT )	FTREG	EXM	x	x	x	North Location	Shared Services
MATERIALS MANAGEMENT	SR. CAPITAL/IT BUYER	FTREG	EXM	x	x	x	North Location	Shared Services
MATERIALS MANAGEMENT	BUYER ( EXEMPT )	FTREG	EXM	x	x	x	North Location	Shared Services
MATERIALS MANAGEMENT	BUYER ( EXEMPT )	FTREG	EXM	x	x	x	North Location	Shared Services
MATERIALS MANAGEMENT	PURCHASING MANAGER	FTREG	EXM	x	x	x	North Location	Shared Services
MATERIALS MANAGEMENT	SUPPLY CHAIN ANALYST II	FTREG	EXM	x	x	x	North Location	Shared Services
MATERIALS MANAGEMENT	BUYER ( EXEMPT )	FTREG	EXM	x	x	x	North Location	Shared Services
MATERIALS MANAGEMENT	SUPPLY CHAIN SYSTEMS MANAGER	FTREG	EXM	x	x	x	North Location	Shared Services
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	CCI EDIT MED CLAIMS ANALYST II	FTREG	NCN	x	x		SVMC - Ocean View	Shared Services
MID-REVENUE CYCLE	SPEC, CDI RN	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CLINICAL DOC IMPROVEMENT SPC.	FTREG	NCN			100%	SMC	
MID-REVENUE CYCLE	SPEC, CDI RN	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, CDI RN	FTREG	NCN			100%	SMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	N REGIONAL MANAGER CDI	FTREG	EXM	x	x		SVMC	Shared Services
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, CDI RN	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	CODER, OP II	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CLINICAL DOCUMENTATION SPEC	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, CDI RN	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CLINICAL DOCUMENTATION SPEC PD	PDIEM	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	



MID-REVENUE CYCLE	CODER, OP I	FTREG	NCN			100%	SMC	
MID-REVENUE CYCLE	REP, DOC IMAGING	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	DNFB CODING COORDINATOR	FTREG	NCN	x	x		SVMC	Shared Services
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SYSTEM CODING MANAGER	FTREG	EXM	x	x		SVMC	Shared Services
MID-REVENUE CYCLE	SPEC, HIM SR	PTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, OP II	FTREG	NCN			100%	SMC	
MID-REVENUE CYCLE	CODER, III	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	PTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SUPV, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, OP II	FTREG	NCN			100%	SMC	
MID-REVENUE CYCLE	CODER IP, SR	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CCI EDIT MED CLAIMS ANALYST II	FTREG	NCN	x	x		SVMC - Ocean View	Shared Services
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM SR	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	HIM TECH	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	CLINICAL DOCUMENTATION SPEC	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, CDI RN	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN			100%	SMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, OP II	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CLINICAL DOCUMENTATION SPEC	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	MARKET DIRECTOR HIM	FTREG	EXM	x	x		SVMC	Shared Services
MID-REVENUE CYCLE	CDI SPECIALIST	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	REP, DOC IMAGING	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CLINICAL DOC IMPROVEMENT SPC.	FTREG	NCN			100%	SMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	REP, DOC IMAGING	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CCI EDIT MED CLAIMS ANALYST II	FTREG	NCN	x	x		SVMC - Ocean View	Shared Services
MID-REVENUE CYCLE	CCI EDIT MED CLAIMS ANALYST II	FTREG	NCN	x	x		SVMC - Ocean View	Shared Services
MID-REVENUE CYCLE	CDI SPECIALIST	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN			100%	SMC	
MID-REVENUE CYCLE	SPEC, HIM LEAD	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN		100%		SVMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, HIM	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	SPEC, CDI RN	FTREG	NCN	100%			SFMC	
MID-REVENUE CYCLE	CODER, IP SR	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	MGR, HBRC	FTREG	EXM	x	x		SOUTH	Shared Services
PATIENT ACCESS	REP, PATIENT ADVOCATE	FTREG	NCN	x	x	x	SMC	Shared Services
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	HEALTH BENEFITS RESOURCE SPEC	FTREG	NCN	x	x	x	SMC	Shared Services
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, HEALTH PLAN ENROLLM	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, HEALTH PLAN ENROLLM	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN		100%		SVMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, PATIENT ADVOCATE	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, PATIENT ADVOCATE	FTREG	NCN	x	x	x	SMC	Shared Services
PATIENT ACCESS	REP, PATIENT ADVOCATE	FTREG	NCN		100%		SVMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, MECS FIN COUNS	FTREG	NCN			100%	SMC	
PATIENT ACCESS	SUPERVISOR HEALTH BEN RESOURCE	FTREG	EXM	100%			SFMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, MECS FIN COUNS	FTREG	NCN			100%	SMC	
PATIENT ACCESS	REP, MECS FIN COUNS	FTREG	NCN			100%	SMC	
PATIENT ACCESS	REP, PATIENT ADVOCATE	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, PATIENT ADVOCATE	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	HEALTH BENEFITS RESOURCE SPEC	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	ELIGIBILITY/ENROLL SPECIALIST	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, MECS FIN COUNS	PTREG	NCN	100%			SFMC	
PATIENT ACCESS	REP, PATIENT ADVOCATE	FTREG	NCN	100%			SFMC	
PATIENT ACCESS	SUPERVISOR HEALTH BEN RESOURCE	FTREG	EXM	100%			SFMC	
PURCHASING AND STORES	ANALYST, SENIOR CONTRACT	FTREG	EXM	x	x	x	North Location	Shared Services
QUALITY	DIRECTOR, COLLABORATIVE	FTREG	EXM	x	x	x	Mariposa	Shared Services
QUALITY	DIRECTOR, CLINICAL ANALYTICS	FTREG	EXM	x	x	x	Mariposa	Shared Services
QUALITY	SYSTEM DIRECTOR, QUALITY	FTREG	EXM	x	x	x	SFMC	Shared Services
SUPPLY CHAIN MANAGEMENT	CONTRACT ANALYST II	FTREG	EXM	x	x	x	North Location	Shared Services



**Schedule 2.16(a) - Updated Hospital Employees**

*[Sellers shall have the right to update to Schedule 2.16(a) to reflect changes in employment status or new hires and terminations occurring after December 21, 2018 by providing a revised schedule to Purchase no later than five (5) Business Days before the date scheduled for the Closing.]*



Last Name	First Name	Position Title	Employer Code	Employer Name	FLSA Status	Union Code	Union Description	Status Code	Status Description	Hours Regularly Worked	FTE	Annual Salary	PTO Code	PTO Balance	LOA	LOA Description	Scheduled Bonus Amount	Scheduled Bonus Type	Scheduled Bonus Date	Scheduled Bonus Amount2	Scheduled Bonus Type2	Scheduled Bonus Date2
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	27.53								
		COOK NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem		0.013	\$ -		0.00								
		CASE MGMT ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	SHRG	Short Hour Regular		0.4	\$ -		0.00								
		RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.75		PL250	150.27								
		ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	164.86								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		LOANB	0.00	MED	MEDICAL DISABILITY						
		STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem		0.013	\$ -		0.00								
		CLIN LAB SCIENTIST LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular		1		PTO20	141.62								
		FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.525		PL250	300.40								
		RCP I 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	324.16								
		STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	5.14								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	13.82								
		REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.5		PL250	38.55								
		CATH LAB SERVICE TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		LOANB	136.94	MED	MEDICAL DISABILITY						
		UNIT COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	247.61								
		DIR BUS DEV & CORP RES	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTD	347.12								
		MEETING COORDINATOR	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		OTHER	279.52								
		OCC THERAPIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem		0.013	\$ -		0.00								
		CLIN LAB SCIENTIST SPECI	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular		1		PTO20	54.95								
		CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	182.50								
		CHIEF BIOMEDICAL ENGR	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular		1		PL39	342.35								
		LAB ASST I/PHLEB NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem		0.013	\$ -		0.00								
		FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	94.03								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	40.61								
		CHIEF ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular		1		PL39	199.67								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	29.05								
		STAFFING CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	48.02	MED	MEDICAL DISABILITY						
		STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem		0.013	\$ -		0.00								
		CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	267.72								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	16.53								
		CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	200.13								
		ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	208.08								
		LAB ASST III/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.5		PL250	114.03								
		STAFF NURSE IV 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	13.30								
		LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	49.90								
		*STAFF NURSE II 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VCNA	442.89								
		CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	161.50								
		ASSISTANT CHIEF ENGINE	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular		1		PL39	117.59								
		STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	12.79								
		GI LAB TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	TEMP	Temp		1		\$ -	0.00								
		PHARMACY TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	53.54	FMLA	FAMILY MEDICAL LEAVE						
		*STAFF NURSE IV	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	67.54								
		SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	54.80								
		STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem		0.013		VCNA	0.00								
		CHIEF MEDICAL OFFICER	SMC	SETON MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular		1		LPTD	0.00								
		INFECTION CONTROL NUR	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	PDIEH	Per Diem		0.013	\$ -		0.00								
		STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem		0.013	\$ -		0.00								
		LAB ASST I/PHLEB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	145.76	MED	MEDICAL DISABILITY						
		CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	24.00								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	315.61								
		STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	64.51								
		CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	323.72								
		ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	355.72								
		NURSE MANAGER	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		MGMT	100.71								
		REGISTRAR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem		0.013		SNODC	9.98								
		STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem		0.013	\$ -		0.00								
		INSURANCE VERIFIER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	82.83	MED	MEDICAL DISABILITY						
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	253.29								
		STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	115.17								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.75		VCNA	2.57								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	222.18								
		ADMIN DIR, DIAGN & THE	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTD	63.16								
		DRIVER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	24.00								
		STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		LOANB	22.02	MED	MEDICAL DISABILITY						
		STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	30.51				Sign-On/Re	12/4/2018		Sign-On/Re	6/4/2019
		STAFF NURSE III 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	91.96								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	11.64								
		CONSOLE OPERATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	321.72								
		RCP I NB 12HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem		0.013	\$ -		0.00								
		CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem		0.013	\$ -		0.00								
		REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.5		PL250	38.25								
		ACTIVITIES ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem		0.013	\$ -		0.00								
		STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	8.15								
		PROG COORD, HEMODIAL	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem		0.013	\$ -		0.00								
		STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem		0.013	\$ -		0.00								
		STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	412.23								
		SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	96.94								
		CENTRALIZED SCHEDULER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	52.03								
		OR TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	183.78								
		MED REC CLERK III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	74.41								
		CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	29.33								
		CARE MANAGER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	64.21								
		STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem		0.013		VCNA	12.11								
		STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER</																		



	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.5		PL250	60.10						
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	11.30						
	PRE-ADMISSION REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	132.68						
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00						
	UNIT COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	280.49						
	ULTRASOUND TECH IV LE/ SMC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	164.92						
	OR TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	162.03						
	LAB ASST II/PHLEB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	120.84						
	CLIN LAB SCIENTIST II	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular		1		PTO20	86.05						
	PHYS THER AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Part Time Regular		0.5		PL250	356.28						
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00						
	INVENTORY CLERK LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	48.42						
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	178.50						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	6.40						
	CLINICAL NUTRITION MGR	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		MGMT	119.14						
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	4.86						
	CLIN SOCIAL WORKER NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013		\$	0.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	148.06						
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	84.43	MED	MEDICAL DISABILITY				
	OR TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	328.72						
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular		1		PL39	261.33						
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	46.93						
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PODEM	Per Diem		0.013		\$	0.00						
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PODEM	Per Diem		0.013		\$NOAC	0.00						
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PODEM	Per Diem		0.013		\$	0.00						
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Part Time Regular		1		PL250	387.61						
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	10.50						
	DIR OF PHYSICIAN BUS DE	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTO	48.14						
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	12.03						
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00						
	STAFF NURSE III 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	81.61						
	REGISTRAR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00						
	PHYS THER I NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013		\$	0.00						
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	57.58						
	PHARMACY TECH 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.875		PL250	173.22						
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00						
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Part Time Regular		1		PL250	152.08						
	PHARMACY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		1		PL250	325.78						
	TRANSPORTER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	153.30						
	BUSINESS ANALYST	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		OTHER	7.65						
	STAFF NURSE I	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	15.28						
	DIETARY CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.7		PL250	26.49						
	RAD TECH I NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00						
	PATIENT RELATIONS REP	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		OTHER	43.72						
	OR TECH SR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00						
	PHYS THER AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	233.60						
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	5.16	MED	MEDICAL DISABILITY				
	RAD TECH V	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	233.27						
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00						
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00						
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	121.93						
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00						
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00						
	MED REC CLERK III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	264.47						
	*STAFF NURSE IV	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VCNA	219.19						
	CARE MANAGER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	31.62						
	OCC THERAPIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013		\$	0.00						
	CHIEF NURSE OFFICER	SMC	SETON MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular		1		LPTO	266.32						
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	150.39						
	PROC COORD, HEMODIAL	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013		\$	0.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	10.10	ILDA	INTERMITTENT LEAVE				
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.5		PL250	12.00						
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		1		VCNA	60.13						
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	211.72						
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	179.22						
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	31.81						
	LAB ASST II/PHLEB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.75		PL250	96.22						
	RADIOLOGY AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00						
	ENV SVCS TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00						
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	44.55						
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	61.05	MED	MEDICAL DISABILITY				
	REGISTRAR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00						
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VCNA	30.59						
	LEAD MEDICAL ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	183.75						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	256.60						
	COOK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	165.88						
	RADIATION THERAPIST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	302.09						
	DIR ACUTE CARE/MEDICAL	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTO	53.39						
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	95.59						
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	106.64						
	CLIENT SERVICE REP NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00						
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	73.12						
	CARE MANAGER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	47.47						
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	68.70						
	LEAD CASE MGMT ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	83.39						
	LAB ASST III/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	19.67						
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	31.26						
	TRANSPORTER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	9.93						
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	292.60						
	UNIT COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	117.13	MED	MEDICAL DISABILITY				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	29.38						
	OR ATTENDANT	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	299.72						
	WORKERS COMP COORD	SMC</																	



	PULMONARY FUNCTION T	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	55.19				
	BED CONTROL COORDINA	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	196.74				
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	206.79				
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VCNA	19.11				
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	299.72				
	RCP I 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	299.68				
	PHARMACY TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	CENTRAL SERV TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		0.9		PL250	269.66				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	137.69				
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	0.00				
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	72.00				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	16.11				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	7.53				
	DIR HEALTH INFORMATIO	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTD	249.24				
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	315.72				
	EXECUTIVE ASSISTANT	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		OTHER	360.00				
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	230.28				
	TRANSPORTER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	95.21				
	PHARMACY TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	210.33				
	CLIN LAB SCIENTIST II	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PTREG	Part Time Regular		0.8		PTO20	27.73				
	OR TECH SR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	16.15	MED	MEDICAL DISABILITY		
	ADM NURSE SUP II NB 12	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	PODEM	Per Diem		0.013		\$	0.00				
	MEDICAL PHYSICIST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013		\$	0.00				
	UNIT COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	200.65				
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		1		PL250	154.48				
	*STAFF NURSE IV	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VCNA	505.31				
	LVN NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	INTAKE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	105.28				
	PHARMACIST 10 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013		\$	0.00				
	ULTRASOUND TECH I NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.75		VCNA	79.37				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	23.18				
	PHARMACY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		0.9		PL250	277.91	MED	MEDICAL DISABILITY		
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	55.26				
	MEDICAL ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular		1		PL39	38.08				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	6.62				
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	83.41				
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	348.16	MED	MEDICAL DISABILITY		
	MONITOR TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.7		PL250	390.61				
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	186.36				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	307.77				
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00				
	RECEPTIONIST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.5		PL250	132.42				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	153.95				
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00				
	PHARMACIST	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular		0.8		OTHER	114.03	ILOA	INTERMITTENT LEAVE		
	CONTRACT SPECIALIST	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		OTHER	17.24				
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	33.21				
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	51.36				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	20.49				
	ENV SVCS TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	172.25				
	PHARMACIST 10 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013		\$	0.00				
	PHYS THER I	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	82.97				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	46.60				
	*STAFF NURSE IV	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VCNA	233.01				
	PHARMACY TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	PHARMACIST 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular		0.6		OTHER	215.85				
	LAB ASST II/PHLEB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.7		PL250	260.12				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	268.74				
	OFFICE COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		0.9		PL250	156.23				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	15.86				
	STERILE PROCESSING SUP	SMC	SETON MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1		OTHER	23.79				
	ED REVENUE ANALYST	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		OTHER	313.63				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	34.97				
	DIR MEDICAL STAFF	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTD	0.00				
	CLIN LAB SCIENTIST II	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular		1		PTO20	118.44				
	RAD TECH III NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	RCP III 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	105.30				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	85.35				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	9.08				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9		VCNA	203.16				
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		SNOC	0.00				
	OR ATTENDANT	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	408.76				
	UNIT COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	100.32				
	PROG COORD, HEMODIAL	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013		\$	0.00				
	OCC THERAPIST II	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular		0.6		OTHER	298.40				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	107.11				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	128.59				
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PODEM	Per Diem		0.013		\$	0.00				
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6		VCNA	68.59				
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	325.42	WC	WORKERS' COMPENSATION		
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8		VCNA	71.67				
	FOOD SERVICE AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PODEM	Per Diem		0.013		\$	0.00				
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VCNA	49.54				
	OFFICE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	98.86				
	ED CARE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	15.68				
	ADMISSION/MDS COORD	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	34.48				
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013		\$	0.00				
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	221.44				
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	8.22				
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	9.60				
	COORD LIS	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	PTREG	Part Time Regular		0.8		OTHER	18.41				
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	94.29			</	



	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	44.31							
	STOREKEEPER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	470.36							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	62.43							
	DEPT COORDINATOR/DOC	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	181.14							
	CLIN LAB SCIENTIST LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular	1		PTO20	39.35							
	LAB ASST II/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	52.02							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	280.61							
	*STAFF NURSE I	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	134.48							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	966.05							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	13.13							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	554.13							
	RCP I 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	240.16							
	LAB CLIENT SERVICES SUP	SMC	SETON MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		OTHER	118.35							
	LINEN SVC WORKER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	185.20							
	PHARMACY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	198.91							
	UNIT COORDINATOR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00							
	LAB ASST I/PHLEB NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.75		PL250	16.75							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	NUHW	FTREG	Full Time Regular	1		PL250	323.61							
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PDIEH	Per Diem	0.013		\$	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	126.66							
	OR TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	188.22							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	9.60							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	9.54							
	NUC MED ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	227.97							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	31.60							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	95.78							
	ER TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	189.73							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	188.06							
	CLIN LAB SCIENTIST LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular	1		PTO20	148.49							
	OR TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	45.24							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	103.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	41.90							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	20.58							
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	129.54							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	89.20							
	STAFF NURSE I	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	12.67							
	PHARMACY TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		PL250	0.24							
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PDIEH	Per Diem	0.013		\$	0.00							
	COOK NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00							
	CENTRALIZED SCHEDULER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	124.98							
	PRE-ADMISSION REGISTR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	106.16							
	RADIOLOGY TECH ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	73.72							
	BED CONTROL LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	127.47							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	12.06							
	COOK LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	182.20							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	323.72							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00							
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	178.93							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.906		PL250	130.64							
	COOK NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.7		PL250	80.83							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	300.60							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.75		VCNA	46.68							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	45.26							
	OFFICE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	380.48							
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	267.88							
	DIRECTOR NURSING EDUC	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	151.42							
	SUP DIALYSIS SERVICES NI	SMC	SETON MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	PDIEH	Per Diem	0.013		\$	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	21.66							
	ACTIVITIES COORD	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	58.46							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	138.01							
	CLIENT SERVICE REP	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	11.08							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	63.26							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	11.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	0.9		PL250	104.80							
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	194.99							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	43.36	MED	MEDICAL DISABILITY					
	CONSOLE OPERATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.875		PL250	164.63							
	CENTRAL SERV TECH I	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	152.32							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	0.80							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	63.62							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	6.40							
	MAINTENANCE PAINTER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	91.35							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	8.64	FMLA	FAMILY MEDICAL LEAVE					
	STAFFING CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	246.53							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	106.56							
	TRANSPORTER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.7		PL250	17.88							
	*STAFF NURSE II 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.75		VCNA	87.98							
	CENTRAL SERV TECH II	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	295.28							
	MGR NUTRITION & FOOD	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		MGMT	89.59							
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	68.15							
	PHARMACY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	0.8		PL250	337.14							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	15.75							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	45.97							
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	10.10							
	STAFF NURSE I	SMC	SETON MEDICAL CENTER																



	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9			VCNA	63.53					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			PL250	61.08					
	PROG COORD, HEMODIAL	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013			\$	0.00					
	LAB ASST II/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			PL250	PTREG	14.45				
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			PL250	41.60					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9			VCNA	41.64					
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	291.72					
	RAD TECH V	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	58.97					
	PROGRAM DIRECTOR	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1			LPTO	18.29					
	LAB ASST II/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PODEM	Per Diem		0.013			\$	0.00					
	OFFICE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	84.38					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.8			PL250	47.86					
	DIETARY CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	299.72					
	CLINICAL DIETITIAN NB	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	PODEM	Per Diem		0.013			\$	0.00					
	COOK NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PODEM	Per Diem		0.013			\$	0.00					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			\$	0.00					
	ULTRASOUND TECH II	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	165.67					
	CARDIOLOGY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.9			PL250	102.50					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8			VCNA	404.52					
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	54.11					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6			VCNA	48.75					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8			VCNA	22.44					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	74.66					
	STERILE PROCESSING MAJ	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1			MGMT	105.61					
	ECHO TECH II (REGISTERED)	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.8			PL250	62.54					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.8			PL250	314.08					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			\$	0.00					
	UNIT COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.8			PL250	99.97					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			\$	0.00					
	DIRECTOR FACILITIES	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1			LPTO	31.12					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	342.36					
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	339.72					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			PL250	33.60					
	UNIT COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	291.72					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9			VCNA	315.43					
	PHYS THER I	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular		0.9			OTHER	312.01					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			PL250	90.02					
	PHYS THER AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			PL250	57.93					
	CONSOLE OPERATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.9			PL250	310.16	MED	MEDICAL DISABILITY			
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.9			PL250	234.16					
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.9			PL250	192.43					
	OFFICE COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	326.30					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.8			PL250	377.86					
	PHARMACY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	0.00					
	ADMIN ASST/DATA ANAL	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			OTHER	130.22					
	MAIL CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	44.61					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			\$	0.00					
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	317.67					
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.9			PL250	131.24					
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular		1			PL39	117.15	MED	MEDICAL DISABILITY			
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8			VCNA	271.25					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9			VCNA	400.46					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	419.61					
	DIETARY CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	117.45					
	OR TECH II	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	19.08					
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	186.70					
	ULTRASOUND TECH III NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PODEM	Per Diem		0.013			\$	0.00					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			\$	0.00					
	PHYS THER I NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013			\$	0.00					
	NURSE NAVIGATOR	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1			OTHER	198.69					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.8			VCNA	32.44					
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.8			PL250	76.20					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8			VCNA	526.89					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8			VCNA	6.86					
	TRANSPORTER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	18.71					
	INTAKE RN	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			OTHER	0.00					
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	37.86					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9			VCNA	42.14					
	SIMULATION THERAPIST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	207.48					
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.906			PL250	337.78					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	39.40					
	LINEN SVC WORKER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	147.01					
	ADMIN ASSISTANT	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1			OTHER	203.12					
	CARE MANAGER NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013			\$	0.00					
	LAB ASST II/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			LOANB	0.00	MED	MEDICAL DISABILITY			
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			LOANB	57.79	MED	MEDICAL DISABILITY			
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	208.50	MED	MEDICAL DISABILITY			
	OFFICE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	50.43					
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			PL250	162.12					
	LAB OFFICE SUPERVISOR	SMC	SETON MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	PTREG	Part Time Regular		0.85			OTHER	316.22					
	ENV SVCS TECH LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	227.72					
	STAFFING CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		0.9			PL250	37.66					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9			VCNA	30.45					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9			VCNA	29.34					
	LAB ASST II/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PODEM	Per Diem		0.013			\$	0.00					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.9			VCNA	127.15					
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.8			PL250	174.13					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	371.61					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.6			PL250	136.20					
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	FTREG	Full Time Regular		1			PL250	283.02					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.8			VCNA	41.10					
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEUI2	NUHW	PTREG	Part Time Regular		0.938			PL250	267.97					
	STAFF NURSE II 12 HR	SMC																	



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	VASCULAR TECH II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	55.65							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	149.98							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	RCP III 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	204.45							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	293.31							
	OFFICE MANAGER	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		MGMT	345.58							
	FOOD SERVICE AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	186.33							
	*STAFF NURSE II 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.5		VCNA	86.01							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	0.9		PL250	177.01							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	CONSOLE OPERATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	58.36							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	31.93							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	25.15							
	SPEECH THERAPIST	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.6		OTHER	124.60							
	CLIENT SERVICE REP NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	PHARMACIST 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			121.90							
	CLINICAL DATA COORD, S	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	319.45							
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	306.09							
	DIETARY CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	117.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	84.36							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	69.90							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	1		PL250	37.31							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	419.61							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	157.95							
	CINICAL DIETITIAN NB	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	PDIEM	Per Diem	0.013	\$	-	0.00							
	RAD TECH III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	176.00							
	RAD TECH III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	141.02							
	CUM LAB SCIENTIST LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Engineers and Scientists of California	PTREG	Part Time Regular	1		PTO20	382.39							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	242.70							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VCNA	83.70							
	ADM NURSE SUP II NB	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	4.20							
	CINICAL DIETITIAN NB	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	15.67							
	FOOD SERVICE AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	58.30							
	NEUROLOGY TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	DIETARY CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	4.80							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	59.99							
	CINICAL DIETITIAN	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	190.09							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	323.72							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.6		VCNA	52.74							
	LAB ASST II/PHLEB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	1		PL250	80.31							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	106.60							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	QUALITY SPECIALIST	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	8.62							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00	WC	WORKERS' COMPENSATION					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	25.60							
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	206.47							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	48.34	ILOA	INTERMITTENT LEAVE					
	PHARMACIST 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	0.875		OTHER	195.33							
	ADMIN NURSE SUP	SMC	SETON MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	PTREG	Part Time Regular	0.9		OTHER	355.36							
	OR TECH SR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	32.33	MED	MEDICAL DISABILITY					
	SR FINANCIAL ANALYST	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	110.41							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	260.80							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	92.50							
	CINICAL DIETITIAN NB	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	64.39							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	59.64							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	31.30							
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	221.44							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	14.60							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	OFFICE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	73.39							
	CARE MANAGER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	91.37							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.75		PL250	38.93							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	109.21							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	38.73							
	CLIENT SERVICE REP NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NUHW	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	258.98							
	PHARMACY TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	252.61							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	10.99							
	ENV SVCS TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	RAD TECH V	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	192.71							
	RAD TECH INB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	195.98							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	RAD TECH IV	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	1		PL250	299.72							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	114.62							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	44.80							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	INTAKE COORDINATOR NI	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	SHRG	Short Hour Regular	0.4		\$	-	0.00						



	ENV SVCS TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	235.89							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	6.65							
	UNIT COORDINATOR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	535.72							
	MED REC CLERK III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	110.08							
	ULTRASOUND TECH III NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	RAD TECH V LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	275.72							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	150.94							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	6.00							
	OFFICE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	29.62							
	CLINICAL LAB TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	288.43							
	QUALITY SPECIALIST	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	106.96							
	PHARMACIST 10 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013	\$	-	0.00							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	74.46							
	RAD TECH III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	12.16							
	DIR OF CLINICAL RESOUR	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	0.00							
	RAD TECH I	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	9.60							
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	32.41							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	12.80							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	43.08							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	11.27							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013	\$	-	0.00							
	DISCHARGE PLANNER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	150.57							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	220.56							
	CENTRALIZED SCHEDULR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	209.29							
	*STAFF NURSE IV	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	193.69							
	LAB ASST II/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		LOANB	4.37 MED	MEDICAL DISABILITY						
	REGISTRAR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	PHDG CCOORD, HEMODIA	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	70.94							
	RAD TECH I NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	8.19							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	14.36							
	LAB ASST II/PHLEB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	74.26							
	DIR LAB	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	163.48							
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	60.30							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	323.72 MED	MEDICAL DISABILITY						
	CENTRALIZED SCHEDULR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	66.43							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	14.59							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	71.78							
	STAFFING CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	73.58							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	96.69							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	106.05							
	RCP II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	10.89							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	39.89							
	RCP II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	RAD TECH III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	82.89							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	110.16							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	306.72							
	REGISTRAR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	EXEC DIR,QUALITY,PATIE	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	0.00							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013	\$	-	0.00							
	CENTRALIZED SCHEDULR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	119.97							
	PHARMACY TECH 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	161.65							
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	74.27							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	308.98							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	108.10							
	NEUROLOGY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.75		PL250	152.80							
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	193.78							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	102.29							
	STAFF NURSE III	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	197.33							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	468.68							
	RCP I 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	63.86							
	ADM NURSE SUP II	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	PTREG	Part Time Regular	0.9		MGMT	244.96							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	7.90							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013	\$	-	0.00							
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	4.77							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	41.97							
	RAD TECH IV NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	23.33							
	OFFICE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	219.30							
	RCP II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	LAB ASST II/PHLEB NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013	\$	-	0.00							
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	379.33							
	INTAKE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.6		OTHER	74.71							
	PHARMACY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	8.00							
	SPEECH THERAPIST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013	\$	-	0.00							
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	50.10							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	30.85							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	195.72							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	369.32							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	33.68							
	ULTRASOUND TECH III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	86.74							
	CARE MANAGER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	87.44							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	131.22							
	CLIN LAB SCIENTIST I	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular	1		PTO20	149.07							
	UNIT COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	227.72							
	RAD TECH II NB	SMC	SETON MEDICAL CENTER	Non-Exempt															



	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	56.65					
	LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	4.80					
	PHARMACIST	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	170.27					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	17.55					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	PHYSICIAN LIAISON LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	149.61					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	PHARMACIST 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.875		OTHER	35.22					
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	259.86					
	CENTRAL SERV TECH I	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	244.70					
	RCP II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.5		LOANB	0.00					
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	68.12					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		VCNA	9.73					
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		LOANB	0.00	MED	MEDICAL DISABILITY			
	CENTRALIZED SCHEDULER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	269.35					
	RCP III 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	317.09					
	CENTRALIZED SCHEDULER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	10.06					
	*STAFF NURSE IV	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	83.45					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	35.20					
	SPEECH THERAPIST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013		\$	0.00					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		LOANB	0.00	MED	MEDICAL DISABILITY			
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	255.64					Sign-On/Rt
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	45.13					3/5/2019
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	30.40					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	73.36					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	70.80					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	65.10					
	REGISTRAR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.75		VCNA	8.77					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	4.18	MED	MEDICAL DISABILITY			
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	QUALITY REVIEW NURSE	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	342.10					
	CENTRAL SERV TECH I	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	245.77					
	LAB ASST II/PHLEB NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	126.51					
	ADMIN ASSISTANT	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	360.00					
	LAB ASST II/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	324.39					
	DIR HUMAN RESOURCES	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	47.28					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	PHYS THER AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					
	RAD TECH IV	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	159.99					
	REGISTRAR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	261.00					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	4.51					
	CARE MANAGER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	35.05					
	GR ATTENDANT	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	132.60					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	53.43					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	42.29					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.7		PL250	108.53					
	LEAD RADIOLOGY ASSISTT	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	341.45					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	21.70					
	PHARMACIST	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	25.53					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	VASCULAR TECH II	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	126.50					
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	31.45					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VCNA	18.37					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	23.66					
	LAB ASST II/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	103.82					
	MONITOR TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	223.25					
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PDIEH	Per Diem	0.013		\$	0.00					
	CLINICAL DIETITIAN	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	162.56					
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	52.17					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	MGR REHAB/RESPIRATOR	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		MGMT	348.96					
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	MED REC CLERK III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.7		PL250	84.97					
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00	MED	MEDICAL DISABILITY			
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	338.33					
	MED REC CLERK III	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	173.45					
	RADIATION THERAPIST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	275.79					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	72.38					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	OR TECH SR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					
	ANESTHESIA TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	38.70					
	PHYS THER AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	46.45					
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	132.84	MED	MEDICAL DISABILITY			
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	149.57					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		PL250	30.30					
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	347.72					
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	355.72	MED	MEDICAL DISABILITY			
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	24.04					
	LEAD PHARMACIST	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.7		OTHER	108.91					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013		\$	0.00					
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	147.75					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	340.60					
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VCNA	48.95					
	RAD TECH V LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	307.35					
	BIOMED ELECTRONICS TS	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	60.76					
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	51.93	MED	MEDICAL DISABILITY			
	ECHO TECH II NB (REGIST)	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					
	DIETARY CLERK II	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	343.23					
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	242.45					
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	102.45					
	RAD TECH II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEH	Per Diem	0.013		\$	0.00					



	ECHO TECH II NB (REGISTR)	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	131.99							
	CLIN LAB SCIENTIST SPECI	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular	1		PTO20	109.17							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	60.30							
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PDIEM	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	238.37							
	DIRECTOR SURGICAL SERV	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	15.24	MED	MEDICAL DISABILITY					
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	7.47							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	315.72							
	RCP II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	104.20							
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	79.14							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	240.59							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	235.72							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	226.92							
	UNIT COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	252.60							
	SR LVN NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	103.44							
	CLIENT SERVICE REP NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	OFFICE COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	80.35							
	NURSE MANAGER	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		MGMT	0.00							
	CREDENTIAL COORDINAT	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	9.08							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	32.32							
	CLIN LAB SCIENTIST LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular	1		PTO20	111.74							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	54.11							
	*STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		LOANB	1.16	C101	C,EMED,SL					
	DIR MATERIALS MGMT	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	93.21							
	FOOD SERVICE AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	SR PATIENT FINANCIAL AC	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	311.01							
	ENV SVCS TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	31.46							
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	OR TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	88.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	52.84	MED	MEDICAL DISABILITY					
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	30.29							
	ADM NURSE SUP II NB	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	0.013	\$	-	0.00							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Full Time Regular	1		PL250	311.98							
	ENV SVCS TECH NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	CENTRAL SERV TECH I	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	226.37							
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PDIEM	Per Diem	0.013	\$	-	0.00							
	*STAFF NURSE II 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Full Time Regular	1		VCNA	7.44							
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFFING CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	12.80							
	LVN NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	260.58							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		LOANB	0.00	MED	MEDICAL DISABILITY					
	RAD TECH J 10HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	236.50							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	276.16							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	0.00							
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	RCP I 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	73.68							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	11.82							
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	CLIN NURSE SPEC	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	78.07							
	ER TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	146.20							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	60.80							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	201.21							
	ADM NURSE SUP II NB	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	PDIEM	Per Diem	0.013	\$	-	0.00							
	UNIT COORDINATOR SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	106.60							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	76.69							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		LOANB	0.00	MED	MEDICAL DISABILITY					
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	INSTRUMENT TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	272.63							
	FOOD SERVICE AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	MEDICAL ASSISTANT	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	23.18							
	BED CONTROL COORDINA	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	24.00							
	CENTRAL SERV TECH I	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	320.78							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	4.65	MED	MEDICAL DISABILITY					
	RAD TECH V LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	123.42							
	RAD TECH II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	MONITOR TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.7		PL250	292.98							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	19.44							
	MGR RISK AND PATIENT S	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		MGMT	43.69							
	STAFF NURSE I	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	327.97							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	44.80							
	LEAD FOOD SERVICES	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.938		PL250	145.49							
	SPEECH THERAPIST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEM	Per Diem	0.013	\$	-	0.00							
	TRANSPORTER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	110.73							
	CENTRAL SERV TECH II	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	318.90							
	PATHOLOGY ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	28.88							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	21.35							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	195.72							
	SR LVN	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	51.28							
	PHRM BYR/LIN MGR	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		MGMT	217.05							
	PHARMACIST	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	64.76							
	REGISTRAR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	211.98							
	MAINTENANCE PAINTER	SMC	SETON MEDICAL CENTER	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular	1		PL39	20.87	ILOA	INTERMITENT LEAVE					
	PROG COORD, MEDICAL	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEM	Per Diem	0.013	\$	-	0.00							
	ST																		



	PHARMACIST 10 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	209.81							
	CLINICAL DIETITIAN	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	93.68							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	PHYS THER II	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.8		OTHER	110.22							
	RAD TECH IV NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	30.09							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	131.08							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	133.03							
	OCC THERAPIST II	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.9		OTHER	180.49							
	PHYS THER II	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	286.28							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	53.09							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	203.07							
	CREDENTIAL COORDINAT	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	137.47							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	316.60							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	100.25							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	12.35							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	181.77							
	FOOD SERVICE AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	NUC MED TECH LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	25.67							
	CLIN LAB SCIENTIST I NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PDIEM	Per Diem	0.013	\$	-	0.00							
	MGR ENVIRONMENTAL SI	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		MGMT	355.39							
	FOOD SERVICE AIDE	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	220.16							
	CLIN LAB SCIENTIST II	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular	1		PTO20	275.06							
	PHYS THER I	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.8		OTHER	248.55							
	TRANSPORTER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.5		PL250	19.09							
	CLIN SOCIAL WORKER	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.8		OTHER	100.79							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	124.56							
	FOOD SERVICE AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00	MED	MEDICAL DISABILITY					
	MEDICAL PHYSICIST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEM	Per Diem	0.013	\$	-	0.00	JNOAC	0.00					
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	ANESTHESIA TECH SR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	355.05							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.6		PL250	25.60							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	331.72							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	60.80							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	102.81							
	STAFFING CLERK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	171.27							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	39.30							
	PHARMACY TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	311.72							
	REGISTRAR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	CLIN SOCIAL WORKER LEA	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	360.00							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	215.00							
	LVN NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	56.00	PERS	PERSONAL LEAVE OF ABSENCE					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	13.71							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	2.76							
	CONSOLE OPERATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	154.40							
	DRIVER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	287.76							
	LAB ASST III/PHLEB/PROC	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	291.82							
	RAD TECH II LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	319.95	WC	WORKERS' COMPENSATION					
	PHARMACIST 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	344.03							
	CLINICAL LAB TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	52.60							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	202.54							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.8		PL250	41.60							
	DIRECTOR FINANCE	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	145.54	MED	MEDICAL DISABILITY					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	65.11							
	CLIN LAB SCIENTIST II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	PDIEM	Per Diem	0.013	\$	-	0.00							
	NURSE MANAGER	SMC	SETON MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		MGMT	0.00							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.9		PL250	37.78	MED	MEDICAL DISABILITY					
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		VCNA	18.76							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	113.28							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	207.92							
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	283.72							
	STAFF NURSE II	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.8		VCNA	65.87							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	DIRECTOR, EMERGENCY	SMC	SETON MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	18.80							
	UNIT COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular	0.75		PL250	242.51							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	15.30							
	RCP II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	0.9		PL250	184.24							
	STAFF NURSE II NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00	JNOAC	0.00					
	PATIENT RELATIONS REP	SMC	SETON MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		OTHER	74.25							
	CLIN LAB SCIENTIST LEAD	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full Time Regular	1		PTO20	49.47							
	COOK	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	72.69							
	SUP WAREHOUSE	SMC	SETON MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		OTHER	299.26							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEM	Per Diem	0.013	\$	-	0.00							
	DRIVER	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	394.11							
	PHARMACIST 10 HR NB	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEM	Per Diem	0.013	\$	-	0.00							
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	248.09							
	PRE-ADMISSION REGISTR	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular	1		PL250	41.74							
	FOOD SERVICE AIDE NB	SMC	SETON MEDICAL CENTER	Non-Exempt	SEIU2	NUHW	PDIEM	Per Diem	0.013	\$	-	0.00							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		VCNA	84.84							
	PHARMACIST 10 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	299.47							
	OFFICE COORDINATOR	SMC	SETON MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		OTHER	58.10							
	STAFF NURSE II 12 HR	SMC	SETON MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.9		LOANB	0.00							
	CLIN LAB SCIENTIST II	SMC	SETON MEDICAL CENTER	Non-Exempt	L20	Engineers and Scientists of California	FTREG	Full											



Page 12







	LVN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	19.07						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	315.72	MED	MEDICAL DISABILITY				
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	419.72						
	SOCIAL SERVICES ASSISTANT	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	360.00						
	LVN NB	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	POIEM	Per Diem		0.013		\$	0.00						
	SNF STAFF RN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	352.89						
	DIETARY CLERK NB	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	POIEM	Per Diem		0.013		\$	0.00						
	LEAD SNF STAFF RN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	0.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	411.74						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	160.00						
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	POIEM	Per Diem		0.013		\$	0.00						
	SNF STAFF RN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	99.28						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	259.72						
	LVN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Part Time Regular		0.6		PL250	28.05						
	ADMIN EMERGENCY NUR	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	197.39	MED	MEDICAL DISABILITY				
	ACTIVITIES ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	354.27						
	SR LVN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	355.72						
	SR LVN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	65.93						
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	51.32						
	ADMIN EMERGENCY NUR	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	NCN	Non-Union, Non-Exempt	POIEM	Per Diem		0.013		\$	0.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Part Time Regular		0.6		PL250	32.72						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	24.00						
	LVN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	56.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	87.48						
	STATIONARY ENGINEER	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	L39	Local 39 Stationary Engineers	FTREG	Full Time Regular		1		PL39	323.04						
	PHYS THER ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	299.71						
	SNF STAFF RN NB	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	POIEM	Per Diem		0.013		\$	0.00						
	MED REC CLERK III	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.5		PL250	126.99						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	330.48						
	DIETARY CLERK NB	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	POIEM	Per Diem		0.013		\$	0.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	267.72						
	PHYS THER I	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		OTHER	20.52						
	RAD TECH INB	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	POIEM	Per Diem		0.013		\$	0.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	339.72						
	SR LVN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.6		PL250	189.28	MED	MEDICAL DISABILITY				
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	363.74						
	ENV SVCS TECH	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	72.24						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	161.23						
	INTERIM DIR NURSING SE	SMC	SETON MEDICAL CENTER COASTSIDE	Exempt	DIR	Non-Union, Director	POIEM	Per Diem		0.013		\$	0.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	260.51						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	155.20						
	ADMIN EMERGENCY NUR	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular		0.6		OTHER	120.67						
	REGISTERAR	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.9		PL250	306.30	MED	MEDICAL DISABILITY				
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	50.45						
	LVN	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	PTREG	Part Time Regular		0.8		PL250	159.96						
	CERT NURSE ASST NB	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	POIEM	Per Diem		0.013		\$	0.00						
	CERT NURSE ASST	SMC	SETON MEDICAL CENTER COASTSIDE	Non-Exempt	SEIU2	NUHW	FTREG	Full Time Regular		1		PL250	379.61						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	50.87						
	PRACT, RESP CARE-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	83.08						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6		PTO-U	17.50						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	0.00						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	171.84						
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	142.86						
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	27.81						
	PRACT, NEONATAL RESP C	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	143.43						
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	66.74						
	MENTAL HEALTH WORKER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	342.44						
	SECTY, UNIT 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		FNOAC	0.00	FM	FMLA - FED FAMILY/MEDIC				
	DIR-COMMUNITY HEALTH	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		UPTD	60.41						
	ASST, LAB	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	25.84						
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6		PTO-U	6.79						
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	17.88						
	SECTY, UNIT-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	81.71						
	CLERK - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	POIEM	Per Diem		0.013		FNOAC	0.00						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	0.00	CLOA	CONTINUOUS LEAVE				
	TECH,CERTFD HEMODIAL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	POIEM	Per Diem		0.013		FNOAC	0.00						
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.75		PTO-S	158.87						
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	62.38						
	CERTIFIED PHLEB TECHNIC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	243.09						
	TECH, EMERGENCY MED I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	POIEM	Per Diem		0.013		FNOAC	0.00						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	48.71						
	ASST, DEPT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	62.41						
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	9.83						
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	57.40						
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	282.70						
	TECH, EMERGENCY MED	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	176.70						
	TECH, RADIOLOGY-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	POIEM	Per Diem		0.013		FNOAC	0.00						
	COOK - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	POIEM	Per Diem		0.013		FNOAC	0.00						
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	248.39						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	83.51						
	COOK, GRILL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	26.67						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	17.81						
	CLERK, ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	204.65						
	COOK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	155.14						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	23.42	ILOA	INTERMITTENT LEAVE				
	PRACT, RESP CARE-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	224.27						
	HCT-CERTIFIED PHLEBOTOM	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.8		PTO-S	67.89						
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	POIEM	Per Diem		0.013		FNOAC	0.00						
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	141.39	ILOA	INTERMITTENT LEAVE				
	PRACT, SR RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIU2	SEIU-UHW	POIEM	Per Diem		0.013		FNOAC	0.00						



	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	152.13					
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	71.65					
	RN II 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	189.02					
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Part Time Regular	0.6		PTO-S	50.77					
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	41.23					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	9.40 ILOA	INTERMITTENT LEAVE				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	8.93					
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	11.64					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	120.35 ILOA	INTERMITTENT LEAVE				
	PRACT, SR RESP CARE-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	20.00					
	CLERK - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem	0.013		FNOAC	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem	0.013		FNOAC	0.00					
	SR, ANALYST, DECISION SL	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	PTREG	Part Time Regular	0.6		FFPTO	169.22					
	MDS COORDINATOR-10H	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	309.57					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	46.90					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.8		PTO-S	14.53					
	CLINICAL STROKE NURSE I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	151.97					
	WORKER, FOOD SERVICE- DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem	0.013		FNOAC	0.00					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	173.18					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	295.82					
	CLERK, PRE-REGISTRATION	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	437.18					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	77.14					
	TECH,CERT'FD HEMODIAL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	32.00					
	MECH, MAINTENANCE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-U	319.95					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	384.38					
	TECH, SURGICAL BHR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	427.19					
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	100.55					
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	563.60					
	LEAD LAB ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	135.62					
	TECH, EMERGENCY MED- DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	528.06					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	81.05					
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	92.18					
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	101.40					
	CLS-8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.75		FFPTO	61.88					
	TECH, EMERGENCY MED- DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	235.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem	0.013		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	55.28					
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	157.05					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	100.76					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	208.92 CLOA	CONTINUOUS LEAVE				
	SUPV-ADMIN HOUSE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	PDIEH	Per Diem	0.013		FNOAC	0.00					
	CLS-8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	277.90					
	LICENSED OPS MECHANIC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	376.00					
	TECH, CARDIO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		FNOAC	269.28 WC	WORKERS COMP				
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	8.25					
	RN I 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	126.66					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	73.63					
	TECH, EMERGENCY MED I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013		FNOAC	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem	0.013		FNOAC	0.00					
	TECH, RADIOLOGY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	222.88					
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWO	Part Time Wage Option	0.6		FNOAC	0.00					
	TECH,HEARING SCREENER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	128.69					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	48.42					
	TECH, C T	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	356.95					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem	0.013		FNOAC	0.00					
	MENTAL HEALTH WORKER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	64.55					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	254.74					
	RN I 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWO	Part Time Wage Option	0.45		FNOAC	0.00					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	86.04					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	57.66 ILOA	INTERMITTENT LEAVE				
	ATTEND, COMMUNICATIC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.65		PTO-S	389.78					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	151.40					
	LVN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTWO	Full Time Wage Option	0.9		FNOAC	0.00					
	HOST/HOSTESS	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	26.72					
	MSW/WFT/MEDICAL SOC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	334.31					
	CERTIFIED PHLEB TECHNI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	45.41					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	299.02					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	106.38					
	AIDE, DIETARY-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem	0.013		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	80.06					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	24.58					
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	32.51					
	CLINICAL DIR-MED SURG	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	353.41					
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	64.63					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	56.80					
	CLERK, STOREROOM	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	99.94					
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	48.25					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	154.58					
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	126.35					
	TAR CLERK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	273.53					
	PRACT, NEONATAL RESP C	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	158.43					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	94.82					
	CLS-10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	105.67					
	TECH, OB SURGICAL 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	59.37					
	ASST, PT CERT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	326.89					
	DIR-DECISION SUPPORT	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	100.06					
	APPEALS COORDINATOR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.6		FFPTO	57.18					
	CLINICAL SUPV-MEDSURG	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	44.44					
	PRACT, SR RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013		FNOAC	0.00					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	216.46					
	TECH, RADIOLOGY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	281.79					
	TECH, C T - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013		FNOAC	0.00					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	362.37					
	TECH, CENTRAL SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	473.43					
	TRANSPORTER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	86.16					
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL														



	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	266.32				
		O DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	37.52				
	TECH, SURGICAL BHR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	521.20				
	BILLER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	494.05				
	RN I 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	51.35				
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	294.17				
	CERTIFIED PHLEB TECHNIK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	134.09				
	RN I 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	194.72				
	TECH, RADIOLOGY-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	41.70				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.75			PTO-S	14.54				
	HOUSEKEEPING TECH-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	116.27				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	80.31	ILOA	INTERMITTENT LEAVE		
	RN CASE MGR I 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1			PTO-U	217.54				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	94.63				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	43.84				
	DIETICIAN - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem	0.013			FNOAC	0.00				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	91.53				
	CLINICAL SUP-LABOR & DI	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1			FFPTO	30.22				
	TECH, CENTRAL SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	262.80				
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	43.41				
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	193.30				
	CLS - PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	CLINICAL SUPV-ICU	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1			FFPTO	177.86				
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	35.68				
	FINANCIAL COUNSELOR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	370.19				
	CLERK 2	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			FNOAC	0.00	WC	WORKERS COMP		
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	85.71				
	INFECTION PREVENTION	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			FFPTO	43.56				
	PAINTER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	TEMP	Temp	1			FNOAC	0.00				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	184.71				
	TECH, MRI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.75			PTO-S	304.22				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	18.65	ILOA	INTERMITTENT LEAVE		
	RN II 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1			PTO-U	156.16				
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	137.16				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	167.31				
	CLIN EDUCATOR,LACTATR	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			FFPTO	45.02				
	SECTY, UNIT 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	206.70				
	MAP RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6			PTO-U	146.20				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	561.21				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	62.15				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			FFPTO	13.18				
	SUPV-BLOOD BANK 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SUPVE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular	1			FFPTO	131.11				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	61.80				
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	37.20				
	SECTY, SR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	141.02				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	32.47				
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	27.45				
	CLINICAL SUPV-MEDSURG	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1			FFPTO	187.97				
	CLERK, ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	25.33	ILOA	INTERMITTENT LEAVE		
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	179.80				
	TECH, EMERGENCY MED- DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	89.55				
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	103.40				
	RN I 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	1			PTO-U	68.37				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	71.91				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	71.47				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6			PTO-U	18.94				
	PET TEAM ASSOCIATE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	399.16				
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	27.44				
	TRANSPORTER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	63.79				
	CERTIFIED LACTATION ED	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	157.63				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	63.70				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	56.25				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6			PTO-U	37.76				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	113.81				
	LVN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	536.18				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	-0.01				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6			PTO-U	32.34				
	RN I 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1			PTO-U	496.00				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	549.01				
	DIR-EVS SERVICES	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	0.9			UPTO	0.00				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	77.00				
	WORKER, FOOD SERVICE- DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	14.84				
	TECH, NUC MEDICINE-PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	EXEC DIR-PHARMACY OPS DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1			UPTO	0.00				
	COORD. PATIENT SATISFA	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			FFPTO	21.57				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6			PTO-U	22.19				
	PRACT, RESP CARE-12 HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	48.76				
	CLS-8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FNOAC	0.00	CLOA	CONTINUOUS LEAVE		
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	121.74				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	127.64				
	CERTIFIED PHLEB TECHNIK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	200.43				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	136.70			Referral	1/22/2019
	TECH,CATH LAB CVRT I 10 DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	78.43				
	TECH, MRI-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	14.25				
	PRACT, NEONATAL RESP C DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	149.40				
	ATTEND, COMMUNICATYC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	73.77				
	STAFFING SPECIALIST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	244.84				
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	128.02				







Page 18



	ASST, CASE MANAGEMEN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	241.44						
	LVN II-12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	125.86						
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	66.62						
	LVN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	252.06						
	FINANCIAL COUNSELOR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	290.99	CLOA	CONTINUOUS LEAVE				
	ASST, BLOOD BANK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	387.06						
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular				FFPTO	226.88						
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	TECH, C, T	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	218.08						
	TECH, CARDO STAFF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	141.61						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6		PTO-U	81.54						
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	358.37						
	CLINICAL MGR-MED SURC	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTWO	Full Time Wage Option		1		NMPTO	0.00	WC	WORKERS COMP				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	11.27	ILOA	INTERMITTENT LEAVE				
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	73.29						
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		0.9		FNOAC	0.00						
	RN 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	29.65						
	RN 1 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	215.55						
	MGR-ORTHO CLINIC	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		FFPTO	0.00						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	10.17						
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	36.22	ILOA	INTERMITTENT LEAVE				
	RN - ACUTE DIALYSIS 12 H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	TECH, SURGICAL 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	78.49						
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	35.35						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	202.43						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	87.28						
	RN CASE MGR PD 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	45.02						
	ATTEND, COMMUNICATN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00						
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.75		PTO-S	36.90						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	243.61						
	SUPV-ADMIN HOUSE	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		0.9		DMPTO	182.39						
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	71.83						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	273.20						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	300.92						
	CLINICAL MGR-ICU	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		FFPTO	75.11						
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	57.06						
	TECH, EMERGENCY MED-	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	43.51						
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	150.16	MD	MEDICAL				
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	46.67						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	56.46						
	TECH, PAR LEVEL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	131.69						
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.6		PTO-S	89.25						
	TRANSPORTER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	208.62						
	CLEAK, STOREROOM	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	210.35						
	TECH, BOMED	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	76.24						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	113.28						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	479.98						
	RN CASE MGR PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	RN 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	229.58						
	SCHEDULING COORDINAT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	537.95						
	SUPV-LABORATORY 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular		1		FFPTO	104.78						
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	RN 11 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	150.83						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6		PTO-U	57.70						
	SR UNIT COORDINATOR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	179.01						
	MSW/MFT-MEDICAL SOC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	28.68						
	CLS - PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem		0.013		FNOAC	0.00						
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FFPTO	134.24						
	RN 1 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	RN 1 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	117.40						
	CLEAK, ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	277.72						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6		PTO-U	40.67						
	TECH, PAR LEVEL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	8.89						
	TECH, RADIOLOGY INVAS	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00						
	TECH, RADIOLOGY SPEC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	551.36						
	RN 12 HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	160.22						
	TECH, RADIOLOGY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	292.96						
	RN 11 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	160.94						
	SR UNIT COORDINATOR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	528.20						
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		0.9		FNOAC	0.00						
	RN 11 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	27.75						
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		0.9		FNOAC	0.00						
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWO	Part Time Wage Option		0.6		FNOAC	0.00						
	RN 1 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	63.81						
	RN CASE MGR 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	51.03						
	SUPV-ADMIN HOUSE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	PDIEH	Per Diem		0.013		FNOAC	0.00						
	TECH, CARDO STAFF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	128.80						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	0.42						
	COORD, ACTIVITIES	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	333.06						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	7.60						
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	135.23						
	DISCHARGE PLANNER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	77.29						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	57.00						
	COOK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	95.42						
	OFFICER, SECURITY LD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FFPTO	551.65						
	TECH, ECHO - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt</															



	TECH, EMERGENCY MED-: DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	163.45								
	RN I 12HR WO	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00								
	VP-CHIEF NURSING OFFIC DSF	ST. FRANCIS MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular	1		LPTO	70.65								
	RN I 10HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	95.45								
	RN 12HR NEW GRAD	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	8.99								
	CLERK, ADMITTING	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	152.53								
	PRACT, NEONATAL RESP C DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	144.55								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	133.93								
	TECH, OB SURGICAL 12HR DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	110.47								
	RN II 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	193.39								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	48.90								
	PHARMACIST-10 HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	86.40								
	RN 12 HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	52.42								
	RN CASE MGR II 8 HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	59.70								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	0.06 ILOA	INTERMITTENT LEAVE							
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	36.91								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	223.62								
	COOK - PD	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	19.96								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	24.79								
	CLS - PD 8 HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDDEM	Per Diem	0.013		FNOAC	0.00								
	RN II 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	58.15								
	PRACT, SR RESP CARE-12- DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	12.52								
	RN 12HR SPEC TRAINING DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	283.42								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	74.82								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	209.42								
	SCHED, PATIENT	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	437.70								
	RN I 12HR WO	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00								
	RN II 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	160.41 WC	WORKERS COMP							
	CERT NURSING ASST 12 H DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	22.15								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	17.89 ILOA	INTERMITTENT LEAVE							
	SUPV-RESPIRATORY ADUL DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	64.70								
	TECH,CERTIFD HEMODIAL DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	0.00								
	RN 12HR WO	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00								
	RN 12 HR PD	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00								
	PRACT, RESP CARE-12 HR DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	299.16								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	196.18								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	10.56 ILOA	INTERMITTENT LEAVE							
	ENGINEER, MAINTENANC DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	576.00								
	TECH, OR SUPPLY	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	356.60								
	RN II 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6		PTO-U	255.96								
	RN II 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	97.87								
	WORKER, FOOD SERVICE DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	463.88								
	MENTAL HEALTH WORKER DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.75		FNOAC	6.20 WC	WORKERS COMP							
	CERTIFIED PHLEB TECHNIC DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	42.89								
	HOUSEKEEPING TECH DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	53.99								
	LVN 12 HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	58.53								
	CERTIFIED PHLEB TECHNIC DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	18.87								
	RN I 12HR WO	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.6		FNOAC	0.00								
	CERT NURSING ASST	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	183.36								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	174.35								
	CLINICAL SUPV-TELEMETR DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	0.00 CLOA	CONTINUOUS LEAVE							
	HOUSEKEEPING TECH	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	145.74								
	SECTY, UNIT 12 HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	21.84								
	MEDCH, MAINTENANCE	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	332.46								
	DISCHARGE PLANNER	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	385.84								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	515.48								
	LEAD HOSPITAL LIAISON- DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	91.22								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	375.80								
	CLERK, STOREROOM	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	496.23								
	TECH, RADIOLOGY	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	416.00								
	CLINICAL SUPV-8TH FLOO DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	35.11								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	205.39								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	150.85								
	RN 12HR PD	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	115.84								
	CLERK, ADMITTING	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	8.89								
	COOK	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	22.55								
	CLINICAL SUPV-TELEMETR DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	326.41								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.4		PTO-U	101.99								
	RN 12HR PD	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00								
	RN II 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	39.61								
	DIETICIAN, CNSC	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	6.12								
	TECH, ECHO	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	154.76								
	RN 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	45.56								
	RN 12 HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	0.00								
	RN CASE MGR III 4/10	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	51.42								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	188.14								
	CLERK, ADMITTING	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	196.22								
	RN 12HR PD	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00								
	ASST, OFFICE	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	321.49								
	CASHER	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	325.45								
	STROKE COORDINATOR- DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	70.23								
	MAINT MECH B	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		FNOAC	495.90 WC	WORKERS COMP							
	OFFICER, SECURITY	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	0.00 C999	C.DENIED							
	RN II 12HR WO	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00								
	PRACT, SR RESP CARE PD DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00								
	CLINICAL SUPV-MEDSURG DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	328.98								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	76.66								
	SPEC, RISK MANAGEMEN' DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	12.86								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	204.27								
	RN I 12HR	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	336.44								







	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	21.30 PG	PREGNANCY			
	RN I 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.8		PTO-U	452.74				
	SECTY,UNIT-PD 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FPFTO	94.31				
	TECH, SURGICAL 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	58.38				
	WORKER, FOOD SERVICE- DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTWO	Full Time Wage Option		1		FNOAC	0.00				
	HOUSEKEEPING TECH-PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	TECH, EMERGENCY MED- DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	84.55				
	RN - ACUTE DIALYSIS 12H DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	50.18				
	HOUSEKEEPING TECH DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	142.34				
	MSW/MFT-MEDICAL SOC DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	96.52				
	VP-STRTOY, BUS & PHYS C DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular		1		UPTO	34.67				
	DISCHARGE PLANNER PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	HR BUSINESS PARTNER DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		FPFTO	71.22				
	RN I 12HR PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN II 12HR PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN II 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6		PTO-U	46.67				
	CINICAL SUPV-4TH FLOOD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1		FPFTO	141.32				
	PHARMACIST-10 HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FPFTO	-28.38				
	RN CASE MGR PD 8 HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN II 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	379.48				
	RN I 12HR WO DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		0.9		FNOAC	0.00				
	HCTY/SCRUB TECH 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		FNOAC	2.43 CLOA	CONTINUOUS LEAVE			
	LVN 12 HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	197.18				
	TECH, CRITICAL CARE DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	48.00				
	DISPATCHER, CENTRAL DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.8		PTO-S	11.12				
	RN I 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	87.40				
	ATTEND, COMMUNICATIO DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	21.44 ILOA	INTERMITTENT LEAVE			
	OFFICER, SECURITY DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FPFTO	0.00 MD	MEDICAL			
	RN I 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	188.51				
	PT PRACTITIONER- PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	TECH, SURGICAL 8HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	197.41				
	RN I 12HR PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN II 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	244.29				
	HOUSEKEEPING TECH-PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	WORKER, FOOD SERVICE DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.75		PTO-S	364.81				
	RN 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	57.80				
	CLERK, PRE-REGISTRATIO DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	154.32				
	RN 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	35.66				
	RN 12HR SPEC TRAINING DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	323.79				
	RN II 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	433.30				
	TECH, RADIOLOGY-PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	LCSW / LMFT DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular		0.6		PTO-S	128.75				
	CINICAL SUPV-MATERNI DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1		FPFTO	115.55				
	RN I 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	112.80				
	RN 12HR NEW GRAD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	300.71				
	TECH, RADIOLOGY-PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	24.23				
	LVN 12 HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	23.00				
	HOUSEKEEPING TECH DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	85.07				
	HOUSEKEEPING TECH DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	234.22				
	TRANSPORTER - PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN I 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	28.86				
	CLS 8HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FPFTO	81.96				
	TECH, NUC MEDICINE DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	35.22				
	MSW/MFT-MEDICAL SOC DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular		0.6		PTO-S	98.61				
	RN I 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	0.00 WC	WORKERS COMP			
	RN I 12HR PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-U	13.27 ILOA	INTERMITTENT LEAVE			
	PRACT, RESP CARE SR 12H DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	85.51				
	RN I 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	152.96				
	LEAD LCSW / LMFT DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	23.70				
	TRANSPORTER DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	400.51				
	RN 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	67.45				
	CLS - PD 8 HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem	0.013			FNOAC	0.00				
	TECH, RADIOLOGY DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	161.46				
	RN II 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	201.09				
	MGR-NEONATAL RESPIRA DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		MMPTO	259.33				
	RN 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	0.00 ILOA	INTERMITTENT LEAVE			
	RN I 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	24.10				
	LICENSED OPS MECHANIC DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		FNOAC	0.00 WC	WORKERS COMP			
	HOUSEKEEPING TECH-PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	LINEN CLERK, LEAD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	213.11				
	EDUCATOR, NON-CINICA DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		FPFTO	115.57				
	RN 12 HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	76.81				
	CLINICAL MGR-MED SURG DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		MMPTO	36.01				
	SECTY, UNIT DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	98.21				
	OFFICER, SECURITY DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FPFTO	0.00				
	MENTAL HLTH WRKR-PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	SECTY, UNIT DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	225.13				
	TECH, RADIOLOGY SPEC DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	471.82				
	CERT NURSING ASST 12 H DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	21.40				
	RN 12 HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	26.05				
	CINICAL SUPV-4TH FLOOD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1		FPFTO	35.12				
	AIDE, DIETARY DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	274.34				
	VP-WOMEN & CHILDREN DSF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular		1		UPTO	0.00				
	RN 12HR NEW GRAD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	52.74				
	OFFICER, SECURITY DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		0.9		FPFTO	8.40				
	MAP RN III 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.9		PTO-U	52.42				
	RN I 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	10.21				
	RN I 12HR PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PODEM	Per Diem	0.013			FNOAC	0.00				
	CLERK, MAILROOM DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.75		PTO-S	61.18				
	PRACT, SR RESP CARE PD DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013			FNOAC	0.00				
	RN 12HR DSF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	65.93				



	LCSW / LMFT - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00							
	AIDE, DIETARY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.5		PTO-S	54.78 MD	MEDICAL						
	HOSPITAL LIAISON-WELC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	0.00							
	RN II 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWVO	Part Time Wage Option	0.5		FNOAC	0.00							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	208.42							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	76.95							
	DISPATCHER, CENTRAL TR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	243.56							
	PHYSICIAN ASSISTANT-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDDEM	Per Diem	0.013		FNOAC	0.00							
	TECH, BIOMED	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	97.21							
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	24.18							
	DIR-SPIRITUAL CARE & ETI	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	PTREG	Part Time Regular	0.75		LPTO	0.00							
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	153.74							
	RN III 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWVO	Part Time Wage Option	0.6		FNOAC	0.00							
	CLERK, ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	124.73							
	CLINICAL MGR-CATH LAB	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		FFPTO	26.67							
	PRACT, RESP CARE 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	17.05							
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	44.00							
	LVN II-12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	314.54							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	273.92							
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	12.17							
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWVO	Part Time Wage Option	0.9		FNOAC	0.00 ILOA	INTERMITTENT LEAVE						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	270.09							
	CHART ABTRACTOR	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	119.96							
	HVAC MECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	355.81							
	NURSE PRACTITIONER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	223.50							
	CERTIFIED PHLEB TECHN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	132.82							
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	335.26							
	PRACT, RESP CARE 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	191.16 MD	MEDICAL						
	ASST, DEPT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	121.72							
	PRACT, SR RESP CARE 12+	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	188.84							
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00							
	LVN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	460.24							
	RN, NHA-12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	0.9		FFPTO	23.76							
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00							
	CLERK, ADMITTING SR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	318.56							
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00							
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWVO	Part Time Wage Option	0.9		FNOAC	0.00 ILOA	INTERMITTENT LEAVE						
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	239.60							
	TECH, CENTRAL SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	117.04							
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	123.35							
	RN CASE MGR III 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	409.06							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	68.00							
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	576.00							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	74.80							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	27.34							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	22.15							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	335.19							
	CLERK, GIFT SHOP	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTWVO	Part Time Wage Option	1		FNOAC	269.28 WC	WORKERS COMP						
	HOUSEKEEPING TECH-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00							
	RN III 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.5		PTO-U	109.92							
	SECTY, UNIT-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	322.66							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	283.20							
	PRACT, NEONTL RESP CAR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTWVO	Part Time Wage Option	0.6		FNOAC	0.00							
	TECH, ULTRASOUND-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00							
	TECH, MRI-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00							
	ASST, LINEN/TRANSPORT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTNON	Part Time Non-Benefitted	0.5		FNOAC	0.00							
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	454.96							
	CLINICAL SUPV-MEDSURG	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	0.00 C101F	C,EMED,EMLOA,SL						
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	56.37 ILOA	INTERMITTENT LEAVE						
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	549.47							
	CERTIFIED PHLEB TECHN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00							
	VP - CHIEF FINANCIAL OFF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular	1		LPTO	41.16							
	SUPV-ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	0.00 CLOA	CONTINUOUS LEAVE						
	LVN II-12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		FNOAC	10.96 CLOA	CONTINUOUS LEAVE						
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	348.59							
	TECH, RADIOLOGY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	58.24							
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	143.94							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	95.80							
	CLS-8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	0.00							
	MSW/WFT-MEDICAL SOC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	152.02							
	TECH, CENTRAL SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	47.06							
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	13.57							
	DISCHARGE PLANNER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	122.34							
	AIDE, DIETARY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	274.78							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	163.52							
	PT I LEAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	547.42							
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	208.67							
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	145.29							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	36.55							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	69.55							
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	246.41							
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	91.32							
	LICENSED OPS MECHANIC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	TEMP	Temp	1		FNOAC	0.00							
	TECH, EMERGENCY MED-	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	470.72							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	395.55							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	52.71							
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	137.43							
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	12.00							
	RN II 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	103.30 ILOA	INTERMITTENT LEAVE						
	MENTAL HEALTH WORKER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	9.41							



Page 24



	PHARMACIST-10 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FFPTO	145.07				
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	151.92				
	MENTAL HEALTH WORKER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	264.55				
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FFPTO	16.00				
	TECH,CATH LAB CVRT I 10	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	140.09	ILOA	INTERMITTENT LEAVE		
	LVN II 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	CLS - PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem		0.013		FNOAC	0.00				
	RN, NHA	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		0.9		FFPTO	101.09				
	CERT NURSING ASST - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	98.17				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	118.28				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.45		PTO-U	17.78				
	RN 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	214.02				
	TECH,CATH LAB CVRT I 10	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	31.02				
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.75		PTO-S	22.47				
	DISPATCHER, CENTRAL TR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	45.20				
	TRANSCRIBER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular		0.8		FFPTO	339.80				
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	213.25				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	90.83				
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	304.64				
	TECH, ULTRASOUND-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	ASST, CASE MANAGEMEN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	22.76				
	PRACT, SR RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	SURGICAL TECH SPECIALS	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTWO	Full Time Wage Option		1		FNOAC	0.00				
	STAFFING SPECIALIST-PTN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTWO	Part Time Wage Option		0.6		FNOAC	0.00				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	8.89				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	61.04				
	TECH, SURGICAL 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	149.83				
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	33.02				
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	301.57				
	DIR-PUBLIC SAFETY	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		UFTD	539.13				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	133.63				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	247.48				
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem		0.013		FNOAC	0.00				
	SECTY, UNIT - LIMITED PT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTNON	Part Time Non-Benefits		0.5		FNOAC	0.00				
	SUPV-RESPIRATORY NEOR	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1		FFPTO	104.85				
	DISCHARGE PLANNER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	CLERK, ADMITTING - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	AIDE, DIETARY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	203.56				
	DISCHARGE PLANNER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	368.84				
	RN II 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	50.93				
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	18.13				
	INTERIM DIR-FOOD & NUT	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		FFPTO	57.78				
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	61.36				
	CLINICAL SUPV-TELEMETR	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1		FFPTO	7.55				
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FFPTO	22.93	ILOA	INTERMITTENT LEAVE		
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	383.48				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	326.97				
	PRACT, SR RESP CARE-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	8.00				
	SECTY,UNIT-PD 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	COORD - UNIT 4/10	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	364.94				
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	194.39				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	71.27				
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		FNOAC	0.00	CLOA	CONTINUOUS LEAVE		
	CLERK, ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	67.06				
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	48.82				
	SECTY, SR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	85.16				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	133.15				
	MENTAL HEALTH WORKER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	299.85	WC	WORKERS COMP		
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	419.78				
	RN 1 8HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		1		FNOAC	0.00				
	HSM COORDINATOR	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		FFPTO	447.98				
	MGR-AUDIOVISUAL SRVC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	PDIEH	Per Diem		0.013		FNOAC	0.00				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	81.50				
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		0.9		FNOAC	0.00				
	CERT NURSING ASST - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	178.50				
	TECH, LIMITD XRAY/MEDI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	81.02				
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	183.71				
	CERTIFIED PHLEB TECHN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		FNOAC	0.00	CLOA	CONTINUOUS LEAVE		
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	6.83				
	RN CASE MGR 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	12.64				
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6		PTO-U	46.59				
	CLS - PD 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem		0.013		FNOAC	0.00				
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	148.91	ILOA	INTERMITTENT LEAVE		
	CLINICAL EDUCATOR-NICU	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		0.6		FFPTO	108.32				
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	357.99				
	PEER REVIEW SPECIALIST	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		FFPTO	17.78				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	57.24				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	79.04				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	165.63				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	13.50				
	CLS - PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem		0.013		FNOAC	0.00				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	69.77				
	OFFICE COORD,PATIENT #	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FFPTO	96.61				
	RN CASE MGR I 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1		PTO-U	242.31				
	TRANSPORTER/NURSE AS	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		FNOAC	413.13	WC	WORKERS COMP		
	COOK - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00				
	AIDE, DIETARY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	92.99				
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	101.92				
	COORD, DECDNT AFFAIRS	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		FFPTO	109.72				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	98.06	ILOA	INTERMITTENT LEAVE		
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	46.81				
	RN II 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9		PTO-U	99.71	ILOA	INTERMITTENT LEAVE		
	PRACT, SR RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem		0.013		FNOAC	0.00		</		



	CLERK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.8		PTO-S	224.08					
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	18.82	ILOA	INTERMITTENT LEAVE			
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	35.95					
	HOUSEKEEPING TECH-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	RN CASE MGR 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	41.14					
	TECH, MRI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	54.77					
	SPEC, COLD FOOD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	17.78					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	16.88					
	THERAPIST, OCCUPATION	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	142.53					
	TECH, CENTRAL SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	165.97					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	44.45					
	TECH, EMERGENCY MED I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	20.00					
	LVN 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.6		FNOAC	16.58	WC	WORKERS COMP			
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	177.27					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-U	100.34	ILOA	INTERMITTENT LEAVE			
	RN 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	41.67					
	SUPV-MAINTENANCE	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	570.30					
	TECH, OB SURGICAL 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	SURGICAL TECH SPECIALIST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		FNOAC	274.30	WC	WORKERS COMP			
	TECH, CARDIO STAFF	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	459.52					
	TECH, CRITICAL CARE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	57.80					
	TECH,CERT'D HEMODIAL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	31.58					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	246.71					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	424.38					
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	179.74					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	95.20					
	TECH, ULTRASOUND	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	157.71					
	RN II 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00	ILOA	INTERMITTENT LEAVE			
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	119.76					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6		PTO-U	299.01					
	PRACT, SR RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	397.58					
	RN CASE MGR II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	0.00	WC	WORKERS COMP			
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6		PTO-U	75.67					
	CERTIFIED PHLEB TECHNIK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	CLINICAL SUPV-CATH LAB	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	14.22					
	LCSW / LMFT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	21.05	ILOA	CONTINUOUS LEAVE			
	RN CASE MGR PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00					
	TECH, PAR LEVEL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	385.25	WC	WORKERS COMP			
	CLINICAL SUPV-EMERGEN	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	378.72					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	98.61					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	12.83					
	TECH, CARDIO INVAS	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	205.09					
	INV CONTROL CLERK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	244.39					
	RN II 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00	WC	WORKERS COMP			
	SECTV, UNIT 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	222.71					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.5		PTO-S	36.60					
	LCSW / LMFT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	226.73					
	CERTIFIED PHLEB TECHNI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	ASST, REC THERAPY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	153.53					
	CLINICAL SUPV-5TH FLOO	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	174.98					
	STAFFING SPECIALIST-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDDEM	Per Diem	0.013		FNOAC	0.00					
	CERT NURSING ASST -PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	61.24					
	DATA SPECIALIST/ANALYS	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	122.46					
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	297.68					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	33.37					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	91.48					
	MGR - ACUTE DIALYSIS	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		FFPTO	165.74					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	281.14					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	85.46					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	141.30					
	TRANSPORTER - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	228.24					
	PT, ADV PRACT I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	371.55					
	RN 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	278.51					
	REP, BED CONTROL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	537.11					
	ASST, DEPT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	175.30					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	3.92					
	TECH, EMERGENCY MED-	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	175.28					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	233.79	WC	WORKERS COMP			
	SECTV, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	46.99					
	PET TEAM ASSOCIATE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00					
	PRACT, SR RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	27.69					
	TECH, CARDIO INVAS PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	LCSW / LMFT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	171.62					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	153.18					
	TECH, ULTRASOUND	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	46.00					
	MSW/MFT-MED SOC WOI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTNON	Part Time Non-Benefitted	0.2		FNOAC	0.00					
	HOUSEKEEPING TECH-PT I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTNON	Part Time Non-Benefitted	0.5		FNOAC	0.00					
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	170.55					
	TECH, RADIOLOGY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	92.67					
	RN II 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	78.16					
	CLS-8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	119.48					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	33.10					
	RN 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	54.26					
	RN II 12HR SPEC TRAININ	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	70.80					
	PHARMACIST-10 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	99.90					
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	15.93					
	PRACT, RESP CARE-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG										



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	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	575.63					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.75		PTO-S	91.70					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	21.14					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	157.65					
	TECH, SURGICAL - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	CLINICAL SUPV-EMERGEN	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	153.27					
	INTERNAL MEDICINE NUR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	196.38					
	CLINICAL SUPV-MEDSURG	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	479.64					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	344.38					
	HOSPITAL LIAISON-WELCC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	123.47					
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	59.68					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	427.43					
	RN 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	561.09					
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	382.41					
	ASST DIR-DIETARY	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		FFPTO	57.78					
	PRACT, RESP CARE-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	198.49					
	RN 112HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00					
	DISCHARGE PLANNER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	95.14					
	RN 12 HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	79.52					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	159.46					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	118.86					
	MSW/MFT-MED SOC WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	204.78					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	386.34					
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9		FNOAC	0.00					
	CLINICAL SUPV-NICU	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	112.34					
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	245.97					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	47.80					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	147.23					
	RN - ACUTE DIALYSIS 12HI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	33.03					
	TECH, SURGICAL 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	76.93					
	CLERK, ADMITTING - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEIM	Per Diem	0.013		FNOAC	0.00 WC	WORKERS COMP				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	153.32					
	TRAUMA NURSE CLINICAL	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	332.54					
	PAINTER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	389.31					
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	207.20					
	AIDE, DIETARY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.75		PTO-S	112.65					
	PRACT, SR RESP CARE-12+	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	59.67 CLOA	CONTINUOUS LEAVE				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6		PTO-U	3.02					
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	105.10					
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	403.18					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	21.98					
	CLS - PD 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	531.92					
	DISCHARGE PLANNER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	81.02					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	575.61					
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	194.77					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	SECTY, UNIT-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	101.02					
	CLERK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	112.90					
	RN 112 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	23.03 ILQA	INTERMITTENT LEAVE				
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6		PTO-U	26.22					
	RADIATION THERAPIST PC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	CERT NURSING ASST-12HI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	110.88					
	ELECTRICIAN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	184.65					
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	197.01					
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	91.49					
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	238.84					
	RN 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	0.00 WC	WORKERS COMP				
	RN 112HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWO	Part Time Wage Option	0.45		FNOAC	0.00					
	CLS - PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	168.99					
	RN - ACUTE DIALYSIS 12HI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	8.89					
	CERTIFIED PHLEB TECHNIK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	225.12					
	INV CONTROL CLERK-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	75.18					
	CLINICAL DIR-IMAGING SV	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	127.00					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	108.90					
	CERTIFIED LACTATION ED	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	2.94					
	RN 112HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	8.83					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	142.25					
	ASSISTANT CFO	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular	1		LPTO	0.00					
	TECH, ULTRASOUND	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	269.39					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	365.39					
	RN 112HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	404.04					
	TECH, SURGICAL - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	SUPP-LABORATORY 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular	1		FFPTO	53.73					
	CLERK, ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	140.55					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	355.85					
	CLS-10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	132.17					
	CERT NURSING ASST-12HI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	19.81					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	27.35					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	248.61					
	TECH, RADIOLOGY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	133.36					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	12.85					
	LVN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEIM	Per Diem	0.013		FNOAC	0.00					
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	398.75					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.75		PTO-S	65.16					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	83.82					
	CERTIFIED PHLEB TECHNIK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.5		PTO-S	10.97					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	43.56					
	ADMINISTRATOR-SKILLED	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1	</							



Page 29



	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	20.56					
	PRACT, RESP CARE WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTWO	Full Time Wage Option	0.9		FNOAC	0.00					
	TECH, OB SURGICAL 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	68.44					
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	202.71					
	CLERK, ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	251.99					
	TRANSPORTER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	239.95					
	TECH, ULTRASOUND	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.75		PTO-S	191.72					
	RN 1 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEM	Per Diem	0.013		FNOAC	0.00					
	MENTAL HEALTH WORKER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	ASST, EXECUTIVE COORD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	95.32					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.8		PTO-S	92.54					
	CLINICAL SUPV	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	61.43					
	PRACT, SR RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	TECH, EMERGENCY MED I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	ASST, PT CERT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.7		PTO-S	418.08					
	MAP RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	0.00 CLOA	CONTINUOUS LEAVE				
	TECH, EMERGENCY MED I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTWO	Full Time Wage Option	0.9		FNOAC	0.00					
	TECH, HEALTH CARE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	152.15					
	CLINICAL SUPV-MEDSURG	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	0.00 CLOA	CONTINUOUS LEAVE				
	RN 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	6.74					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	42.84					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	394.83					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	255.93					
	TECH, RADIOLOGY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	203.44					
	LVN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	62.50					
	ASST, DEPT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	0.00 WC	WORKERS COMP				
	COOK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	299.83					
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	287.72					
	SECTV, SR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	199.76					
	MSW/MFT-MEDICAL SOCI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	122.30					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	34.81					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	200.34					
	CERTIFIED PHLEB TECHNIC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	183.60					
	LVN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	171.25					
	CASHIER - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	TRANSPORTER - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	12.28					
	LVN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	16.50					
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		FFPTO	0.00 MD	MEDICAL				
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEM	Per Diem	0.013		FNOAC	0.00					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	93.68					
	RN 12 HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Part Time Wage Option	0.45		FNOAC	0.00					
	HOUSEKEEPING TECH-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	521.04					
	CLERK, ADMITTING-PT UN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTNON	Part Time Non-Benefitted	0.5		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	116.53					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	271.47					
	TECH, CRITICAL CARE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	351.95					
	PRACT, SR RESP PD 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	RN CASE MGR II 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	177.81					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	87.22					
	ASST, OFFICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	133.33					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	144.26					
	SR LOA/MC COORDINATOR	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	16.01					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	EXM	UNAC	FTREG	Full Time Regular	0.9		PTO-U	262.72					
	PRACT, RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	TRANSPORTER - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6		PTO-U	52.15					
	TECH, ULTRASOUND	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	78.81					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	173.48					
	RN CASE MGR 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1		PTO-U	349.96					
	PRACT, NEONATAL RESP C	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	182.10					
	RADIATION THERAPIST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	209.73					
	SUPV-ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	45.74					
	HOUSEKEEPING TECH-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	16.30					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	98.39					
	CLINICAL SUPV-MATERNI	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	124.10					
	INFECTION PREVENTION	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	47.12					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	20.52					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	210.67					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	525.52					
	CLS - PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEM	Per Diem	0.013		FNOAC	0.00					
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	59.87					
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	145.15					
	PRACT, NEONATAL RESP C	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	15.96					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	456.27					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	336.32					
	LVN II-12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	124.99					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	217.62					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	93.86					
	CLS - PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEM	Per Diem	0.013		FNOAC	0.00					
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		PTO-S	459.96					
	CERTIFIED PHLEB TECHNIC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.6		PTO-S	142.31					
	MSW/MFT-MEDICAL SOCI	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	119.00					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	353.96					
	COMMUNITY HEALTH PRSE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTNON	Part Time Non-Benefitted	0.5		FNOAC	0.00					
	CSW / LMFT-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEM	Per Diem	0.013		FNOAC	0.00					
	TECH, EMERGENCY MED -	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	81.21					
	HOUSEKEEPING TECH-PT I	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTNON	Part Time Non-Benefitted	0.5		FNOAC	0.00					
	ASST, LAB	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	303.01					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	61.87					
	CERT NURSING ASST 12 H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	168.24					
	CHAPLAIN SERVICES	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	230.18					
	SECTV, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	74.45					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG										



Page 31



	SECTY, UNIT 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	340.52	ILOA	INTERMITTENT LEAVE			
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6			PTO-U	16.37					
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	92.11					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	73.65					
	RN 12HR NEW GRAD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	67.31					
	SECURITY LIASON, ER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	0.00	CLOA	CONTINUOUS LEAVE			
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	115.34					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	167.98					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	262.88					
	PHARMACIST-PD 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	0.013			FNOAC	0.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1			PTO-U	19.73					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	71.60					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	10.33					
	CLINICAL SUPV-BEHAV HL	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1			FFPTO	324.00					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	245.31					
	TECH, CENTRAL SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	71.28					
	CLERK, PRE-REGISTRATIO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	573.93					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	126.52					
	EXECUTIVE CHEF	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1			FFPTO	40.00					
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	155.17					
	DISCHARGE PLANNER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	19.68					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	22.55					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	11.13	ILOA	INTERMITTENT LEAVE			
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	69.87					
	TECH, C T - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem	0.013			FNOAC	0.00					
	TECH, RADIOLOGY-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	TECH, ULTRASOUND-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	403.61					
	SUPV-ADMIN HOUSE	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	0.9			FFPTO	50.67					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.8			PTO-U	234.17					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	51.17					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	106.19					
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9			FNOAC	0.00					
	MENTAL HEALTH WORKER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	433.77					
	DIETICIAN	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			FFPTO	81.80					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	64.55					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	94.96					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	203.96					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular	0.6			PTO-U	494.61					
	RN - ACUTE DIALYSIS 12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	26.50					
	RN 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	1			PTO-U	196.12					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	203.12					
	PRE-HOSP CARE DATA SPT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FNOAC	0.00	CLOA	CONTINUOUS LEAVE			
	CLINICAL SUPV-TELEMETR	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1			FFPTO	64.30					
	LVN - 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	512.83					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	71.84					
	TECH, ULTRASOUND-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	COOK, GRILL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	75.94					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	77.53					
	CLS-8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	32.05					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	88.76					
	PRACT, SR RESP CARE PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	PHARMACIST-PD 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	0.013			FNOAC	0.00					
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTWO	Part Time Wage Option	0.6			FNOAC	0.00	WC	WORKERS COMP			
	DISCHARGE PLANNER PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	PRACT, SR RESP CARE-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	53.35					
	TRAUMA NURSE CLINICIA	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			FFPTO	17.69					
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	72.08					
	PHARMACIST-10 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	451.94					
	PHARMACIST-10 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	543.45					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	255.83					
	WORKER, FOOD SERVICE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	77.16					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	364.40					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem	0.013			FNOAC	0.00					
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option	0.9			FNOAC	0.00	ILOA	INTERMITTENT LEAVE			
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	28.96					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	0.00	CLOA	CONTINUOUS LEAVE			
	TECH,CERTPD HEMODIAL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem	0.013			FNOAC	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEH	Per Diem	0.013			FNOAC	0.00					
	RN CASE MGR 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.75			PTO-U	75.77					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	495.37					
	CLS-10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	491.57					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	25.22					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	50.71					
	CERTIFIED PHLEB TECHN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	117.09					
	TRAUMA RESOURCE SPEC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			FFPTO	42.14					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	532.28					
	TECH, OB SURGICAL 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	23.78					
	TECH, RADIOLOGY-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	266.99					
	TECH, MRI-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	HOUSEKEEPING TECH-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEH	Per Diem	0.013			FNOAC	0.00					
	TECH, PAR LEVEL	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	574.39					
	FINANCIAL COUNSELOR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	378.66					
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	0.00	CLOA	CONTINUOUS LEAVE			
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9			PTO-U	38.77					
	SUPV-SURGERY SUPPLY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular	1			FFPTO	498.24					
	SCHED, SURGERY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	305.97					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	11.69					
	CLERK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular	0.75			PTO-S	71.86					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt														



	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	125.35				
	TRANSPORTER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	441.48				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	24.89				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	35.90				
	SUPV-SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			FFPTO	395.17				
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEM	Per Diem		0.013			FNOAC	0.00				
	CLERK, ADMITTING - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem		0.013			FNOAC	0.00				
	TECH, SURGICAL 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	31.08				
	TECH, EMERGENCY MED-	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	261.91				
	TECH, PHARMACY-PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEM	Per Diem		0.013			FNOAC	0.00				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6			PTO-U	66.00				
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	219.07				
	SUPV-RESPIRATORY ADUL	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			FFPTO	99.57				
	PRINTER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			FFPTO	274.54				
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	66.59				
	ASST, CASE MANAGEMEN	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	TEMP	Temp		1			FNOAC	0.00				
	PRACT, SR RESP CARE-12	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	81.37				
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	15.50	ILOA	INTERMITTENT LEAVE		
	PRACT, RESP CARE-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	422.52				
	RN-MOBILE UNIT/NOBIA	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			FFPTO	146.39				
	RN CASE MGR 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1			PTO-U	57.34				
	SUPV-EVS	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			FFPTO	48.89				
	RN II 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	208.73				
	WORKER, FOOD SERVICE- DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem		0.013			FNOAC	0.00					
	PRACT, RESP CARE SR 12h	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	279.90				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	131.01				
	LVN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular		0.6			PTO-S	15.50				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTWO	Full Time Wage Option		0.5			FNOAC	371.29				
	Clinical SUPV-BEHAV HL	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			FFPTO	106.11				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	109.54				
	COORD, DATA MNGMNT	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	PDIEM	Per Diem		0.013			FNOAC	0.00				
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	62.89				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	14.25				
	RN 12HR SPEC TRAINING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	88.83				
	Clinical SUPV-NICU	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			FFPTO	5.32				
	PRACT, RESP CARE-12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular		0.6			PTO-S	173.00				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	0.00	CLOA	CONTINUOUS LEAVE		
	ATTEND, COMMUNICATC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.8			PTO-S	71.48				
	ASST, DEPT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	123.79				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.45			PTO-U	0.00				
	CLERK - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PDIEM	Per Diem		0.013			FNOAC	0.00				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	105.70				
	Clinical SUP-LABOR & D	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			FFPTO	25.78				
	RN CASE MGR II PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEM	Per Diem		0.013			FNOAC	0.00				
	PRACT, NEONATAL RESP C	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	72.55				
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		0.9			FNOAC	0.00				
	Clinical SUPV	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			FFPTO	75.58				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1			PTO-U	144.23				
	TECH, ULTRASOUND	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	223.40				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	427.03				
	PHARMACIST-10 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			FFPTO	466.10				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	42.84				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	158.99				
	EDUCATOR, CLINICAL-8H	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1			FFPTO	0.00	CLOA	CONTINUOUS LEAVE		
	RN II 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEM	Per Diem		0.013			FNOAC	0.00				
	RN CASE MGR II 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1			PTO-U	149.46				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	29.58				
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	136.45				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	118.37				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	510.65				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	35.55				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	21.30				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	51.62				
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	279.55				
	RN 12HR WO	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		0.9			FNOAC	0.00	WC	WORKERS COMP		
	OFFICER, SECURITY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			FFPTO	0.00	WC	WORKERS COMP		
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PTREG	Part Time Regular		0.6			PTO-U	17.81				
	CERT NURSING ASST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	88.19				
	CLERK, ADMITTING	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	102.40				
	AIDE, DIETARY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.5			PTO-S	20.09				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1			PTO-U	150.42				
	TECH, PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	210.16				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	74.00				
	STAFFING SPECIALIST	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular		0.6			FFPTO	342.44				
	TRAUMA RESOURCE SPEC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			FFPTO	9.00				
	SECTV, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	15.24				
	TECH, CRITICAL CARE	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	261.31				
	COOK	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	91.49				
	Clinical MGR-EMERGEN	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1			FFPTO	184.00				
	RN CASE MGR PD 8 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDIEM	Per Diem		0.013			FNOAC	0.00				
	CERT NURSING ASST-12H	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	23.30				
	RN CASE MGR II 12 HR W	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTWO	Full Time Wage Option		0.9			FNOAC	0.00				
	VP-SURGICAL & CARDIO S	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular		1			LPTO	0.00				
	ATTEND, COMMUNICATC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	139.35				
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	0.00	CLOA	CONTINUOUS LEAVE		
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	95.11				
	RN 8HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		1			PTO-U	39.36				
	RN 10HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular		0.9			PTO-U	34.28				
	Clinical MGR-NICU & PE	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1			DMPTO	135.06				
	ASST, DEPT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	239.51				
	DISCHARGE PLANNER	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	68.72				
	SECTV, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	PTREG	Part Time Regular		0.6			PTO-S	117.21				
	PRACT, SR RESP CARE-12	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	10.81				
	DIR-CHILDRNS CNSUNG	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1								



	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	47.11					
	TECH, SURGICAL - PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDDEM	Per Diem	0.013		FNOAC	0.00					
	CLINICAL SUPV-ICU	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		FFPTO	48.23					
	DIR PHARMACY	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	566.27					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	259.82					
	AIDE, DIETARY	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	126.96					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00					
	CERTIFIED PHLEB TECHNIC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	116.19					
	RN 12 HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	35.61					
	CERTIFIED PHLEB TECHNIC	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	15.38					
	SECTY, UNIT	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	102.87					
	TECH, C T	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.75		PTO-S	171.68					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	75.79					
	TECH, RAD MAMMOGRAPH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	472.19					
	HOUSEKEEPING TECH	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUS	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	89.71					
	RN 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	78.98					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	0.00					
	RN 12HR PD	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	PDDEM	Per Diem	0.013		FNOAC	0.00					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	108.75					
	ASSISTANT CNO	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular	1		LPTD	0.00					
	PRACT, SR RESP CARE-12	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Part Time Regular	0.6		PTO-S	87.07					
	COORD, SCHOOL BASED	DSF	ST. FRANCIS MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		FFPTO	132.72					
	RN I 12HR	DSF	ST. FRANCIS MEDICAL CENTER	Non-Exempt	UNAC	UNAC	FTREG	Full Time Regular	0.9		PTO-U	222.38	ILOA	INTERMITTENT LEAVE			
	RN, POB DIALYSIS PD-3	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDDEM	Per Diem	0.013		VLVL5	0.00					
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	70.55					
	RN COORD, TRANSPLANT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	530.46					
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	84.78					
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	67.86					
	RN, EMERGENCY ROOM F	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDDEM	Per Diem	0.013		VLVL5	0.00					
	RN COORD, TRANSPLANT	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	66.22					
	MGR, CLINIC OPERATIONS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		VLVL3	303.30					
	CLINICAL LAB SCIENTIST	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	109.35					
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	21.63					
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	7.38					
	RN, AUDITOR - EMER. ROI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	111.93					
	RN, EMERGENCY ROOM F	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDDEM	Per Diem	0.013		VLVL5	0.00					
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	165.87					
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	87.41					
	DIR, NEPHROLOGY & ONC	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	149.46					
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	24.34					
	RN, EMERGENCY ROOM F	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDDEM	Per Diem	0.013		VLVL5	0.00					
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	22.73					
	RN, COUNSELOR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	167.99					
	SUPV, IMAGING SVCS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		VLVL3	256.20					
	TECH, PHLEB CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	210.95					
	COORD, ADMINISTRATIVE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	22.14	ILOA	INTERMITTENT LEAVE			
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	80.54					
	CHARGE NURSE, SHORT S	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	485.94					
	UNIT SECRETARY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	128.83					
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	34.46					
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	77.81					
	LEAD RN	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular	1		VFPTU	103.66					
	TECH, CENTRAL SERVICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	59.49					
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	90.21					
	TECH, CRITICAL CARE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	62.24					
	RN CASE MANAGEMENT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	29.98					
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	113.09					
	REP, CLINICAL REGISTRAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	159.08					
	DIR, MATERIALS MANAGE	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	80.00					
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	52.95					
	DIR, MED/SURG UNIT 6	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	267.92					
	CLINICAL LAB SCIENTIST-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDDEM	Per Diem	0.013		VLVL5	0.00					
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VLVL5	60.16	MD	MEDICAL			
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	47.96					
	CHARGE NURSE, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	135.55					
	EDUCATOR, LEAD CLINICA	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VLVL3	130.24					
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	11.38					
	COORD, LOA/WC	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	51.96					
	COORD, HRIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTO	72.13					
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	86.48					
	CLINICAL LAB SCIENTIST-N	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VLVL3	339.41					
	RN, SHORT STAY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VLVL5	155.95	CA	CFRA - CA FAMILY/MEDICAL			
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	71.17					
	RN COORD, TRANSPLANT	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	130.56					
	COORD, SOCIAL WRK PRG	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		VFPTU	130.51	ILOA	INTERMITTENT LEAVE			
	DIR, PHYSICIAN RELATION	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	0.00					
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		V202U	7.39					
	CLERK, STOREROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	8.89					
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	51.54					
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	26.17					
	RN, INTERVENTIONAL RAI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	33.94					
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		V202U	143.75					
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	110.70					
	COORD, CARE EXPERIENC	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	268.64					
	CLERK, STOREROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUI	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	105.53					
	RN COORD, TRANSPLANT	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	147.06					
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	58.68					
	RN, MED/SURG 7 KP	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	71.81					
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	69.18					
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	57.81					
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	122.53					
	CHARGE NURSE, SURG & I	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	436.57					
	TECH, SURGICAL	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	36.05					
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	84.16					
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	139.48					
	RN CASE MANAGEMENT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	21.80					
	TECH, PHARMACY																



Page 35



Sign-On/Rt 3/22/2019	Sign-On/Rt 9/20/2019
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	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	7.38				
	RN, TELEMETRY PD-1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	TRANSPORTER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	263.04				
	RN CASE MANAGEMENT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VFPTU	178.25				
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VFPTU	129.12				
	ASST, MEDICAL	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	135.45				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	92.81				
	TECH, HEMODIALYSIS (CEI)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	93.94				
	UNIT SECRETARY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	17.02				
	CHARGE NURSE, GI LAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VFPTU	68.25				
	RN, ONCOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VFPTU	44.11				
	RN, POB DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	52.42				
	CHARGE NURSE, ONCOLO	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	143.84				
	PHARMACIST-8HR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		VFPTU	106.77				
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	22.14				
	TECH, RADIOLOGY SPEC	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	209.37				
	RN, SURG & RECOVERY PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	ASST, LAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	35.56				
	DIR, ICU	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTD	0.00				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	35.46				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	369.62				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	156.54				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	22.15				
	SUPV, PHARMACY TECH	DSV	ST. VINCENT MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1		VLVL3	117.85				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	68.17				
	CHIEF FINANCIAL OFFICER	DSV	ST. VINCENT MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular		1		LPTD	0.00 MD			MEDICAL	
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	98.90				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	68.56 WC			WORKERS COMP	
	TRANSPORTER-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	21.91				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	554.44				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	10.98				
	TECH, CT-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	RN, NURSING ADMIN	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	7.39				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	410.22				
	ANALYST, CLINICAL INFO	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		VLVL3	48.28				
	DIR, ED (INTERIM)	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTD	0.00				
	TECH, ULTRASOUND-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	PHYSICIAN ASSISTANT	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		VLVL3	305.68				
	TECH, SURGICAL	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	57.52				
	TRANSPORTER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	188.06				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	62.15				
	TECH, CYTO	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	552.83				
	CLERK, STOREROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	556.92				
	CLINICAL COORD RN, ORT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Part Time Regular		0.6		VFPTU	14.76				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VLVL5	143.87 PG			PREGNANCY	
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	77.64				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		0.9		VLVL5	0.00 MD			MEDICAL	
	TECH, PRESS CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	16.65				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	90.30				
	TECH, HEMODIALYSIS-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	CLERK, PRE-REGISTRATION	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	111.91				
	TECH, RADIOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	326.00				
	TRANSPORTER-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	102.40				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	384.03 MD			MEDICAL	
	TECH, PHARMACY-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	24.97				
	RN, SHORT STAY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VFPTU	22.75				
	TRANSPORTER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	38.76 MD			MEDICAL	
	REP, CLINICAL REGISTRAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	331.75				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	523.60				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	163.32				
	RN, CATH LAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	15.37				
	DIR, RISK MGMT	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTD	7.36				
	TECH, RADIOLOGY-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	12.21				
	RN, ONCOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	53.40				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	482.12				
	DOSMETRIST	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		VFPTU	456.60				
	DIR, TRANSPLANT SVCS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1		LPTD	0.00				
	REP, CLINICAL REGISTRAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	96.38				
	PHARMACIST-8HR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		VLVL4	192.77				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	77.65				
	UNIT SECRETARY 12/40-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	SUPV, PUBLIC SAFETY SHI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular		1		VFPTU	81.40 ILOA			INTERMITTENT LEAVE	
	SECURITY OFFICER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		VFPTU	244.27 MD			MEDICAL	
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	38.70				
	CLINICAL LAB SCIENTIST	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		VFPTU	369.92				
	CHARGE NURSE, MED/SUI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	159.62				
	TECH, RADIOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	145.14				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	23.41				
	TECH, CENTRAL SERVICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	47.12				
	PHYSICIAN ASSISTANT-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEIM	Per Diem	0.013			VLVL5	0.00				
	MGR, STERILE PROCESS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		VLVL5	0.00 WC			WORKERS COMP	
	SPEC, AUTHORIZATION	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	327.07				
	REP, SCHEDULE/PRE-ADI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	26.67				
	FINANCIAL COUNSELOR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	13.01				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	24.48				
	SUPV, CLINIC OPERATION	DSV	ST. VINCENT MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1		VLVL3	434.76				
	CLERK, LABORATORY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	142.05				
	REP, CLINICAL REGISTRAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	67.21				
	RN COORD QUALITY TRAA	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		VLVL3	144.38				
	TECH, SURGICAL	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	18.67				
	TECH, RADIOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular		1							



	TECH, RADIOLOGY-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013		VLVLS	0.00							
	TECH, EMERGENCY MED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	24.00							
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	20.92							
	TECH, PHLEB CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	107.88							
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	96.78							
	RN, MED/SURG 7 KP	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	133.64							
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	493.44							
	TECH, CT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	368.88							
	TECH, NUC MEDICINE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	348.06							
	RN, ONCOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	275.59							
	RN, ICU PD-3	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem	0.013		VLVLS	0.00							
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	231.80	ILOA	INTERMITTENT LEAVE					
	SUPV, NURSING ADMIN/1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	PODEM	Per Diem	0.013		VLVLS	0.00							
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	7.38							
	TECH, PHLEB CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	202.10							
	CLINICAL SOCIAL WORKER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	24.56							
	UNIT SECRETARY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	177.47							
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	468.90							
	TECH, HEMODIALYSIS-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013		VLVLS	0.00							
	MGR, PUBLIC SAFETY	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		VLVLS	149.62							
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	12.27							
	ATTEND, COMMUNICATIO	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	18.44							
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	89.83							
	TECH, SURGICAL SR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	129.15							
	MGR, CLINIC OPERATION	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		VLVLS	60.80							
	SUP, HUMAN RESOURCES	DSV	ST. VINCENT MEDICAL CENTER	Exempt	ADM	Non-Union, Administration	FTREG	Full Time Regular	1		LPTD	158.12							
	SECURITY OFFICER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	0.00							
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	111.54							
	MGR, PATIENT ACCESS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		VLVLS	160.48							
	RN, CATH LAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	291.02							
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	77.34							
	TECH, CT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	94.40							
	TECH, NUC MEDICINE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	330.18							
	TECH, SURGICAL	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	9.78							
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	9.78							
	UNIT SECRETARY-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013		VLVLS	0.00							
	PHYSICIAN ASSISTANT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVLS	157.38							
	SECURITY OFFICER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	192.88							
	PHARMACIST-PD-SHR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem	0.013		VLVLS	0.00							
	RN, ONCOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	19.28							
	TECH, PHLEB CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	177.36							
	SUPV, LABORATORY	DSV	ST. VINCENT MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1		VFPTU	24.08							
	SECURITY OFFICER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	306.42							
	PHARMACIST-PD-SHR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem	0.013		VLVLS	0.00							
	RN, EMERGENCY ROOM P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem	0.013		VLVLS	0.00							
	COORD, STAFFING	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	287.35							
	TRANSPORTER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PTREG	Part Time Regular	0.5		PTO-S	86.21							
	TECH, HEALTH CARE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	280.47							
	RN, SHORT STAY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	9.85							
	TECH, HEMODIALYSIS (CEI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	183.14							
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	201.74							
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VLVLS	2.76	MD	MEDICAL PREGNANCY					
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VLVLS	0.00	PG						
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	272.17							
	TECH, RAD/MAMMOGRAM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013		VLVLS	0.00							
	REP, CLINICAL REGISTRAT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	312.49							
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	45.80							
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	23.88							
	RN, MED/SURG 7 KP	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	31.60							
	COORD, CONTRACTS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	7.38							
	TRANSPORTER-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013		VLVLS	0.00							
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	69.95							
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	285.07							
	DIR PERIOPERATIVE SVCS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	0.00							
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	328.05							
	RN, SHORT STAY 12HR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	423.92							
	DIR MEDICAL STAFF	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTD	16.96							
	TECH, PHLEB CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	108.55							
	SECURITY OFFICER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	0.00							
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	112.13							
	TECH, EMERGENCY MED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	416.00							
	SOCIAL WORKER MSW-PT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013		VLVLS	0.00							
	TRANSPORTER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	431.00							
	REP, SCHEDULER/PRE-ADI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	11.06							
	TECH, CENTRAL SERVICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	135.57							
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.6		V020U	5.52							
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	180.43							
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	15.93							
	RN, ICU PD-1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem	0.013		VLVLS	0.00							
	TECH, ANESTHESIA	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	8.89							
	COORD, OFFICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	157.50							
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	96.60							
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	294.16							
	RN, SURG & RECOVERY 2	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	25.18							
	TECH, CT-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PODEM	Per Diem	0.013		VLVLS	0.00							
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	12.05							
	PHARMACIST-SHR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	217.59							
	PHARMACIST, TRANSPLA	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	49.46							
	RN, SHORT STAY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	149.63							
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	126.56							
	RN, MED/SURG 7	DSV																	



	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	8.92				
	CHARGE NURSE, TELEMET	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	58.10				
	RN, MED/SURG 7 KP	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	97.74				
	RECEPTIONIST	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	353.85				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	43.81				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	64.56		Sign-On/Re 3/22/2019		Sign-On/Re 9/20/2019
	DIR PHARMACY	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	111.18				
	DIR, DIALYSIS SVCS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1		LPTO	115.96				
	TECH, ECHO	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	86.40				
	RN, MED/SURG 7 KP	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	243.34				
	RN, TELEMETRY PD-2	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	POIEM	Per Diem	0.013		VLVL5	0.00				
	CLINICAL SOCIAL WORKER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	9.71				
	SPEC, PT REL (KOREAN)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTNON	Part Time Non-Benefited	0.45		VLVL5	0.00				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	124.81				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	275.97				
	SUPV, NURSING ADMIN/1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	POIEM	Per Diem	0.013		VLVL5	0.00 PR	PERSONAL			
	ANALYST, FINANCIAL SR.	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	121.20				
	TECH, RADIOLOGY SPEC	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	64.46				
	TECH, RAD/MAMMOGRAM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	43.41				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	302.28				
	ASST, OFFICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		PTO-S	19.10				
	COORD, RESEARCH	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		PTO-S	106.58				
	CLINICAL COORD RN, POB	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	222.54				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	419.73				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	196.32				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	53.52				
	CLINICAL COORD RN, ORT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	67.07				
	PRACTITIONER, RESP PD-1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	POIEM	Per Diem	0.013		VLVL5	0.00				
	RN, ONCOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	22.96				
	TECH, PHARMACY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	34.89				
	TECH, PHARMACY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	183.57				
	REP, SCHEDULE/PRE-AD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	71.49				
	RN GI LAB-8/80	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	262.31				
	ANALYST, DECISION SUPP	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	465.22				
	CLINICAL LAB SCIENTIST N	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	207.32				
	COORD, POINT OF CARE 1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	17.90				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	254.46				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	344.24				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	226.47				
	TECH, PHARMACY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	233.46				
	TECH, RADIO INVAS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	245.23				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	149.40				
	RN, CATY LAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	191.91				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	127.26				
	RN, SHORT STAY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	26.54				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	56.44 ILOA	INTERMITTENT LEAVE			
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	79.39				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	361.26				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	99.61				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	240.54				
	TECH, BIOMED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	60.84				
	RN, MED/SURG 7 KP	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	283.77				
	TECH, HEMODIALYSIS (CI)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	58.16 MD	MEDICAL			
	RN, POB DIALYSIS PD-2	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	POIEM	Per Diem	0.013		VLVL5	12.47				
	TECH, PHARMACY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	17.28				
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	193.67				
	RN CASE MANAGEMENT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	344.42				
	RN CASE MANAGEMENT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	7.80				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	14.76				
	RN, ACUTE DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	22.00				
	RN, ACUTE DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	66.74				
	CHARGE NURSE, TELEMET	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	296.40				
	RN, SHORT STAY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	187.26				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	12.41				
	TECH, CENTRAL SERVICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	48.01				
	PHARMACIST-SHR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	167.36				
	RN, POB DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	36.32				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		V202U	10.45				
	RN, POB DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	104.63				
	RN, MED/SURG 7 KP	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VFPTU	259.72				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	144.76				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	183.69				
	TECH, DIAG ULTRASOUND	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	23.38				
	RN, SHORT STAY 12HR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	19.37				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	176.81				
	SPEC, AUTHORIZATION	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	187.79				
	MGR, QUALITY MANAGER	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1		VLVL3	40.12				
	COORD, MEDICAL STAFF	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	55.80				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	51.58				
	ATTEND, COMMUNICATK	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	11.88				
	TECH, CENTRAL SERVICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	9.35				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	0.6		PTO-S	86.11				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	35.67				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	0.9		PTO-S	147.25 ILOA	INTERMITTENT LEAVE			
	UNIT SECRETARY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	289.96				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	22.15				
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	183.54				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	16.38				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	278.52				
	TECH, SURGICAL	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	10.46				
	RN CASE MANAGEMENT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6		V202S	48.30				
	TECH, HEMODIALYSIS-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	POIEM	Per Diem	0.013		VLVL5	0.00				
	CLINICAL LAB SCIENTIST	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1		VFPTU	89.12				
	COORD, CLINICAL CARE	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1		VLVL3	323.52				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9		VFPTU	46.15				
	TECH, PHARMACY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUI1	SEIU-UHW	FTREG	Full Time Regular	1		PTO-S	437.55				
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1		VLVL5	129.03 MD	MEDICAL			
	RN, MED/SURG 7 PD-1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	POIEM	Per Diem	0.013		VLVL5	0.00 PG	PREGNANCY			
	PHYSICIAN ASSISTANT-PE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN											



	ASST, NURSING (CERTIFIED) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	126.36				
	RN, MED/SURG 7 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	39.66				
	ASST, NURSING (CERTIFIED) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular					PTO-S	485.07				
	DIR, TELEMETRY DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1			UPTD	329.85				
	UNIT SECRETARY 12/40 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	576.00				
	TECH, HEALTH CARE DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	368.46				
	TECH, PHLEB CERTIFIED DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	291.67				
	RN, MED/SURG 7 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	55.48				
	DEFTIAN, OUTPATIENT T DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular					VLVL3	485.48				
	TECH, CENTRAL SERVICE DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	426.76				
	RN, MED/SURG 7 KP DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	132.76				
	RN, ICU DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6			VZ02U	65.85				
	RN, ICU DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VLVL5	107.40 MD	MEDICAL			
	MGR, CATH LAB DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular		1			VFPTU	95.21				
	TECH, HEMODIALYSIS (CEI) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular					PTO-S	134.49				
	RN, EMERGENCY ROOM F DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			VLVL5	0.00				
	RN, ICU DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	99.60				
	RN, ONCOLOGY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	49.80				
	RN, MED/SURG 6 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	80.60				
	RN, ICU DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	234.85				
	TECH, MRI DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular					PTO-S	10.46				
	REP, CLINICAL REGISTRAT DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular					PTO-S	415.53				
	CLINICAL LAB SCIENTIST-P DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013			VLVL5	0.00				
	SUPV, NURSING ADMIN-1 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular					VFPTU	129.74				
	TECH, ULTRASOUND-PD DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PODEM	Per Diem		0.013			VLVL5	17.78				
	TECH, HEMODIALYSIS (CEI) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	61.11				
	SUPV, CENTRAL SVCS & SI DSV	ST. VINCENT MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			VFPTU	235.35				
	SUPV, RESPIRATORY DSV	ST. VINCENT MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular		1			VLVL3	55.45				
	TECH, PHLEB CERTIFIED DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	464.54				
	SECURITY OFFICER DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			VFPTU	61.75				
	RN, ICU DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	20.14				
	TECH, HEMODIALYSIS (CEI) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular					PTO-S	220.84				
	TECH, PHLEB CERTIFIED DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	108.25				
	ASST, NURSING (CERTIFIED) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	561.84				
	TECH, CT DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PTREG	Part Time Regular		0.75			PTO-S	72.62				
	MGR, CARDIOLOGY CLINI DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1			VLVL3	314.60				
	ASST, NURSING (CERTIFIED) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular					PTO-S	225.49				
	RN, MED/SURG 7 KP DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	54.16				
	TECH, CT DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	196.83				
	ASST, DEPT DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	104.23 ILOA	INTERMITTENT LEAVE			
	CONSIGERGE, SERVICE LINE DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular					VFPTU	15.39				
	TECH, HEMODIALYSIS (CEI) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	216.55				
	RN, INTERVENTIONAL NAL DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1			VFPTU	242.09				
	PRACTITIONER, RESP CAR DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	358.90				
	TECH, HEALTH CARE DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	117.85				
	TECH, SURGICAL SR DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	130.88				
	RN CASE MANAGEMENT DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	105.29				
	RADIATION THERAPIST DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	266.88				
	CHARGE NURSE, ICU DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	23.38				
	ASST, NURSING (CERTIFIED) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	57.54				
	UNIT SECRETARY 12/40-P DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PTNON	Part Time Non-Benefited		0.6			VLVL5	0.00				
	UNIT SECRETARY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			VLVL5	401.26 MD	MEDICAL			
	TECH, RADIOLOGY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	181.39				
	UNIT SECRETARY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	212.68				
	TECH, SURGICAL DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	10.08				
	TECH, CENTRAL SERVICE DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	286.37				
	ANALYST, MEDICAL STAFF DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			VFPTU	19.93				
	TECH, HEMODIALYSIS (CEI) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9			PTO-S	144.53				
	TECH, CENTRAL SERVICE DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	85.48				
	RN, CATH LAB DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1			VFPTU	162.69				
	RN, ICU DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	7.38				
	RN, EMERGENCY ROOM DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular		0.6			VFPTU	0.00				
	RN, SURG & RECOVERY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1			VFPTU	52.86				
	PRACTITIONER, RESP PD-1 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PODEM	Per Diem		0.013			VLVL5	0.00				
	ASST, NURSING (CERTIFIED) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	151.89				
	TECH, ANESTHESIA DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PTREG	Part Time Regular		0.5			PTO-S	75.25				
	COORD, HRIS DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			VFPTU	66.18				
	RN, EMERGENCY ROOM DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VLVL5	77.51 PG	PREGNANCY			
	COORD, DATA INFECTION DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			VFPTU	7.38				
	EXEC DIR, NURS OPS & HC DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular		1			UPTD	234.42				
	RN, MED/SURG 6 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	523.61				
	PHARMACIST-PD-8HR DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PODEM	Per Diem		0.013			VLVL5	0.00				
	RN, MED/SURG 7 PD-1 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			VLVL5	0.00				
	TECH, SURGICAL-PD DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PODEM	Per Diem		0.013			VLVL5	0.00				
	RN, ONCOLOGY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	66.69				
	TRANSPORTER PD DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PODEM	Per Diem		0.013			VLVL5	0.00				
	RN, CASE MANAGEMENT DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			VLVL5	0.00				
	RN, EMERGENCY ROOM F DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			VLVL5	0.00				
	PHYSICIAN ASSISTANT DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1			VLVL3	149.92				
	TRANSPORTER DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	101.68				
	RN COUNSELOR DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	222.13				
	TRANSCRIBER DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			VFPTU	375.49				
	TECH, SURGICAL SR DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	12.31 ILOA	INTERMITTENT LEAVE			
	RN, EMERGENCY ROOM DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VLVL5	427.67 WC	WORKERS COMP			
	ATTEND, COMMUNICATK DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	18.65				
	MGR, LAB OPS DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1			VLVL3	203.14 ILOA	INTERMITTENT LEAVE			
	ASST, NURSING (CERTIFIED) DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	51.14				
	RN, TELEMETRY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VLVL5	14.76 PG	PREGNANCY			
	RN, MED/SURG 6 PD-1 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PODEM	Per Diem		0.013			VLVL5	0.00				
	COORD, OFFICE DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1			VFPTU	10.45				
	RN, TELEMETRY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	197.16				
	ASST, DEPT DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	45.90				
	TECH, PHLEB CERTIFIED DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	90.00				
	RN, SURG & RECOVERY 2 DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1			VFPTU	32.10				
	RN, ACUTE REHAB DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9			VFPTU	44.22				
	UNIT SECRETARY DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1			PTO-S	15.64	</			



	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	159.64				
	EDUCATOR, DIABETES	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6			VLVL9	79.70				
	CLINICAL LAB SCIENTIST	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	53.22				
	PHARMACIST-SHR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	57.25				
	MGR, CORE LAB	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1			VLVL3	158.92				
	TECH, CT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	212.11				
	REP, CLINICAL REGISTRAT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	293.54				
	RN, EMERGENCY ROOM P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDTEM	Per Diem	0.013			VLVL5	0.00				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	64.56				
	REP, CLINICAL REGISTRAT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDTEM	Per Diem	0.013			VLVL5	0.00				
	RN, RECOVERY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	227.23				
	COORD, STAFFING	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.5			VFPTO	114.96				
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	10.14				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	179.59				
	TECH, HEALTH CARE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	41.79				
	SUPV, BLOOD BANK	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular	1			VLVL3	285.82				
	REP, CLINICAL REGISTRAT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	435.70				
	RN, TELEMETRY PD-1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDTEM	Per Diem	0.013			VLVL5	0.00				
	SUPV, HEMATOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular	1			VLVL3	272.95				
	DIR, ORTHOPEDIC SERVIC	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1			LPTO	67.05				
	UNIT SECRETARY 22/40-H	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDTEM	Per Diem	0.013			VLVL5	0.00				
	RN CASE MANAGEMENT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTO	40.89				
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	296.43 FM	FMLA - FED FAMILY/MEDIC			
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	403.35				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	22.14				
	ASST, NURSING (CERTIFI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	304.34				
	RN, POB DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VLVL5	54.94				
	RN, ACUTE DIALYSIS PD-3	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDTEM	Per Diem	0.013			VLVL5	0.00				
	RN, NURSING ADMIN	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	317.52				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	114.14				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	126.92				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Part Time Regular	0.9			V202U	57.73				
	RN, RECOVERY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	81.74				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	88.97				
	UNIT SECRETARY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	180.67				
	TECH, BIOMED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	60.84				
	ASST, NURSING (CERTIFI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	223.29				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	311.30				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	76.50				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	10.45				
	SUPV, PATIENT ACCESS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1			VLVL3	120.84				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	341.55				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	30.05				
	TECH, HEALTH CARE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	139.03				
	CLINICAL LAB SCIENTIST-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDTEM	Per Diem	0.013			VLVL5	0.00				
	RN, SURG & RECOVERY PI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDTEM	Per Diem	0.013			VLVL5	0.00				
	ASST, NURSING (CERTIFI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	108.55				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	25.84				
	TRANSPORTER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	107.21				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	7.38				
	TECH, ULTRASOUND	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	501.62				
	AGENT, PURCHASING	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VLVL3	323.42				
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTO	306.06				
	PHYSICIAN ASSISTANT	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			VLVL3	57.48				
	RN, SHORT STAY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	49.88				
	RN, ACUTE DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6			V202U	29.52				
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	47.36				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	112.30				
	TECH, PHLEB CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	187.86 PG	PREGNANCY			
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	10.45				
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	66.01				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	44.93				
	BUYER SR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	402.60				
	ASST, NURSING (CERTIFI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	206.63				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	195.73				
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	111.68				
	CLINICAL LAB SCIENTIST	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	161.26				
	RN, ICU PD-1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDTEM	Per Diem	0.013			VLVL5	0.00				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	20.27				
	REP, SCHEDULER/PRE-AD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	110.91 ILOA	INTERMITTENT LEAVE			
	COORD, OFFICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTU	108.42				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	24.08				
	TECH, PHLEB CERTIFIED-PI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDTEM	Per Diem	0.013			VLVL5	0.00				
	FIN COUNSELOR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	12.92				
	TECH, HEALTH CARE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	119.67				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	66.54				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	61.27				
	CLINICAL LAB SCIENTIST-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDTEM	Per Diem	0.013			VLVL5	0.00				
	RN, ONCOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	60.78				
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	75.17				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VLVL5	8.60 PG	PREGNANCY			
	COORD, MEDICAL STAFF	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDTEM	Per Diem	0.013			VLVL5	0.00				
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	123.45				
	SUPV, VOLUNTEER SVCS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	SUP	Non-Union, Supervisor Exempt	FTREG	Full Time Regular	1			VLVL3	474.22				
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	413.52				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	195.19				
	REP, CLINICAL REGISTRAT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	435.06				
	DISCHARGE PLANNER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	94.32				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	17.52				
	SOCIAL WORKER LCSW	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	167.93				
	COORD, QUALITY-LS-PD-1	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDTEM	Per Diem	0.013			VLVL5	0.00				
	PHARMACIST-SHR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	64.57				
	COORD, INST REVIEW Q	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			VLVL3	97.35				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEUT	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	149.20				
	CHARGE NURSE, EMERGE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	20.91				
	PHYSICIAN ASSISTANT-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDTEM	Per Diem									



Page 42



	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	22.16						
	REP, SCHEDULER/PRE-ADI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	43.85						
	TECH, HEMODIALYSIS (CI)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	171.21						
	SPEC, PHARMACY BUYER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			PTO-S	331.14						
	RADIATION PHYSICIST	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			VLVL3	426.30						
	RN, TELEMTRY - LOA (NC	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013			VLVL5	0.00 MD	MEDICAL					
	DIR, LABORATORY	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1			LPTO	110.92						
	RN, TELEMTRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	223.07						
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	7.39						
	TECH, PHLEB CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	130.69						
	PHARMACIST-SHR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	158.68						
	TECH, EEG	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	294.07						
	CHARGE NURSE, TELEMET	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	10.46						
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	25.81						
	COORD, QUALITY ASSURA	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	60.78						
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	7.38						
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VLVL5	137.73 MD	MEDICAL					
	CNICAL DIETITIAN-LOHR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PTREG	Part Time Regular	0.5			V202S	4.13						
	CONSIGERGE, SERVICE LINE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	25.18						
	SECURITY OFFICER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	0.00						
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	35.04						
	UNIT SECRETARY 12/40	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	25.01						
	RN, TELEMTRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	94.98						
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	196.37						
	PRACTITIONER, RESP PD-3	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00						
	TECH, HEMODIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	0.9			VLVL5	345.36 WC	WORKERS COMP					
	TECH, RADIOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	236.27						
	TECH, CARDIO INVAS-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00						
	RN, SHORT STAY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	25.20						
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	62.08						
	RN, TELEMTRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	63.64						
	TRANSPORTER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	285.35						
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	10.46 ILOA	INTERMITTENT LEAVE					
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	30.88						
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	63.46						
	PHARMACIST-PD-8HR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013			VLVL5	0.00						
	DIR, INFECTION CONTROL	DSV	ST. VINCENT MEDICAL CENTER	Exempt	DIR	Non-Union, Director	FTREG	Full Time Regular	1			LPTO	0.00						
	MGR, EMP HEALTH & WO	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular	1			VLVL3	218.54						
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	112.62						
	REP, CLINICAL REGISTRAT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	486.55						
	COORD, QUALITY SVCS	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular	1			VLVL3	40.29						
	TECH, CARDIO INVAS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	119.14						
	REP, SCHEDULER/PRE-ADI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PTREG	Part Time Regular	0.5			PTO-S	28.06						
	ASST, NURSING-PD (CERT)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00						
	RN, CASE MANAGER-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013			VLVL5	0.00						
	TECH, PHARMACY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	201.27						
	RN, ACUTE DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6			V202U	94.70						
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	271.54						
	TECH, CENTRAL SERVICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	248.85						
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	86.46						
	CHARGE NURSE, ONCOLO	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VLVL5	330.50 MD	MEDICAL					
	TECH, RADIOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	206.72						
	RN, TELEMTRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	23.94						
	COORD, STAFFING-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013			VLVL5	0.00						
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	94.55						
	CLERK	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PTREG	Part Time Regular	0.8			PTO-S	374.81						
	REP, CLINICAL REGISTRAT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	9.79						
	SECURITY OFFICER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	334.10						
	RN, MED/SURG 6 PD-3	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013			VLVL5	0.00						
	CASHER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	0.9			VFPTU	55.79						
	RN, TELEMTRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	184.77						
	TECH, PHLEB CERTIFIED-PI	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00						
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	448.08						
	TECH, RADIOLOGY SPEC	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	165.65						
	TECH, EMERGENCY MED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	280.04						
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	12.92						
	LEAD, NON-INVASIVE CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	136.07						
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	41.96						
	TECH, SURGICAL SR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	8.89						
	RN, ACUTE DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	121.09						
	TECH, HEALTH CARE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	123.28						
	TECH, PHLEB CERTIFIED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	97.79						
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6			V202U	53.51						
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	52.38						
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	95.04						
	CNICAL LAB SCIENTIST-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013			VLVL5	0.00						
	RN, EMERGENCY ROOM F	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013			VLVL5	0.00						
	PREVENTIONIST, INFECT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			VFPTO	18.78						
	CNICAL LAB SCIENTIST-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013			VLVL5	0.00						
	ASST, NURSING-PD (CERT)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00						
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	121.03 ILOA	INTERMITTENT LEAVE					
	COORD, DATA CASE MAN	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular	1			PTO-S	240.08						
	TECH, CENTRAL SERVICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PTREG	Part Time Regular	0.775			PTO-S	115.25						
	CLERK, STOREROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1			PTO-S	439.50						
	RN, EMERGENCY ROOM	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	156.38						
	RN, SURG & RECOVERY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	1			VFPTU	16.41						
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	162.36						
	TECH, CRITICAL CARE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	0.9			PTO-S	274.58						
	RN, MED/SURG 6	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular	0.9			VFPTU	63.54						
	DISCHARGE PLANNER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular	1	</									



	TECH, PHARMACY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	68.38				
	UNIT SECRETARY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	324.46				
	CLINICAL LAB SCIENTIST-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013			VLVL5	0.00				
	TECH, PHLEB CERTIFIED-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.12				
	ASST, ADMINISTRATIVE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		VFPTU	66.63				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	330.77				
	SUPV, CLINICAL	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SUPNE	Non-Union, Supervisor Non-Exempt	FTREG	Full Time Regular		1		VFPTU	0.00				
	COORD, OFFICE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		VFPTU	63.58				
	RN, POB DIALYSIS	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6			V202U	109.29				
	RN, CATH LAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VFPTU	96.59				
	RN, ONCOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	64.56				
	TECH, RADIOLOGY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	223.09				
	PRACTITIONER, RESP CAR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	9.82				
	PHARMACIST-8HR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	FTREG	Full Time Regular		1		VFPTU	260.22				
	ATTEND, COMMUNICATC	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6			V202U	31.14				
	CLINICAL LAB SCIENTIST-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013			VLVL5	0.00				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	18.08				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	66.36				
	SOCIAL WORKER LCSW	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	357.04				
	TECH, PHARMACY-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00				
	PHYSICIAN ASSISTANT	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		VLVL3	41.94				
	ASST, EXECUTIVE	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		VLVL3	46.36				
	TECH, DIAG ULTRASOUND	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	51.94				
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	118.98				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	15.65				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	65.79				
	ASST, NURSING (CERTIFIED)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1		VLVL5	0.00 MD MEDICAL				
	CLINICAL LAB SCIENTIST-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013			VLVL5	0.00				
	RN, TELEMETRY	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PTREG	Part Time Regular	0.6			V202U	114.47				
	TRANSPORTER	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	320.10				
	TECH, CRITICAL CARE	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	350.59				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	101.46				
	RN, ICU	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	125.63				
	RN, CASE MANAGER-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	PDIEH	Per Diem	0.013			VLVL5	0.00				
	RN, ACUTE REHAB	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	67.22				
	TECH, PHLEB CERTIFIED-P	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00				
	ASST, DEPT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	8.90				
	COORD, EXECUTIVE SR.	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		VLVL3	491.02				
	TECH, HEMODIALYSIS (CEI)	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	FTREG	Full Time Regular		0.9		PTO-S	20.48				
	TECH, RADIOLOGY-PD	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	PDIEH	Per Diem	0.013			VLVL5	0.00				
	RN, MED/SURG 7	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		0.9		VFPTU	259.13				
	PHARMACIST-PD-8HR	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	NCN	Non-Union, Non-Exempt	PDIEH	Per Diem	0.013			VLVL5	0.00				
	RN, SURG & RECOVERY 2	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	CNA	California Nurses Association	FTREG	Full Time Regular		1		VFPTU	7.37				
	TECH, CT	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	156.39				
	MGR, TRANSPLANT QUAL	DSV	ST. VINCENT MEDICAL CENTER	Exempt	MGR	Non-Union, Manager	FTREG	Full Time Regular		1		VLVL3	28.36				
	TECH, ULTRASOUND	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIUT	SEIU-UHW	FTREG	Full Time Regular		1		PTO-S	39.30				
	TECH, EMERGENCY MED	DSV	ST. VINCENT MEDICAL CENTER	Non-Exempt	SEIU1	SEIU-UHW	PTREG	Part Time Regular		0.6		PTO-S	50.95				
	ASST, EXECUTIVE	DSV	ST. VINCENT MEDICAL CENTER	Exempt	EXM	Non-Union, Exempt	FTREG	Full Time Regular		1		VLVL3	105.76				



## **Schedule 2.17 - Insurance**

*See attached folder “Schedule 2.17 - Insurance”*



**Schedule 2.17**  
**Verity Health System of California, Inc.**  
**Summary of Insurance**  
**As of 11/1/18**

Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Deductible/SIR	Claims Made/ Occurrence	Annual Premium (Excludes SLT)	Commission Offset	Surplus Lines Tax
<b>All Other Coverages</b>										
Commercial Property	American Guarantee and Liability Insurance Company (Zurich)	Verity Health System of California, Inc.	7/1/18-7/1/19	ZMD7067455-00	\$1,000,000,000 Loss Limit	\$100,000 Basic Policy Deductible Various Other Deductibles Apply	Occurrence	\$664,761 (Includes \$20,000 Engineering Fee)	N/A	N/A
Workers' Compensation and Employers Liability	Old Republic Insurance Company	Verity Health System of California, Inc.	7/1/18-7/1/19	MWC 313800-00	Workers' Compensation - Statutory Employers Liability - \$1,000,000 BI Each Accident \$1,000,000 BI Disease Each Employee \$1,000,000 BI Disease Policy Limit	\$500,000 Each Claim/Occurrence (Deductible)	Occurrence	\$2,044,515	N/A	N/A
Storage Tank Liability	ACE American Insurance Company (Chubb)	St. Vincent Medical Center; Saint Louise Regional Hospital; Seton Medical Center	10/1/18-10/1/19	UST G71182654 001	\$1,000,000 Per Storage Tank Incident \$1,000,000 Aggregate for ASTs \$1,000,000 Aggregate for USTs \$2,000,000 Aggregate Limit of Liability for All Storage Tank Incidents \$1,000,000 Aggregate Limit of Liability for Legal Defense Expenses \$3,000,000 Policy Aggregate	\$25,000 Per Storage Tank Incident (Deductible), Except \$50,000 Per Storage Tank Incident for Saint Louise UST	Claims Made	\$7,823 \$1,496 (Adding Seton)	(\$1,173) (\$224) (Adding Seton)	\$48
Commercial Automobile	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	Verity Health System of California, Inc.	10/1/18-10/1/19	087-15-98	\$1,000,000 Combined Single Limit	\$1,000 Comprehensive \$1,000 Collision (Deductible)	Occurrence	\$88,213	N/A	N/A
Helipad Liability & Non-Owned Aircraft Liability	ACE Property and Casualty Insurance Company (Chubb)	Verity Health System of California, Inc.	10/1/18-10/1/19	AAP N17935550 001	\$10,000,000 Each Occurrence \$10,000,000 Products-Completed Operations Aggregate \$10,000,000 Personal Injury and Advertising Injury Aggregate \$10,000,000 Hangarkeepers Any One Occurrence \$10,000,000 Hangarkeepers Any One Aircraft \$10,000,000 Non-Owned Aircraft Liability Any One Occurrence	N/A	Occurrence	\$11,250	N/A	N/A
Sexual Misconduct and Molestation Liability	Lloyds of London (Beazley Syndicates #2623/#623)	St. Francis Medical Center (Children's Counseling Center Agreement)	10/1/18-10/1/19	GLOPR180815	\$2,000,000 Any One Victim and in the Aggregate	\$50,000 Any One Victim (Retention)	Claims Made	\$30,000	N/A	\$960



D&O Liability, Employment Practices Liability, Fiduciary Liability, Crime <i>Primary Layer</i>	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	Verity Health System of California, Inc.	10/1/17-10/1/18 (Extended to 10/1/19)	02-359-65-60	\$10,000,000 D&O Liability and EPL (Shared) \$10,000,000 Fiduciary Liability \$10,000,000 Crime \$20,000,000 Policy Aggregate	\$250,000 D&O Liability \$350,000 EPL \$50,000 Fiduciary Liability \$100,000 Crime (Retention)	Claims Made, Except Occurrence for Crime	\$318,320 \$682,217 (Extension to 10/1/19)	(\$47,748) (\$102,333)	N/A
D&O Liability and Employment Practices Liability <i>1st Excess Layer</i>	Endurance Risk Solutions Assurance Company	Verity Health System of California, Inc.	10/1/17-10/1/18 (Extended to 10/1/19)	BLX10008286901	\$10,000,000 Excess of \$10,000,000	Refer to Underlying	Claims Made	\$170,940 \$541,879 (Extension to 10/1/19)	(\$25,641) (\$81,282)	N/A
D&O Liability Only <i>2nd Excess Layer</i>	Argonaut Insurance Company (ARGO Group)	Verity Health System of California, Inc.	10/1/17-10/1/18 (Extended to 10/1/19)	MLX 7602088-01	\$10,000,000 Excess of \$20,000,000 (D&O Liability Only)	Refer to Underlying	Claims Made	\$87,000 \$275,782 (Extension to 10/1/19)	(\$13,050) (\$41,367)	N/A
D&O Liability - Excess Side A Only	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	Verity Health System of California, Inc.	10/1/18-19	02-306-61-90	\$2,000,000 Excess of \$30,000,000	Refer to Underlying	Claims Made	\$500,000	(\$75,000)	N/A
Punitive Damages Wrap <i>Primary Layer</i>	American International Reinsurance Company, Ltd.	Verity Health System of California, Inc.	10/1/17-10/1/18 (Extended to 10/1/19)	24542026	\$10,000,000 Each Occurrence \$10,000,000 Aggregate	Refer to Underlying	Claims Made	\$24,241 (Includes \$2,000 Bermuda Placement Fee) \$70,222 (Extension to 10/1/19) (Includes \$2,000 Bermuda Placement Fee)	N/A	N/A
Punitive Damages Wrap <i>1st Excess Layer</i>	Magna Carta Insurance, Ltd.	Verity Health System of California, Inc.	10/1/17-10/1/18 (Extended to 10/1/19)	MCEN204155	\$10,000,000 Excess of \$10,000,000	Refer to Underlying	Claims Made	\$17,094 (Includes \$1,000 Bermuda Placement Fee) \$55,187 (Extension to 10/1/19) (Includes \$1,000 Bermuda Placement Fee)	N/A	N/A
Storage Tank Liability	Tokio Marine Specialty Insurance Company (Philadelphia)	St. Francis Medical Center	12/05/17-12/05/18	STEP011394-00	\$1,000,000 Remediation Expense \$1,000,000 Bodily Injury and Property Damage Resulting from Contamination \$1,000,000 Defense Expense \$1,000,000 Defense Expense Aggregate \$2,000,000 Total Policy Aggregate	\$25,000 Per Confirmed Release (Deductible)	Claims Made	\$768 (Includes \$150 Policy Fee)	(\$62)	\$20
General Liability	Illinois Union Insurance Company (Chubb)	St. Francis Medical Center (Lynwood Parking Agreement)	3/31/18-3/31/19	HPL G2181684A 011	\$1,000,000 Each Occurrence \$1,000,000 Personal Injury & Advertising Injury \$1,000,000 Products/Completed Operations Aggregate \$3,000,000 General Aggregate	\$10,000 Per Occurrence (Deductible)	Occurrence	\$510	N/A	N/A
<b>Physicians Professional Liability</b>										
Professional Liability	NORCAL Mutual Insurance Company	The Contracted Physicians of St. Francis Medical Center	1/1/18-1/1/19	728812N	Per Scheduled Provider \$1,000,000 Each Claim; \$3,000,000 Aggregate \$2,000,000 Each Claim; \$4,000,000 Aggregate	N/A	Claims Made	\$734,377	(\$73,438)	N/A
<b>Captive</b>										



Professional and General Liability	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	3/31/18-3/31/19	DOC PLGL-26000-018	Professional Liability \$2,000,000 Each Claim and Aggregate Buffer Layer xs of \$3,000,000 Each Claim \$10,000,000 Aggregate General Liability \$2,000,000 Each Occurrence \$10,000,000 Aggregate	N/A	Claims Made	\$6,188,540	N/A	N/A
Excess Professional and Umbrella Liability	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	3/31/18-3/31/19	DOC XL PLGL-26000-018	Excess Professional Liability \$80,000,000 Each Occurrence \$80,000,000 Aggregate All Other Liability \$80,000,000 Each Claim \$80,000,000 Aggregate	Refer to Underlying	Refer to Underlying	\$1,206,259	N/A	N/A
Workers Compensation Deductible Liability Protection	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	7/1/18-7/1/19	DED.WC-07.01.18-19	Workers' Compensation \$500,000 Each Occurrence Employers Liability \$500,000 Each Occurrence	N/A	Occurrence	\$6,939,472	N/A	N/A
Reinsurance										
Lead Excess Layer	ACE American Insurance Company (Chubb)	Verity Health System of California, Inc.	3/31/18-3/31/19	RBN G21816838 011	\$15,000,000 Each Loss Event \$15,000,000 Aggregate Professional Liability \$15,000,000 Aggregate General Liability of Ceding Company Limits	Refer to Captive Policy	Refer to Captive Policy	\$795,000	N/A	N/A
2nd Excess Layer	Continental Casualty Company (CNA)	Verity Health System of California, Inc.	3/31/18-3/31/19	HMU 2097462209	\$15,000,000 Each Claim \$15,000,000 Aggregate Professional Liability \$15,000,000 Aggregate General Liability Excess of Chubb Underlying Above	Refer to Captive Policy	Claims Made	\$157,259	(\$15,726)	N/A
3rd Excess Layer	Berkshire Hathaway Specialty Insurance Company	Verity Health System of California, Inc.	3/31/18-3/31/19	47-RHC-304968-01	\$20,000,000 Each Claim \$20,000,000 Aggregate Professional Liability \$20,000,000 Aggregate General Liability Excess of Chubb and CNA Underlying Above	Refer to Captive Policy	Claims Made	\$134,000	N/A	N/A
4th Excess Layer	Zurich American Insurance Company	Verity Health System of California, Inc.	3/31/18-3/31/19	HPC 0239123-00	\$10,000,000 Each Claim \$10,000,000 Aggregate Professional Liability \$10,000,000 Aggregate General Liability Excess of Chubb, CNA and Berkshire Underlying Above	Refer to Captive Policy	Claims Made	\$60,000	N/A	N/A



5th Excess Layer	The Medical Protective Company	Verity Health System of California, Inc.	3/31/18-3/31/19	XOL2018-023	\$20,000,000 Each Claim \$20,000,000 Aggregate Professional Liability \$20,000,000 Aggregate General Liability Excess of Chubb, CNA, Berkshire and Zurich Underlying Above	Refer to Captive Policy	Claims Made	\$60,000	N/A	N/A
<b>Surety Bonds</b>										
CA DHS Patient Trust Bond	Hartford Fire Insurance Company	Seton Medical Center - Coastsid	12/1/01-12/1/18	83BSB8F7598	\$75,000 Bond Amount	N/A	N/A	\$175	N/A	N/A
CA DHS Patient Trust Bond	Hartford Fire Insurance Company	St. Francis Medical Center	12/1/01-12/1/18	83BSB8F7621	\$5,000 Bond Amount	N/A	N/A	\$100	N/A	N/A
CA DHS Patient Trust Bond	Hartford Fire Insurance Company	St. Vincent Medical Center	12/1/01-12/1/18	83BSB8F7625	\$2,000 Bond Amount	N/A	N/A	\$100	N/A	N/A
CA DHS Patient Trust Bond	Hartford Fire Insurance Company	Seton Medical Center	12/1/01-12/1/18	83BSB8F7661	\$35,000 Bond Amount	N/A	N/A	\$175	N/A	N/A
<b>Provider</b>										
Provider Capitation Stop Loss (Applicable to St. Vincent Medical Center and St. Francis Medical Center)	PartnerRe America Insurance Company	Verity Health System of California, Inc.	1/1/18-1/1/19	P0312544005	\$1,000,000 Maximum Benefit Per Covered Person 90% Payable in Excess of Specific Deductible if Complete Claim is Received by 2/1/20 50% Payable in Excess of Specific Deductible if Complete Claim is Not Received by 2/1/20 Transplant Services - 50% by a Non-Approved Transplant Network Provider	Specific Deductible Per Covered Person Per Policy Period: \$225,000 Commercial Covered Persons \$400,000 Medicare Covered Persons \$275,000 Medi-Connect Covered Persons \$275,000 Medi-Cal Covered Persons \$275,000 Medi-Cal SPD Covered Persons	N/A	Monthly Reporting Based on MCO Enrollment St. Vincent Medical Center - \$39,000 Per Month; St. Francis Medical Center - \$70,000 Per Month	N/A	N/A



## **Schedule 2.19 - Payer Contracts**

*See attached folder “Schedule 2.19 - Payer Contracts”*



**Schedule 2.19 - Payer Contracts**

Seton Medical Center

PAYOR	REGION	COUNTY	AGREEMENT TYPE	PAYMENT TYPE	HOSPITAL	PRODUCT LINE
ACCESS & ALLIED PHYSICIANS	NORTH	SAN MATEO COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SMC	
AETNA	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	HMO/PPO
AMERICA'S CHOICE PROVIDER NETWORK	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDICARE
ANTHEM BLUE CROSS	NORTH	SAN MATEO COUNTY	FACILITY SERVICES AGREEMENT	FFS	SMC	HMO/PPO
ANTHEM BLUE CROSS MEDI-CAL	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDI-CAL
BLUE SHIELD OF CALIFORNIA	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	HMO/PPO
BRAND NEW DAY	NORTH	SAN MATEO COUNTY	LETTER OF AGREEMENT (LOA)	FFS	SMC	MGD MEDICARE
BROWN & TOLAND MEDICAL GROUP	NORTH	SAN MATEO COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SMC	HMO/PPO
BROWN & TOLAND MEDICAL GROUP	NORTH	SAN MATEO COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SMC	HMO/PPO
CARE 1ST HEALTH PLAN	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDICARE
CENTRAL HEALTH PLAN	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	
CHINESE COMMUNITY HEALTH PLAN	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	COMMERCIAL
CIGNA	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	HMO/PPO
EASY CHOICE HEALTH PLAN	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDICARE
HEALTH NET	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	HMO/PPO
HEALTH PLAN OF SAN MATEO	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDI-CAL
HEALTH PLAN OF SAN MATEO	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDI-CAL
HEALTH PLAN OF SAN MATEO	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDI-CAL
HEALTH PLAN OF SAN MATEO	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDICARE
HILL PHYSICIANS	NORTH	SAN MATEO COUNTY	HOSPITAL PARTICIPATION AGREEMENT	FFS	SMC	COMMERCIAL/MEDICARE/MEDI-CAL
HUMANA	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	HMO/PPO
HUMANA	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	MGD MEDICARE
IMPERIAL HEALTH PLAN	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	
INTEGRATED HEALTH PLAN	NORTH	SAN MATEO COUNTY	PARTICIPATING HOSPITAL AGREEMENT	FFS	SMC	
INTERPLAN	NORTH	SAN MATEO COUNTY	PARTICIPATING HOSPITAL AGREEMENT	FFS	SMC	
JADE HEALTHCARE MEDICAL GROUP	NORTH	SAN MATEO COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SMC	HMO/PPO
KAISER	NORTH	SAN MATEO COUNTY	PROFESSIONAL SERVICES AGREEMENT	FFS	SMC	COMMERCIAL HMO
KAISER	NORTH	SAN MATEO COUNTY	HEALTHCARE SERVICES AGREEMENT	FFS	SMC	COMMERCIAL HMO
KAISER	NORTH	SAN MATEO COUNTY	HOSPITAL TRANSFER AGREEMENT	FFS	SMC	COMMERCIAL HMO
MEDIMPACT HEALTH SYSTEMS MEDCARE PHARMACY NETWORK	NORTH	SAN MATEO COUNTY	PHARMACY NETWORK AGREEMENT	FFS	SMC	



MULTIPLAN	NORTH	SAN MATEO COUNTY	PARTICIPATING FACILITY AGREEMENT	FFS	SMC	
NX HEALTH NETWORK	NORTH	SAN MATEO COUNTY	PARTICIPATING FACILITY AGREEMENT	FFS	SMC	
ONLOK SENIOR HEALTH	NORTH	SAN MATEO COUNTY	PROVIDER SERVICES AGREEMENT	FFS	SMC	MEDICARE
PHYSICIANS INTEGRATED MEDICAL GROUP (HILL PHYSICIANS)	NORTH	SAN MATEO COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SMC	
SAN FRANCISCO HEALTH PLAN	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	
SCAN HEALTH PLAN	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	
STANFORD HEALTH ADVANTAGE	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMC	FFS
STANFORD HEALTH ADVANTAGE	NORTH	SAN MATEO COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SMCC	FFS
TRICARE HEALTH NET FEDERAL	NORTH	SAN MATEO COUNTY	FACILITY SERVICES AGREEMENT	FFS	SMC	COMMERCIAL
UNITED HEALTHCARE	NORTH	SAN MATEO COUNTY	FACILITY PARTICIPATION AGREEMENT	FFS	SMC	HMO/PPO
UNITED LABOR HEALTH PLAN	NORTH	SAN MATEO COUNTY	MEMORANDUM OF UNDERSTANDING (MOU)	FFS	SMC	



**Schedule 2.19 - Payer Contracts**

**St. Francis Medical Center**

PAYOR	REGION	COUNTY	AGREEMENT TYPE	PAYMENT TYPE	HOSPITAL	PRODUCT LINE
AETNA	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	HMO/PPO
AHMC	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	MGD MEDI-CAL
ALIGNMENT HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS/CAPITATION	SFMC	
ALTAMED	SOUTH	LOS ANGELES COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SFMC	
AMERICA'S CHOICE PROVIDER NETWORK	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	MGD MEDICARE
ANTHEM BLUE CROSS	SOUTH	LOS ANGELES COUNTY	FACILITY SERVICES AGREEMENT	FFS	SFMC	HMO/PPO
ANTHEM BLUE CROSS MEDI-CAL	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	MGD MEDI-CAL
BEACON HEALTH	SOUTH	LOS ANGELES COUNTY	MEMORANDUM OF UNDERSTANDING	FFS	SFMC	MENTAL HEALTH SERVICES
BLUE SHIELD OF CALIFORNIA	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	HMO/PPO
BRAND NEW DAY	SOUTH	LOS ANGELES COUNTY	LETTER OF AGREEMENT (LOA)	FFS	SFMC	MGD MEDICARE
CARE 1ST HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	MGD MEDI-CAL
CEDARS SINAI	SOUTH	LOS ANGELES COUNTY	PROVIDER SERVICES AGREEMENT		SFMC	
CENTRAL HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	MGD MEDICARE
CIGNA	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	HMO/PPO
COUNTY OF LOS ANGELES	SOUTH	LOS ANGELES COUNTY	PARTICIPATION IN THE HOSPITAL PREPAREDNESS PROGRAM		SFMC	
DAVITA HEALTH PLAN OF CALIFORNIA	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT		SFMC	
DAVITA HEALTHCARE PARTNERS	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	
EASY CHOICE	SOUTH	LOS ANGELES COUNTY	CAPITATED HOSPITAL LETTER OF AGREEMENT		SFMC	
FIRST HEALTH	SOUTH	LOS ANGELES COUNTY	HOSPITAL CONTRACT		SFMC	



HEALTH NET	SOUTH	LOS ANGELES COUNTY	PROVIDER PARTICIPATION AGREEMENT	FFS	SFMC	HMO/PPO
HERITAGE PROVIDER NETWORK	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	HMO/PPO
HUMANA	SOUTH	LOS ANGELES COUNTY	HOSPITAL PARTICIPATION AGREEMENT		SFMC	
IMPERIAL HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT		SFMC	
INTEGRATED HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	PARTICIPATING HOSPITAL AGREEMENT		SFMC	
INTERPLAN	SOUTH	LOS ANGELES COUNTY	PARTICIPATING HOSPITAL AGREEMENT		SFMC	
KAISER	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	COMMERCIAL
LA CARE HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS/CAPITATION	SFMC	
LONG BEACH MEMORIAL MEDICAL CENTER	SOUTH	LOS ANGELES COUNTY	PROVIDER SERVICES AGREEMENT	FFS	SFMC	
MANAGED HEALTH NETWORK	SOUTH	LOS ANGELES COUNTY	PARTICIPATING PROVIDER AGREEMENT	FFS	SFMC	
MOLINA	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	
MULTIPLAN	SOUTH	LOS ANGELES COUNTY	MEMORANDUM OF UNDERSTANDING	FFS	SFMC	
NX HEALTH NETWORK	SOUTH	LOS ANGELES COUNTY	PARTICIPATING FACILITY AGREEMENT	FFS	SFMC	
SCAN HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	PROVISION OF HOSPITAL SERVICES		SFMC	
ST. VINCENT MEDICAL CENTER	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SFMC	
TRICARE HEALTH NET FEDERAL	SOUTH	LOS ANGELES COUNTY	FACILITY SERVICES AGREEMENT	FFS	SFMC	
UNITED HEALTHCARE	SOUTH	LOS ANGELES COUNTY	FACILITY PARTICIPATION AGREEMENT	FFS	SFMC	HMO/PPO



## **Schedule 2.19 - Payer Contracts**

### **St. Vincent Medical Center**

PAYOR	REGION	COUNTY	AGREEMENT TYPE	PAYMENT TYPE	HOSPITAL	PRODUCT LINE
ACCESS SENIOR HEALTH CARE	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDICARE
AETNA	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
AHMC	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDI-CAL
ALIGNMENT HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDICARE
ALTAMED	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	COMM/MCARE/MCAL
ALTAMED SENIOR BUENACARE (PACE)	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDICARE
AMERICA'S CHOICE PROVIDER NETWORK	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDICARE
ANGEL MEDICAL GROUP	SOUTH	LOS ANGELES COUNTY	HOSPITAL ANCILLARY SERVICES AGREEMENT	FFS	SVMC	COMMERCIAL
ANTHEM BLUE CROSS	SOUTH	LOS ANGELES COUNTY	FACILITY SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
ANTHEM BLUE CROSS MEDI-CAL	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDI-CAL
APPLECARE	SOUTH	LOS ANGELES COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
AXMINSTER MEDICAL GROUP	SOUTH	LOS ANGELES COUNTY	HOSPITAL ANCILLARY SERVICES AGREEMENT	FFS	SVMC	COMMERCIAL
BLUE SHIELD OF CALIFORNIA	SOUTH	LOS ANGELES COUNTY	PROVIDER SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
BRAND NEW DAY	SOUTH	LOS ANGELES COUNTY	LETTER OF AGREEMENT (LOA)	FFS	SVMC	MGD MEDICARE
CARE 1ST HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDICARE
CEDARS SINAI	SOUTH	LOS ANGELES COUNTY	PROVIDER SERVICES AGREEMENT	MANAGED CARE	SVMC	Managed Care
CENTRAL HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDICARE
CIGNA	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
EASY CHOICE HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	MGD MEDICARE
GOOD SAMARITAN HOSPITAL	SOUTH	LOS ANGELES COUNTY	LETTER OF AGREEMENT (LOA)		SVMC	
GOOD SAMARITAN MEDICAL PRACTICE ASSOCIATION (GSMPPA)	SOUTH	LOS ANGELES COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SVMC	
HEALTH NET	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
HEALTH NET	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	HMO/PPO



HEALTHCARE PARTNERS	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT		SVMC	
HERITAGE PROVIDER NETWORK	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
HUMANA/CHOICE CARE	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
IMPERIAL HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT		SVMC	
INTEGRATED HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	PARTICIPATING HOSPITAL AGREEMENT		SVMC	
INTERPLAN	SOUTH	LOS ANGELES COUNTY	PARTICIPATING HOSPITAL AGREEMENT		SVMC	
KAISER	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT		SVMC	
LA CARE HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT		SVMC	
MOLINA	SOUTH	LOS ANGELES COUNTY			SVMC	
MULTIPLAN	SOUTH	LOS ANGELES COUNTY	MEMORANDUM OF UNDERSTANDING (MOU)		SVMC	
NX HEALTH NETWORK	SOUTH	LOS ANGELES COUNTY	PARTICIPATING FACILITY AGREEMENT	FFS	SVMC	
QUEENS CARE	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT	FFS	SVMC	
SCAN HEALTH PLAN	SOUTH	LOS ANGELES COUNTY			SVMC	
SEASIDE HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT		SVMC	
ST. FRANCIS MEDICAL CENTER	SOUTH	LOS ANGELES COUNTY			SVMC	
STAYWELL	SOUTH	LOS ANGELES COUNTY	HOSPITAL SERVICES AGREEMENT		SVMC	
ST. VINCENT IPA / PHYSICIANS DATA TRUST	SOUTH	LOS ANGELES COUNTY	ANCILLARY SERVICES AGREEMENT	FFS	SVMC	HMO/PPO
TRICARE HEALTH NET FEDERAL	SOUTH	LOS ANGELES COUNTY	FACILITY SERVICES AGREEMENT	FFS	SVMC	COMMERCIAL
UNITED HEALTHCARE	SOUTH	LOS ANGELES COUNTY	FACILITY PARTICIPATION AGREEMENT	FFS	SVMC	HMO/PPO
UNITED TRICARE	SOUTH	LOS ANGELES COUNTY			SVMC	
UNITED LABOR HEALTH PLAN	SOUTH	LOS ANGELES COUNTY	MEMORANDUM OF UNDERSTANDING (MOU)	FFS	SVMC	
USA MANAGED CARE	SOUTH	LOS ANGELES COUNTY	HEALTHCARE SERVICE FACILITY AGREEMENT		SVMC	



**Schedule 2.19 - Payer Contracts****St. Vincent Dialysis Center**

PAYOR	AGREEMENT TYPE	PAYMENT TYPE	HOSPITAL
CITIZENS CHOICE HEALTH PLAN	ANCILLARY PROVIDER AGREEMENT	FFS	SVMC - SVDC
CITIZENS CHOICE HEALTH PLAN	ANCILLARY PROVIDER AGREEMENT	FFS	SVMC - SVDC
HEALTH NET	PROVIDER PARTICIPATION AGREEMENT	FFS	SVMC - SVDC
HEALTH NET	PROVIDER PARTICIPATION AGREEMENT	FFS	SVMC - SVDC
KOREAN AMERICAN MEDICAL GROUP	ANCILLARY PROVIDER AGREEMENT	FFS	SVMC - SVDC
L.A. CARE HEALTH PLAN	ANCILLARY PROVIDER AGREEMENT	FFS	SVMC - SVDC
L.A. CARE HEALTH PLAN	ANCILLARY PROVIDER AGREEMENT	FFS	SVMC - SVDC
L.A. CARE HEALTH PLAN	ANCILLARY PROVIDER AGREEMENT	FFS	SVMC - SVDC
OPTUM HEALTHCARE SOLUTIONS	PROVIDER PARTICIPATION AGREEMENT	FFS	SVMC - SVDC
SEOUL MEDICAL GROUP	ANCILLARY SERVICES AGREEMENT	FFS	SVMC - SVDC



**Schedule 2.19 - Payer Contracts**

Capitated Arrangements - St. Francis and St. Vincent Only

PAYOR	AGREEMENT TYPE	MSO Name	HOSPITAL	PRODUCT LINE	SERVICE TYPE	CAPITATION TYPE
ALL CARE MEDICAL GROUP	RISK SHARING AGREEMENT	MedPoint Management	SFMC	CAPITATED MEDI-CAL	GENERAL SERVICES	FULL RISK
ALTAMED	RISK SHARING AGREEMENT	Conifer Health Solutions	SVMC	CAPITATED MEDICARE	GENERAL SERVICES	FULL RISK
ALTAMED	RISK SHARING AGREEMENT	Conifer Health Solutions	SFMC	CAPITATED MEDICARE	GENERAL SERVICES	FULL RISK
ANGELES IPA	RISK SHARING AGREEMENT	Conifer Health Solutions	SFMC	CAPITATED MEDI-CAL	GENERAL SERVICES	FULL RISK
APPLECARE	RISK SHARING AGREEMENT	AppleCare MSO	SFMC	CAPITATED MEDICARE	GENERAL SERVICES	FULL RISK - CAP EXPANSION
HEALTHCARE LA	RISK SHARING AGREEMENT	MedPoint Management	SFMC	CAPITATED MEDI-CAL	GENERAL SERVICES	FULL RISK
OMNICARE MEDICAL GROUP	RISK SHARING AGREEMENT	Conifer Health Solutions	SFMC	CAPITATED MEDI-CAL	GENERAL SERVICES	FULL RISK
SEOUL MEDICAL GROUP, IPA	RISK SHARING AGREEMENT	Central Health MSO	SVMC	CAPITATED MEDICARE	GENERAL SERVICES	FULL RISK
ST. VINCENT IPA / PHYSICIANS DATA TRUST	RISK SHARING AGREEMENT	Conifer Health Solutions	SVMC	HMO/PPO	CAPITATED GENERAL SERVICES	FULL RISK



**Schedule 2.20 - Excluded Individuals**

None.



### **Schedule 3.4 - Purchaser: No Violation**

None other than approvals contemplated pursuant to the Asset Purchase Agreement (APA) to which this Schedule is related, including without limitation those consents required under §365 of the Bankruptcy Code, consents in connection with any Licenses, any provider agreements (including any such agreements with a governmental authority) and other governmental approvals, the approval of the CA AG and any approvals required pursuant to the HSR Act, including as contemplated pursuant to Sections 5.2, 5.10, 7.4 and 8.1 of the APA).



### **Schedule 3.7 - Purchaser: Legal Proceedings**

None other than the legal proceedings pursuant to the Seller's pending bankruptcy case and governmental restrictions associated with requirements for governmental approvals, as addressed at Schedule 3.4.



**Schedule 4.25(b) - Accounts Receivable**

<b><u>Bank Account Name</u></b>	<b><u>Seller</u></b>	<b><u>Financial Institution</u></b>	<b><u>Account Number</u></b>
SFMC - Lockbox	St. Francis Medical Center	Bank of America	*****2940
SVMC - Lockbox	St. Vincent Medical Center	Bank of America	*****2964
SMC - Lockbox	Seton Medical Center	Bank of America	*****2902
SMCC - Lockbox	Seton Medical Center	Bank of America	*****2907
St. Vincent Dialysis Center	St. Vincent Dialysis Center	Bank of America	*****8921



### **Schedule 5.3 - Purchaser: Hospital Employees**

Purchaser shall have the right to update Schedule 5.3 based on further input from Seller by providing a revised schedule to Sellers no later than thirty (30) calendar days before the date scheduled for the Closing.



**Schedule 6.1(b)(3) - Bid Procedures**

*Attached to filed Asset Purchase Agreement.*



## **SCHEDULE 6.1(b)(3)**

### **(Bidding Procedures)**

#### **BIDDING PROCEDURES**

Set forth below are the bidding procedures (the “Bidding Procedures”)<sup>1</sup> to be employed in connection with the sale of (i) the assets (the “Purchased Assets”) enumerated in the Stalking Horse APA (as defined below), including, but not limited to, St Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center (including Seton Coastside) (collectively, the “APA Facilities”); and (ii) assets not otherwise enumerated in the APA, but associated with the ownership or operation of the APA Facilities and available for purchase (the “Other Assets”), in connection with the chapter 11 cases pending in the United States Bankruptcy Court for the Central District of California (the “Bankruptcy Court”), jointly administered as case number 2:18-bk-20151-ER, in the form to be approved by the Bankruptcy Court, by Order dated February 19, 2019 (the “Bidding Procedures Order”) [Docket No. 1572].

The Debtors entered into that certain Asset Purchase Agreement, dated January 8, 2019 between the Debtors, on the one hand, and Strategic Global Management, Inc., a California corporation (the “Stalking Horse Purchaser”) on the other hand, pursuant to which the Stalking Horse Purchaser shall acquire the Purchased Assets on the terms and conditions specified therein (together with the schedules and related documents thereto, the “Stalking Horse APA”). The sale transaction pursuant to the Stalking Horse APA is subject to competitive bidding as set forth herein. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the *Debtors’ Notice of Motion and Motion for the Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders to Use, (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to Interested Parties, (4) Scheduling a Hearing to Consider Approval of the Sale to the Highest Bidder, (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* (the “Sale Motion”) or the Bidding Procedures Order.

#### **I. ASSETS TO BE SOLD**

The Debtors seek to complete a sale of substantially all assets of APA Facilities, including both the Purchased Assets and the Other Assets (the “Sale”). The Stalking Horse APA will serve as the “stalking-horse” bid for the Purchased Assets.

#### **II. THE BIDDING PROCEDURES**

In order to ensure that the Debtors receive the maximum value for the Purchased Assets and/or the Other Assets, they intend to hold a sale process for the Purchased Assets and/or the Other Assets pursuant to the procedures and on the timeline proposed herein.

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<sup>1</sup> Unless otherwise defined, all capitalized terms shall have the meanings ascribed to them in the Stalking Horse APA.



**A. Provisions Governing Qualifications of Bidders**

Unless otherwise ordered by the Court or as set forth in these procedures, in order to participate in the bidding process, each person, other than the Stalking Horse Purchaser, who wishes to participate in the bidding process must deliver, prior to the Bid Deadline (defined herein), the following to the Debtors:

- a) a written disclosure of the identity of each entity that will be bidding for the Purchased Assets or and/or the Other Assets or otherwise participating in connection with such bid; and
- b) an executed confidentiality agreement (to be delivered prior to the distribution of any confidential information by the Debtors) in form and substance satisfactory to the Debtors and which shall inure to the benefit of any purchaser of the Purchased Assets and/or the Other Assets; without limiting the foregoing, each such confidentiality agreement shall contain standard non-solicitation provisions.

A bidder that delivers the documents and information described above and that the Debtors determine, after consultation with the Official Committee of Unsecured Creditors, the Prepetition Secured Creditors, and any other party deemed appropriate within the business judgment of the Debtors (collectively, the “Consultation Parties”) in their reasonable business judgment, is likely (based on availability of financing, experience, and other considerations) to be able to consummate the sale, will be deemed a potential bidder (“Potential Bidder”).

**B. Due Diligence**

The Debtors will afford any Potential Bidder such due diligence access or additional information as the Debtors, in consultation with their advisors, deem appropriate, in their reasonable discretion. The due diligence period shall extend through and including the relevant Bid Deadline; provided, however, that any bid submitted under these procedures shall be irrevocable until at least the selection of the Successful Bidder(s) (defined herein) and any Back-Up Bidder(s) (defined herein).

**C. Provisions Governing Qualified Bids**

A bid submitted by a Potential Bidder will be considered a Qualified Bid (each, a “Qualified Bid,” and each such Potential Bidder thereafter a “Qualified Bidder”) only if the bid complies with the following requirements:

- a) it states that the applicable Qualified Bidder offers to purchase, in cash, some or all of the Purchased Assets and/or the Other Assets;
- b) it identifies with particularity the portion of the Purchased Assets and/or the Other Assets the Qualified Bidder is offering to purchase;
- c) it allocates with specificity the portion of the purchase price offered that the Qualified Bidder attributes to St. Francis Medical Center, St. Vincent Medical



Center, and Seton Medical Center, and Seton Coastsides, and each of the Other Assets, respectively;<sup>2</sup>

- d) it includes a signed writing that the Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder and the Back-Up Bidder, provided that if such bidder is selected as the Successful Bidder or the Back-Up Bidder then the offer shall remain irrevocable until the earliest of (i) the closing of the transaction with the Successful Bidder, (ii) in the case of the Successful Bidder, a termination of the Qualified Bid pursuant to the terms of the Successful Bidder Purchase Agreement and (iii) with respect to the Back-Up Bidder, the time specified in Section II (K) below;
- e) it includes confirmation that there are no conditions precedent to the Qualified Bidder's ability to enter into a definitive agreement and that all necessary internal governance and shareholder approvals have been obtained prior to the bid;
- f) it sets forth each third-party, regulatory and governmental approval required for the Qualified Bidder to consummate the transaction and the time period within which the Qualified Bidder expects to receive such approvals and establishes a substantial likelihood that the Qualified Bidder will obtain such approvals by the stated time period;
- g) it includes a duly authorized and executed copy of a purchase or acquisition agreement in the form of the Stalking Horse APA (a "Purchase Agreement"), including the purchase price for some or all of the Purchased Assets and/or the Other Assets, or both, expressed in U.S. Dollars, together with all exhibits and schedules thereto, together with copies marked to show any amendments and modifications to the Stalking Horse APA ("Marked Agreement");
- h) it is not subject to any financing contingency and includes written evidence of a firm ability to have the funding necessary to consummate the proposed transaction, that will allow the Debtors to make a reasonable determination, in consultation with the Consultation Parties, as to the Qualified Bidder's financial and other capabilities to consummate the transaction contemplated by the Purchase Agreement;
- i) if the bid is for all of the Purchased Assets, it must have a value to the Debtors, in the Debtors' exercise of its reasonable business judgment, after consultation with its advisors and the Consultation Parties, that is greater than or equal to the sum of the value offered under the Stalking Horse APA, plus (i) the amount of the Break-Up Fee (\$21,350,000.00); (ii) the amount of the Expense Reimbursement (\$2,000,000.00); and (iii) \$7,000,000.00 (the "Initial Bidding Increment," and, together with the Break-Up Fee and the Expense Reimbursement, the "Minimum Qualified Bid");

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<sup>2</sup> For the avoidance of doubt, such allocation shall not be binding on the Debtors, their estates or any Consultation Party.



- j) if the bid is a partial bid (the “Partial Bid”),<sup>3</sup> the terms of paragraph (i) immediately above shall not apply but the terms of paragraph (o) below concerning the Good Faith Deposit shall expressly apply in order to be a bid qualified to participate in the Partial Bid Auction (as defined below) (each, a “Partial Bid Auction Qualified Bid”). In the event that the Debtors aggregate Partial Bids, the Partial Bid purchasers’ responsibility for the Break-Up Fee, the Expense Reimbursement, and the Initial Bidding Increment shall be reasonably allocated to each Partial Bid purchaser, and in no event shall the Stalking Horse Purchaser be entitled to more than one Break-Up Fee and/or Expense Reimbursement;
- k) it identifies with particularity which (i) executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it, and (ii) Purchased Assets and/or Other Assets, subject to purchase money liens or the like, the Qualified Bidder wishes to acquire and therefore pay the associated purchase money financing;
- l) it contains sufficient information concerning the Qualified Bidder’s ability to provide adequate assurance of future performance with respect to executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it;
- m) it includes an acknowledgement and representation that the Qualified Bidder: (A) has had an opportunity to conduct any and all required due diligence regarding the Purchased Assets and/or Other Assets prior to making its offer and that the offer is not subject to any further due diligence or the need to raise capital/financing to consummate the proposed transaction; (B) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets and/or Other Assets in making its bid; (C) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Purchased Assets and/or Other Assets or the completeness of any information provided in connection therewith or with the relevant Auction (defined below), except as expressly stated in the Purchase Agreement; and (D) is not entitled to any expense reimbursement, break-up fee, or similar type of payment in connection with its bid;
- o) unless it is a Credit Bid (as defined below), it is accompanied by a (i) good faith deposit in the form of a wire transfer (to a bank account specified by the Debtors), certified check or such other form of cash or cash equivalent acceptable to the Debtors, payable to the order of the Debtors (or such other party as the Debtors may determine) in an amount equal to: (a) 20% of purchase price for bids under \$5 million; (b) for bids greater than \$5 million and less than \$100 million, the greater of: (i) \$1 million or (ii) 10% of purchase price; (c) for bids greater than \$100 million, the greater of (i) \$10 million or (ii) 5% of purchase price (collectively, the “Good Faith Deposit”), which Good Faith Deposit shall, be forfeited if such bidder

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<sup>3</sup> A Partial Bid shall mean a bid for less than all of the Purchased Assets.



is the Successful Bidder and breaches its obligation to close; and (ii) if the Qualified Bid is a bid made by a secured creditor of the Debtors (a “Credit Bid Bidder”) who intends to make a credit bid (each, a “Credit Bid Bid”), evidence of (a) the basis for and property covered by such Credit Bid Bidder’s secured claim, (b) the amount of such Credit Bid Bidder’s claim that is secured by the property in question, (c) whether it is the senior secured claim on the property (x) prepetition and (y) as of the date of the request to be a Qualified Bidder, as well as (d) evidence of the resolution of any Challenge to such Credit Bid Bidder’s secured claim within the meaning of the Final DIP Order.

- p) it contains a detailed description of how the Qualified Bidder intends to treat current employees of the Debtors;
- r) it identifies the person(s) and their title(s) who will attend the relevant Auction, and confirms that such person(s) have authority to make binding Overbids (defined below) at such Auction
- s) it contains such other information reasonably requested by the Debtors; and
- t) it is received prior to the Bid Deadline.

The Debtors, in consultation with the Consultation Parties (who shall receive copies of the Purchase Agreements relating to any bids cast pursuant to these Bidding Procedures as soon as reasonably practicable), may qualify any bid that meets the foregoing requirements as a Qualified Bid. Notwithstanding the foregoing, the Stalking Horse Purchaser is deemed a Qualified Bidder and the Stalking Horse APA is deemed a Qualified Bid, for all purposes in connection with the Bidding Process, the Auctions, and the Sale.

The Debtors shall notify the Consultation Parties, the Stalking Horse Purchaser, all Qualified Bidders and the Notice Parties in writing as to whether or not any bids constitute Qualified Bids (and with respect to each Qualified Bidder that submitted a bid as to whether such Qualified Bidder’s bid constitutes a Qualified Bid) and provide copies of the Purchase Agreements relating any such Qualified Bid to the Consultation Parties, the Stalking Horse Purchaser and such Qualified Bidders, and the Notice Parties on the earlier of: (1) the date that any bid other than the Stalking Horse Bid has been deemed a Qualified Bid, or (2) two business days prior to the Partial Bid Auction.

#### **D. Bid Deadline**

In order to be eligible to participate in the Auction, a Qualified Bidder that desires to make a bid will deliver written copies of its bid to the following parties (collectively, the “Notice Parties”): (i) counsel to the Debtors: Dentons US LLP, 601 S. Figueroa Street, Suite 2500, Los Angeles, CA 90017 (Attn: Tania M. Moyron (taniamoyron@dentons.com)); (ii) the Debtors’ Investment Banker: Cain Brothers, a division of KeyBanc Capital Markets, 1 California Street, Suite 2400, San Francisco, CA 94111 (Attn: James Moloney (jmoloney@cainbrothers.com)); (iii) counsel to the Official Committee: Milbank, Tweed, Hadley & McCloy LLP, 2029 Century Park East, 33rd Floor, Los Angeles, CA 90067 (Attn: Gregory A. Bray (gbray@milbank.com)); (iv) counsel to the Master Trustee and Series 2005 Bond Trustee: Mintz, Levin, Cohn, Ferris, Glovsky and Popeo,



P.C., One Financial Center, Boston, MA 02111 (Attn: Daniel S. Bleck and Paul Ricotta (dsbleck@mintz.com, pricotta@mintz.com)); (v) counsel to the Series 2015 and Series 2017 Notes Trustee: Maslon, LLP, 3300 Wells Fargo Center, 90 South Seventh Street, Minneapolis, MN 55402 (Attn: Clark Whitmore (clark.whitmore@maslon.com)), so as to be received by the Notice Parties not later than March 29, 2019, at 4:00 p.m. (prevailing Pacific Time) for partial bids (the “Partial Bid Deadline”) or April 3, 2019, at 4:00 p.m. (prevailing Pacific Time) for full bids (the “Bid Deadline”).

**E. Credit Bidding**

Any party with a valid, properly perfected security interest in any of the Purchased Assets and/or Other Assets (which is not subject to a pending Challenge within the meaning of the Final DIP Order) may credit bid for such Purchased Assets and/or Other Assets in connection with the Sale in accordance with and pursuant to § 363(k), except as otherwise limited by the Debtors for cause; provided, however, that any party seeking to credit bid may not credit bid unless such bid provides that all secured creditors with security interests on such Purchased Assets and/or Other Assets that are senior to such junior security interest are to be paid in cash in connection with such junior creditor’s bid. Any credit bids made by secured creditors shall not impair or otherwise affect the Stalking Horse Purchaser’s entitlement to the benefits of the Bidding Procedures and related protections granted under the Bidding Procedures Order.

**F. Evaluation of Competing Bids**

A Qualified Bid will be valued based upon several factors including, without limitation: (i) the amount of such bid; (ii) the risks and timing associated with consummating such bid; (iii) any proposed revisions to the form of Stalking Horse APA; and (iv) any other factors deemed relevant by the Debtors in their reasonable discretion, in consultation with the Consultation Parties, including the amount of cash included in the bid.

**G. No Qualified Bids**

If the Debtors do not receive any Qualified Bids other than the Stalking Horse APA, the Debtors will not hold an auction and the Stalking Horse Purchaser will be named the Successful Bidder for the Purchased Assets. If the Debtors receive one or more qualified Partial Bid Auction Qualified Bids and, after the Partial Bid Auction contemplated by Section (H) of these Bidding Procedures, the Debtors will determine, in consultation with the Consultation Parties, if there are any Partial Bidders that will not be qualified to participate at the Full Bid Auction

**H. Auction Process**

If the Debtors receive one or more Partial Bid Auction Qualified Bids as set forth above, the Debtors will conduct separate auctions of each asset or combinations thereof (each, a “Partial Bid Auction”). Any Partial Bidder holding a Partial Bid Auction Qualified Bid shall be entitled to bid on any assets in any Partial Bid Auction(s). The procedures below for the Full Bid Auction shall apply to the Partial Bid Auction, except as where otherwise indicated. The Debtors will conduct the Partial Bid Auction(s), which shall be transcribed, on April 8, 2019 at 10:00 a.m. (prevailing Pacific Time) at the offices of Dentons US LLP, 601 South Figueroa Street, Suite 2500, Los



Angeles, CA 90017, or such other location as shall be timely communicated to all entities entitled to attend the Auction.

The Partial Bid Auction Qualified Bids determined by the Debtors, in consultation with the Consultation Parties, at the Partial Bid Auction(s) (as set forth above) to be eligible to participate at the Full Bid Auction, including (without limitation) the highest and best bids for each asset (the “Winning Partial Bids”), shall be permitted to participate in the Full Bid Auction (as defined below) of the Purchased Assets and/or the Other Assets; except that:

- (a) If the Partial Bids, at the conclusion of the Partial Bid Auction, include all four APA Facilities and exceed, in the aggregate, the Purchase Price in the Stalking Horse APA, there will be a Full Bid Auction (as defined below) and (1) the Stalking Horse Purchaser may overbid in the aggregate for all four APA Facilities, or (2) the Stalking Horse Purchaser may bid for less than the four APA Facilities and be entitled to a pro-rata Break-Up Fee for the APA Facilities which the Stalking Horse Purchaser does not acquire, as specified in the Stalking Horse APA at Section 6.1 (b)(2);
- (b) If the Partial Bids do not include all four APA Facilities, and if there are no other Qualified Full Bids, then Seller, in its discretion, after consultation with the Consultation Parties, may choose, at the conclusion of the Partial Bid Auction, (1) to have no Full Bid Auction, and the Stalking Horse Purchaser will purchase the four APA Facilities pursuant to the Stalking Horse APA, or (2) if the Debtor and Consultation Parties deem the aggregate designated Winning Partial Bid(s) to be sufficient to warrant leaving one or more APA Facilities behind (the “Remaining Facility”), the Stalking Horse Purchaser shall have the option of (i) acquiring the Remaining Facility at the allocated price in the Stalking Horse APA, (ii) overbidding one or more of the Partial Bids, or (iii) terminating the Stalking Horse APA. In either event, the Stalking Horse Purchaser shall be entitled to the Break-Up Fee for all of the APA Facilities not acquired by the Stalking Horse Purchaser.

If the Debtors receive, in addition to the Stalking Horse APA, one or more Qualified Full Bids (and/or a combination of Winning Partial Bids from the Partial Bid Auction(s) seeking, on aggregate basis, to purchase all or substantially all of the Purchased Assets and/or the Other Assets), the Debtors will conduct a full bid auction of the Purchased Assets and/or the Other Assets (the “Full Bid Auction”), which shall be transcribed, on April 9, 2019 (the “Full Bid Auction Date”), at 10:00 a.m. (prevailing Pacific Time), at the offices of Dentons US LLP, 601 South Figueroa Street, Suite 2500, Los Angeles, CA 90017, or such other location as shall be timely communicated to all entities entitled to attend the Auction.

The Full Bid Auction shall be conducted in accordance with the following procedures:

- a) only the Debtors, the Stalking Horse Purchaser, Qualified Bidders who have timely submitted a Qualified Bid, the U.S. Trustee, and the Consultation Parties, and their



respective advisors, and other parties who request and receive authority to attend the auction in advance from the Debtors may attend the Auction;

- b) only the Stalking Horse Purchaser and the Qualified Bidders who have timely submitted Qualified Bids will be entitled to make any subsequent bids at the Auction;
- c) each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the sale;
- d) all Qualified Bidders who have timely submitted Qualified Bids will be entitled to be present for all Subsequent Bids (defined herein) at the relevant Auction and the actual identity of each Qualified Bidder will be disclosed on the record at the relevant Auction; provided that all Qualified Bidders wishing to attend the relevant Auction must have at least one individual representative with authority to bind such Qualified Bidder attending the relevant Auction in person;
- e) the Debtors, after consultation with the Consultation Parties and the Stalking Horse Purchaser, may employ and announce at the relevant Auction additional procedural rules that are (i) reasonable under the circumstances for conducting the relevant Auction, (ii) in the best interest of the Debtors' estates; provided, however, that rules (i) are disclosed to the Stalking Horse Purchaser and each Qualified Bidder participating in the Auction, and (ii) are not inconsistent with the Bid Protections, the Stalking Horse APA, the Bankruptcy Code, or any order of the Court entered in connection herewith;
- f) bidding at the relevant Auction will begin with a bid determined by the Debtors after consulting with the Consultation Parties as being the then highest and best bid which will be announced by the Debtors prior to the commencement of the Auction (the "Baseline Bid"). The Auction will continue in bidding increments to be determined in the discretion of the Debtors, in consultation with the Consultation Parties (each a "Overbid"), and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders who submitted Qualified Bids and are in attendance at the Auction (including, without limitation, Winning Partial Bids), as well as to the Notice Parties;
- g) the initial Overbid, if any, shall provide for total consideration to Debtors with a value that exceeds the value of the consideration under the Baseline Bid by an incremental amount. Additional consideration in excess of the amount set forth in the respective Baseline Bid must include: (i) cash and/or (ii) in the case of a Qualified Bidder (including, without limitation, with respect to any Winning Partial Bids) that is a Credit Bid Bidder that has a valid and perfected lien (not subject to a Challenge within the meaning the Final DIP Order) on any of the Purchased Assets and/or the Other Assets, a Credit Bid of up to the full amount of such Credit Bidder's allowed perfected lien, subject to § 363(k) and any other restrictions set forth herein; and



- i) at the Full Bid Auction, the Stalking Horse Purchaser may, subject to the terms and conditions set forth herein, elect to bid for the Purchased Assets as described in the Bid Procedures Order. In the alternative, the Stalking Horse Purchaser, and any bidder with a Qualified Full Bid, (a) may elect to bid against any one or more of the Winning Partial Bidders for the assets subject to the relevant Partial Bid(s), in lieu of seeking to acquire such Purchased Assets and/or Other Assets by means of the Stalking Horse Bid or another Qualified Full Bid; and (b) if successful with its Overbids for such assets, replace the Winning Partial Bidder(s) as the proponent of the relevant Winning Partial Bids or Aggregate Winning Partial Bid as to such assets. In the event that the Stalking Horse Purchaser or another bidder so elects, and as long as the Stalking Horse Purchaser or another bidder so bids, the Winning Partial Bidders must continue to present qualified Winning Partial Bids (i.e., bids as to which the aggregate of all still pending Winning Partial Bids is greater than or equal to the then Prevailing Highest Bid) for the Purchased Assets and/or the Other Assets in each round to continue to bid as Winning Partial Bidders in the Full Bid Auction. In addition, the Debtors may elect, in their discretion, after consultation with the Consultation Parties, to allow Partial Bidders to bid for all or substantially all the Purchased Assets and/or the Other Assets subject to augmenting its Good Faith Deposit, as necessary, or to allow proponents of Full Bids to bid for less than all or substantially all of the Purchased Assets and/or the Other Assets in any given round of the Auction, provided that in any given round there is a Full Bid or an Aggregate Partial Bid that is superior to Prevailing Highest Bid that is then subject to acceptance by the Debtors and binding on the Stalking Horse Purchaser or another Qualified Bidder. In all events, (i) any such Overbid shall continue to comply with all of the requirements for Qualified Bids set forth in Section C of these Bidding Procedures; and (ii) the bidder submitting such a modified Qualified Bid or Qualified Partial Bid shall furnish to the Debtors and the Consultation Parties, within twenty-four (24) hours of the conclusion of the Auction, a revised Purchase Agreement and Marked Agreement showing all amendments and modifications to the Stalking Horse APA and the Sale Order.

#### **I. Selection of Successful Bid**

Prior to the conclusion of the relevant Auction, the Debtors, in consultation with the Consultation Parties, will review and evaluate each Qualified Bid in accordance with the procedures set forth herein and determine which offer or offers are the highest or otherwise best from among the Qualified Bids submitted at the relevant Auction (one or more such bids, collectively the “Successful Bid” and the bidder(s) making such bid, collectively, the “Successful Bidder”), and communicate to the Qualified Bidders the identity of the Successful Bidder and the details of the Successful Bid. The determination of the Successful Bid by the Debtors at the conclusion of the relevant Auction shall be subject to approval by the Court.

If selected, at the conclusion of the Partial Bid Auction, as the Winning Partial Bidder or the Back-Up Bidder in accordance with Section H above, then such party or parties, prior to the Full Bid Auction, shall increase its Good Faith Deposit in the amount set forth in Section II(C)(o), or as determined by the Seller in consultation with the Consultation Parties; provided, however, if a party or parties are bidding on all four APA Facilities, the deposit will be no less than \$30,000,000.



If selected as the Successful Bidder or the Back-Up Bidder at the conclusion of the Full Bid Auction, each of the Successful Bidder and the Back-Up Bidder shall, within forty-eight (48) hours, increase its Good Faith Deposit to the sum of five percent (5%) of the Successful Bid or Back-Up Bid, as applicable. If the Successful Bidder fails to increase the Good Faith Deposit within forty-eight (48) hours of the Auction conclusion date (the “Final Deposit”), then (1) the Successful Bidder forfeits its Good Faith Deposit, and (2) the Successful Bid is nullified (i.e., the Back-Up Bidder becomes the Successful Bidder in the amount of its last bid).

Unless otherwise agreed to by the Debtors and the Successful Bidder, within two (2) business days after the conclusion of the relevant Auction, the Successful Bidder shall complete and execute all agreements, contracts, instruments, and other documents evidencing and containing the terms and conditions upon which the Successful Bid was made. Within forty-eight (48) hours following the conclusion of the relevant Auction, the Debtors shall file a notice identifying the Successful Bidder(s) and Back-Up Bidders with the Court and shall serve such notice by fax, email, or if neither is available, by overnight mail to all counterparties whose contracts are to be assumed and assigned.

The Debtors will sell the Purchased Assets and (to extent included in an Overbid) the Other Assets to the Successful Bidder pursuant to the terms of the Successful Bid upon the approval of such Successful Bid by the Court at the Sale Hearing and satisfaction of any other closing conditions set forth in the Successful Bidder’s Purchase Agreement.

**J. Return of Deposits**

All deposits shall be returned to each bidder not selected by the Debtors as the Successful Bidder or the Back-Up Bidder (defined herein) no later than five (5) business days following the conclusion of the Auction.

**K. Back-Up Bidder**

If an Auction is conducted, the Qualified Bidder or Qualified Bidders with the next highest or otherwise best Qualified Bid, as determined by the Debtors in the exercise of their business judgment, in consultation with the Consultation Parties, at the relevant Auction shall be required to serve as a back-up bidder (the “Back-Up Bidder”) and keep such bid open and irrevocable for thirty (30) business days after the entry of the Sale Order (the “Thirty-Day Period”). If during the Thirty-Day Period, the Successful Bidder fails to consummate the approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Back-Up Bidder will be deemed to be the new Successful Bidder, and the Debtors will be authorized, but not required, to consummate the sale with the Back-Up Bidder without further order of the Court provided that the Back-Up Bidder shall thereafter keep such bid open and irrevocable in accordance with the terms of the Back-Up Bidder APA; provided further, however, that if the Back-Up Bidder is the Stalking Horse Purchaser, the Debtors will be authorized and required to consummate the sale to the Stalking Horse Purchaser.

If, after the Thirty-Day Period, the Successful Bidder has failed to consummate the approved sale, the Back-Up Bidder may elect, at its discretion, to remain as the Back-Up Bidder until (a) the sale closes, (b) the Successful Bidder defaults, or (c) the Back-Up Bidder elects to terminate its



participation as Back-Up Bidder. For the avoidance of doubt, after the Thirty-Day Period, if the Successful Bidder fails to consummate the approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Back-Up Bidder will not be contractually obligated to be the Back-Up Bidder, and will have the option to either (i) be entitled to terminate its Back-Up Bidder APA and the return of its deposit, or (ii) remain as the Back-up Bidder, in which event, there will be no re-opening of the auction.

#### **L. Break-Up Fee**

In recognition of this expenditure of time, energy, and resources, the Debtors have agreed that if the Stalking Horse Purchaser is not the Successful Bidder as to the Purchased Assets, the Debtors will pay the Stalking Horse Purchaser at closing of the sale of the Purchased Assets the Break-Up Fee and the Expense Reimbursement as set forth in the Stalking Horse APA.

### **III. Sale Hearing**

The Debtors will seek entry of the Sale Order, at the Sale Hearing on April 17, 2019, at 10:00 a.m. (or at another date and time convenient to the Court), to approve and authorize the sale transaction to the Successful Bidder(s) on terms and conditions determined in accordance with the Bidding Procedures. The Debtors may submit and present such additional evidence, as they may deem necessary, at the Sale Hearing demonstrating that the Sale is fair, reasonable, and in the best interest of the Debtors' estates and all interested parties, and satisfies the standards necessary to approve a sale of the Purchased Assets."

### **IV. Sale Order**

The Sale Order will provide Court approval of (i) the Sale to the Successful Bidder, free and clear of all liens, claims, interests, and encumbrances, pursuant to 11 U.S.C. § 363, with the proceeds of the Sale deposited in accordance with Paragraph 4 of the Final DIP Order, with all liens, claims, interests, and encumbrances to attach to the sale proceeds with the same validity and in the same order of priority as they attached to the Purchased Assets prior to the Sale, including, without limitation, the liens and security interests of the DIP Lender and each of the Prepetition Secured Creditors under the relevant agreements, applicable law and the Final DIP Order, and (ii) the assumption by the Debtors and assignment to the Successful Bidder of the Assumed Executory Contracts and Leases pursuant to 11 U.S.C. § 365.

### **VII. Reservation**

The Debtors reserve the right, as they may determine in their discretion and in accordance with their business judgment to be in the best interest of their estates, in consultation with their professionals and the Consultation Parties to: (i) modify the Bidding Procedures to discontinue incremental bidding and then require that any and all bidders or potential purchasers submit their sealed, highest and best offer for the Purchased Assets and/or the Other Assets; (ii) determine which Qualified Bid is the highest or otherwise best bid and which is the next highest or otherwise best bid; (iii) waive terms and conditions set forth herein with respect to all Potential Bidders; (iv)



impose additional terms and conditions with respect to all Potential Bidders; (v) extend the deadlines set forth herein; (vi) continue or cancel an Auction and/or Sale Hearing in open court without further notice; and (vii) implement additional procedural rules that the Debtors determine, in their reasonable business judgment and in consultation with the Consultation Parties will better promote the goals of the bidding process; provided that such modifications are disclosed to each Qualified Bidder participating in the Auction; provided, however, and notwithstanding the foregoing, these Bid Procedures shall not be modified so as to alter, extinguish or modify any rights or interests of the Stalking Horse Purchaser expressly set forth herein or in the Stalking Horse APA.



### **Schedule 8.6 - Attorney General Provisions**

*See attached* “Schedule 8.6 re AG Conditions.pdf”



## Schedule 8.6 –AG Conditions

### **I. St. Francis Medical Center**

<b>St. Francis Medical Center</b>	<b>AG Conditions<sup>1</sup></b>	<b>Purchaser Approved Conditions<sup>2</sup></b>
<b>Binding Power</b>	<ul style="list-style-type: none"><li>● Conditions shall be binding on entities enumerated in AG Conditions.</li></ul>	Purchaser accepts this condition with the following changes: <ul style="list-style-type: none"><li>● Conform to the transaction described in the Asset Purchase Agreement between SGM and Seller to which this Schedule 8.6 is related (“<b>Agreement</b>”).</li><li>● SGM entities who are involved in the purchase of assets pursuant to the Agreement would agree to be bound by the prospective AG conditions substantively conforming to all the provisions herein.</li></ul>
<b>Applicable Agreements</b>	<ul style="list-style-type: none"><li>● Transaction consists of the following:<ul style="list-style-type: none"><li>- Transitional Consulting Services Agreement dated July 17, 2015;</li><li>- Health System Management Agreement with Integrity Healthcare, LLC;</li><li>- Debt Facility Commitment Letter dated July 17, 2015, signed by all the funds listed in footnote 2 and BlueMeridian Capital, LLC;</li><li>- Operating Asset Purchase</li></ul></li></ul>	Purchaser accepts this condition with the following changes: <ul style="list-style-type: none"><li>● Transaction consists of the Agreement and any and all other agreements contemplated and delivered pursuant to the Agreement including as may be applicable, financing, management services and similar agreements.</li></ul>

<sup>1</sup> The referenced conditions are, as a point of reference, reflective of the conditions contained in the Attorney General’s Decision dated December 3, 2015, conditionally consenting to the proposed change in governance and control of Daughters of Charity Ministry Services Corporation and Daughters of Charity Health System (the “**Prior Conditions**”).

<sup>2</sup> When reference is made for the proposed new AG conditions to conform to the transaction described in the Agreement, it means that, subject to any other applicable express qualifications, the condition is acceptable provided that the prospective AG conditions would address, and be consistent with, the proposed transaction pursuant to the proposed Agreement between SGM and Verity entities, and would eliminate references to the Blue Mountain entities and affiliate and the contractual arrangements between Verity entities and the Blue Mountain entities and affiliates (upon which the prior conditions were predicated), including without limitation, the System Restructuring and Support Agreement and documents delivered in connection therewith.



	<p>Option Agreement;</p> <ul style="list-style-type: none"> <li>- Operating Asset Purchase Agreement;</li> <li>- Real Estate Purchase Option Agreement;</li> <li>- Real Estate Purchase Agreement;</li> <li>- Information Technology Lease Agreement; and</li> <li>- Deposit Escrow Agreement dated July 17, 2015.</li> </ul>	
<b>Notice of Sale or Transfer</b>	<p><i>For fifteen (15) years:</i></p> <ul style="list-style-type: none"> <li>● Provide written notice to AG sixty (60) days prior to entering into any sale or transfer agreement.</li> </ul>	Purchaser accepts this condition if updated to reflect current transaction and parties.
<b>Medical; Trauma Services</b>	<p><i>For ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● Remain licensed general acute care hospital.</li> <li>● 24-hour emergency and trauma medical services at no less than current licensure and designation with same types and/or levels of service, including: <ul style="list-style-type: none"> <li>- 46 emergency stations (minimum)</li> <li>- Level II Trauma</li> <li>- 5150 receiving facility</li> <li>- Psychiatric evaluation team</li> <li>- ED Approved for Pediatrics; and</li> <li>- Designation as a Paramedic Base Station (with same number of assigned paramedic units)</li> </ul> </li> <li>● Annual maximum number of hours on diversion is 200.</li> <li>● Must give one-year advance written notice to LA-EMSA and CDPH if it seeks to reduce trauma or trauma-related care services or stop operating the Level II Trauma Center after the ten (10) years</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Purchaser will not agree to an annual maximum number of hours on diversion.</li> </ul>
<b>On-Call Coverage Contracts</b>	<p><i>For at least ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● Maintain on-call coverage (or</li> </ul>	Purchaser accepts this condition with the following changes:



	<p>comparable) contracts with physicians at FMV necessary to ensure trauma coverage, including:</p> <ul style="list-style-type: none"> <li>- General surgery;</li> <li>- Trauma surgery;</li> <li>- Neuro-trauma surgery;</li> <li>- Obstetrical/gynecological surgery;</li> <li>- Orthopedic surgery;</li> <li>- Trauma orthopedic surgery;</li> <li>- Vascular surgery;</li> <li>- Cardiothoracic surgery;</li> <li>- Plastic surgery;</li> <li>- Ophthalmology;</li> <li>- Otolaryngology;</li> <li>- Anesthesia; and</li> <li>-Urology.</li> </ul>	<ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Purchaser will not agree to maintain on-call coverage (or comparable) contracts with physicians necessary to ensure trauma coverage except to the extent required by applicable laws or regulations in order for the Hospital to retain its qualification as a trauma center, for so long as maintenance of the trauma status is required.</li> <li>● These qualifications are not intended to modify the following condition on Essential Medical Services.</li> </ul>
<b>Essential Medical Services</b>	<p><i>For at least ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● Maintain, provide and expand the following services at current levels: <ul style="list-style-type: none"> <li>- Cardiac services, including at a minimum, three cardiac catheterization labs and the designation as a STEMI Receiving Center;</li> <li>- Critical care services, including a minimum of 36 intensive care unit beds or 24 intensive care unit beds and 12 System Restructuring and Support observation beds;</li> <li>- Advanced certification as a Primary Stroke Center;</li> <li>- Neonatal intensive care services, including a minimum of 29 neonatal intensive care beds, and at minimum, maintaining a Level II Neonatal Intensive Care Unit;</li> <li>- Women's health services, including women's imaging services;</li> </ul> </li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Purchaser will not agree to maintain, provide and expand cancer care or to not suspend or surrender beds directly supporting such services.</li> </ul>



	<ul style="list-style-type: none"> <li>- Cancer services, including radiation oncology;</li> <li>- Pediatric services, including a minimum of 14 pediatric beds;</li> <li>- Orthopedic and rehabilitation services;</li> <li>- Wound care and hyperbaric medicine services;</li> <li>- Reproductive health services and expand such services to include those prohibited by the "Ethical and Religious Directives for Catholic Health Care Services" as determined by the United States Conference of Catholic Bishops;</li> <li>- Inpatient psychiatric services, including a minimum of 40 inpatient acute psychiatric beds;</li> <li>and</li> <li>- Obstetric services, including a minimum of 50 obstetrics beds.</li> <li>● SFMC shall not place all or any portion of the above in voluntary suspension or surrender its license for any of these beds or services.</li> </ul>	
<b>1206(d) clinics</b>	<p><i>For five (5) years:</i></p> <ul style="list-style-type: none"> <li>● (1) Operate the 1206(d) clinics (listed below) with the same number of physician and mid-level provider FTEs; or</li> <li>(2) sell the 1206(d) clinics (listed below) with the same number of physician and mid-level provider FTEs and require purchaser to maintain such services for five (5) years from the Closing; or</li> <li>(3) ensure that a third party is operating the 1206(d) clinics (listed below) with the same number of physician and mid-level provider FTEs for five (5) years and to participate in Medi-Cal and Medicare.</li> <li>● For any of these options, each</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.



	<p>clinic can be moved to a different location within a three-mile radius of each clinic's current location, and St. Francis Medical Center can utilize an alternative structure (e.g., Federally Qualified Health Center, physician office practice) in providing such services.</p> <ul style="list-style-type: none"> <li>● <b><u>1206(d) clinics</u></b></li> <li>- Lynwood Clinic — Family Practice and Pediatrics, located at 3628 E. Imperial Highway, #303 in Lynwood;</li> <li>- Downey Clinic — Family Practice and Pediatrics, located at 7840 Imperial Highway, Unit B, in Downey; and</li> <li>- Orthopedics Clinic, located at 3628 E. Imperial Highway, #300, in Lynwood.</li> </ul>	
<b>Charity Care</b>	<p><i>For eleven (11) fiscal years :</i></p> <ul style="list-style-type: none"> <li>● Provide an annual amount of Charity Care equal to or greater than \$16,646,323.</li> <li>● For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not, decreased) by an amount equal to the Annual Percent increase.</li> <li>● Deficiency payments if Minimum Charity Care Amount not met.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Provide an annual amount of Charity Care equal to or greater than Eight Million Dollars (\$8,000,000).</li> <li>● Purchaser will not make any deficiency payments related to Charity Care spending into pensions.</li> </ul>
<b>Community Benefit Services</b>	<p><i>For eleven (11) fiscal years:</i></p> <ul style="list-style-type: none"> <li>● Provide an annual amount of Community Benefit Services equal to or greater than \$1,362,680 and continue to offer the following services:</li> <li>- Health Benefits Resource Center;</li> <li>- Welcome Baby Program;</li> <li>- Healthy Community Initiatives;</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Provide an annual amount of Community Benefit Services equal to or greater than One Million, Four Hundred Thirty-Nine Thousand, Eight Hundred Fifty-</li> </ul>



	<ul style="list-style-type: none"> <li>- St. Francis Career College's access for onsite training;</li> <li>- Paramedic Training and Education; and</li> <li>- Patient Transportation support.</li> <li>● For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change.</li> <li>● Deficiency payments if Minimum Community Benefit Services Amount not met.</li> </ul>	Four Dollars (\$1,439,854).
<b>Medicare and Medi-Cal and Managed Care</b>	<p><i>For ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● Be certified to participate in the Medi-Cal program;</li> <li>● Maintain and have Medi-Cal Managed Care contracts with the below listed Medi-Cal Managed Care Plans to provide the same types and levels of emergency and non-emergency services at St. Francis Medical Center to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care), on the same terms and conditions as other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause: <ul style="list-style-type: none"> <li>- Local Initiative: LA Care Health Plan or its successor; and</li> <li>- Commercial Plan: Health Net Community Solutions, Inc. or its successor.</li> </ul> </li> <li>● If St. Francis Medical Center questions whether it is being</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.



	<p>reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the AG's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.</p> <ul style="list-style-type: none"> <li>● Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at St. Francis Medical Center to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care).</li> </ul>	
<b>County Contracts</b>	<p><i>For at least ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● Maintain LA County contracts, including: <ul style="list-style-type: none"> <li>- Radiation Therapy Services Agreement;</li> <li>- Impacted Hospital Program Agreement until terminated by Los Angeles County in June 2016;</li> <li>- Department of Mental Health Legal Entity Agreement;</li> <li>- Mental Health Services Agreement Contract Allowable Rate-Fee for Service Medi-Cal Acute Psychiatric Inpatient Services;</li> <li>- EDAP Confirmation Agreement;</li> <li>- Designation Agreement (72-Hours Evaluation and Intensive Treatment Facility);</li> <li>- Paramedic Base Hospital Services Agreement;</li> </ul> </li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Conform to current transaction</li> </ul>



	<ul style="list-style-type: none"> <li>- Trauma Center Services Agreement;</li> <li>- Trauma Center Services Augmentation Agreement until terminated by Los Angeles County in December 2015;</li> <li>- Nursing Affiliation Agreement; and</li> <li>- Hospital Preparedness Program Agreement.</li> <li>● Provide to LA County information and documents related to staffing assessments, clinical guidelines, services provided, and technology needs for St. Francis Medical Center. The goal is to ensure that St. Francis Medical Center's decisions or changes in these areas will not be motivated by a desire to move away from serving the Medi-Cal population. Such information and documents will also be provided to the Local Governing Board.</li> </ul>	
<b>Local Governing Board of Directors</b>	<p><i>For ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● Have a Local Governing Board of Directors and consult with Board prior to changes.</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.
<b>Capital Commitment</b>	<ul style="list-style-type: none"> <li>● Reserve or expend the \$180 million capital commitment.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● Capital commitment will be adjusted as follows: <ul style="list-style-type: none"> <li>- Prorated to adjust commitment to reflect percentage of assets St. Francis Medical Center represents against the total value of all assets in the Verity Health System;</li> <li>- The capital commitment will be reduced by the amount Seller has already expended for capital from the Closing of the Blue Mountain transaction through Closing under</li> </ul> </li> </ul>



		<p>the Agreement.</p> <ul style="list-style-type: none"> <li>- All to be paid or reserved over a five (5) year period after Closing of the Agreement.</li> <li>- The total capital requirements for St. Francis Medical Center, Seton Medical Center / Coastside, and St. Vincent Medical Center will not exceed Seventy-Five Million Dollars (\$75,000,000).</li> </ul>
<b>Pension Obligations</b>	<ul style="list-style-type: none"> <li>● Comply with existing pension obligations.</li> </ul>	Purchaser does not accept this condition.
<b>Staff Privileges</b>	<ul style="list-style-type: none"> <li>● Maintain privileges for current medical staff in good standing at Closing.</li> <li>● Maintain medical staff officers, committee chairs, and independence of medical staff, and such persons shall remain in good standing for the remainder of their tenure.</li> </ul>	<ul style="list-style-type: none"> <li>● Purchaser accepts this condition consistent with the Agreement.</li> <li>● Agreed to the extent reasonably within SGM's control.</li> </ul>
<b>Seismic Compliance</b>	<ul style="list-style-type: none"> <li>● Commit necessary investments to maintain OSHPD seismic compliance requirements of hospital through 2030.</li> </ul>	Purchaser accepts this condition.
<b>Update Bylaws and Conflict of Interest Policy</b>	<ul style="list-style-type: none"> <li>● Within sixty (60) days, update Bylaws as specified and adopt same Conflict of Interest Policy as DCHS.</li> <li>● Within ninety (90) days of closing, provide copies of amended and restated governing documents.</li> </ul>	Purchaser does not accept this condition because it is not applicable to a for-profit health system or consistent with this transaction.
<b>Reproductive Health Services and LGBT Discrimination</b>	<ul style="list-style-type: none"> <li>● There shall be no restriction or limitation on providing or making reproductive health services and no discrimination against LGBT individuals. Both of these must be set forth in written policies.</li> </ul>	Purchaser accepts this condition.



<b>Accounting of Charitable Assets</b>	<ul style="list-style-type: none"> <li>At least thirty (30) days prior to Closing, provide to the Attorney General's Office an accounting of all charitable assets.</li> </ul>	Purchaser does not accept this condition because it is not acquiring the Foundations.
<b>Compliance Reports and Provision of Information</b>	<ul style="list-style-type: none"> <li>Provide reports/information as required by AG for eleven years.</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.
<b>Consent to Conditions</b>	<ul style="list-style-type: none"> <li>Implicit/explicit consent to conditions and waiver of any right to seek judicial relief.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>Implicit/explicit consent to conditions and waiver of any right to seek judicial relief as long as consistent with the Agreement.</li> </ul>

## II. St. Vincent Medical Center

<b>St. Vincent Medical Center</b>	<b>AG Conditions</b>	<b>Purchaser Approved Conditions</b>
<b>Binding Power</b>	<ul style="list-style-type: none"> <li>Conditions shall be binding on entities enumerated in AG Conditions.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>Conform to the transaction described in the Agreement.</li> <li>SGM entities who are involved in the purchase of assets pursuant to the Agreement would agree to be bound by prospective AG conditions substantively conforming to all the provisions herein.</li> </ul>
<b>Applicable Agreements</b>	<ul style="list-style-type: none"> <li>Transaction consists of the following: <ul style="list-style-type: none"> <li>Transitional Consulting Services Agreement dated July 17, 2015;</li> <li>Health System Management Agreement with Integrity Healthcare, LLC;</li> <li>Debt Facility Commitment Letter dated July 17, 2015, signed by all the funds listed in footnote 2 and BlueMeridian Capital, LLC;</li> <li>Operating Asset Purchase Option Agreement;</li> </ul> </li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>Transaction consists of the Agreement and any and all other agreements contemplated and delivered pursuant to the Agreement including, as may be applicable, financing, management services and similar agreements.</li> </ul>



	<ul style="list-style-type: none"> <li>- Operating Asset Purchase Agreement;</li> <li>- Real Estate Purchase Option Agreement;</li> <li>- Real Estate Purchase Agreement;</li> <li>- Information Technology Lease Agreement; and</li> <li>- Deposit Escrow Agreement dated July 17, 2015.</li> </ul>	
<b>Notice of Sale or Transfer</b>	<p><i>For fifteen (15) years:</i></p> <ul style="list-style-type: none"> <li>● Provide written notice to AG sixty (60) days prior to entering into any sale or transfer agreement.</li> </ul>	Purchaser accepts this condition if updated to reflect current transaction and parties.
<b>Essential Medical Services</b>	<p><i>For five (5) years:</i></p> <ul style="list-style-type: none"> <li>● Remain licensed general acute care hospital.</li> <li>● Provide the following: <ul style="list-style-type: none"> <li>- 24-hour emergency medical services, including a minimum of:</li> <li>- 8 emergency beds/stations and 6 Fast Track treatment stations, and the requirements set by the County of Los Angeles Emergency Medical Services for 911 Receiving Hospitals;</li> <li>- Acute rehabilitation services, including a minimum of 19 licensed acute rehabilitation beds;</li> <li>- Intensive care/critical care services, including a minimum of 30 licensed intensive care beds;</li> <li>- Cardiac services, including cardiac surgery and a minimum of 4 cardiac catheterization labs;</li> <li>- Cancer services, including radiation therapy;</li> <li>- Gastroenterology services;</li> <li>- Imaging and laboratory services;</li> <li>- Nephrology services, including end stage renal disease program, acute inpatient dialysis unit, and</li> </ul> </li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Purchaser will not agree to maintain, provide and expand cancer care, including radiation therapy or to not suspend or surrender beds directly supporting such services.</li> </ul>



	<p>hemodialysis treatments;</p> <ul style="list-style-type: none"> <li>- Neurology and neurotology services, including neurosurgery;</li> <li>- Orthopedics, joint replacement, and spine care services;</li> <li>- Transplant services, including kidney and multi-organ transplant procedures for kidney/pancreas double transplants;</li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>- Outpatient dialysis services <b>within 5 miles of St. Vincent Medical Center</b> by either (1) operating St. Vincent Dialysis Center, or (2) transferring St. Vincent Dialysis Center to a separate entity and requiring that entity to operate it for 5 years from the closing date of the System Restructuring and Support Agreement and to participate in the Medi-Cal and Medicare programs as required in Condition VII, or (3) ensuring that a third party is operating an outpatient dialysis center(s) at current levels for 5 years from the closing date of the System Restructuring and Support Agreement</li> </ul>	
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	<p>and that such center(s) participate in the Medi-Cal and Medicare programs as required in Condition VII.</p> <ul style="list-style-type: none"> <li>● St. Vincent Medical Center shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.</li> </ul>	
<b>OB &amp; Reproductive Services</b>	<p><i>Within five (5) years:</i></p> <ul style="list-style-type: none"> <li>● If St. Vincent Medical Center provides obstetrical services within five years from the closing date of the System Restructuring and Support Agreement, St. Vincent Medical Center shall also provide reproductive health services including such services prohibited by the “Ethical and Religious Directives for Catholic Health Care Services” as determined by the United States Conference of Catholic Bishops.</li> </ul>	<p>Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</p> <p>.</p>
<b>1206(d) clinics</b>	<p><i>For five (5) years:</i></p> <ul style="list-style-type: none"> <li>● (1) Operate the 1206(d) clinics (listed below) at same levels; OR</li> <li>(2) sell the 1206(d) clinics (listed below) with the same number of physician and mid-level provider FTEs and require purchaser to maintain such services for five (5) years from the Closing; OR</li> <li>(3) ensure that a third party is operating the 1206(d) clinics (listed below) at the same levels for five (5) years and to participate in Medi-Cal and Medicare as stated in Condition VII.</li> <li>● For any of these options, each clinic can be moved to a different</li> </ul>	<p>Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</p> <p>.</p>



	<p>location within a two-mile radius of each clinic's current location, and SVMC can utilize an alternative structure (e.g., Federally Qualified Health Center, physician office practice) in providing such services.</p> <p>● <b><u>1206(d) clinics</u></b></p> <ul style="list-style-type: none"> <li>- Joint Replacement Institute, located at 2200 West 3<sup>rd</sup> Street in Los Angeles;</li> <li>- Multi-Organ Transplant Center, located at 2200 West 3<sup>rd</sup> Street in Los Angeles;</li> <li>- Spine Institute, located at 2200 West 3<sup>rd</sup> Street in Los Angeles;</li> <li>- Cancer Treatment Center, located at 201 S. Alvarado Street in Los Angeles; and</li> <li>- Cardiac Care Institute, located at 201 S. Alvarado Street in Los Angeles.</li> </ul>	
<b>Charity Care</b>	<p><i>For six (6) fiscal years:</i></p> <ul style="list-style-type: none"> <li>● Provide an annual amount of Charity Care equal to or greater than \$407,513.</li> <li>● For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not, decreased) by an amount equal to the Annual Percent increase.</li> <li>● Deficiency payments if Minimum Charity Care Amount not met.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Provide an annual amount of Charity Care equal to or greater than Four Hundred Thirty Thousand Dollars and Three Hundred Eighty-Four Dollars (\$430,384).</li> <li>● Purchaser will not make any deficiency payments related to Charity Care spending into pensions.</li> </ul>
<b>Community Benefit Services</b>	<p><i>For six (6) fiscal years:</i></p> <ul style="list-style-type: none"> <li>● Provide an annual amount of Community Benefit Services at St. Vincent Medical Center equal to or greater than \$1,076,459 exclusive of any funds from grants. For six fiscal years, the following community benefit programs and services shall continue to be offered:</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Provide an annual amount of Community Benefit Services at St. Vincent Medical Center equal to or</li> </ul>



	<ul style="list-style-type: none"> <li>- Health Benefits Resource Center or similar services; and</li> <li>- Asian Pacific Liver Center.</li> <li>● Further planning of and changes to, the community benefit services provided at St. Vincent Medical Center shall be decided upon by the St. Vincent Medical Center's Board of Directors after consultation with the Local Governing Board of Directors as set forth in Condition XI.</li> <li>● For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change.</li> <li>● Deficiency payments if Minimum Community Benefit Services Amount not met</li> </ul>	greater than of One Million Seventy-Six Thousand and Four Hundred Fifty-Nine Dollars (\$1,076,459) exclusive of any funds from grants.
<b>Medicare and Medi-Cal and Managed Care</b>	<p><i>For five (5) years:</i></p> <ul style="list-style-type: none"> <li>● Be certified to participate in the Medi-Cal program;</li> <li>● Maintain and have Medi-Cal Managed Care contracts with the below listed Medi-Cal Managed Care Plans to provide the same types and levels of emergency and non-emergency services at St. Vincent Medical Center to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care), on the same terms and conditions as other similarly-situated hospitals offering substantially the same services, without any loss; interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause:</li> <li>- Local Initiative Plan: LA Care Health Plan or its successor; and</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.



	<ul style="list-style-type: none"> <li>- Commercial Plan: Health Net Community Solutions, Inc. or its successor.</li> <li>● If St. Vincent Medical Center questions whether it is being reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the AG's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.</li> <li>● Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at St. Vincent Medical Center to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care).</li> </ul>	
<b>County Contracts</b>	<p><i>For at least five (5) years:</i></p> <ul style="list-style-type: none"> <li>● Maintain contracts and any amendments and exhibits thereto with the County of Los Angeles for services, including the following: <ul style="list-style-type: none"> <li>- Hospital Preparedness Program Agreement;</li> <li>- Radiation Therapy Services Agreement; and</li> <li>- Physician Post Graduate Training Agreement.</li> </ul> </li> <li>● Provide to the Los Angeles County Department of Health Services and Los Angeles County of Department of Mental Health information and documents related to staffing assessments, clinical guidelines, services provided, and technology needs for St. Vincent</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Conform to current transaction.</li> </ul>



	Medical Center. The goal is to ensure that St. Vincent Medical Center's decisions or changes in these areas will not be motivated by a desire to move away from serving the Medi-Cal population. Such information and documents will also be provided to the Local Governing Board.	
<b>Local Governing Board of Directors</b>	<i>For five (5) years:</i> <ul style="list-style-type: none"> <li>● Have a Local Governing Board of Directors and consult with Board prior to changes.</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.
<b>Capital Commitment</b>	<ul style="list-style-type: none"> <li>● Reserve or expend the \$180 million capital commitment.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● Capital commitment will be adjusted as follows: <ul style="list-style-type: none"> <li>- Prorated to adjust commitment to reflect percentage of assets St. Francis Medical Center represents against the total value of all assets in the Verity Health System;</li> <li>- The capital commitment will be reduced by the amount Seller has already expended for capital from the Closing of the Blue Mountain transaction through Closing under the Agreement.</li> <li>- All to be paid or reserved over a five (5) year period after Closing of the Agreement.</li> </ul> </li> </ul> <p>The total capital requirements for St. Francis Medical Center, Seton Medical Center / Coastside, and St. Vincent Medical Center will not exceed Seventy-Five Million Dollars (\$75,000,000).</p>
<b>Pension Obligations</b>	<ul style="list-style-type: none"> <li>● Comply with pension obligations.</li> </ul>	Purchaser does not accept this condition.
<b>Staff Privileges</b>	<ul style="list-style-type: none"> <li>● Maintain privileges for current medical staff in good standing at</li> </ul>	<ul style="list-style-type: none"> <li>● Purchaser accepts this condition consistent with Agreement.</li> </ul>



	<p>Closing.</p> <ul style="list-style-type: none"> <li>● Maintain medical staff officers, committee chairs, and independence of medical staff, and such persons shall remain in good standing for the remainder of their tenure.</li> </ul>	<ul style="list-style-type: none"> <li>● Agreed to the extent reasonably within SGM's control.</li> </ul>
<b>Seismic Compliance</b>	<ul style="list-style-type: none"> <li>● Commit necessary investments to maintain OSHPD seismic compliance requirements through 2030</li> <li>● Purchaser shall commit the necessary capital investment required to refurbish St. Vincent Medical Center's elevators in order to meet the City of Los Angeles' Elevator Code.</li> </ul>	<ul style="list-style-type: none"> <li>● Purchase accepts this condition subject to completion of project to refurbish 6 elevators prior to closing.</li> </ul>
<b>Update Bylaws and Conflict of Interest Policy</b>	<ul style="list-style-type: none"> <li>● Within sixty (60) days, update Bylaws as specified and adopt same Conflict of Interest Policy as DCHS.</li> <li>● Within ninety (90) days of Closing, provide copies of amended and restated governing documents.</li> </ul>	Purchaser does not accept this condition because it is not applicable to a for-profit health system or consistent with this transaction .
<b>Reproductive Health Services and LGBT Discrimination</b>	<ul style="list-style-type: none"> <li>● There shall be no restriction or limitation on providing or making reproductive health services and no discrimination against LGBT individuals. Both of these must be set forth in written policies.</li> </ul>	Purchaser accepts this condition.
<b>Accounting of Charitable Assets</b>	<ul style="list-style-type: none"> <li>● At least thirty (30) days prior to Closing, provide to the AG's Office an accounting of all charitable assets.</li> </ul>	Purchaser does not accept this condition because it is not relevant to the current transaction.
<b>Compliance Reports and Provision of Information</b>	<ul style="list-style-type: none"> <li>● Provide reports/information as required by AG for eleven years.</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.
<b>Consent to Conditions</b>	<ul style="list-style-type: none"> <li>● Implicit/explicit consent to conditions and waiver of any right to seek judicial relief.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● Implicit/explicit consent to conditions and waiver of any right</li> </ul>



		to seek judicial relief as long as consistent with the Agreement.
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### III. Seton Medical Center

<b>Seton Medical Center</b>	<b>AG Conditions</b>	<b>Purchaser Approved Conditions</b>
<b>Binding Power</b>	<ul style="list-style-type: none"><li>● Conditions shall be binding on entities enumerated in AG Conditions.</li></ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"><li>● Conform to the transaction described in the Agreement.</li><li>● SGM entities who are involved in the purchase of assets pursuant to the Agreement would agree to be bound by the prospective AG conditions substantively conforming to all the provisions herein.</li></ul>



<b>Applicable Agreements</b>	<ul style="list-style-type: none"> <li>● Transaction consists of the following: <ul style="list-style-type: none"> <li>- Transitional Consulting Services Agreement dated July 17, 2015;</li> <li>- Health System Management Agreement with Integrity Healthcare, LLC;</li> <li>- Debt Facility Commitment Letter dated July 17, 2015, signed by all the funds listed in footnote 2 and BlueMeridian Capital, LLC;</li> <li>- Operating Asset Purchase Option Agreement;</li> <li>- Operating Asset Purchase Agreement;</li> <li>- Real Estate Purchase Option Agreement;</li> <li>- Real Estate Purchase Agreement;</li> <li>- Information Technology Lease Agreement; and</li> <li>- Deposit Escrow Agreement dated July 17, 2015.</li> </ul> </li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● Transaction consists of the Agreement and any and all other agreements contemplated and delivered pursuant to the Agreement including, as may be applicable, financing, management services and similar agreements.</li> </ul>
<b>Notice of Sale or Transfer</b>	<p><i>For fifteen (15) years:</i></p> <ul style="list-style-type: none"> <li>● Provide written notice to AG sixty (60) days prior to entering into any sale or transfer agreement.</li> </ul>	<p>Purchaser accepts this condition if updated to reflect current transaction and parties.</p>
<b>Trauma Services</b>	<p><i>For ten (10) years</i></p> <ul style="list-style-type: none"> <li>● Seton Medical Center shall remain licensed general acute care hospital and maintain current services at current levels: <ul style="list-style-type: none"> <li>- 24-hour emergency medical services, including a minimum of 18 emergency treatment stations;</li> <li>- Cardiac services, including the 2 cardiac catheterization labs, including the designation as a STEMI</li> </ul> </li> </ul>	<p>Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</p>



	<p>Receiving Center;</p> <ul style="list-style-type: none"> <li>- Intensive care and coronary care services, including a minimum of 20 intensive care and coronary care beds;</li> <li>- Advanced certification as a Primary Stroke Center;</li> <li>- Women's health services, Seton Breast Health Center, and women's imaging and mammography services; and</li> <li>- Sub-acute services, including a minimum of 44 sub-acute beds and Medi-Cal Certification and Joint Commission Accreditation as a sub-acute unit.</li> </ul> <p>● Seton Medical Center shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.</p>	
<b>OB &amp; Reproductive Services</b>	<p><i>Within ten (10) years:</i></p> <p>If Seton Medical Center provides obstetrical services within ten years from the closing date of the System Restructuring and Support Agreement, Seton Medical Center shall also provide reproductive health services including such services prohibited by the "Ethical and Religious Directives for Catholic Health Care Services" as determined by the United States Conference of Catholic Bishops.</p>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.
<b>Essential Medical Services</b>	<p><i>For at least five (5) years:</i></p> <ul style="list-style-type: none"> <li>● Seton Medical Center shall maintain the following at current levels:</li> <li>- Gastroenterology services, including enteroscopy, endoscopy, and colonoscopy services;</li> </ul>	<p>Seton Medical Center:</p> <p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> </ul>



	<ul style="list-style-type: none"> <li>- Cancer services, including inpatient oncology unit, interventional radiology, radiation therapy, and infusion services;</li> <li>- Orthopedics and rehabilitation services, including joint replacement and spine care services;</li> <li>- Diabetes services, including Northern California Diabetes Institute;</li> <li>- Wound care services, including Seton Center for Advanced Wound Care; and</li> <li>- Nephrology services, including inpatient and outpatient dialysis services.</li> </ul> <ul style="list-style-type: none"> <li>● Seton Medical Center shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.</li> </ul> <p><i>For at least ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● <b>Seton Coastside</b> shall maintain and provide the following services at current licensure, types, and/or levels of services at Seton Coastside:</li> <li>- 24-hour “standby” emergency services, with a minimum of 7 treatment stations; and</li> <li>- Skilled nursing services, including a minimum of 116 licensed skilled nursing beds.</li> </ul>	<ul style="list-style-type: none"> <li>● Purchaser will not agree to maintain, provide and expand cancer care at either campus, including inpatient oncology unit, interventional radiology, radiation therapy, and infusion services or to not suspend or surrender any beds directly supporting such services.</li> </ul> <p>Seton Coastside: Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</p>
<b>Charity Care</b>	<p><i>For six (6) fiscal years:</i></p> <ul style="list-style-type: none"> <li>● Seton Medical Center and Seton Coastside shall provide an annual amount of Charity Care at Seton Medical Center and Seton Coastside equal to or greater than \$1,721,301.</li> <li>● For the second fiscal year and each subsequent fiscal year, the</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</li> <li>● Seton Medical Center and Seton Coastside together shall provide an annual amount of Charity Care at</li> </ul>



	<p>Minimum Charity Care Amount shall be increased (but not, decreased) by an amount equal to the Annual Percent increase.</p> <ul style="list-style-type: none"> <li>● Deficiency payments if Minimum Charity Care Amount not met.</li> </ul>	<p>Seton Medical Center and Seton Coastside total that is equal to or greater than Nine Hundred Thirty-Five Thousand and Four Hundred Five Dollars (\$935,405).</p> <ul style="list-style-type: none"> <li>● Purchaser will not make any deficiency payments related to Charity Care spending into pensions.</li> </ul>
<b>Community Benefit Services</b>	<p><i>For six (6) fiscal years:</i></p> <ul style="list-style-type: none"> <li>● Seton Medical Center and Seton Coastside shall provide an annual amount of Community Benefit Services equal to or greater than \$794,324 exclusive of any funds from grants. For six fiscal years, the following community benefit programs and services shall continue to be offered: <ul style="list-style-type: none"> <li>- Health Benefits Resource Center; and</li> <li>- RotaCare Clinic.</li> </ul> </li> <li>● For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change.</li> <li>● Deficiency payments if Minimum Community Benefit Services Amount not met.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● For a term which coincides with the remaining term applicable to this provision, for this facility, in the Prior Conditions.</li> <li>● Seton Medical Center and Seton Coastside together shall provide an annual total amount of Community Benefit Services equal to or greater than Eight Hundred Forty-Eight Thousand and Four Hundred Thirty-Four Dollars (\$848,434) exclusive of any funds from grants.</li> </ul>
<b>Medicare and Medi-Cal and Managed Care</b>	<p><i>For ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● Both Seton Medical Center and Seton Coastside shall:</li> <li>● Be certified to participate in the Medi-Cal program;</li> <li>● Maintain and have Medi-Cal Managed Care contracts with San Mateo Health Commission dba Health Plan of San Mateo or its successor to provide the same types and levels of emergency and non-emergency services at Seton</li> </ul>	<p>Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.</p>



	<p>Medical Center and Seton Coastsides to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care), on the same terms and conditions as other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause</p> <ul style="list-style-type: none"> <li>• If SMC or Seton Coastsides questions whether it is being reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the AG's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.</li> <li>• Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at SMC and Seton Coastsides to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care).</li> </ul>	
<b>San Mateo County Contracts / "Safety Net" Hospital Status</b>	<p><i>For at least five (5) years:</i></p> <ul style="list-style-type: none"> <li>• Maintain San Mateo County contracts, including: <ul style="list-style-type: none"> <li>- Data Usage Agreements between San Mateo County and Seton Medical Center;</li> <li>- Patient Transfer Agreement between San Mateo County Medical Center and Seton Medical Center;</li> </ul> </li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.



	<ul style="list-style-type: none"> <li>- Agreement dated July 2013 (effective October 1, 2013) whereby the County of San Mateo agrees to provide financial support for Seton Medical Center in exchange for Seton Medical Center's agreement to maintain its role as a safety net provider in San Mateo County, unless otherwise terminated earlier by the County of San Mateo;</li> <li>- San Mateo ACE Program Hospital Agreement; and</li> <li>- Agreements with Local Hospitals and Healthcare Facilities Participating in the National Bioterrorism Hospital Preparedness Program Grant.</li> </ul>	
<b>Current Agreements (Medical Foundation)</b>	<ul style="list-style-type: none"> <li>● Verity Medical Foundation will continue to fulfill the terms of the following agreements and amendments thereto: <ul style="list-style-type: none"> <li>- Medi-Cal Medical Services Agreement Between San Mateo Health Commission and Referral Provider dated May 2014;</li> <li>- Care Advantage Medical Services Agreement Between San Mateo Health Commission and Primary Care Physician dated July 2014;</li> <li>- Medi-Cal Medical Services Agreement Between San Mateo Health Commission and Primary Care Physician dated July 2014;</li> <li>- Healthworx Medical Services Agreement Between San Mateo Community Health Authority and Primary Care Physician dated July 2014;</li> <li>- Healthworx Medical Services Agreement between San Mateo Community Health Authority and Referral Provider dated June 2014; and</li> <li>- Care Advantage Medical Services Agreement Between San</li> </ul> </li> </ul>	Purchaser does not accept this condition because it is not relevant to the current transaction.



	Mateo Health Commission and Referral Provider dated August 2014.	
<b>Local Governing Board of Directors</b>	<p><i>For ten (10) years:</i></p> <ul style="list-style-type: none"> <li>● Seton Medical Center and Seton Coastside shall have a Local Governing Board of Directors and consult with Board prior to changes.</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.
<b>Capital Commitment</b>	<ul style="list-style-type: none"> <li>● Reserve or expend the \$180 million capital commitment.</li> </ul>	<p>Purchaser accepts this condition with the following changes:</p> <ul style="list-style-type: none"> <li>● Capital commitment will be adjusted as follows: <ul style="list-style-type: none"> <li>- Prorated to adjust commitment to reflect percentage of assets St. Francis Medical Center represents against the total value of all assets in the Verity Health System;</li> <li>- The capital commitment will be reduced by the amount Seller has already expended for capital from the Closing of the Blue Mountain transaction through Closing under the Agreement.</li> <li>- All to be paid or reserved over a five (5) year period after Closing of the Agreement.</li> <li>- The total capital requirements for St. Francis Medical Center, Seton Medical Center / Coastside, and St. Vincent Medical Center will not exceed Seventy-Five Million Dollars (\$75,000,000).</li> </ul> </li> </ul>
<b>Pension Obligations</b>	<ul style="list-style-type: none"> <li>● Comply with pension obligations.</li> </ul>	Purchaser does not accept this condition.
<b>Staff Privileges</b>	<ul style="list-style-type: none"> <li>● Seton Medical Center and Seton Coastside shall maintain privileges for current medical staff in good standing at Closing.</li> <li>● Maintain medical staff officers, committee chairs, and independence of medical staff, and</li> </ul>	<ul style="list-style-type: none"> <li>● Purchaser accepts this condition consistent with Agreement.</li> <li>● Agreed to the extent reasonably within SGM's control.</li> </ul>



	such persons shall remain in good standing for the remainder of their tenure.	
<b>Seismic Compliance</b>	<ul style="list-style-type: none"> <li>● Commit necessary investments to maintain OSHPD seismic compliance requirements of hospital through 2030, including: <ul style="list-style-type: none"> <li>● Construction of, completion of, and obtaining a Certificate of Occupancy by July 1, 2019 for a new Patient Tower at Seton Medical Center, with at least 104 beds for general acute care, perinatal care, and intensive care services, with at least 12 critical care beds and 8 perinatal beds; OR</li> <li>● retrofitting of and obtaining a Construction Final by July 1, 2019 for Seton Medical Center's current Patient Tower. (For building new Patient Tower, buyer shall submit Construction Documents to OSHPD by deadline provided for, and shall obtain a Certificate of Occupancy from OSHPD by deadline. For retrofitting Seton Medical Center's current Patient Tower, buyer shall submit Construction Documents to OSHPD deadline, shall obtain a building permit for retrofitting Seton Medical Center's current Patient Tower from OSHPD and shall obtain a Construction Final from OSHPD by specified deadlines.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Purchaser does not agree to current AG conditions but will agree to: <ul style="list-style-type: none"> <li>-Promptly assess feasibility of retrofitting the Patient Tower;</li> <li>-Operate current Patient Tower for up to five (5) years following Closing;</li> <li>-Retrofit the Patient Tower or build a new hospital facility.</li> </ul> </li> <li>● The preceding commitment and other operational conditions for SMC assume and are conditioned on SMC obtaining necessary waivers or other authority from OSHPD and the State to permit continued operation of SMC through such five (5) year period, pending replacement or retrofit of the current Patient Tower, and receipt by Purchaser of all PACE financing funds at currently accrued levels (i.e. approximately \$40 million).</li> </ul>
<b>Update Bylaws and Conflict of Interest Policy</b>	<ul style="list-style-type: none"> <li>● Within sixty (60) days, update Bylaws as specified and adopt same Conflict of Interest Policy as DCHS.</li> <li>● Within ninety (90) days of closing, provide copies of amended and restated governing documents.</li> </ul>	Purchaser does not accept this condition because it is not applicable to a for-profit health system or consistent with this transaction.
<b>Reproductive Health Services</b>	<ul style="list-style-type: none"> <li>● There shall be no restriction or limitation on providing or making</li> </ul>	Purchaser accepts this condition.



	reproductive health services.	
<b>Accounting of Charitable Assets</b>	<ul style="list-style-type: none"> <li>At least thirty (30) days prior to Closing, provide to the AG's Office an accounting of all charitable assets.</li> </ul> [Have we verified whether this is still relevant?]	Purchaser does not accept this condition because it is not relevant to the current transaction.
<b>Compliance Reports and Provision of Information</b>	<i>For eleven (11) fiscal years:</i> <ul style="list-style-type: none"> <li>Provide reports/information as required by AG.</li> </ul>	Purchaser accepts this condition for a term which coincides with the remaining term applicable to this condition, for this facility, in the Prior Conditions.
<b>Consent to Conditions</b>	<ul style="list-style-type: none"> <li>Implicit/explicit consent to conditions and waiver of any right to seek judicial relief.</li> </ul>	Purchaser accepts this condition with the following changes: <ul style="list-style-type: none"> <li>Implicit/explicit consent to conditions and waiver of any right to seek judicial relief as long as consistent with the Agreement.</li> </ul>



### **Schedule 11.3(b) - Allocation Schedule**

The Parties agree that within sixty (60) days subsequent to the Closing Date (the “**Allocation Date**”), the Purchase Price shall be allocated to the Assets using the residual method and based upon the agreed fair market value of the various Classes of the Assets set forth below, as reasonably determined by the Purchaser (subject to the next sentence) consistent with Section 1060 of the Internal Revenue Code. At such time, the Parties shall mutually agree upon the tax allocation associated with the Assets of Verity Holdings.

<b>Class of Assets</b>
Class I Assets (cash and general deposit accounts)
Class II Assets (Publicly traded stock; U.S. Government Securities)
Class III Assets (Accounts Receivable)
Class IV Assets (Inventory)
Class V Assets (Property, Plant and Equipment)
Class VI Assets (Intangibles other than Goodwill)
Class VII Assets (Goodwill)



# EXHIBIT D

EXHIBIT D Page 1 of 3  
Case 5:50-cv-01001-EB Doc 23-1 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT D



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**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In  
Possession.

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital Foundation  
☐ Affects St. Francis Medical Center of Lynwood Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Hon. Judge Ernest M. Robles

**NOTICE THAT NO AUCTION SHALL BE HELD RE DEBTORS' MOTION AND MOTION FOR THE ENTRY OF (I) AN ORDER (1) APPROVING FORM OF ASSET PURCHASE AGREEMENT FOR STALKING HORSE BIDDER AND FOR PROSPECTIVE OVERBIDDERS; (2) APPROVING AUCTION SALE FORMAT, BIDDING PROCEDURES AND STALKING HORSE BID PROTECTIONS; (3) APPROVING FORM OF NOTICE TO BE PROVIDED TO INTERESTED PARTIES; (4) SCHEDULING A COURT HEARING TO CONSIDER APPROVAL OF THE SALE TO THE HIGHEST BIDDER; AND (5) APPROVING PROCEDURES RELATED TO THE ASSUMPTION OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (II) AN ORDER (A) AUTHORIZING THE SALE OF PROPERTY FREE AND CLEAR OF ALL CLAIMS, LIENS AND ENCUMBRANCES; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF [RELATES TO DOCKET NO. 1279]**

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**PLEASE TAKE NOTICE** that, pursuant to the *Debtors' Motion For The Entry of (I) An Order (1) Approving Form of Asset Purchase Agreement For Stalking Horse Bidder and For Prospective Overbidders; (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections; (3) Approving Form of Notice To Be Provided To Interested Parties; (4) Scheduling A Court Hearing To Consider Approval of The Sale To The Highest Bidder; and (5) Approving Procedures Related To The Assumption of Certain Executory Contracts and Unexpired Leases; and (II) An Order (A) Authorizing The Sale of Property Free and Clear of All Claims, Liens and Encumbrances; Memorandum of Points and Authorities In Support Thereof* (the "Bid Procedures Motion")<sup>1</sup> [Docket No. 1279], and the Order entered by the Court approving the Bid Procedures Motion (the "Bid Procedures Order") [Docket No. 1572], the Court set the Partial Bid Deadline of March 28, 2019, and the Bid Deadline of April 3, 2019 (collectively, the "Bid Deadline"), whereby parties could submit bids to purchase some or all of the assets set forth in the Stalking Horse APA, in accordance with certain bidding procedures.

**PLEASE TAKE NOTICE** that the Debtors shall not conduct the Partial Bid Auction or the Full Bid Auction, previously scheduled for April 8, 2019, and April 9, 2019, respectively. The winning bidder is the stalking horse bidder, Strategic Global Management. As previously noticed and as set forth in the Bid Procedures Order, the sale hearing shall be held on April 17, 2019, at 10:00 a.m. (prevailing Pacific Time), at the U.S. Bankruptcy Court for the Central District of California, 255 E. Temple Street, Courtroom 1568, Los Angeles, California 90012.

Dated: April 4, 2019

**DENTONS US LLP**  
SAMUEL R. MAIZEL  
TANIA M. MOYRON

By: /s/ Tania M. Moyron  
Tania M. Moyron

Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

<sup>1</sup> Unless otherwise defined, capitalized terms used herein shall have the same meaning as in the Bidding Procedures Motion.



# EXHIBIT E

EXHIBIT E Page 1 of 58  
Case 5:50-jb-01001-EB Doc 23-2 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT E



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FILED & ENTERED

MAY 02 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

CHANGES MADE BY COURT

In re

Lead Case No. 2:18-bk-20151-ER

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Jointly Administered With:

Case No. 2:18-bk-20162-ER

Case No. 2:18-bk-20163-ER

Case No. 2:18-bk-20164-ER

Case No. 2:18-bk-20165-ER

Case No. 2:18-bk-20167-ER

Case No. 2:18-bk-20168-ER

Case No. 2:18-bk-20169-ER

Case No. 2:18-bk-20171-ER

Case No. 2:18-bk-20172-ER

Case No. 2:18-bk-20173-ER

Case No. 2:18-bk-20175-ER

Case No. 2:18-bk-20176-ER

Case No. 2:18-bk-20178-ER

Case No. 2:18-bk-20179-ER

Case No. 2:18-bk-20180-ER

Case No. 2:18-bk-20181-ER

Debtors and Debtors In Possession.

☒ Affects All Debtors

☐ Affects Verity Health System of  
California, Inc.

☐ Affects O'Connor Hospital

☐ Affects Saint Louise Regional Hospital

☐ Affects St. Francis Medical Center

☐ Affects St. Vincent Medical Center

☐ Affects Seton Medical Center

☐ Affects O'Connor Hospital Foundation

☐ Affects Saint Louise Regional Hospital  
Foundation

☐ Affects St. Francis Medical Center of  
Lynwood Foundation

☐ Affects St. Vincent Foundation

☐ Affects St. Vincent Dialysis Center, Inc.

☐ Affects Seton Medical Center Foundation

☐ Affects Verity Business Services

☐ Affects Verity Medical Foundation

☐ Affects Verity Holdings, LLC

☐ Affects De Paul Ventures, LLC

☐ Affects De Paul Ventures - San Jose  
Dialysis, LLC

Debtors and Debtors In Possession.

Hon. Judge Ernest M. Robles

**ORDER (A) AUTHORIZING THE SALE  
OF CERTAIN OF THE DEBTORS'  
ASSETS TO STRATEGIC GLOBAL  
MANAGEMENT, INC. FREE AND CLEAR OF  
LIENS, CLAIMS, ENCUMBRANCES, AND  
OTHER INTERESTS; (B) APPROVING THE  
ASSUMPTION AND ASSIGNMENT OF  
AN UNEXPIRED LEASE RELATED  
THERE TO; AND (C) GRANTING  
RELATED RELIEF**

Hearing:

Date: April 17, 2019

Time: 10:00 a.m.

Location: Courtroom 1568

255 E. Temple St., Los Angeles, CA

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This matter came before the Court on the *Motion For The Entry Of (I) An Order (1) Approving Form Of Asset Purchase Agreement For Stalking Horse Bidder And For Prospective Overbidders To Use, (2) Approving Auction Sale Format, Bidding Procedures And Stalking Horse Bid Protections, (3) Approving Form Of Notice To Be Provided To Interested Parties, (4) Scheduling A Court Hearing To Consider Approval Of The Sale To The Highest Bidder And (5) Approving Procedures Related To The Assumption Of Certain Executory Contracts And Unexpired Leases; And (II) An Order (A) Authorizing The Sale Of Property Free And Clear Of All Claims, Liens And Encumbrances* (the “Motion”) [Docket No. 1279], filed by Verity Health System of California, Inc. (“VHS”), and the above-referenced affiliated debtors and debtors in possession in the above-captioned chapter 11 bankruptcy cases (the “Debtors”), for the entry of an order, pursuant to §§ 105(a), 363, and 365 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004, 6006, 9007, and 9014, and LBR 6004-1.<sup>1</sup>

At the previous hearing on the Motion on February 19, 2019 (the “Bidding Procedures Hearing”), the Court considered various objections (the “Premature Objections”) filed by: (i) St Vincent IPA Medical Corporation and Angeles IPA [Docket No. 1397]; (ii) the California Attorney General [Docket No. 1352]; (iii) MGH Painting Inc. [Docket No. 1358]; and (iv) Belfor USA Group, Inc. [Docket No. 1364]. The Court ruled that the Premature Objections were premature and preserved for the Sale Hearing, as set forth in order granting the Motion (the “Bidding Procedures Order”) [Docket No. 1572]. The Bidding Procedures Order also stated that objections filed by the U.S. Department of Health and Human Services and Centers for Medicare and Medicaid Services [Doc. No. 1346] and the California Department of Health Care Services [Doc. No. 1353] (the “Continued Objections”) were continued, as resolved by stipulations [Docket Nos. 1458 and 1473, respectively], approved by this Court’s orders [Docket Nos. 1465 and 1483, respectively].

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<sup>1</sup> Unless specified otherwise, all chapter and section references are to the Bankruptcy Code, 11 U.S.C. §§ 101-1532, all “Rule” references are to the Federal Rules of Bankruptcy Procedure, and all “LBR” references are to the Local Bankruptcy Rules for the United States Bankruptcy Court for the Central District of California.



Any additional objections that were filed and overruled at the Bidding Procedures Hearing are not listed herein.

The Court, having reviewed the Memorandum [Docket No. 2115], the Declarations of Richard Adcock [Docket Nos. 8 and 1469] and James Moloney [Docket No. 2220] in support thereof, the *Notice To Counterparties To Executory Contracts And Unexpired Leases Of The Debtors That May Be Assumed And Assigned* [Docket No. 1704], the *Supplemental Notice To Counterparties To Executory Contracts and Unexpired Leases of The Debtors That May Be Assumed and Assigned* [Docket No. 1836], the *Second Supplemental Notice Re Notice to Counterparties to Executory Contracts and Unexpired Leases of the Debtors That May Be Assumed and Assigned* [Docket No. 2065] (together Docket Nos. 1704, 1836 and 2065 are the “Cure Notice”), the *Notice of Executory Contracts and Unexpired Leases Designated by Strategic Global Management, Inc. For Assumption and Assignment* [Docket No. 2131] (the “Designation Notice”), the *Notice That No Auction Shall Be Held Re Debtors’ Motion and Motion for the Entry of (I) An Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders; (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections; (3) Approving Form of Notice to Be Provided to Interested Parties; (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder; and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* [Docket No. 2053] (the “No-Auction Notice”), the objections filed by various counterparties to certain executory contracts and unexpired leases [Docket Nos. 1788; 1804; 1819; 1830; 1849; 1850; 1852; 1853; 1856-1858; 1863; 1866; 1869; 1870; 1873-1877 1881; 1882; 1885; 1890-1892; 1904; 1926; 1930; 1933; 1940; 1946; 1948; 1949; 1953; 1954; 1965; 2058; 2066; 2108; 2113; 2144; 2146; 2148, 2150, 2157, 2161, 2162] (the “Cure Objections”), the objection by the California Department of Health Care Services (the “DHCS”) [Docket No. 1879], the *Stipulation Continuing Hearing Regarding Creditors U.S. Department of Health and Human Services and California Department of Health Care Services* [Docket No.



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2125], the *Limited Opposition of Belfor USA Group, Inc. to Debtors' Motion for an Order Authorizing the Sale of Property Free and Clear of All Claims Liens and Encumbrances* [Docket No. 2130], the *Objection of United Healthcare Insurance Company to Debtors' Motion for Order Approving Form of Asset Purchase Agreement for Stalking Horse Bidder, Etc.* [Docket No. 2145] filed United Healthcare Insurance Company, *SEIU-UHW's Objection and Reservation of Rights to Debtors' Sale Motion* filed by the Service Employees International Union, United Healthcare Workers-West [Docket No. 2147], the *Limited Objection and Reservation of Rights of United Nurses Associations of California to Motion of Debtors for Approval of Sale [of Remaining Hospital Assets to the Highest Bidder]* [Docket No. 2155] filed by the United Nurses Association of California, the *Reservation of Rights of U.S. Bank National Association, As Series 2015 Note Trustee and as Series 2017 Note Trustee and as Series 2017 Note Trustee, with Respect to Debtors' Motion for Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and For Stalking Horse Bidder and for Prospective Overbidders (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to Interested Parties, (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases and (II) an Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* [Docket No. 2156] filed by U.S. Bank National Association, As Series 2015 Note Trustee and as Series 2017 Note Trustee, the *Official Committee of Unsecured Creditors Response to the Debtors' SGM Sale Motion* [Docket No. 2164], the *Reservation of Rights of California Statewide Communities Development Authority to Motion of Debtors for Approval of Sale [of Remaining Hospital Assets] to the Highest Bidder* [Docket No. 2168] filed by the California Statewide Communities Development Authority, the Premature Objections, the Continued Objections, and any withdrawals thereof, the statements, arguments and representations of the parties made at the Sale Hearing; and the entire record of these cases; and the Court, having determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, their creditors, and that



the legal and factual bases set forth in the Motion and presented at the Sale Hearing establish just cause for the relief granted herein and for the reasons set forth in the Court's tentative ruling [Docket No. 2221]; and all objections to the Motion, if any, having been withdrawn, continued or overruled; **and for the reasons set forth in the Court's tentative ruling [Docket No. 2221], which the Court adopts as its final ruling and which is incorporated herein by reference;** and after due deliberation and sufficient good cause appearing therefor:

**THE COURT HEREBY FINDS AND CONCLUDES THAT:<sup>2</sup>**

A. Jurisdiction and Venue. This Court has jurisdiction to hear and determine the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter relates to the administration of the Debtors' bankruptcy estates and is accordingly a core proceeding pursuant to 28 U.S.C. § 157(b) (2) (A), (M), (N) and (O). Venue of these cases is proper in this District and in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Statutory Predicates. The statutory predicates for the relief requested in the Motion are (i) §§ 105(a), 363(b), (f), (k), (l) and (m), and 365, (ii) Rules 2002(a)(2), 2002(c)(1) and (d), 6004 (a), (b), (c), (e), (f) and (h), 6006(a), (c) and (d), 9006, 9007, 9013 and 9014, and (iii) LBR 6004-1 and 9013-1.

C. Notice. As evidenced by the affidavits of service previously filed with the Court, the Debtors have provided proper, timely, adequate and sufficient notice with respect to the following: (i) the Motion and the relief sought therein, including the entry of this Sale Order and the transfer and sale of the assets (the "Purchased Assets"), as set forth in the Asset Purchase Agreement, dated January 8, 2019, a copy of which is attached as Exhibit "A" to Docket No. 1279 (the "APA"); (ii) the Sale Hearing; (iii) the No-Auction Notice; and (iv) the assumption and assignment of the executory contracts and unexpired leases and proposed cure amounts owing under such executory contracts and unexpired leases (the "Cure Amounts"); and no further notice

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<sup>2</sup> The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Rule 7052, made applicable to this proceeding pursuant to Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.



1 of the Motion, the relief requested therein or the Sale Hearing is required. The Debtors have also  
2 complied with all obligations to provide notice of the Auction, the Sale Hearing, the proposed  
3 sale and otherwise, as required by the Bidding Procedures Order. A reasonable opportunity to  
4 object and to be heard regarding the relief provided herein has been afforded to parties-in-interest.

5 D. Arm's Length Transaction. The APA and other documents and instruments (the  
6 "Transaction Documents") related to and connected with this transaction (the "Transaction") and  
7 the consummation thereof were negotiated and entered into by the Debtors and Strategic Global  
8 Management, Inc. ("SGM"), as Purchaser under the APA without collusion, in good faith and  
9 through an arm's length bargaining process. Neither SGM nor any of its affiliates or  
10 representatives is an "insider" of the Debtors, as that term is defined in § 101(31). None of the  
11 Debtors, SGM, or their respective representatives engaged in any conduct that would cause or  
12 permit the APA, any of the other Transaction Documents or the Transaction to be avoided under  
13 § 363(n), or have acted in any improper or collusive manner. The terms and conditions of the  
14 APA and the other Transaction Documents, including, without limitation, the consideration  
15 provided in respect thereof, are fair and reasonable, and are not avoidable and shall not be  
16 avoided, and no damages may be assessed against SGM or any other party, as set forth in §  
17 363(n). The consideration provided by SGM is fair, adequate and constitutes reasonably  
18 equivalent value and fair consideration under the Bankruptcy Code and any other applicable laws  
19 of the United States or any of its jurisdictions or subdivisions, including the State of California.

20 E. Good Faith Purchaser. SGM has proceeded in good faith and without collusion in  
21 all respects in connection with the sale process, in that: (i) SGM, in proposing and proceeding  
22 with the Transaction in accordance with the APA, recognized that the Debtors were free to deal  
23 with other interested parties; (ii) SGM agreed to provisions in the APA that would enable the  
24 Debtors to accept a higher and better offer; (iii) SGM complied with all of the provisions in the  
25 Bidding Procedures Order applicable to SGM; (iv) all payments to be made by SGM and other  
26 agreements entered into or to be entered into between SGM and the Debtors in connection with  
27 the Transaction have been disclosed; (v) the negotiation and execution of the APA and related  
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Transaction Documents were conducted in good faith and constituted an arm's length transaction; (vi) SGM did not induce or cause the chapter 11 filings by the Debtors; and (vii) the APA was not entered into, and the Transaction being consummated pursuant to and in accordance with the APA is not being consummated, for the purpose of hindering, delaying or defrauding creditors of the Debtors. SGM is therefore entitled to all of the benefits and protections provided to a good-faith purchaser under § 363(m). Accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Transaction shall not affect the validity of the Transaction, any terms or conditions of the Transaction or SGM's status as a "good faith" purchaser.

F. Justification for Relief. Good and sufficient reasons for approval of the APA and the other Transaction Documents and the Transaction have been articulated to this Court in the Motion and at the Sale Hearing, and the relief requested in the Motion and set forth in this Sale Order is in the best interests of the Debtors, their estates, and their creditors. The Debtors have demonstrated through the Motion and other evidence submitted at the Sale Hearing both (i) good, sufficient and sound business purpose and justification and (ii) compelling circumstances for the transfer and sale of the Purchased Assets as provided in the APA outside the ordinary course of business, and (iii) such transfer and sale is an appropriate exercise of the Debtors' business judgment and in the best interests of the Debtors, their estates, and their creditors.

G. Free and Clear. In accordance with §§ 363(b) and 363(f), the consummation of the Transaction pursuant to the Transaction Documents shall be a legal, valid, and effective transfer and sale of the Purchased Assets and, except with respect to the liens arising from the Special Assessments and the PACE Obligations (each as defined in §1.1(a)(iii) of the APA) assumed by SGM, shall vest in SGM, through the consummation of the Transaction, all of the Debtors' right, title, and interest in and to the Purchased Assets, free and clear of all liens, claims, interests, rights of setoff, recoupment, netting and deductions, rights of first offer, first refusal and any other similar contractual property, legal or equitable rights, and any successor or successor-in-interest liability theories (collectively, the "Encumbrances"). The Debtors have demonstrated that one or



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more of the standards set forth in § 363(f)(1)-(5) have been satisfied. Those holders of Encumbrances who did not object, or who withdrew their objections, to the sale or the Motion are deemed to have consented pursuant to § 363(f)(2). Those holders of Encumbrances who did object fall within one or more of the other subsections of § 363(f). All holders of the Encumbrances in the Purchased Assets are adequately protected by having their respective Encumbrances attach to the Debtors' interests in the proceeds of the sale of the Purchased Assets under the APA (subject to any Challenge within the meaning of that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order") that has been, or may be, timely filed<sup>3</sup>), and any related documents or instruments delivered in connection therewith, whenever and wherever received (the "Sale Proceeds") to the extent and manner herein provided.

H. Prompt Consummation. The Debtors have demonstrated good and sufficient cause to waive the stay requirement under Rules 6004(h) and 6006(d). Time is of the essence in consummating the Transaction, and it is in the best interests of the Debtors and their estates to consummate the Transaction within the timeline set forth in the Motion and the APA. The Court finds that there is no just reason for delay in the implementation of this Order, and expressly directs entry of judgment as set forth in this Order.

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<sup>3</sup> The Final DIP Order granted to the Committee standing to file the requisite pleading to challenge the validity, enforceability and amount of the Prepetition Liens (each such proceeding or appropriate pleading commencing a proceeding or other contested matter, a "Challenge") within ninety (90) days from the formation of the Committee (the "Challenge Deadline"). See Final DIP Order ¶ 5(e). The Committee's investigation as to the Prepetition Liens remains ongoing. The Committee and the Prepetition Secured Creditors have entered into a number of stipulations (the "Challenge Stipulations") by which the Committee has acknowledged and stipulated to the validity, enforceability and perfection of the Prepetition Liens in certain collateral identified in the Challenge Stipulations, and by which the Challenge Deadline has been extended a number of times with respect to the validity, enforceability and perfection of the Prepetition Liens in any other collateral. The Challenge Deadline with respect to any Prepetition Liens for which the Committee has not stipulated pursuant to the Challenge Stipulations as to the validity, enforceability and perfection thereof is now May 13, 2019.



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1 I. Assumption of Executory Contracts and Unexpired Leases. The Debtors have  
2 demonstrated that it is an exercise of their sound business judgment to assume and assign to SGM  
3 the Currently Identified Designated Contracts (as defined and identified in paragraph 15 below)  
4 and to the extent subsequently identified by SGM pursuant to paragraph 16 below, the  
5 Subsequently Identified Designated Contracts (as defined in paragraph 16 below) (the Currently  
6 Identified Designated Contracts and the Subsequently Identified Contracts are collectively  
7 referred to herein as the “Designated Contracts”) in connection with the consummation of the  
8 Transaction, and the assumption and assignment of the Designated Contracts is in the best  
9 interests of the Debtors and their estates.

10 J. Cure/Adequate Assurance. In connection with the Closing, and pursuant to the  
11 APA, unless otherwise ordered, any and all defaults existing on or prior to the Closing under any  
12 of the Designated Contracts will have been cured, within the meaning of § 365(b)(1)(A), by  
13 payment of the amounts and in the manner set forth below, unless otherwise agreed by SGM and  
14 the counterparty. SGM has provided or will provide adequate assurance of future performance of  
15 and under the Designated Contracts within the meaning of § 365(b)(1)(C) and § 365(f)(2)(B), and  
16 shall have no further obligation to provide assurance of performance to any counterparty to a  
17 Designated Contract. Pursuant to § 365(f), the Designated Contracts to be assumed by the  
18 Debtors (i.e., St. Francis Medical Center, a California nonprofit public benefit corporation (“St.  
19 Francis Medical Center”), St. Vincent Medical Center, a California nonprofit public benefit  
20 corporation (“St. Vincent Medical Center”), St. Vincent Dialysis Center, Inc., a California  
21 nonprofit public benefit corporation (“St. Vincent Dialysis Center”), and Seton Medical Center, a  
22 California nonprofit public benefit corporation (“Seton Medical Center”) (collectively, the  
23 “Hospitals”), VHS, and Verity Holdings LLC, a California limited liability company  
24 (“Holdings”)), and assigned to SGM under the APA shall be assigned and transferred to, and  
25 remain in full force and effect for the benefit of, SGM, notwithstanding any provision in such  
26 Designated Contracts prohibiting their assignment or transfer. The Debtors have demonstrated  
27 that no other parties to any of the Designated Contracts has incurred any actual pecuniary loss  
28



1 resulting from a default on or prior to the Closing under any of the Designated Contracts within  
2 the meaning of § 365(b)(1)(B).

3 K. Rejection of Executory Contracts and Unexpired Leases. The Debtors will have  
4 demonstrated that it is a reasonable and appropriate exercise of their sound business judgment for  
5 the Hospitals to reject all of their executory contracts and unexpired leases, excluding (i)  
6 Designated Contracts, (ii) any prepetition multiparty contract affecting more than one Debtor in  
7 addition to the Hospitals, (iii) any prepetition contract that is the subject of a Rule 9019 settlement  
8 motion prior to Closing, and (vi) any collective bargaining agreement, pension plan or health and  
9 welfare plan providing collectively bargained benefits to which a Hospital is a party or sponsor,  
10 which matters shall be scheduled for determination as provided in paragraph 33 below. Each  
11 such executory contract rejection is subject only to the conditions set forth in paragraphs 18, 31,  
12 and 32. The Debtors shall file an appropriate motion to reject such contracts, covered by this  
13 paragraph K, prior to Closing and shall request therein that the rejection be effective as of the  
14 Closing or as otherwise appropriate.

15 L. Highest or Otherwise Best Offer. The Debtors solicited offers and noticed the  
16 Auction in accordance with the provisions of the Bidding Procedures Order. The Auction was  
17 duly noticed, the sale process was conducted in a non-collusive manner and the Debtors afforded  
18 a full, fair and reasonable opportunity for any person or entity to make a higher or otherwise  
19 better offer to purchase the Purchased Assets. Other than SGM's Stalking Horse Bid, the Debtors  
20 received two Qualified Partial Bids by the Partial Bid Deadline and did not receive a Qualified  
21 Full Bid (as such terms are defined by the Bidding Procedures Order). The Debtors properly  
22 consulted with the Consultation Parties in selecting the SGM Stalking Horse Bid as the highest  
23 and best bid and in determining that no auction should be held (as such terms are defined in the  
24 Bidding Procedures Order), as set forth in their No-Auction Notice. The transfer and sale of the  
25 Purchased Assets to SGM on the terms set forth in the APA constitutes the highest or otherwise  
26 best offer for the Purchased Assets and will provide a greater recovery for the Debtors' estates  
27 than would be provided by any other available alternative. The Debtors' determination, in  
28



consultation with the Consultation Parties (as defined in the Bidding Procedure Order), that the APA constitutes the highest or best offer for the Purchased Assets and to not conduct an auction constitutes a valid and sound exercise of the Debtors' business judgment.

M. No De Facto or Sub Rosa Plan of Reorganization. The sale of the Purchased Assets does not constitute a *de facto* or *sub rosa* plan of reorganization or liquidation because it does not propose to (i) impair or restructure existing debt of, or equity or membership interests in, the Debtors, (ii) impair or circumvent voting rights with respect to any plan proposed by the Debtors, (iii) circumvent chapter 11 safeguards, including those set forth in §§ 1125 and 1129, or (iv) classify claims or equity or membership interests.

N. Legal and Factual Bases. The legal and factual bases set forth in the Motion and at the Sale Hearing establish just cause for the relief granted herein.

**NOW THEREFORE, IT IS HEREBY ORDERED THAT:**

1. The relief requested in the Motion is GRANTED and APPROVED in all respects to the extent provided herein.

2. All objections with regard to the relief sought in the Motion that have not been withdrawn, waived, settled, or provided for herein or in the Bidding Procedures Order, including any reservation of rights included in such objections, are overruled on the merits with prejudice. To the extent of any inconsistency between this Sale Order and the Bidding Procedures Order, the terms of this Sale Order shall prevail.

3. Pursuant to §§ 105(a), 363(b), 363(f), and 365, the Transaction, including the transfer and sale of the Purchased Assets to SGM on the terms set forth in the APA, is approved in all respects, and the Debtors are authorized and directed to consummate the Transaction in accordance with the APA, including, without limitation, by executing all of the Transaction Documents (and any ancillary documents or instruments that may be reasonably necessary or desirable to implement the APA or the Transaction) and taking all actions necessary and appropriate to effectuate and consummate the Transaction (including the transfer and sale of the Purchased Assets) in consideration of the Purchase Price (as defined in § 1.1 of the APA) upon



1 the terms set forth in the APA, including, without limitation, assuming and assigning to SGM the  
2 Designated Contracts. The Debtors and SGM shall have the right to make any mutually  
3 agreeable, non-material changes to the APA, which shall be in writing signed by both parties,  
4 without further order of the Court provided, that after reasonable notice, the Official Committee  
5 of Unsecured Creditors (the "Committee"), the DIP Agent (as defined in the Final DIP Order  
6 defined below), and the Prepetition Secured Creditors (as defined in the Final DIP Order) do not  
7 object to such changes. Any timely objection by the aforementioned parties to any agreed non-  
8 material changes to the APA may be resolved by the Court on shortened notice.

9 4. As of the Closing, (i) the Transaction set forth in the APA shall effect a legal,  
10 valid, enforceable and effective transfer and sale of the Purchased Assets to SGM free and clear  
11 of all Encumbrances, except with respect to the liens arising from the Special Assessments and  
12 the PACE Obligations assumed by SGM, as further set forth in the APA and this Sale Order; and  
13 (ii) the APA, and the other Transaction Documents, and the Transaction, shall be enforceable  
14 against and binding upon, and not subject to rejection or avoidance by, the Debtors, any successor  
15 thereto including a trustee or estate representative appointed in the Bankruptcy Cases, the  
16 Debtors' estates, all holders of any Claim(s) (as defined in the Bankruptcy Code) against the  
17 Debtors, whether known or unknown, any holders of Encumbrances on all or any portion of the  
18 Purchased Assets, all counterparties to the Designated Contracts and all other persons and  
19 entities.

20 5. Encumbrances in and to Purchased Assets shall attach (subject to any Challenge  
21 within the meaning of the Final DIP Order that has been, or may be, timely filed) to the Sale  
22 Proceeds of such Purchased Assets with each such Encumbrance having the same force, extent,  
23 effect, validity and priority as such Encumbrance had on the Purchased Assets giving rise to the  
24 Sale Proceeds immediately prior to the Closing. For the avoidance of doubt, the foregoing force,  
25 extent, effect, validity and priority shall: (i) reflect the security interests, liens (including any  
26 Prepetition Replacement Liens arising for diminution of value, if any) and rights, powers and  
27 authorities that have been granted to the DIP Agent, the DIP Lender and to the Prepetition  
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1 Secured Creditors, as applicable, pursuant to the Final DIP Order, to the extent that (i) the rights  
2 granted to the Prepetition Secured Creditors with respect to §§506(c) and 552(b) by the Final DIP  
3 Order are not limited or modified as a result of the appeal from the Final DIP Order filed by the  
4 Committee on November 29, 2019; and/or (ii) any replacement liens or security interest granted  
5 to the Prepetition Secured Creditors by the Final DIP Order are not invalidated as a result of any  
6 Challenge within the meaning of the Final DIP Order that has been, or may be, timely filed. In  
7 addition, the Intercreditor Agreement (as defined in the Final DIP Order) shall apply with respect  
8 to the rights of the parties thereto in and to the Sale Proceeds and the Escrow Deposit Account, to  
9 the extent of and in accordance with its terms with all parties reserving all rights thereunder.

10 6. Subject to the fulfillment of the terms and conditions of the APA, this Sale Order  
11 shall, as of the Closing, be considered and constitute for all purposes a full and complete general  
12 assignment, conveyance, and transfer of the Purchased Assets and/or a bill of sale transferring all  
13 of the Debtors' rights, title and interest in and to the Purchased Assets to SGM. Consistent with,  
14 but not in limitation of the foregoing, each and every federal, state, and local governmental  
15 agency or department, except as stated herein, is hereby authorized and directed to accept all  
16 documents and instruments necessary and appropriate to consummate the transactions  
17 contemplated by the APA and approved in this Sale Order. A certified copy of this Order may be  
18 filed with the appropriate clerk and/or recorded with the appropriate recorder to cancel any  
19 Encumbrances of record.

20 7. Any person or entity that is currently, or on the Closing Date may be, in  
21 possession of some or all of the Purchased Assets is hereby directed to surrender possession of  
22 such Purchased Assets either to (a) the Debtors before the Closing or (b) to SGM or its designee  
23 upon the Closing, and to cooperate with the Debtors and SGM in the Debtors' and SGM's  
24 fulfillment of their obligations hereunder and pursuant to the APA.

25 8. The transfer of the Purchased Assets pursuant to the Transaction Documents shall  
26 be a legal, valid, and effective transfer and shall, in accordance with §§ 105(a) and 363(f), and  
27 upon consummation of the Transaction, including, without limitation, payment of the Purchase  
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1 Price to the Debtors, vest SGM with all right, title, and interest in the Purchased Assets, free and  
2 clear of all Encumbrances. Upon closing of the Transaction, SGM shall take title to and  
3 possession of the Purchased Assets, subject only to the Assumed Obligations, as set forth in the  
4 APA. The transfer of the Purchased Assets from the Debtors to SGM constitutes a transfer for  
5 reasonable equivalent value and fair consideration under the Bankruptcy Code and the laws of the  
6 State of California.

7 9. Following the Closing, no holder of any Encumbrance against the Debtors or upon  
8 the Purchased Assets shall interfere with SGM's respective rights in, title to or use and enjoyment  
9 of the Purchased Assets. All persons and entities are hereby forever prohibited and enjoined from  
10 taking any action that would adversely affect or interfere with the ability of the Debtors to sell  
11 and transfer the Purchased Assets to SGM, including the assumption and assignment of the  
12 Designated Contracts.

13 10. SGM shall not be deemed, as a result of any action taken in connection with, or as  
14 a result of the Transaction (including the transfer and sale of the Purchased Assets), to: (i) be a  
15 successor, continuation or alter ego (or other such similarly situated party) to the Debtors or their  
16 estates by reason of any theory of law or equity, including, without limitation, any bulk sales law,  
17 doctrine or theory of successor liability, or any theory or basis of liability, regardless of source of  
18 origin; or (ii) have, *de facto* or otherwise, merged with or into the Debtors; or (iii) be a mere  
19 continuation, *alter ego*, or substantial continuation of the Debtors. Other than the Assumed  
20 Liabilities, SGM is not assuming any of the Debtors' debts.

21 11. This Sale Order (i) shall be effective as a determination that, on Closing, all  
22 Encumbrances existing against the Purchased Assets before the Closing have been  
23 unconditionally released, discharged and terminated, and that the transfers and conveyances  
24 described herein have been effected, and (ii) shall be binding upon and shall govern the acts of all  
25 persons and entities. If, following a reasonable written request made by the Debtors, any person  
26 or entity that has filed financing statements or other documents or agreements evidencing any  
27 Encumbrances against the Purchased Assets shall not have delivered to the Debtors for use at or  
28



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1 in connection with Closing, in proper form for filing and executed by the appropriate parties,  
2 termination statements, instruments of satisfaction, releases of all Encumbrances which the  
3 person or entity has with respect to the Purchased Assets, then SGM and/or the Debtors are  
4 hereby authorized to execute and file such statements, instruments, releases and other documents  
5 on behalf of the person or entity with respect to such Purchased Assets. For the avoidance of  
6 doubt, such statements, instruments, releases and other documents shall not impair Encumbrances  
7 that attach (subject to any Challenge within the meaning of the Final DIP Order that has been, or  
8 may be, timely filed) to the Sale Proceeds or the terms of this Order, including, but not limited to  
9 paragraphs 5 and 13 hereof.

10 12. In accordance with the APA, concurrently with the Closing, SGM shall pay that  
11 portion of the Purchase Price due at Closing, by wire transfer of immediately available funds, to  
12 Debtors' Escrow Deposit Accounts (defined below), subject to the adjustments set forth in the  
13 APA. Any direct expenses of the Sale shall be disclosed by Debtors to the DIP Agent, the  
14 Prepetition Secured Creditors, and the Committee in advance of the Closing.

15 13. The terms and conditions of the Final DIP Order shall apply with respect to the  
16 Sale Proceeds and Escrow Deposit Accounts (defined herein). Without limiting the foregoing, the  
17 Debtors shall comply with paragraph 4 of the Final DIP Order in the following manner:

18 (a) the Debtors shall direct SGM, pursuant to the terms of the APA, to remit all Sale  
19 Proceeds to the separate accounts opened in the name of each Debtor for the Sale Proceeds (each  
20 such hereafter referred to as "Escrow Deposit Account");

21 (b) in giving direction to SGM pursuant to sub-paragraph (a), above, the Debtors shall  
22 exercise their reasonable business judgment, in good faith, and allocate the Sale Proceeds among  
23 the Escrow Deposit Accounts on the basis of the value of each Debtor's Purchased Assets as of  
24 the Closing (which allocation, for the avoidance of doubt, shall be subject to the reservations of  
25 rights in paragraph 4 of the Final DIP Order and paragraph 31 of the Bidding Procedures Order;  
26 provided further that nothing in this paragraph shall waive or limit any rights the Committee or  
27 the Prepetition Secured Creditors may have in connection with the confirmation of a proposed  
28



chapter 11 plan for any of the Debtors' cases (including the right to seek to reallocate estate values and the Sale Proceeds);

(c) without limitation of the rights of the DIP Agent and DIP Lender under the DIP Financing Agreements and the Final DIP Order, no funds held in any Escrow Deposit Account shall be (i) commingled with any other funds of the applicable Debtor or any of the other Debtors or (ii) used by the Debtors for any purpose, except as provided in this Order, the DIP Credit Agreements or the Final DIP Order without further order of this Court, after reasonable notice under the circumstances to the DIP Agent, the Prepetition Secured Creditors and the Committee; and

(d) each Escrow Deposit Account shall be subject to a deposit account control agreement in favor of the DIP Agent and DIP Lender, and subject to, without limitation of the rights of the DIP Agent and DIP Lender under the DIP Financing Agreements and the Final DIP Order with respect to the Sale Proceeds and Escrow Deposit Account, including, without limitation, following the occurrence of an Event of Default or the Revolving Loan Termination Date (as defined in the DIP Credit Agreement), the Debtors shall not be permitted to use the funds held in any Escrow Deposit Account for any purpose, except as provided in paragraph 14, 15, 16, and 17 of this Order, and to fund any Purchase Price adjustment in favor of the Purchaser, without first obtaining the consent of the DIP Agent, DIP Lender and the Prepetition Secured Creditors or obtaining an order of the Court pursuant to §§ 363 or 1129 after reasonable notice under the circumstances to the DIP Agent, the DIP Lender, the Prepetition Secured Creditors and the Committee and, if necessary, a hearing thereon; and

(e) for the avoidance of doubt, the rights of the Debtors, the Committee, and the Prepetition Secured Creditors as to the Sale Proceeds and any funds held in a Deposit Escrow shall be, except as set forth herein, as contemplated by Paragraph 4 of the Final DIP Order, and nothing in this Order shall be construed as altering, amending, waiving, or affecting in any way such rights. Concurrently with the Closing or as soon thereafter as is possible, and in accordance with the APA, SGM shall pay to the counter-parties to the Designated Contracts the cure amounts



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1 set forth in the Cure Notice, or as otherwise agreed to by the Debtors, SGM and the applicable  
2 counter-parties thereto or ordered by this Court after a continued hearing on the Cure Objections  
3 (the “Designated Cure Amounts”). SGM has the right under the APA to remove any Contracts  
4 from the list of Designated Contracts up to seven (7) days prior to Closing, as also set forth in the  
5 *Order Approving Stipulation Regarding Designation Deadline Re Order (1) Approving Form Of*  
6 *Asset Purchase Agreement For Stalking Horse Bidder And For Prospective Overbidders, (2)*  
7 *Approving Auction Sale Format, Bidding Procedures And Stalking Horse Bid Protections*  
8 [Docket No. 1865].

9 14. To the extent that any of the contracts and/or leases, which give rise to the  
10 Designated Cure Amounts and are set forth in the Designation Notice and are not subsequently  
11 and timely removed by SGM under the APA and the *Order Approving Stipulation Regarding*  
12 *Designation Deadline Re Order (1) Approving Form Of Asset Purchase Agreement For Stalking*  
13 *Horse Bidder And For Prospective Overbidders, (2) Approving Auction Sale Format, Bidding*  
14 *Procedures And Stalking Horse Bid Protections* [Docket No. 1865] (the “Currently Identified  
15 Designated Contracts”) are executory contracts or unexpired leases (over which the Court is not  
16 making any such determination at this time), then in connection with the Closing, the Debtors  
17 shall be deemed to have assumed all such Currently Identified Designated Contracts (so that they  
18 are deemed part of the Designated Contracts) and to have assigned them to SGM, and SGM shall  
19 have assumed all obligations owing under all such Currently Identified Designated Contracts  
20 arising after and following the Closing. The Court shall resolve any and all disputes which may  
21 arise between the Debtors, SGM and any of the Currently Identified Designated Contract  
22 Counter-Parties over whether the Currently Identified Designated Contracts are executory  
23 contracts or unexpired leases and whether any of the Currently Identified Designated Contract  
24 Counter-Parties are entitled to an allowed claim against the Debtors which exceeds the  
25 Designated Cure Amounts (the “Assumption Dispute”).

26 15. In the event that the Court determines that any such counter-parties to the  
27 Currently Identified Designated Contracts (the “Currently Identified Designated Contract  
28



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1 Counter-Parties” and, individually, a “Currently Identified Designated Contract Counter-Party”)  
2 have an allowed cure claim against the Debtors which exceeds the Designated Cure Amounts (the  
3 “Excess Cure Amount”), the difference will be paid by SGM and shall not be the responsibility of  
4 the Debtors as more specifically set forth below; provided, however, that unless the Court makes  
5 such a determination on or before fifteen (15) days prior to Closing, and unless the Debtor, SGM  
6 and the Currently Identified Designated Contract Counter-Party agree otherwise, the Currently  
7 Identified Designated Contract which is the subject of such Assumption Dispute, shall be deemed  
8 a rejected contract within the meaning of § 1.11(a) of the APA as of ten (10) days prior to  
9 Closing, and SGM, except as provided below, shall have no obligation to assume such Currently  
10 Identified Designated Contract or to pay any Cure Amount or Excess Cure Amount in connection  
11 with such Currently Identified Designated Contract. To the extent an Assumption Dispute relates  
12 solely to the Cure Amount, the Debtors may, with SGM’s consent, assume and assign the  
13 applicable executory contract or unexpired lease at Closing and prior to the resolution of the  
14 Assumption Dispute by the Bankruptcy Court, provided, that either (a) the Bankruptcy Court has  
15 estimated the maximum cure payment, pursuant to 11 U.S.C. § 502(c), and SGM has remitted  
16 such amount to the Debtors to be held as sales proceeds in the Sale Proceeds Account for the  
17 relevant Debtor(s), or (b) SGM provides to the relevant Debtor(s) and non-Debtor counterparty a  
18 separate reasonably acceptable undertaking that SGM will promptly pay the maximum disputed  
19 cure amount in accordance with 11 U.S.C. § 365 (b)(1)(A) and (B) (or such smaller amount as  
20 may be fixed or estimated by the Bankruptcy Court or otherwise agreed to by such non-Debtor  
21 party and SGM). The Debtors shall pay and hereby are authorized to pay disputed cure amounts  
22 from the relevant Sales Proceeds Account(s) upon entry of a final order by this Court to the extent  
23 SGM remitted to Sellers the amount required by item (a) of this paragraph of the Order.

24 16. All of the Currently Identified Designated Contracts, to the extent they are  
25 executory contracts or unexpired leases and are not subsequently and timely removed by SGM  
26 under the APA and the *Order Approving Stipulation Regarding Designation Deadline Re Order*  
27 *(1) Approving Form Of Asset Purchase Agreement For Stalking Horse Bidder And For*  
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Prospective Overbidders, (2) Approving Auction Sale Format, Bidding Procedures And Stalking Horse Bid Protections [Docket No. 1865], or deemed a rejected contract within the meaning of § 1.11(a) of the APA pursuant to paragraph 15 above, shall be part of the Designated Contracts that will be assumed by the Debtors and assigned to SGM at the Closing. In the event that SGM elects to add any other of the Debtors' executory contracts or unexpired leases to the list of Designated Contracts (the "Subsequently Identified Designated Contracts") and, individually, a "Subsequently Identified Designated Contract") under the APA and the *Order Approving Stipulation Regarding Designation Deadline Re Order (1) Approving Form Of Asset Purchase Agreement For Stalking Horse Bidder And For Prospective Overbidders, (2) Approving Auction Sale Format, Bidding Procedures And Stalking Horse Bid Protections* [Docket No. 1865], SGM shall notify the Debtors of any such Subsequently Identified Designated Contracts on or before thirty days before Closing, and the Debtors shall (i) file a notice with the Court identifying all such Subsequently Identified Designated Contracts and their respective cure amounts as agreed upon between the Debtors and SGM, and (ii) serve such notice by over-night mail on all counter-parties to the Subsequently Identified Designated Contracts (the "Subsequently Identified Designated Contract Counter-Parties"). All Subsequently Identified Designated Contracts shall be assumed by the Debtors and assigned to SGM at the Closing, with SGM to be obligated to pay all cure amounts owing to such Subsequently Identified Designated Contract Counter-Parties concurrently with the Closing, as set forth in the Debtors' notice, or as otherwise agreed to by the Debtors, SGM and the applicable counter-parties thereto, or ordered by the Court in accordance with paragraphs 34 and 36 below (the "Additional Cure Amounts"), so long as such amount as ordered by the Court is no greater than the amount agreed upon by SGM; and in the event the Additional Cure Amount is greater than the amount agreed upon by SGM, and SGM is not willing to pay the Additional Cure Amount, the Debtors shall not be required to pay the Additional Cure Amount(s) and the Subsequently Identified Designated Contract(s) shall be deemed a rejected contract within the meaning of § 1.11(a) of the APA pursuant to paragraph 15 above; provided, and for the avoidance of doubt, no collective bargaining agreement, pension plan or health and welfare plan providing



collectively bargained benefits to which a Hospital is a party or sponsor constitutes a Currently Identified Designated Contract or a Subsequently Identified Designated Contract for which SGM or the Debtors may be obligated to pay any cure amount.

17. Upon the Closing, the Debtors are authorized and directed to assume, assign and/or transfer each of the Designated Contracts to SGM, including the Currently Identified Designated Contracts and any Subsequently Identified Designated Contracts (collectively, the “Contract Counter-Parties”). At the Closing, SGM shall pay the (i) Sale Proceeds, (ii) the Designated Cure Amounts identified in paragraph 13 above, (iii) the Excess Cure Amounts identified in paragraph 15 above, and (iv) the Additional Cure Amounts, subject to paragraph 15 above. Payment by SGM of such Designated Cure Amounts and Additional Cure Amounts are deemed the necessary and sufficient amounts to “cure” all “defaults” with respect to all such Currently Identified Designated Contracts and Subsequently Identified Designated Contracts under § 365(b). The foregoing payment shall (i) effect a cure of all defaults existing under all such Currently Identified Designated Contracts, and (ii) compensate all such Contract Counter-Parties for any actual pecuniary loss resulting from any such default. The Debtors shall then have assumed and assigned to SGM, effective as of the Closing, all of the Designated Contracts (comprised of both all Currently Identified Designated Contracts and all Subsequently Identified Designated Contracts, if any), and, pursuant to § 365(f), the assignment by the Debtors of all such Designated Contracts to SGM shall not be a default thereunder. After the payment of the Designated Cure Amounts and the Additional Cure Amounts, neither the Debtors nor SGM shall have any further liabilities to any Contract Counter-Parties, other than SGM’s obligations under the Designated Contracts that accrue and become due and payable after the Closing Date. In addition, adequate assurance of future performance has been demonstrated by or on behalf of SGM with respect to all of the Designated Contracts within the meaning of §§ 365(b)(1)(c), 365(b)(3) (to the extent applicable) and 365(f)(2)(B). For the avoidance of doubt, SGM shall not be liable for the payment of any liabilities or obligations arising from or related to (a) any executory contracts that the Debtors intend to reject by appropriate motion and which are not being assumed and assigned to SGM, (b) any multiparty contract affecting more than one Debtor in addition to one of the hospitals subject to the



Transaction, or (c) any collective bargaining agreement (“CBA”), pension plan, or health and welfare plan providing for collectively bargained for benefits to which a Hospital is a party or a sponsor, unless expressly assumed and assigned with SGM’s consent.

18. The Debtors intend, and are hereby authorized, to (A) reject, pursuant to § 365(a), all executory contracts to which one or more of the Hospitals are a party, excluding (i) Designated Contracts, and (ii) any prepetition multiparty contract affecting more than one Debtor in addition to one of the Hospitals, and, (B) reject and terminate, to the extent separately authorized by this Court, pursuant to §§ 1113, 1114, and any other applicable provision of the Bankruptcy Code, any collective bargaining agreement, pension plan or health and welfare plan providing collectively bargained benefits to which one of the Hospitals is a party or sponsor and that SGM does not assume.

19. All of the Contract Counter-Parties are forever barred, estopped, and permanently enjoined from (i) raising or asserting against the Debtors or SGM, or any of their property, any assignment fee, acceleration, default, breach, or claim of pecuniary loss, or condition to assignment, arising under or related to the Designated Contracts, existing as of the Closing, or arising by reason of the consummation of the Transaction contemplated by the APA, including, without limitation, the Transaction and the assumption and assignment of the Designated Contracts, including any asserted breach relating to or arising out of the change-in-control provisions in such Designated Contracts, or any purported written or oral modification to the Designated Contracts and (ii) asserting against SGM any claim, counterclaim, breach, or condition asserted or assertable against the Debtors existing as of the Closing or arising by reason of the transfer of the Purchased Assets, except for the Assumed Obligations.

20. Any provisions in any Designated Contracts that prohibit or condition the assignment of such Designated Contract or allow the counterparty to such Designated Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition upon the assignment of such Designated Contract constitute unenforceable anti-assignment provisions



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1 that are void and of no force and effect with respect to the Debtors' assumption and assignment of such  
2 Designated Contract to SGM in accordance with the APA, pursuant to § 363(f).

3 21. The terms and provisions of this Sale Order, as well as the rights granted under the  
4 Transaction Documents, shall continue in full force and effect and are binding upon any successor,  
5 reorganized Debtors, or chapter 7 or chapter 11 trustee applicable to the Debtors, notwithstanding ~~entry~~  
6 ~~of any order of conversion or dismissal any such conversion, dismissal or order entry~~. Nothing  
7 contained in any chapter 11 plan confirmed in the Debtors' cases or in any order confirming such a  
8 plan, nor any order dismissing the cases or converting the cases to a case under chapter 7, shall conflict  
9 with or derogate from the provisions of the APA, any documents or instruments executed in  
10 connection therewith, or the terms of this Sale Order, provided however, that in the event of a conflict  
11 between this Sale Order and an express or implied provision of the APA, this Sale Order shall govern.  
12 The provisions of this Sale Order and any actions taken pursuant hereto shall survive any conversion or  
13 dismissal of the cases and the entry of any other order that may be entered in the cases, including any  
14 order (i) confirming any plan of reorganization; (ii) converting the cases from chapter 11 to chapter 7;  
15 (iii) appointing a trustee or examiner in the cases; or (iv) dismissing the cases.

16 22. The Transaction contemplated by the APA and other Transaction Documents are  
17 undertaken without collusion and in "good faith," as that term is defined in § 363(m) of the Bankruptcy  
18 Code. SGM is a good faith purchaser within the meaning of § 363(m) and, as such, is entitled to the  
19 full protections of § 363(m). Accordingly, the reversal or modification on appeal of the authorization  
20 provided herein by this Sale Order to consummate the Transaction shall not affect the validity of the  
21 sale of the Purchased Assets to SGM. The APA and the Transactions contemplated thereby cannot be  
22 avoided under § 363(n).

23 23. The failure to specifically include any particular provision of the APA or the other  
24 Transaction Documents in this Sale Order shall not diminish or impair the effectiveness of such  
25 provisions, it being the intent of the Bankruptcy Court that the Transaction, the APA and the other  
26 Transaction Documents be authorized and approved in their entirety. Likewise, all of the provisions of  
27 this Sale Order are non-severable and mutually dependent.  
28



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1           24. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. §  
2           158(a). Notwithstanding Rules 6004(h), 6006(d), 7062, or 9014, if applicable, or any other LBR or  
3           otherwise, this Sale Order shall not be stayed for 14-days after the entry hereof, but shall be effective  
4           and enforceable immediately upon entry pursuant to Rule 6004(h) and 6006(d). Time is of the essence  
5           in approving the Transaction (including the transfer and the sale of the Purchased Assets).

6           25. The automatic stay in effect pursuant to § 362 is hereby lifted with respect to the  
7           Debtors to the extent necessary, without further order of this Court, to (i) allow SGM to deliver any  
8           notice provided for in the APA and Transaction Documents and (ii) allow SGM to take any and all  
9           actions permitted under the APA and Transaction Documents in accordance with the terms and  
10          conditions thereof.

11          26. Unless otherwise provided in this Sale Order, to the extent any inconsistency exists  
12          between the provisions of the APA and this Sale Order, the provisions contained in this Sale Order  
13          shall govern.

14          27. This Court shall retain exclusive jurisdiction to interpret, construe, and enforce the  
15          provisions of the APA and this Sale Order in all respects, and further, including, without limitation, to  
16          (i) hear and determine all disputes between the Debtors and/or SGM, as the case may be, and any other  
17          non-Debtor party to, among other things, the Designated Contracts concerning, among other things,  
18          assignment thereof by the Debtors to SGM and any dispute between SGM and the Debtors as to their  
19          respective obligations with respect to any asset, liability, or claim arising hereunder; (ii) compel  
20          delivery of the Purchased Assets to SGM free and clear of Encumbrances, except with respect to the  
21          liens arising from the Special Assessments and the PACE Obligations; (iii) compel the delivery of the  
22          Purchase Price or performance of other obligations owed to the Debtors; (iv) interpret, implement, and  
23          enforce the provisions of this Sale Order; and (v) protect SGM against (A) claims made related to any  
24          of the Excluded Liabilities (as defined in the APA), (B) any claims of successor or vicarious liability  
25          (or similar claims or theories) related to the Purchased Assets or the Designated Contracts, or (C) any  
26          Encumbrances asserted on or against SGM or the Purchased Assets.



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1           28.     Following the date of entry of this Sale Order, the Debtors and SGM are authorized to  
2     make changes to the APA and/or execute supplemental agreements implementing the transactions  
3     contemplated by the APA without the need for any further order of the Court provided that all such  
4     changes have been approved in writing by the Debtors, SGM, the Committee, the DIP Agent, and  
5     Prepetition Secured Creditors. Any other proposed changes to the APA or this Sale Order shall require  
6     a further order of the Court, after reasonable notice under the circumstances and a hearing.

7           29.     Notwithstanding any other provision of this Sale Order or any other Order of this  
8     Court, no sale, transfer or assignment of any rights and interests of a regulated entity in any federal  
9     license or authorization issued by the FCC shall take place prior to the issuance of FCC regulatory  
10    approval for such sale, transfer or assignment pursuant to the Communications Act of 1934, as  
11    amended, and the rules and regulations promulgated thereunder. The FCC's rights and powers to take  
12    any action pursuant to its regulatory authority, including, but not limited to, imposing any regulatory  
13    conditions on such sales, transfers and assignments and setting any regulatory fines or forfeitures, are  
14    fully preserved, and nothing herein shall proscribe or constrain the FCC's exercise of such power or  
15    authority to the extent not inconsistent with the applicable provisions of the Bankruptcy Code.

16          30.     To the extent the Purchased Assets contain records of the Verity Health System  
17    Retirement Plan A and Verity Health System Retirement Plan B (collectively, the "Pension  
18    Plans") or employment records of participants of the Pension Plans, SGM shall store, and  
19    preserve any such records until the Pension Benefit Guaranty Corporation ("PBGC") has  
20    completed its investigation regarding the Pension Plans and shall make such documents available  
21    to PBGC for inspection and copying. Such records include, but are not limited to, any Pension  
22    Plan governing documents, actuarial documents, and employment records (collectively, the  
23    "Pension Plan Documents"). The Debtors shall retain and not abandon any Pension Plan  
24    Documents that are not Purchased Assets no earlier than February 28, 2020, and shall make such  
25    documents available to the PBGC for inspection and copying.

26          31.     No later than May 13, 2019, either (i) the Debtors will file a notice of a resolution of  
27    the issues regarding the transfer and/or proposed assumption and assignment or rejection of the  
28



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Hospitals' Medi-Cal Provider Agreements or (ii) DHCS will file a supplemental objection to the proposed transfer of the Medi-Cal Provider Agreements. If necessary, the Debtors will file any reply to the supplemental objection no later than 4:00 p.m. (Pacific Time), on May 27, 2019, and a hearing will be held on the issues raised regarding the transfer and/or proposed assumption and assignment or rejection of the Medi-Cal Provider Agreements on June 5, 2019, at 10:00 a.m. (Pacific Time); and all parties' rights, claims, and defenses are preserved until that hearing. Nothing in this Sale Order shall apply to Medi-Cal Provider Agreements until and unless there is a Court order approving a settlement between the Debtors and the DHCS or a Court order resolving the DHCS's objections.

32. No later than May 13, 2019, either (i) the Debtors will file a notice of a resolution of the issues regarding the transfer and/or proposed assumption and assignment or rejection of the Hospitals' Medicare Provider Agreements or (b) HHS will file a supplemental objection to the proposed transfer of the Medicare Provider Agreements. If necessary, the Debtors will file any reply to the supplemental objection no later than 4:00 p.m. (Pacific Time), on May 27, 2019, and a hearing will be held on the issues raised regarding the transfer and/or proposed assumption and assignment or rejection of the Medicare Provider Agreements on June 5, 2019, at 10:00 a.m. (Pacific Time); and all parties' rights, claims, and defenses are preserved until that hearing. Nothing in this Sale Order shall apply to Medicare Provider Agreements until and unless there is a Court order approving a settlement between the Debtors and the HHS or a Court order resolving the HHS's objections.

33. In accordance with the terms of §§ 4.7 and 5.11 of the APA, the Debtors and SGM will negotiate regarding modification of applicable CBAs. To the extent the Debtors seek modification, rejection and/or termination of CBAs, they will comply with the requirements of § 1113, as applicable, and may do so before or after Closing under their discretion.

34. A continued hearing on the Cure Objections shall be held on June 5, 2019, at 10:00 a.m. (Pacific Time). As to the Currently Identified Designated Contracts, by no later than May 22, 2019, at 4:00 p.m. (Pacific Time), the Debtors shall file a notice containing a list of (a) the Cure Objections that have been resolved, and (b) the Cure Objections as to which Court intervention is required. As to the Cure Objections for which Court intervention is required, pursuant to the Order



*Approving Omnibus Stipulation Continuing Hearing on Certain Objections to Notice and Supplemental Notice of Contracts Designated for Assumption and Assignment [Docket No. 2183], the deadline for the Debtors to reply to the Cure Objections shall be May 29, 2019, at 4:00 p.m. (Pacific Time). ~~the following briefing schedule shall apply: (1) the Debtors' opposition to each outstanding Cure Objection shall be submitted by no later than May 22, 2019; and (2) the counterparties' reply in support of its Cure Objections shall be submitted by no later than May 29, 2019.~~* Nothing in this Sale Order constitutes a finding or determination on any Cure Objection. All Cure Objections are preserved until resolved either by agreement between the Debtors and the contract counterparty or further order of the Court.

35. As to any executory contracts or unexpired leases that were listed on the Initial Designated Contract List, but not listed on any prior Cure Notice, any counterparty thereto may file an objection to the cure amount or assumption thereof by May 22, 2019, and all other provisions in paragraph 34 shall apply to resolution thereof.

36. As to Subsequently Identified Designated Contracts, (i) promptly upon SGM's identifying such contract(s), the Debtors shall file a notice with the Court identifying all Subsequently Identified Designated Contracts no later than 30 days prior to Closing and provide service thereof in accordance with paragraph 16, and (ii) to the extent that any Subsequently Identified Designated Contracts were not listed on a Cure Notice, counterparties subject to contracts who object to assumption and/or the proposed cure amounts must file an objection no later than 14 days prior to Closing, and any reply shall be filed no later than 7 days prior to Closing. To the extent that a negotiated resolution cannot be achieved, any objections filed in connection with the Subsequently Identified Designated Contracts shall be adjudicated by the Court, which shall resolve any and all disputed issues related to the objection(s).

37. The California Attorney General, the Debtors, the Consultation Parties (as defined in the Bid Procedures Order) and SGM, reserve all rights, arguments and defenses concerning the California Attorney General's authority, if any, to review the sale under California Corporations Code §§ 5914–5924 and California Code of Regulations on Nonprofit Hospital Transactions—Title 11,



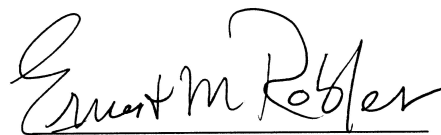
Chapter 15, § 999.5, and any conditions issued thereto. Nothing in this Sale Order shall be construed as a waiver of the Attorney General's statutory and regulatory authority or other rights.

38. The Committee and the Prepetition Secured Creditors' rights, and their ability to participate and be heard at the hearings described in paragraphs 31 to 36 of this Sale Order, are hereby reserved. To the extent that the DIP Agent, DIP Lender, Prepetition Secured Creditors or the Committee desire to file pleadings related to such hearings, their respective times for filing an objection or response to any of the requests for relief described in paragraphs 31 to 37 herein shall be the same as granted to the Debtors pursuant to the notice in each such instance.

**IT IS SO ORDERED.**

###

Date: May 2, 2019



Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT F

EXHIBIT F Page 1 of 58  
Case 5:50-cv-01001-EB Doc 21-2 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT F



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Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re  
VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,  
  
Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly administered with:  
Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**DEBTORS' EMERGENCY MOTION FOR THE ENTRY OF AN  
ORDER: (I) ENFORCING THE ORDER AUTHORIZING THE  
SALE TO STRATEGIC GLOBAL MANAGEMENT, INC;  
(II) FINDING THAT THE SALE IS FREE AND CLEAR OF  
CONDITIONS MATERIALLY DIFFERENT THAN THOSE  
APPROVED BY THE COURT; (III) FINDING THAT THE  
ATTORNEY GENERAL ABUSED HIS DISCRETION IN  
IMPOSING CONDITIONS ON THAT SALE; AND (IV)  
GRANTING RELATED RELIEF; MEMORANDUM OF POINTS  
AND AUTHORITIES AND DECLARATIONS IN SUPPORT  
THEREOF**

Hearing Date and Time:

Date: TBD

Time: TBD

Place: Courtroom 1568,  
255 E. Temple Street  
Los

- ☒ Affects All Debtors  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of Lynwood  
Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In Possession.



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**TABLE OF CONTENTS**

1		
2	<b>Table of Contents .....</b>	<b>i</b>
3	<b>Table of Authorities .....</b>	<b>iii</b>
4	<b>Emergency Motion .....</b>	<b>1</b>
5	I. Summary of Requested Relief.....	4
6	II. Responses .....	4
7	III. Service of Motion.....	5
8	IV. Reservation of Rights .....	5
9	V. Prayer .....	5
10	<b>Memorandum of Points and Authorities .....</b>	<b>1</b>
11	I. Introduction .....	2
12	II. Jurisdiction, Venue, and Statutory PRedicates.....	3
13	III. Factual Background.....	4
14	A. General Background.....	4
15	B. The Daughters of Charity and the 2015 Conditions.....	5
16	C. The Bankruptcy Cases.....	7
17	D. The SCC Sale .....	8
18	E. The SGM Sale .....	9
19	F. The Debtors and SGM Have Expended Substantial Time and Resources to Close the SGM	
20	Sale .....	12
21	G. The Debtors' Cash Collateral Agreement .....	12
22	H. The Debtors' Plan and Confirmation Timeline.....	13
23	I. The Attorney General Review Process .....	13
24	J. The 2019 Attorney General Conditions .....	15
25	K. The Economic Impact of the Additional Conditions .....	16
26	IV. Argument.....	18
27	A. The Sale Order Effectuated A Sale of the Debtors' Assets Free and Clear of the Additional	
28	Conditions .....	18



1	1. Section 363 Authorizes the Court to Sell the Debtors’ Assets Free and Clear of	
2	Interests .....	18
3	2. The Additional Conditions Constitute an Interest in Property Subject to the “Free and	
4	Clear” Language in Section 363.....	19
5	3. The SGM Sale Should Be Authorized Free and Clear of the Additional Conditions	
6	Pursuant to Section 363(f).....	24
7	B. Compliance with § 363(d)(1) Does Not Limite the Debtors’ Right to Sell Its Assets Free	
8	and Clear under § 363(f). .....	31
9	C. The Attorney General Cannot Interfere with the Court’s Exclusive Jurisdiction Over	
10	Property of the Estates.....	34
11	D. The Additional Conditions Violat § 525 Because Their Express Purpose Is to Require	
12	SGM to Undertake the Same Obligations the Debtors Can No Longer Accomplish. ....	35
13	E. The Attorney General Abused His Discretion in Imposing the Additional Conditions.....	37
14	1. The Court Has Authority to Review Whether the Attorney General Abused His	
15	Discretion in Imposing the Additional Conditions. ....	37
16	2. The Scope of the Court’s Review on Writ of Mandamus .....	40
17	3. The Attorney General Failed to Assure Preservation of the Hospitals for Their	
18	Communities .....	44
19	V. Conclusion.....	46

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**TABLE OF AUTHORITIES**

**Page(s)**

**Cases**

<i>Bob Jones Univ. v. United States</i> (1983) 461 U.S. 574 .....	39
<i>20th Century Ins. Co. v. Garamendi</i> , 8 Cal. 4th 216 (1994).....	46
<i>In re ARSN Liquidating Corp. Inc.</i> , No. 14-11527, 2017 WL 279472 (Bankr. D.N.H. Jan. 20, 2017) .....	21
<i>Atlas Mach. &amp; Iron Works, Inc. v. Bethlehem Steel Corp.</i> , 986 F.2d 709 (4th Cir. 1993).....	27
<i>In re Aurora Gas, LLC</i> , No. A16–00130, 2017 WL 4325560 (Bankr. D. Alaska Sep. 26, 2017) .....	20, 35, 36
<i>Bauer v. City of San Diego</i> , 89 Cal. Rptr. 2d 795 (Cal. Ct. App. 1999) .....	42
<i>Benetatos v. City of Los Angeles</i> , 186 Cal. Rptr. 3d 46 (Cal. Ct. App. 2015) .....	38, 42
<i>Bixby v. Pierno</i> , 481 P.2d 242 (Cal. 1971) .....	41
<i>Bright Dev. v. City of Tracy</i> 20 Cal. App. 4th 783 (1993).....	38
<i>Central Va. Cmty College v. Katz</i> , 546 U.S. 356 (2006) .....	34
<i>In re Christ Hosp.</i> , 502 B.R. 158 (Bankr. D.N.J. 2013).....	20
<i>Citizens for Amending Proposition L v. City of Pomona</i> , 239 Cal. Rptr. 3d 750 (Cal. Ct. App. 2018) .....	43
<i>City of Campbell v. Mosk</i> 197 Cal. App. 2d 640 (1961).....	37
<i>City of San Diego v. Nat’l Steel &amp; Shipbuilding Co.</i> , No. 09-2275, 2011 WL 5104624 (S.D. Cal. Oct. 27, 2011) .....	26
<i>Coachella Valley Unified School Dist. v. State of Cal.</i> , 176 Cal. App. 4th 93 (Cal. Ct. App. 2009) .....	46



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1	<i>Coe v. City of San Diego,</i>	
2	208 Cal. Rptr. 3d 73 (Cal. Ct. App. 2016) .....	41
3	<i>Conlan v. Bonta,</i>	
4	102 Cal. App. 4th 745 (2002).....	38
5	<i>County of San Diego v. State of Cal.</i>	
6	15 Cal. 4th 68 (1997).....	38
7	<i>Del Riccio v. Superior Court</i>	
8	115 Cal. App. 2d 29 (1952).....	37
9	<i>Douglas v. Stamco,</i>	
10	363 Fed. Appx. 101 (2d Cir. 2010) .....	30
11	<i>Ebbetts Pass Forest Watch v. Dep’t of Forestry &amp; Fire Prot.,</i>	
12	20 Cal. Rptr. 3d 808 (Cal. Ct. App. 2004) .....	41
13	<i>Fed. Commc’ns Comm’n v. NextWave Commc’s, Inc.</i>	
14	537 U.S. 293 (2003) .....	34, 35, 36, 37
15	<i>Folger Adam Sec., Inc. v. DeMatteis v. MacGregor JV,</i>	
16	209 F.3d 252 (3d Cir. 2000) .....	19, 20
17	<i>Friends of the Old Trees v. Dep’t of Forestry &amp; Fire Prot.,</i>	
18	61 Cal. Rptr. 2d 297 (Cal. Ct. App. 1997) .....	37, 39, 40
19	<i>Fukuda v. City of Angels,</i>	
20	977 P.2d 693 (Cal. 1999) .....	38, 43
21	<i>In re Gardens Reg’l Hosp. &amp; Med. Ctr., Inc.,</i>	
22	567 B.R. 820 (Bankr. C.D. Cal. 2017) .....	23, 24
23	<i>Goat Hill Tavern v. City of Costa Mesa,</i>	
24	8 Cal. Rptr. 2d 385 (Cal. Ct. App. 1992) .....	42
25	<i>In re Grumman Olson Indus., Inc.,</i>	
26	467 B.R. 694 (S.D.N.Y. 2012) .....	20, 30
27	<i>In re HHH Choices Health Plan, LLC,</i>	
28	554 B.R. 697 (Bankr. S.D.N.Y. 2016) .....	13, 37
	<i>Hillis Motors v Hawai’i Auto Dealers Assn.,</i>	
	997 F.2d 581, 592 (9th Cir 1993) .....	34
	<i>Honchariw v. City of Stanislaus</i>	
	218 Cal. App. 4th 1019 (2013).....	39
	<i>Hong Kong and Shanghai Banking Corp. v. Simon (In re Simon),</i>	
	153 F.3d 991 (9th Cir. 1998).....	33



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1	<i>Indiana State Police Pension Trust v. Chrysler LLC (In re Chrysler LLC),</i>	
2	576 F.3d 108 (2d Cir. 2009) .....	20, 22, 30
3	<i>Interstate Brands v. Unemployment Ins. Appeals Bd.,</i>	
4	608 P.2d 707 (Cal. 1980) .....	41
5	<i>John Hancock Mut. Life Ins. Co. v. Harris Trust &amp; Sav. Bank,</i>	
6	510 U.S. 86 (1993) .....	31
7	<i>Keene Corp. v. United States,</i>	
8	508 U.S. 200 (1993) .....	32
9	<i>In re L.L. Murphrey Co.,</i>	
10	No. 12-03837-8-JRL, 2013 WL 2451368 (Bankr. E.D.N.C. June 6, 2013) .....	27
11	<i>In re La Paloma Generating, Co.,</i>	
12	No. 16-12700, 2017 WL 5197116 (Bankr. D. Del. Nov. 9, 2017) .....	20, 26, 29, 33
13	<i>Lamb v. Webb</i>	
14	(1907) 151 Cal. 451 .....	37
15	<i>Law v. Seigel,</i>	
16	571 U.S. 415 (2014) .....	31
17	<i>In re Leckie Smokeless Coal Co.,</i>	
18	99 F.3d 573 (4th Cir. 1996) .....	<i>passim</i>
19	<i>Mann v. Dep't of Motor Vehicles,</i>	
20	90 Cal. Rptr. 2d 277 (Cal. Ct. App. 1999) .....	41
21	<i>Mass. Dept. of Unemployment Assistance v. OPK Biotech, LLC (In re PBBPC,</i>	
22	<i>Inc.),</i>	
23	484 B.R. 860 (B.A.P. 1st Cir. 2013) .....	21, 22, 24, 30
24	<i>Mass. v. Morash,</i>	
25	490 U.S. 107 (1989) .....	31
26	<i>In re Millenium Seacarriers, Inc.,</i>	
27	419 F.3d 83 (2d Cir. 2005) .....	4
28	<i>Morton v. Mancari,</i>	
	417 U.S. 535 (1974) .....	31, 32
	<i>Motor Vehicle Mfrs. Assn. of the U.S. v. State Farm Mut. Auto Ins. Co.,</i>	
	463 U.S. 29 (1983) .....	46
	<i>Myers v. U.S.,</i>	
	297 B.R. 774 (S.D. Cal. 2003) .....	20, 25, 30



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1	<i>In re Old Carco, LLC,</i>	
2	538 B.R. 674 (Bankr. S.D.N.Y. 2015) .....	21, 22, 23
3	<i>Outfitter Properties, LLC v. Wildlife Conservation Bd.,</i>	
4	143 Cal. Rptr. 3d 312 (Cal. Ct. App. 2012) .....	43
5	<i>Oxford Preparatory Acad. v. Chino Valley Unified Sch. Dist.,</i>	
6	249 Cal. Rptr. 3d 726 (Cal. Ct. App. 2019) .....	41
7	<i>Paulsen v. Golden Gate Univ.,</i>	
8	25 Cal. 3d 803 (1979).....	46
9	<i>Pavelic &amp; Leflore v. Marvel Entm't Grp.,</i>	
10	493 U.S. 120 (1989) .....	31
11	<i>Precision Indus., Inc. v. Qualitech Steel SBQ, LLC,</i>	
12	327 F.3d 537 (7th Cir. 2003).....	19, 20
13	<i>Prime Healthcare Services, Inc. v. Harris,</i>	
14	216 F. Supp. 3d 1096 (S.D. Cal. 2016) .....	4, 6
15	<i>In re PW, LLC,</i>	
16	391 B.R. 25 (B.A.P. 9th Cir. 2008).....	28
17	<i>Quackenbush v. Mission Ins. Co.,</i>	
18	46 Cal. App. 4th 458 (Cal. Ct. App. 1996) .....	46
19	<i>Ray v. Alad Corp.,</i>	
20	19 Cal. 3d 22 (1977).....	26
21	<i>Saleeby v. State Bar,</i>	
22	39 Cal. 3d 547 (1985).....	46
23	<i>Scenic Community v. County of Los Angeles,</i>	
24	11 Cal.3d 506 (1974).....	39
25	<i>Schwartz v. Poizner,</i>	
26	113 Cal. Rptr. 3d 610 (Cal. Ct. App. 2010) .....	40
27	<i>Sierra Club v. State Bd. of Forestry,</i>	
28	7 Cal. 4th 1215 (1994).....	40
	<i>SP Star Enters., Inc. v. City of Los Angeles,</i>	
	93 Cal. Rptr. 3d 152 (Cal. Ct. App. 2009) .....	42
	<i>In re Spanish Peaks Hldgs. II, LLC,</i>	
	872 F.3d 892 (9th Cir. 2017).....	24, 25
	<i>In re Taylor,</i>	
	198 B.R. 142 (Bankr. D.S.C. 1996) .....	27



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1	<i>The Termo Co. v. Luther</i> ,	
2	86 Cal. Rptr. 3d 687 (Cal. Ct. App. 2008) .....	41
3	<i>Tiholiz v. Northridge Hosp. Found.</i> ,	
4	199 Cal. Rptr. 338 (Cal. Ct. App. 1984) .....	43
5	<i>In re Tougher Indus., Inc.</i> ,	
6	No. 06-12960, 2013 WL 1276501 (Bankr. N.D.N.Y. Mar. 27, 2013) .....	21
7	<i>In re Trans World Airlines, Inc.</i> ,	
8	322 F.3d 283 (3d Cir. 2003) .....	20, 22, 28, 30
9	<i>Travelers Indem. Co. v. Bailey</i> ,	
10	557 U.S. 137 (2009) .....	4
11	<i>U.S. v. Novak</i> ,	
12	476 F.3d 1041 (9th Cir. 2007) .....	31
13	<i>United Mine Workers of Am. Combined Benefit Fund v. Walter Energy, Inc.</i> ,	
14	551 B.R. 631 (N.D. Ala. 2016) .....	20
15	<i>United Sav. Ass’n v. Timbers of Inwood Forest Assocs.</i> ,	
16	484 U.S. 365 (1988) .....	31
17	<i>In re USA United Fleet, Inc.</i> ,	
18	496 B.R. 79 (Bankr. E.D.N.Y. 2013) .....	21, 23
19	<i>In re Verity Health Sys. of Cal., Inc.</i> ,	
20	598 B.R. 283 (Bankr. C.D. Cal. 2018) (Robles, J.) .....	23, 25
21	<i>Vill. Of Arlington Heights v. Metro. Hous. Dev. Corp.</i> ,	
22	429 U.S. 252 (1977) .....	4
23	<i>In re Vista Marketing Group Ltd.</i> ,	
24	557 B.R. 630 (Bankr. N.D. Ill. 2016) .....	20, 28
25	<i>WBQ P’ship v. Va. Dep’t of Med. Assistance Servs. (In re WBQ P’ship)</i> ,	
26	189 B.R. 97 (Bankr. E.D. Va. 1995) .....	20, 28
27	<i>Wollmer v. City of Berkeley</i>	
28	(2011), 193 Cal. App. 4th 1329 .....	38
	<b>Federal Statutes and Rules</b>	
	11 U.S.C. 362 .....	34
	11 U.S.C. § 363(b)(1) .....	18
	11 U.S.C. § 363(d)(1) .....	32



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1	11 U.S.C. § 363(f) .....	<i>passim</i>
2	11 U.S.C. § 363(f)(1) .....	25, 26
3	11 U.S.C. § 363(f)(4) .....	27, 28
4	11 U.S.C. § 525(a).....	3, 34, 35, 36
5	28 U.S.C. § 157 .....	4
6	28 U.S.C. § 157(a).....	33
7	28 U.S.C. § 157(b)(2).....	4
8	28 U.S.C. § 959(b) .....	34
9	28 U.S.C. § 1334 .....	<i>passim</i>
10	28 U.S.C. § 1408 .....	4
11	28 U.S.C. § 1409 .....	4
12	FED. R. BANKR. P. 6004.....	1, 4
14	<b>State Statutes</b>	
15	CAL. CIV. PROC. CODE § 187.....	37
16	CAL. CORP. CODE § 5914 .....	4, 23, 24, 29, 46
17	CAL. CORP. CODE § 5914(a)(1) .....	24, 25
18	CAL. CORP. CODE § 5914(a)(1)(A).....	23
19	CAL. CORP. CODE § 5916 .....	40
20	CAL. CORP. CODE § 5917 .....	23, 25, 40, 44, 45
21	CAL. CORP. CODE § 5919 .....	40
22	CAL. GOV'T CODE § 12598.....	44
23	CAL. GOV'T CODE § 12598(a) .....	44, 45
24	CAL. HEALTH & SAFETY CODE § 1250(a) .....	17, 24
25	CAL. REGS. CODE, tit. 11, § 999.5.....	4, 14
26		
27		
28		



**EMERGENCY MOTION**

Pursuant to Rule 9075-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California (the “LBR”), Rule 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), §§ 105, 362, 363, 525 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”),<sup>1</sup> and 28 U.S.C. § 1334(e), Verity Health System Of California, Inc. (“VHS”) and the above-referenced affiliated debtors, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 bankruptcy cases (the “Cases”), hereby move, on an emergency basis (the “Motion”), for the entry of an order: (i) enforcing this Court’s previous order [Docket No. 2306] authorizing the sale (“SGM Sale”) of the Debtors’ assets to Strategic Global Management, Inc. (“SGM”); and (ii) finding that the SGM Sale is free and clear of the conditions imposed by the California Attorney General (the “Attorney General”) that are materially different (the “Additional Conditions”) than the conditions in the asset purchase agreement (the “SGM APA”) [Docket No. 2305-1]; or, alternatively, (iii) finding that the Attorney General abused his discretion imposing the conditions under applicable nonbankruptcy law; and (iv) granting such other and further relief as the Court deems just and proper. The sale order approving the SGM Sale (the “Sale Order”), the conditions issued by the Attorney General (the “2019 Conditions”), the Additional Conditions, in redline format, and the SGM APA, are attached to the annexed Memorandum of Points and Authorities (the “Memorandum”) as Exhibits “A,” “B,” “C,” and “D,” respectively. Certain correspondence between the Debtors, SGM, and the Attorney General is attached to the Memorandum as Exhibit “E.”

The Debtors request that the relief sought be granted on an emergency basis because the Debtors will suffer immediate and irreparable harm without the relief requested in this Motion. Indeed, absent relief, the Debtors’ sale to SGM of its four remaining hospitals (collectively, the “Hospitals”) will collapse, which would result in the loss of access to critical healthcare in



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underserved communities, the loss of thousands of jobs, and the loss of anticipated recoveries to creditors. Simply put, the Additional Conditions would unwind the heroic efforts of constituents who have diligently worked to maintain the Hospitals throughout these cases and spent countless hours and funds working with SGM to close the SGM Sale. Even a delay in the closing will significantly impact these Cases because the Debtors (i) are operating at a loss of approximately \$450,000 per day, imposing significant costs upon the estates and upon creditors, (ii) seek to confirm their plan of liquidation by the end of the year, and (iii) are required to meet the milestone under the cash collateral agreement that the Plan go effective in 2019 and have no alternative financing source.

The Additional Conditions threaten the SGM sale. The Additional Conditions trigger SGM's termination rights under the APA unless the Debtors obtain a supplemental order from this Court finding that the Additional Conditions are an "interest in property" for purposes of § 363(f), and that the Hospitals can be sold free and clear of the Additional Conditions without the imposition of any other conditions. *See* Exhibit "D," SGM APA, Section 8.6. SGM has repeatedly informed the Debtors and the Attorney General that the Additional Conditions are "deal killers." *See* Exhibit "E." To illustrate the magnitude of the economic impact of the Additional Conditions, two of the Additional Conditions alone would have the economic impact of increasing the effective purchase price by over 50 percent to nearly a billion dollars. The economic impact of compliance with the other Additional Conditions are in the tens of millions of dollars. In essence, the Additional Conditions would render the SGM APA and this Court's Sale Order meaningless. Such result is inconsistent with § 363, this Court's exclusive jurisdiction over property of the Debtors' estates, and fundamental purposes of the Bankruptcy Code.

The SGM APA specifically contemplates the Debtors will challenge promptly any conditions materially different from those to which SGM agreed. *See* Exhibit D, SGM APA §§

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*{continued from previous page}*

<sup>1</sup> All references to "§" are to sections of the Bankruptcy Code; all references to "LBR" are to provisions of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California.



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8.6, 9.3. Failure to challenge timely the imposition of Additional Conditions may result in termination of the SGM Sale. *Id.* The Debtors and SGM met with representatives of the Attorney General regularly to encourage imposition of conditions consistent with Schedule 8.6. *See* Adcock Dec. and Levy-Biehl Dec. Further, the Debtors negotiated vigorously with additional constituencies (including the Official Committee of Unsecured Creditors, the Pension Benefit Guaranty Corporation, and labor unions) to secure their support of the SGM Sale, which were provided to the Attorney General before the 2019 Conditions were issued. Nevertheless, the Attorney General has imposed conditions on the SGM Sale inconsistent with Schedule 8.6 after taking the maximum amount of time provided by statute to review the transaction and constituent input. *See* Exhibit “B.” Given the Attorney General’s long delay in reviewing the SGM Sale, the Debtors must challenge the Additional Conditions on an expedited basis to ensure that the SGM Sale closes, the Hospitals stay open to provide essential patient care, thousands of jobs are not lost and assets of the estates are preserved.

The Attorney General will not suffer prejudice if the Court grants this Motion for expedited relief. As noted above, the Attorney General considered the 2019 Conditions for 135 days prior to their issuance on September 25, 2019. During that time, the Debtors and SGM have made abundantly clear that any departure from the conditions in Schedule 8.6 to the SGM APA would threaten the SGM Sale. *See, e.g.,* Exhibit “E.” Further, the Attorney General is amply familiar with the issues raised herein, having briefed the same in several bankruptcy cases in this District, including in the Debtors’ Cases. *See* Docket No. 463; *In re Gardens Reg’l Hosp. & Med. Ctr., Inc.*, No. 2:16-bk-17463-ER, Doc. No. 752 (Bankr. C.D. Cal. Apr. 24, 2017); *In re Victor Valley Cmty. Hosp.*, No. 8:12-bk-12896-CB, Doc. No. 1804 (Bankr. C.D. Cal. Sept. 27, 2011). Accordingly, the Debtors respectfully request that the Court grant the Motion for an emergency hearing because the proposed expedited hearing will not prejudice the Attorney General and is in the best interests of the Debtors’ estates and creditors.



I.

**SUMMARY OF REQUESTED RELIEF**

Concurrently herewith, the Debtors have filed a motion seeking the entry of an order: (i) enforcing this Court's previous order [Docket No. 2306] authorizing the SGM Sale; and (ii) finding that the SGM Sale is free and clear of the Additional Conditions, pursuant to §§ 105, 362, 363, and 525, and 28 U.S.C. § 1334(e); or, alternatively, (iii) finding that the Attorney General abused his discretion imposing the 2019 Conditions under applicable nonbankruptcy law; and (iv) granting such other and further relief as the Court deems just and proper.

The Motion is based upon §§ 105, 362, 363, and 525, 28 U.S.C. § 1334, Bankruptcy Rule 6004, LBR 9075-1(a), California Corporations Code §§ 5914 *et seq.*, and the California Code of Regulations, title 11, § 999.5, the attached Memorandum of Points and Authorities, the *Declaration of Richard Adcock in Support of Emergency First-Day Motions* [Docket No. 8], the Declarations of Richard G. Adcock (the "Adcock Decl."), Peter Baronoff (the "Baronoff Decl."), Peter C. Chadwick (the "Chadwick Decl."), and Hope R. Levy-Biehl (the "Levy-Biehl Decl.") filed concurrently herewith, the arguments and statements of counsel to be made at the hearing on the Motion, and any other admissible evidence properly brought before the Court. The Debtors request that the Court take judicial notice of all documents filed with the Court in these Cases that relate to the SGM Sale and the prior sale of the hospitals to Santa Clara County, as appropriate, in support of the Motion.

II.

**RESPONSES**

Any party opposing or responding to the Motion may present such response (the "Response") at any time before or at the hearing on the Motion. *See* LBR 9075-1(a)(8). A Response must be a complete written or oral statement of all reasons in opposition to the Motion or in support, declarations and copies of all evidence on which the responding party intends to rely, and any responding memorandum of points and authorities. Pursuant to LBR 9013-1(h), the failure to file and serve a timely objection to the Motion may be deemed by the Court to be consent to the relief requested herein.



III.

**SERVICE OF MOTION**

Counsel to the Debtors will serve this Motion, the attached Memorandum of Points and Authorities, the Adcock Decl., the Baronoff Decl., the Chadwick Decl., Levy-Biehl Decl., and any notice required by the Court on: (i) the California Attorney General; (ii) the Official Committee of Unsecured Creditors; (iii) the Debtors' prepetition secured creditors; (iv) SGM; (iv) the Office of the United States Trustee; and (v) any other parties on the Limited Service List set forth in the *Order Granting Emergency Motion of Debtors for Order Limiting Scope of Notice* [Docket No. 132]. To the extent necessary, the Debtors request that the Court waive compliance with LBR 9075-1(a)(6) and approve service (in addition to the means of services set forth in such LBR) by overnight delivery.

IV.

**RESERVATION OF RIGHTS**

Nothing contained herein is intended or shall be construed as: (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors; or (iii) a waiver of any claims or causes of action which may exist against any creditor or interest holder.

V.

**PRAYER**

WHEREFORE, for all the foregoing reasons and such additional reasons as may be advanced at or prior to the hearing regarding this Motion, the Debtors respectfully request that the Court hold a hearing on an emergency basis to consider the Debtors request for an order (i) finding that (a) the SGM Sale is free and clear of the Additional Conditions imposed by the Attorney General, or alternatively, (b) the Attorney General has abused his discretion in imposing the Additional Conditions, and (ii) granting such other and further relief as the Court deems just and proper.



1 Dated: September 30, 2019

DENTONS US LLP  
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TANIA M. MOYRON  
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4 By /s/ Tania M. Moyron  
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**MEMORANDUM OF POINTS AND AUTHORITIES**

Verity Health System of California, Inc. (“VHS”) and the affiliated debtors, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 bankruptcy cases (the “Cases”), hereby move (the “Motion”) for the entry of an order: (i) enforcing this Court’s previous order [Docket No. 2306] (the “Sale Order”) authorizing the sale (“SGM Sale”) of the Debtors’ assets to Strategic Global Management, Inc. (“SGM”); and (ii) finding that the SGM Sale is free and clear of the conditions (the “2019 Conditions”) imposed by the California Attorney General (the “Attorney General”) that are materially different (the “Additional Conditions”) than the conditions in the asset purchase agreement (the “SGM APA”) [Docket No. 2305-1], pursuant to §§ 105, 362, 363, and 525 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) and 28 U.S.C. § 1334(e);<sup>1</sup> or, alternatively, (iii) finding that the Attorney General abused his discretion imposing the 2019 Conditions under applicable nonbankruptcy law; and (iv) granting such other and further relief as the Bankruptcy Court deems just and proper.

The Motion is based on the *Declaration of Richard Adcock in Support of Emergency First-Day Motions* [Docket No. 8] (the “First-Day Declaration”), the Declarations of Richard G. Adcock (the “Adcock Decl.”), Peter Baronoff (the “Baronoff Decl.”), Peter C. Chadwick (the “Chadwick Decl.”), and Hope R. Levy-Biehl (the “Levy-Biehl Decl.”) filed concurrently herewith, the arguments and statements of counsel to be made at the hearing on the Motion, the record in the Debtors’ Cases and any other judicially noticeable facts, and other admissible evidence properly brought before the Court. The Sale Order, the 2019 Conditions, the Additional Conditions, in redline format, and the SGM APA, are attached hereto as Exhibits “A,” “B,” “C,” and “D,” respectively. Certain correspondence between the Debtors, SGM, and the Attorney General is attached hereto as Exhibit “E.”

In further support of the Motion, the Debtors respectfully state as follows:

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<sup>1</sup> All references to “§” are to sections of the Bankruptcy Code; all references to “Bankruptcy Rules” are to provisions of the Federal Rules of Bankruptcy Practice; all references to “LBR” are to provisions of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California.



I.

**INTRODUCTION**

Nearly five months after this Court entered the Sale Order authorizing the Debtors to sell their four remaining general acute care hospitals (the “Hospitals”) to SGM, the Attorney General issued the 2019 Conditions that effectively increase the purchase price in the SGM APA by over \$300 million. The imposition of the Additional Conditions in the 2019 Conditions would destroy the sale of the Hospitals to the only buyer willing to buy them, SGM, and would result in the loss of access to critical healthcare in underserved communities, the loss of thousands of jobs, and the loss of anticipated recoveries to creditors. The Debtors’ estates and their constituents have already borne operating losses of approximately \$450,000, per day, waiting for the Attorney General to issue his decision. Moreover, the Debtors, SGM and third parties have expended tremendous efforts to prepare for and close the SGM Sale in reliance on the Sale Order. These tireless efforts have taken a significant amount of time and resources and simply cannot be undone.

The Debtors are mindful that the Hospitals have struggled for decades and that the 2015 conditions imposed by the Attorney General (the “2015 Conditions”) locked the Hospitals into financial and operational obligations that made success impossible (the Debtors lost hundreds of millions of dollars since the 2015 Conditions were imposed). Chapter 11 presented the last and only viable option to save the Hospitals. The Attorney General cannot strip the Debtors of the protections afforded by the Bankruptcy Code, which is, in essence, the impact of the 2019 Conditions if they are enforced.

In addition to the fact that the imposition of the Additional Conditions would be devastating to patients, the communities the Hospitals serve, thousands of employees and stakeholders in these cases, the Additional Conditions cannot be upheld because they contravene the Bankruptcy Code, the Court’s jurisdiction, and fundamental purposes of the Bankruptcy Code.

Specifically, the Court should enforce the Sale Order and find that that the Debtors are authorized to the sell the Hospitals without imposition of the Additional Conditions because:

- *Section 363(f) authorizes the Court to sell the Debtors’ assets free and clear of the Additional Conditions which are an “interest in property;”*



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- *The Additional Conditions are an inappropriate attempt to impose successor liability on SGM because the Sale Order authorizes the assets to pass to SGM free and clear of successor liability;*
- *Section 363(d)(1) must be harmonized with § 363(f), which authorizes the Court to sell the assets free and clear of the Additional Conditions;*
- *The Attorney General's broad attempt to exercise control over the Debtors' assets contravenes the Court's exclusive jurisdiction over the Debtors' assets, pursuant to 28 U.S.C. § 1334(e);*
- *Imposition of the Additional Conditions constitutes impermissible discrimination against the Debtors and SGM under § 525(a) because the Additional Conditions are premised on the continuance of the Debtors' obligations; and*
- *The Attorney General is exceeding his authority by attempting to regulate a for profit entity.*

Additionally, and as significantly, under state law, the imposition of the Additional Conditions are a breach of the Attorney General's fiduciary obligations and an abuse of his discretion.

Based upon all of the foregoing, and for the reasons set forth in greater detail below, the Debtors urge the Court to enter an order enforcing the Sale Order and finding that sale was "free and clear" of the Additional Conditions.

## II.

### **JURISDICTION, VENUE, AND STATUTORY PREDICATES**

The Bankruptcy Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding under 28 U.S.C. §§ 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

The Motion seeks, in part, an order of the Court enforcing the terms of its final order approving the SGM Sale [Docket No. 2306]. The statutory predicates for this relief are §§ 363 and 105, and Bankruptcy Rule 6004. This Court "plainly ha[s] jurisdiction to interpret and enforce its own prior orders." *Travelers Indem. Co. v. Bailey*, 557 U.S. 137, 151 (2009); *see also In re Millenium Seacarriers, Inc.*, 419 F.3d 83, 96 (2d Cir. 2005) ("A bankruptcy court retains jurisdiction to interpret and enforce its own orders [.]") (quoting *Luan Inv. S.E., v. Franklin 145 Corp. (In re Petrie Retail, Inc.)*, 304 F.3d 223, 230 (2d Cir.2002)).



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The Debtors further request that the Court find that the Attorney General abused his discretion in imposing the 2019 Conditions without an evidentiary basis. The statutory predicates for such a finding are set forth in the California Corporations Code, §§ 5914 *et seq.*, and the California Code of Regulations, title 11, § 999.5. The Debtors have standing to challenge the 2019 Conditions because the Debtors’ allegations of lost business opportunity and corresponding economic harm related to the SGM Sale constitute an injury in fact. *See Prime Healthcare Services, Inc. v. Harris*, 216 F. Supp. 3d 1096, (S.D. Cal. 2016) (citing *Wedges/Ledges of Cal., Inc. v. City of Phoenix, Ariz.*, 24 F.3d 56, 60 (9th Cir. 1994)) (finding standing where plaintiff alleged that “the financially unviable conditions [the attorney general] imposed on the [Daughters of Charity Health System] transaction forced it to abandon its \$843 million bid to acquire” the hospital); *see also Vill. Of Arlington Heights v. Metro. Hous. Dev. Corp.*, 429 U.S. 252, 261-63 (1977) (concluding that a nonprofit developer had standing to challenge the denial of its petition for rezoning and seek injunctive and declaratory relief, despite the fact that its land-purchase contract was contingent upon securing rezoning).

### III.

#### FACTUAL BACKGROUND

##### A. General Background

1. On August 31, 2018 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Since the commencement of their Cases, the Debtors have been operating their businesses as debtors in possession pursuant to §§ 1107 and 1108.

2. Debtor VHS, a California nonprofit public benefit corporation, is the sole corporate member of five Debtor California nonprofit public benefit corporations that operated O’Connor Hospital (“OCH”) and Saint Louise Regional Hospital (“SLRH”), and currently operates St. Francis Medical Center (“SFMC”), St. Vincent Medical Center (“SVMC”), and Seton Medical Center, including Seton Medical Center Coastside Campus (collectively, “Seton” and, together with OCH, SLRH, SFMC, and SVMC, the “Verity Hospitals”).



3. As of the Petition Date, VHS, the Verity Hospitals, and their affiliated entities (collectively, “Verity Health System”) operated as a nonprofit health care system, with approximately 1,680 inpatient beds, six active emergency rooms, a trauma center, eleven medical office buildings, and a host of medical specialties, including tertiary and quaternary care. *See* First-Day Decl., at 4, ¶ 12. The scope of the services provided by the Verity Health System is exemplified by the fact that in 2017, the Verity Hospitals provided medical services to over 50,000 inpatients and approximately 480,000 outpatients. *Id.*, at 4, ¶ 12.

4. Additional background facts on the Debtors, including an overview of the Debtors’ business, information on the Debtors’ capital structure and additional events leading up to these chapter 11 Cases, are set forth in the First-Day Declaration.

5. On September 14, 2018, the Office of the United States Trustee appointed the Committee [Docket No. 197].

**B. The Daughters of Charity and the 2015 Conditions**

6. The Verity Hospitals were originally owned and operated by the Daughters of Charity of St. Vincent de Paul, Province of the West (the “Daughters of Charity”), to support the mission of the Catholic Church through a commitment to the sick and poor. The Daughters of Charity began their healthcare mission in California in 1858 with the opening of Los Angeles Infirmary, now known as SVMC. The Daughters of Charity expanded its hospitals to San Jose in 1889 and San Francisco in 1893. The Daughters of Charity ministered to ill, poverty-stricken individuals for more than 150 years.

7. In June 2001, the Daughters of Charity Health System (“DCHS”) was formed. In 2002, DCHS commenced operations and was the sole corporate member of the Verity Hospitals, which at that time were California nonprofit religious corporations.

8. Between 1995 and 2015, the Verity Hospitals incurred substantial operating losses. During that time period, Daughters of Charity and DCHS attempted to find a solution which would resolve the operating losses, either through a sale of some or all of the Verity Hospitals, or a merger with a more financially sound partner. In 2013, DCHS unsuccessfully solicited purchase offers for OCH, SLRH, and Seton.



9. Throughout 2014, DCHS explored offers to sell the system and, in October of 2014, entered into an agreement with Prime Healthcare Services and Prime Healthcare Foundation (collectively, “Prime”) to sell the health system. A condition of such sale was approval by the Attorney General.

10. In early 2015, the Attorney General consented to the sale to Prime, but subject to certain conditions, which, in Prime’s view, were so onerous that it could not proceed with the transaction. Accordingly, Prime terminated the transaction. The history of this failed transaction and the process for Attorney General review is more fully set forth in *Prime Healthcare Services, Inc., et al. v. Harris*, 216 F. Supp. 3d 1096, 1101-06 (S.D. Cal. 2016).

11. In 2015, DCHS again marketed the health system for sale, and, again, focused on offers that maintained the system as a whole, including the assumption of all existing obligations. In July 2015, the DCHS Board of Directors selected BlueMountain Capital Management LLC (“BlueMountain”), a private investment firm, to recapitalize its operations and transition leadership of the health system to the new Verity Health System (the “BlueMountain Transaction”).

12. In connection with the BlueMountain Transaction, the DCHS and its sole member, Daughters of Charity Ministry Services Corporation, certain funds managed by BlueMountain and Integrity Healthcare, LLC (a management company was formed to manage VHS for BlueMountain under a new management agreement) entered into a System Restructuring and Support Agreement (the “Restructuring Agreement”). Under the Restructuring Agreement, VHS and the Verity Hospitals were converted from religious corporations to public benefit corporations. BlueMountain agreed to make a capital infusion of \$100 million, arrange loans for another \$160 million to the system, and manage operations, with an option to buy the health system at a future time. DCHS’ name was changed to Verity Health System.

13. On December 3, 2015, the Attorney General approved the BlueMountain Transaction, subject to the 2015 Conditions. The 2015 Conditions were imposed for periods ranging from 5 to 15 years. Generally, the terms of the 2015 Conditions included (i) transfers of control, (ii) maintenance of health services, (iii) required participation in Medicare and Medi-Cal programs, (iv) community benefit programs, (v) charity care levels, (vi) county contracts, (vii) local



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1 governing boards, (viii) medical staff compliance, (ix) assumption of hundreds of millions of  
2 dollars of pension obligations, and (x) annual attestation of compliance.

3 14. In the 2015 Conditions, VHS was expressly required to make capital expenditures of  
4 at least \$180 million over 5 years, and to meet accelerated time lines for making the Verity  
5 Hospitals seismic compliant. Each hospital had specific requirements as to services that had to be  
6 maintained or even expanded. For example, SVMC was required to maintain an emergency room  
7 with eight stations, including six fast track stations, 19 acute rehab beds, and 30 ICU beds, among  
8 other things. It was also required to provide \$400,000 of charity care annually and provide  
9 community benefit programs of at least \$1 million annually. SVMC was required to maintain  
10 Medi-Cal contracts with LA Care Health Plan and various commercial plan contracts. All of the  
11 Verity Hospitals had similar obligations imposed.

12 15. Despite BlueMountain's infusion of cash and retention of various consultants and  
13 experts to assist in improving cash flow and operations, the health system continued to incur losses.  
14 It soon became apparent that the problems facing the Verity Health System were too large to solve  
15 without a formal court supervised restructuring.

16 **C. The Bankruptcy Cases**

17 16. The Debtors commenced these Cases to protect the original legacy of the Daughters  
18 of Charity to the maximum extent possible by retiring debt incurred over the past 18 years and  
19 selling the hospital facilities to enable the continued operation of the Verity Hospitals under new  
20 ownership and leadership free from the historical losses and operational uncertainties. The  
21 Debtors' strategy contemplated a Court-supervised sale of some or all of the Verity Hospitals, and  
22 related facilities, and a comprehensive resolution of the Debtors' financial obligations through a  
23 court approved plan of reorganization.

24 17. In June 2018, the Debtors engaged Cain Brothers, a division of KeyBanc Capital  
25 Markets ("Cain"), to identify potential buyers of some or all of the Verity Hospitals and related  
26 assets and commenced discussions with those potential buyers. Cain prepared a Confidential  
27 Investment Memorandum, organized an online data site to share information with potential buyers  
28 and contacted over 181 strategic and financial buyers beginning in July 2018 to solicit their interest



1 in exploring a transaction regarding the Verity Hospitals. As a result of its broad marketing  
2 process, Cain received sixteen indications of interest, or other proposals, and continued to develop  
3 potential sales of some or all of the Verity Hospitals.

4 18. At the commencement of the cases, the Debtors obtained court approval for a debtor  
5 in possession financing facility with up to \$185 million of availability from Ally Bank subject to a  
6 borrowing base (the “DIP Facility”). The DIP Facility was secured by substantially all of the  
7 Debtors’ assets and also provides for super priority administrative priority status for all obligations  
8 under the facility. The DIP financing enabled Debtors to operate the Verity Hospitals while they  
9 continued their efforts to find a purchaser for their assets and to reach agreements with key  
10 constituents. As discussed below, the Debtors have repaid their DIP financing obligations and are  
11 funding operations through the consensual use of cash collateral.

12 **D. The SCC Sale**

13 19. On December 27, 2018, the Bankruptcy Court entered the *Order (A) Authorizing the*  
14 *Sale of Certain of the Debtors’ Assets to Santa Clara County Free and Clear of Liens, Claims,*  
15 *Encumbrances, and Other Interests; (B) Approving the Assumption and Assignment of an*  
16 *Unexpired Lease Related Thereto; and (C) Granting Related Relief* [Docket No. 1153], approving a  
17 sale of OCH, SLRH, and related assets, to Santa Clara County (the “SCC Sale”).

18 20. The SCC Sale closed on February 28, 2019. After payment of certain cure costs,  
19 closing costs and other items, the net remaining proceeds were approximately \$184.38 million,  
20 which are held in four sale proceeds account. An additional \$23.35 million is held in escrow (the  
21 “Post-Closing Escrow”) by First American Title Insurance Company, the escrow agent. The Post-  
22 Closing Escrow was established pursuant to the terms of the SCC APA, as security for the Debtors’  
23 post-closing obligations and expires in February 2020.

24 21. The Attorney General vigorously opposed the SCC Sale, insisting that either the  
25 2015 Conditions applied to SCC or that the SCC Sale was subject to his review. This Court  
26 rejected both arguments, and overruled his objections. *See* Docket Nos. 1146, 1153. The Attorney  
27 General appealed, but voluntarily dismissed the appeal after the Debtors filed a motion to dismiss  
28



1 as moot pursuant to § 363(m). See Case No. 2:19-cv-00133-DMG, Docket No. 40, 41 (C.D. Cal.  
2 Feb. 1, 2019).

3 **E. The SGM Sale**

4 22. On January 17, 2019, the Debtors filed the Debtors' *Notice Of Motion And Motion*  
5 *for the Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse*  
6 *Bidder and For Prospective Overbidders to Use, (2) Approving Auction Sale Format, Bidding*  
7 *Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to*  
8 *Interested Parties, (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest*  
9 *Bidder and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts*  
10 *and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free and Clear of*  
11 *All Claims, Liens and Encumbrances* (the "Sale and Bidding Procedures Motion") [Docket No.  
12 1279].

13 23. On February 19, 2019, the Court held a hearing on the Sale and Bidding Procedures  
14 Motion and thereafter entered an order approving the Sale and Bidding Procedures Motion (the  
15 "Bidding Procedures Order") [Docket No. 1572]. SGM served as the Stalking Horse Bidder under  
16 the terms of the Bidding Procedures Order. The Bidding Procedures Order also approved the SGM  
17 APA as modified therein.

18 24. There were two "Qualified Bidders" (as defined in the Bidding Procedures Order)  
19 for partial bids for different Hospitals (one for SVMC and one for SFMC) and no Qualified Full  
20 Bid. After consultation with the Consultation Parties as defined in the Bidding Procedures Order,  
21 the Debtors determined to not conduct either a Partial Bid of Full Bid auction, as set forth in the  
22 *Notice That No Auction Shall Be Held Re Debtors' Motion and Motion for the Entry of (I) An*  
23 *Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for*  
24 *Prospective Overbidders; (2) Approving Auction Sale Format, Bidding Procedures and Stalking*  
25 *Horse Bid Protections; (3) Approving Form of Notice to Be Provided to Interested Parties; (4)*  
26 *Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder; and (5)*  
27 *Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired*  
28 *Leases; and (II) an Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens*



1 and Encumbrances [Docket No. 2053] (the “No-Auction Notice”) filed by the Debtors on April 4,  
2 2019.

3 25. Accordingly, under the terms of the SGM APA and the Bidding Procedures Order,  
4 no auction was held and the Debtors declared SGM as the “winning bidder” of the Hospitals. No-  
5 Auction Notice at 2.

6 26. On May 2, 2019, the Bankruptcy Court entered the *Order (A) Authorizing The Sale*  
7 *Of Certain Of The Debtors' Assets To Strategic Global Management, Inc. free And Clear Of Liens,*  
8 *Claims, Encumbrances, And Other Interests; (B) Approving The Assumption And Assignment Of*  
9 *An Unexpired Lease Related Thereto; And (C) Granting Related Relief* [Docket No. 2306] (the  
10 “Sale Order”), approving the SGM Sale. The closing of the SGM Sale is subject to review by the  
11 Attorney General and satisfaction of certain other closing conditions. The Debtors expect the SGM  
12 Sale to close in the fourth quarter of 2019.

13 27. SGM has agreed to continue to operate the Hospitals and abide by the vast majority  
14 of the 2015 Conditions, as set forth in Schedule 8.6 to the SGM APA.

15 28. Section 8.6 of the SGM APA is titled: “Attorney General Provisions.” It provides  
16 the following:

17 Purchaser recognizes that the transactions contemplated by this  
18 Agreement may be subject to review and approval of the CA AG.  
19 Purchaser agrees to close the transactions contemplated by this  
20 Agreement so long as any conditions imposed by the CA AG are  
21 substantially consistent with the conditions set forth, as Purchaser  
22 Approved Conditions, in Schedule 8.6. In the event the CA AG  
23 imposes conditions on the transactions contemplated by this  
24 Agreement, or on Purchaser in connection therewith, which are  
25 materially different than the Purchaser Approved Conditions set  
26 forth on Schedule 8.6 (the “Additional Conditions”), Sellers shall  
27 have the opportunity to file a motion with the Bankruptcy Court  
28 seeking the entry of an order (“Supplemental Sale Order”) finding  
that the Additional Conditions are an “interest in property” for  
purposes of 11 U.S.C. § 363(f), and that the Assets can be sold free  
and clear of the Additional Conditions without the imposition of any  
other conditions, which would adversely affect the Purchaser. For  
purposes of this Section 8.6, Additional Conditions which  
individually or collectively impose a direct or indirect cost to  
Purchaser of \$5 million, or more, shall be conclusively deemed to be  
“materially different.” If Sellers determine not to seek such



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Supplemental Sale Order, or fail to obtain such Supplemental Sale Order within 60 days of the Attorney General's imposition of Additional Conditions, Purchaser shall be entitled to terminate this Agreement and receive the return of its Good Faith Deposit. If Sellers timely obtain such Supplemental Sale Order from the Bankruptcy Court or another court, Purchaser shall have a period of 21 business days from the entry of such order (the "Evaluation Period") to determine, in the exercise of the Purchaser's reasonable business judgment and in consultation with Purchaser's financing sources, whether to proceed to consummate the transactions contemplated by this Agreement; provided, however, (i) Purchaser shall not terminate or provide notice of termination of the Stalking Horse APA based on the Seller's failure to satisfy the condition set forth under this Section 8.6 until the expiration of the Evaluation Period as may be extended herein, and (ii) the Evaluation Period may be extended by the Debtors, in consultation with the Consultation Parties, by up to 90 days for any appeal properly perfected with respect to the Supplemental Sale Order (the "Extended Evaluation Periods"). For the avoidance of doubt, if the Debtors or any of the Consultation Parties dispute the reasonableness of the exercise of the Purchaser's business judgment, such dispute shall be determined by the Bankruptcy Court only in the context of an adversary proceeding. If, at the conclusion of the Extended Evaluation Periods, such Supplemental Sale Order has not become a final, non-appealable order and Purchaser determines not to proceed, Purchaser shall have the right within ten (10) business days after the conclusion of the Extended Evaluation Periods to terminate this Agreement and receive the return of its Good Faith Deposit. Sellers shall provide Purchaser with prompt written notice of the conclusion of the Extended Evaluation Periods and whether the Supplemental Sale Order has become a final, non-appealable order. For purposes of this Section 8.6, "a final, non-appealable order" shall include a Supplemental Sale Order (i) which has been affirmed or the appeal of which has been dismissed by any appellate court and for which the relevant appeal period has expired (other than any right of appeal to the U.S. Supreme Court), or (ii) which has been withdrawn by the appellant. If the Supplemental Sale Order becomes a final, non-appealable order prior to the expiration of the Evaluation Period or, if applicable, the Extended Evaluation Periods, Purchaser shall consummate the Sale provided that all other conditions to closing have been satisfied. During any Evaluation Period or Extended Evaluation Periods, Purchaser shall reasonably cooperate in any efforts to render the Supplemental Sale Order a final, non-appealable order, including timely taking reasonable steps in preparation for closing of the transactions described in this Agreement; provided, however, Purchaser shall not be obligated to expend more than \$500,000. For the avoidance of doubt, neither this provision, nor any of the rights granted to the Purchaser herein, shall constitute a waiver



of any party in interest's right to argue that any appeal from the Sale Order should be dismissed on statutory, Constitutional or equitable mootness grounds."

**F. The Debtors and SGM Have Expended Substantial Time and Resources to Close the SGM Sale**

29. As discussed above, SGM and third parties have expended tremendous efforts to prepare for and close the SGM Sale in reliance on the Sale Order. These tireless efforts have taken a significant amount of time and resources and simply cannot be undone. By way of example: (i) the Debtors sent "WARN notices" to approximately 4,900 employees, pursuant to the federal Worker Adjustment and Retraining Notification Act of 1988; (ii) thousands of counterparties to executory contracts and unexpired leases, including physicians, have relied on the Sale Order and continued to provide services in reliance on the finality of that Sale Order; (iii) the Debtors and SGM have spent months facilitating an efficient close of the sale, with approximately 20 different workstreams, meeting at least weekly to ensure a smooth transition of operations; (iv) government agency personnel, including the California Department of Public Health and the Board of Pharmacy, have been diligently processing SGM's change of ownership applications for licenses and permits in reliance on the finality of the Sale Order; (v) the Debtors, SGM, and each of the Debtors' six unions spent months successfully negotiating and finalizing modified collective bargaining agreements; (vi) the medical groups affiliated with the Debtors have sent termination notices to their remaining physicians; (vii) the Debtors and SGM have coordinated changes in insurance coverages and insurance policies to ensure seamless coverage for employees and patients, and (viii) the Debtors have created plans to shut off certain services after the close of the SGM Sale. *See* Adcock Decl. ¶ 7.

**G. The Debtors' Cash Collateral Agreement**

30. On September 6, 2019, the Court entered the *Final Order (A) Authorizing Continued Use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief* [Docket No. 3022] (the "Supplemental Cash Collateral Order") granting the Debtors motion for use of cash collateral [Docket No. 2962, 2968] (the "Supplemental Cash Collateral Motion"). The Supplemental Cash Collateral Order authorized the Debtors' consensual



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1 use of cash collateral pursuant to an agreement with certain of its secured lenders (the “Cash  
2 Collateral Agreement”). Pursuant to the Cash Collateral Agreement, the Debtors are obligated to  
3 meet certain milestones, including plan confirmation by December 15, 2019 and a plan effective  
4 date on or before December 31, 2019. *See* Supp. Cash Collateral Mot. at 24. Further, termination  
5 of the SGM APA would result in an event of default under the Cash Collateral Agreement. *See id.*  
6 In each case, the success of the SGM Sale bears directly on the Debtors’ ability to fund operations  
7 and timely meet its plan confirmation milestones.

8 **H. The Debtors’ Plan and Confirmation Timeline**

9 31. On September 3, 2019, the Debtors filed the *Debtors’ Chapter 11 Plan of*  
10 *Liquidation (Dated September 3, 2019* [Docket No. 2993] (the “Plan”) and their related disclosure  
11 statement [Docket No. 2994] (the “Disclosure Statement”). As more fully described in the  
12 Disclosure Statement and below, the Debtors’ Plan provides for deemed consolidation of the  
13 Debtors for purposes of implementation of the Plan and the distribution of the proceeds of the two  
14 sale transactions in accordance with the Bankruptcy Code’s distribution and classification  
15 provisions. Such treatment is supported by the facts of these cases and applicable law.

16 **I. The Attorney General Review Process**

17 32. For years, the Debtors engaged in dialogue with the Attorney General about the  
18 Debtors’ financial challenges and the future of the Hospitals, including, for example, a July 2018  
19 meeting in anticipation of the Debtors’ bankruptcy filings conducted by the Debtors’  
20 representatives and Deputy Attorney General Wendi Horwitz. *See* Levy-Biehl Decl. ¶ 3.

21 33. On February 15, 2019, the Debtors’ representatives met with Attorney General  
22 Xavier Becerra and Melanie Fontes Rainer, Special Assistant Attorney General, in Sacramento to  
23 discuss the pending SCC Sale and the forthcoming auction and sale of the Hospitals. *See* Levy-  
24 Biehl Decl. ¶ 5.

25 34. Beginning in early April 2019, the Debtors’ special healthcare regulatory counsel,  
26 Nelson Hardiman LLP, engaged with Deputy Attorney General Scott Chan in anticipation of  
27 submitting a notice and requesting approval of the SGM Sale. These discussions and exchanges  
28 were regular and ongoing, and addressed, among other things, the substantive and procedural



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1 requirements for the submission and review as well as the review timeline. At all times, the  
2 Debtors consistently requested an expedited review of the submission in light of their significant  
3 operating losses and cash flow challenges. *See* Levy-Biehl Decl. ¶ 7.

4 35. By letter dated May 7, 2019, the Debtors provided notice to, and requested written  
5 consent from, the Attorney General for the proposed SGM Sale pursuant to California Corporations  
6 Code § 5914 and title 11 of the California Code of Regulations, § 999.5. *See* Levy-Biehl Decl. ¶¶  
7 7, 8. On May 13, 2019, the Debtors supplemented their submission to the Attorney General, by  
8 including the filing made to the Federal Trade Commission pursuant to the Hart-Scott-Rodino  
9 Antitrust Improvements Act of 1976, as amended. *See* Levy-Biehl Decl. ¶ 9.

10 36. As outlined in the submission to the Attorney General—and discussed a number of  
11 times in writing, in person, and by email with various representatives of the Attorney General—the  
12 SGM Sale is critical. *Id.* at 8. The Debtors explained to the Attorney General that the SGM Sale is  
13 the only option to ensure that the Hospitals will survive their current financial challenges and be  
14 preserved as providers of essential health care services to their communities. *Id.*; *see also* *Notice of*  
15 *Submission of Debtors' Response to the Health Care Impact Statements and Conditions Proposed*  
16 *by JD Healthcare, Inc.* [Docket No. 2946].

17 37. The Debtors also explained to the Attorney General that (i) the 2015 Conditions  
18 accelerated the demise of the Verity Hospitals to the point that that only a Court supervised  
19 restructuring could save them, and (ii) conditions materially different than those in Schedule 8.6  
20 would ensure closure of the Hospitals. *See* Adcock Decl. ¶ 15; *see also* *Notice of Submission of*  
21 *Debtors' Response to the Health Care Impact Statements and Conditions Proposed by JD*  
22 *Healthcare, Inc.* [Docket No. 2946].

23 38. Throughout the process, the Debtors' representatives engaged in ongoing  
24 discussions with the Attorney General's office, and requested, among other things, an in-person  
25 meeting to review the submission, the transaction, and the expedited processing of the submission.  
26 *See* Levy-Biehl Decl. ¶ 10. The Attorney General denied these requests. *Id.*

27 39. The Attorney General's expert, JD Healthcare, conducted interviews with the  
28 Debtors' corporate and hospital personnel and other stakeholders in July 2019. *See* Levy-Biehl



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Decl. ¶ 11. On August 16, 2019, following these interviews and public hearings, JD Healthcare released its Health Care Impact Statements on the proposed sale of SFMC and SVMC. *Id.* On August 19, 2019, JD Healthcare released its Health Care Impact Statement for Seton. *Id.* The Health Care Impact Statements set forth the expert's proposed conditions on the SGM Sale.

40. On August 16, 2019, the Attorney General requested that the Debtors and SGM submit responses to the proposed conditions detailing the conditions that were "deal breakers" to the SGM Sale. On August 21, 2019, SGM submitted its response to the Health Care Impact Statements. On August 23, 2019, the Debtors submitted their response. *See* correspondence attached hereto as Exhibit "E."

41. During the week of August 26, 2019, Deputy Attorney General Scott Chan held public hearings at each of the Hospitals to solicit comments regarding the SGM Sale. *See* Adcock Decl. ¶ 12. At each public meeting, representatives of SGM and the Debtors made public statements detailing the economic impact of the conditions proposed by JD Healthcare and the economic situation confronting each Hospital; urging the Attorney General to consider economic factors when issuing his conditions; and reiterating that any conditions exceeding those in Schedule 8.6 of the SGM APA could result in the termination of the SGM Sale and the closure of the Hospitals. *Id.*; *see also* Levy-Biehl Decl. ¶ 13.

42. On September 6, 2019, the Attorney General's office met with SGM representatives to discuss the proposed SGM Sale and the proposed conditions. *See* Levy-Biehl Decl. ¶ 14. On September 19, 2019, the Attorney General's office met with representatives of SGM and the Debtors for the same purpose. *Id.* On September 23, 2019, the Attorney General conducted another telephonic meeting with SGM and the Debtors. During each meeting, SGM consistently informed the Attorney General's office that SGM would not proceed with the transaction if the Attorney General imposed conditions beyond those SGM agreed to accept in Schedule 8.6. *Id.*

#### **J. The 2019 Attorney General Conditions**

43. On September 25, 2019, the Attorney General conditionally consented to the SGM Sale. The Attorney General's conditional consent is subject to the 2019 Conditions. *See* Exhibit "B." The 2019 Conditions include numerous Additional Conditions that are materially different



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1 than those SGM contractually agreed to in Schedule 8.6. *See* Exhibit “C,” which is a redline  
2 reflecting the deletion of the conditions in the 2019 Conditions that are materially different than the  
3 conditions in Schedule 8.6; *see also* Baronoff, Decl. ¶ 7.

4 44. The 2019 Conditions require, among other things, that SGM continue to operate the  
5 Hospitals and maintain various services, clinics and contractual arrangements for a period of time  
6 greater than the period of time that Debtors would have been obligated under the 2015 Conditions  
7 if the Debtors had the ability to continue to operate the Hospitals. *See* Adcock, Decl. ¶ 9. The  
8 2019 Conditions are also materially different than those to which SGM agreed in Schedule 8.6  
9 because the Additional Conditions impose, among other things, greater requirements for charity  
10 care expenditures, community benefit expenditures, capital expenditures, and do not account for the  
11 substantial shift in charity care needs following the implementation of the Affordable Care Act.  
12 *Id.*; *see also* Exhibit “C.”

13 45. Importantly, SGM only agreed to close the SGM Sale if the conditions imposed by  
14 the Attorney General’s office were not “materially different” than the conditions SGM agreed to in  
15 Section 8.6. *See* APA, Section 8.6, at 32, 33, Docket No. 2305-1; *see also* *See* Baronoff, Decl. ¶ 5.  
16 Additionally, SGM has repeatedly told the Debtors that multiple lenders have informed SGM that  
17 they would not agree to finance the SGM Sale if the conditions were not consistent with Schedule  
18 8.6, which makes the SGM Sale nearly impossible to close. *See* Adcock, Decl. ¶ 16.

19 46. To avoid the impact of the Additional Conditions on the SGM Sale, the Debtors  
20 must seek an order enforcing the Sale Order, finding that the SGM Sale is free and clear of the  
21 2019 Conditions, and limiting the SGM Sale to only those conditions to which SGM contractually  
22 agreed to assumed in Schedule 8.6 of the SGM APA.

23 **K. The Economic Impact of the Additional Conditions**

24 47. The Additional Conditions have a significant impact on the economic viability of  
25 the Hospitals and effectively increase, by more than 50%, the purchase price in the SGM APA. By  
26 way of example only, the 2019 Conditions would require SVMC to remain operated and  
27 maintained as a licensed general acute care hospital (as defined in California Health and Safety  
28 Code Section 1250) through December 2024, whereas Schedule 8.6 provides that SVMC will do so



1 through December 2020. The reported Financial Statements of SVMC reflect that, in fiscal year  
2 2019 (ended June 30, 2019), SVMC lost approximately \$65 million which was an 18% and 103%  
3 increase over the fiscal years 2018 and 2017, respectively. *See* Chadwick Decl., at ¶ 6. Assuming  
4 operating losses at SVMC can be maintained at fiscal 2019 levels (a highly optimistic assumption),  
5 SGM would likely incur additional estimated losses totaling \$260 million through December 2024  
6 because of the Additional Conditions. *Id.* Moreover, the \$260 million loss would likely need to be  
7 financed. *Id.* Using an average interest rate of 5% for four years of debt service would result in  
8 estimated incremental financing charges totaling approximately \$25 million. *Id.* Accordingly, this  
9 2019 Condition alone would place a potential burden on the buyer of at least \$285 million beyond  
10 that contemplated in Section 8.6.

11 48. The Charity Care requirement presents another example of the significant economic  
12 impact of the 2019 Conditions when compared with Schedule 8.6. The 2019 Conditions require  
13 that SGM to provide an annual amount of Charity Care at St. Francis equal to or greater than  
14 \$12,793,435 for a period of six fiscal years, which is at least \$4,793,435, per year more than SGM  
15 has agreed to provide, pursuant to Section 8.6 for a period of seven years.<sup>2</sup> *See* Chadwick Decl. ¶  
16 7; *see also* 2019 Conditions, Exhibit “B.” After adjusting for the one-year shorter required duration  
17 of this 2019 Condition, the estimated incremental cost to the buyer would be nearly \$20 million in  
18 total over the six years. *See* Chadwick Decl. ¶ 7. The 2019 Conditions provide for additional  
19 increases in Charity Care amounts for St. Vincent and Seton, as well as increases across all four  
20 Hospitals in Community Benefit Service amounts. *Id.*

21 49. In summary, the total financial impact of just the these two examples of 2019  
22 Conditions would require SGM to incur additional losses of approximately \$305 million beyond  
23 those contemplated by Schedule 8.6. *See* Chadwick Decl. ¶¶ 8, 9. When compared to the SGM  
24 APA purchase price of \$610 million, these represent a 50% increase in the price for the sale of  
25

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26 <sup>2</sup> The Charity Care Condition imposed by the Attorney General is also \$6.4 million dollars *more*  
27 than SFMC provided in Fiscal Year 2019. Thus, the Attorney General is actually requiring an  
28 increase in charity care being provided by SFMC.



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1 these distressed assets. *Id.* The magnitude of these losses calls into question the viability of the  
2 acquisition.

3 50. The imposition of the Additional Conditions would result in the termination of the  
4 SGM Sale, unless the Debtors obtain the supplemental order required in Section 8.6 of the APA.  
5 *See* Baronoff, Decl. ¶ 7. If the SGM Sale does not close, the most likely outcome is that at least  
6 three of the Hospitals will have to close. *See* Adcock, Decl. ¶ 9. Altogether, between July 1, 2018  
7 and June 30, 2019, the Hospitals had more than 34,000 inpatient admissions and 312,000 outpatient  
8 visits. *Id.* If the Hospitals are closed, all of those patients would be forced to find alternative  
9 providers for treatment, perhaps at greater distances than they are now required to travel for  
10 treatment at the Hospitals. For example, Seton Coastsides is the only emergency room facility on  
11 the Pacific Coast between Daly City and Santa Cruz. *Id.* Additionally, Seton Coastsides has 116  
12 skilled nursing facility (“SNF”) beds and, if Seton Coastsides were closed, those residents would be  
13 forced to be relocated significant distances to find alternative facilities. *Id.* The risk of negative  
14 outcomes for emergency room patients increases as the distance, and therefore the time, required to  
15 obtain treatment, increases. In addition to the difficulty in finding alternative facilities for the SNF  
16 patients, the impact of transfer trauma on this population could be significant. *Id.*

17 **IV.**

18 **ARGUMENT**

19 **A. THE SALE ORDER EFFECTUATED A SALE OF THE DEBTORS’ ASSETS FREE  
20 AND CLEAR OF THE ADDITIONAL CONDITIONS**

21 **1. Section 363 Authorizes the Court to Sell the Debtors’ Assets Free and Clear of  
22 Interests**

23 The Court authorized the Debtors to sell assets to SGM pursuant to §§ 363(b) and (f).  
24 Section 363(b)(1) provides that the Debtors “may use, sell, or lease, other than in the ordinary  
25 course of business, property of the estate.” 11 U.S.C. § 363(b)(1). The Bankruptcy Code provides  
26 that a sale pursuant to § 363(b)(1) must satisfy one of five alternative tests to be “free and clear of  
any interest in such property of an entity other than the estate”:

- 27 (1) applicable nonbankruptcy law permits sale of such property free  
28 and clear of such interest;  
(2) such entity consents;



- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

Here, the Sale Order expressly provides that the SGM Sale was approved “free and clear of all liens, claims, interests, rights of setoff, recoupment, netting and deductions, rights of first offer, first refusal and any other similar contractual property, legal or equitable rights and any successor or successor-in-interest liability theories” pursuant to §§ 363(b) and (f). *See* Sale Order, ¶ G at 7. On this basis, and as set forth more fully below, the Sale Order effectuated the SGM Sale free and clear of the Additional Conditions.

**2. The Additional Conditions Constitute an Interest in Property Subject to the “Free and Clear” Language in Section 363**

**a. Case Law Makes Clear That The Debtors Can Sell Their Hospitals Free And Clear Of “Interest In Property.”**

The Bankruptcy Code does not define “interest in property” as that term is used in § 363(f). *See, e.g., Precision Indus., Inc. v. Qualitech Steel SBQ, LLC*, 327 F.3d 537, 545 (7th Cir. 2003) (“The Bankruptcy Code does not define ‘any interest,’ and in the course of applying section 363(f) to a wide variety of rights and obligations related to estate property, courts have been unable to formulate a precise definition.”). The majority of courts interpret the phrase “interest in property” broadly to include both *in rem* interests in property as well as “other obligations that may flow from ownership of the property.” *Folger Adam Sec., Inc. v. DeMatteis v. MacGregor JV*, 209 F.3d 252, 258 (3d Cir. 2000); *see also In re Leckie Smokeless Coal Co.*, 99 F.3d 573, 582 (4th Cir. 1996) (“Congress did not expressly indicate that . . . it intended to limit the scope of section 363(f) to *in rem* interests, strictly defined, and we decline to adopt such a restricted reading of the statute here.”).

The majority of courts have coalesced around a single approach: interests in property are obligations connected to or arising from the property being sold. *See, e.g., In re Trans World Airlines, Inc.*, 322 F.3d 283, 290 (3d Cir. 2003) (finding that “interests in property [are] within the



1 meaning of section 363(f) in the sense that they *arise from the property being sold*”) (emphasis  
2 added); *Leckie Smokeless Coal Co.*, 99 F.3d at 582 (finding that certain claims constituted  
3 “interests in . . . assets within the meaning of section 363(f)” where there was “a relationship  
4 between (1) the Fund’s and Plan’s rights to demand premium payments from Appellees and (2) the  
5 *use to which Appellees put their assets*”) (emphasis added); *Folger Adam Sec., Inc.*, 209 F.3d at  
6 259 (“[A]ny interest’ is intended to refer to *obligations that are connected to, or arise from, the*  
7 *property being sold.*”) (emphasis added); *Indiana State Police Pension Trust v. Chrysler LLC (In re*  
8 *Chrysler LLC)*, 576 F.3d 108, 124 (2d Cir. 2009), *granting cert. and vacating as moot*, 558 U.S.  
9 1087 (2009) (“We agree with *TWA* and *Leckie* that the term any interest in property encompasses  
10 those *claims that arise from the property being sold.*”) (emphasis added) (quotations omitted);  
11 *Precision Indus., Inc.*, 327 F.3d at 545 (“the term ‘any interest’ as used in section 363(f) is  
12 sufficiently broad to include Precision’s possessory interest as a lessee”); *Myers v. U.S.*, 297 B.R.  
13 774, 781 (S.D. Cal. 2003) (“The court finds that Plaintiff’s claim for personal injury does *arise*  
14 *from the property being sold*, i.e. the contracts to transport toxic materials.”) (emphasis added); *In*  
15 *re Grumman Olson Indus., Inc.*, 467 B.R. 694, 702 (S.D.N.Y. 2012) (“[I]t is now generally  
16 agreed—including in this Circuit—that this provision may more broadly extinguish claims that  
17 ‘arise from the property being sold.’”).<sup>3</sup>

18 The Fourth Circuit decision in *Leckie Smokeless Coal Co.* is instructive. In *Leckie*, the  
19 debtors—coal mine operators—were obligated to contribute to retiree benefit plans pursuant to the

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21 <sup>3</sup> The breadth of case law supporting this construction cannot be understated. *See also In re La*  
22 *Paloma Generating, Co.*, No. 16-12700, 2017 WL 5197116, \*4 (Bankr. D. Del. Nov. 9, 2017)  
23 (holding that emission surrender obligations under California law are an interest in property); *In*  
24 *re Vista Marketing Group Ltd.*, 557 B.R. 630 (Bankr. N.D. Ill. 2016) (fee surcharge assessed  
25 against purchaser but calculated entirely on debtor’s use of sewer facilities was an interest in  
26 property); *United Mine Workers of Am. Combined Benefit Fund v. Walter Energy, Inc.*, 551  
27 B.R. 631, 641 (N.D. Ala. 2016) (Coal Act obligations imposed on buyer were interests in  
28 property); *In re Christ Hospital*, 502 B.R. 158 (Bankr. D.N.J. 2013) (tort claims asserted  
against purchaser of nonprofit hospital were interests in property); *WBQ P’ship v. Va. Dep’t of*  
*Med. Assistance Servs. (In re WBQ P’ship)*, 189 B.R. 97, 104–05 (Bankr. E.D. Va. 1995)  
(state’s right to recapture depreciation is an “interest” as used in § 363(f)); *In re Aurora Gas,*  
*LLC*, No. A16–00130, 2017 WL 4325560 (Bankr. D. Alaska Sep. 26, 2017).



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1 Coal Industry Retiree Health Benefit Act of 1992, 26 U.S.C. §§ 9701-9722 (the “Coal Act”). *See*  
2 *Leckie Smokeless Coal Co.*, 99 F.3d at 575-76. Under the Coal Act, the successor to an operator  
3 was jointly and severally liable with the operator for payment of premiums. *See id.* at 576-77.  
4 Following the debtors’ bankruptcy filing, the benefit plans opposed a proposed asset sale free and  
5 clear of successor liability for Coal Act premium payment obligations. *See id.* at 577. The  
6 bankruptcy court approved the sale free and clear, and, on appeal, the Fourth Circuit affirmed,  
7 concluding that the right to collect future premiums constituted interests in the assets transferred by  
8 the sale. *See id.* at 582. The Fourth Circuit explained that the benefit plans’ right to collect  
9 premiums under the Coal Act

10 are grounded, at least in part, in the fact that those very assets have  
11 been employed for coal-mining purposes: if Appellees had never  
12 elected to put their assets to use in the coal-mining industry, and had  
13 taken up business in an altogether different area, the Plan and Fund  
14 would have no right to seek premium payments from them. Because  
15 there is therefore a relationship between (1) the Fund’s and Plan’s  
rights to demand premium payments from Appellees and (2) the use  
to which Appellees put their assets, we find that the Fund and Plan  
have interests in those assets within the meaning of section 363(f).

16 *Id.* The relationship drawn by the Fourth Circuit between the prepetition obligation and the  
17 purchaser’s use of assets for the same purposes as the debtor is cited repeatedly in cases finding  
18 that regulatory obligations are interests subject to § 363(f).

19 Similarly, a debtor’s experience rating—the historic metric by which state regulators  
20 determine tax or insurance rates—may not be imputed to a purchaser of the debtor’s assets. *See,*  
21 *e.g., In re Old Carco, LLC*, 538 B.R. 674 (Bankr. S.D.N.Y. 2015).<sup>4</sup> In *Old Carco, LLC*, the  
22 purchaser of substantially all of the debtor’s assets sought an order finding that the sale order  
23 prohibited Indiana and Illinois from using the debtor’s experience rating to calculate the

24 \_\_\_\_\_  
25 <sup>4</sup> A long line of experience rating cases reach the same conclusion as *Old Carco, LLC* along  
26 similar analytical lines. *Mass. Dept. of Unemployment Assistance v. OPK Biotech, LLC (In re*  
27 *PBBPC, Inc.)*, 484 B.R. 860 (B.A.P. 1st Cir. 2013); *In re Tougher Indus., Inc.*, No. 06-12960,  
28 2013 WL 1276501 (Bankr. N.D.N.Y. Mar. 27, 2013); *In re USA United Fleet, Inc.*, 496 B.R. 79  
(Bankr. E.D.N.Y. 2013); *In re ARSN Liquidating Corp. Inc.*, No. 14-11527, 2017 WL 279472  
(Bankr. D.N.H. Jan. 20, 2017).



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1 purchaser's unemployment insurance tax rate. *See* 538 B.R. at 677. The state statutes in issue  
2 authorized regulators to compute tax rates "based, in part, on the employer's historical claims  
3 paying experience, generally reaching back three years." *Id.* at 679. Thus, the purchaser's tax rate  
4 was subject to increase based on the amount of benefits paid to workers discharged during the  
5 debtor's operations. *See id.* at 679-80. The bankruptcy court concluded that the experience rating  
6 constituted an interest in the assets sold because

7 [t]he States' rights to use Old Chrysler's Experience Rating arises  
8 from New Chrysler's acquisition of its assets and the continuation of  
9 its business. Had New Chrysler started the same business from  
10 scratch with new assets, the States could not use Old Chrysler's  
11 Experience Rating to compute its tax rate. Furthermore, New  
Chrysler's increased liability is directly related to Old Chrysler's  
discharge of persons it employed in its business; these discharged  
employees never worked for New Chrysler.

12 *Id.* at 684-85. Significantly, this "continuation of business" test is repeated throughout cases  
13 addressing interests in property. *See, e.g., Trans World Airlines, Inc.*, 322 F.3d at 290 ("Had TWA  
14 not invested in airline assets, which required the employment of the EEOC claimants, those  
15 successor liability claims would not have arisen."); *PBBPC, Inc.*, 484 B.R. at 869 ("the record  
16 reflects that the transfer of an employer's contribution rate to a successor asset purchaser is really  
17 an attempt to recover the money that the predecessor employer would have paid if it had continued  
18 in business"); *Leckie Smokeless Coal Co.*, 99 F.3d at 582 (finding no liability would arise "if  
19 [purchasers] had never elected to put their assets to use in the coal-mining industry, and had taken  
20 up business in an altogether different area"); *accord Chrysler LLC*, 576 F.3d at 126.

21 **b. The Additional Conditions Are An Interest In Property For At Least**  
22 **Three Reasons.**

23 Applying the same analysis, it is clear that the 2019 Conditions are interests in property  
24 within the meaning of § 363(f) for at least three reasons. Before discussing these reasons, the  
25 Debtors reiterate that their argument only focuses on the Additional Conditions since SGM  
26 contractually agreed to be bound by the conditions in Schedule 8.6.

27 **First**, as this Court has recognized, the Additional Conditions the Attorney General seeks to  
28 impose on SGM are premised on the Debtors' operations. Specifically,



[t]he Conditions provide that any owner of the Hospital must furnish specified levels of emergency services, intensive care services, cardiac services, and various other services. The required service levels were derived ***based upon the historical experience of the prior operator.***

*In re Verity Health Sys. of Cal., Inc.*, 598 B.R. 283, 293 (Bankr. C.D. Cal. 2018) (Robles, J.) (emphasis added). Thus, for example, the Additional Conditions’ purported imposition of “charitable care obligations are connected to and arise from the Assets being sold . . . [because] [h]ad the Assets not originally been earmarked for charitable purposes, the Attorney General could not seek to impose continuing charitable care obligation.” *In re Gardens Reg’l Hosp. & Med. Ctr., Inc.*, 567 B.R. 820, 826 (Bankr. C.D. Cal. 2017) (Robles, J.), *appeal dismissed*, No. 17-03708, 2018 WL 1229989 (C.D. Cal. Jan. 19, 2018). The Additional Conditions constitute an interest in property to the extent they are premised or calculated based on the historical operations of the Debtors.

***Second***, the Attorney General’s statutory authority to impose the Additional Conditions arises from the Debtors’ operation of its assets as nonprofit acute care hospitals. The California statutory scheme grants the Attorney General authority to consent to the sale of a nonprofit health facility to a for-profit corporation. *See* CAL. CORP. CODE § 5914(a)(1)(A) (providing that a nonprofit corporation operating or controlling a health facility must obtain the consent of the Attorney General before entering into a transaction to “[s]ell, transfer, lease, exchange, option, convey, or otherwise dispose of, its assets to a for-profit corporation”); *see also id.* § 5917 (authorizing the Attorney General to condition any transaction described in CAL. CORP. CODE § 5914). The California statute ***does not*** allow the Attorney General to impose similar conditions on SGM—a for-profit entity—had it “started the same business from scratch with new assets.” *Old Carco*, 538 B.R. at 684. As with the experience rating cases, it is the Debtors’ “prior ownership and use” of the assets transferred by the SGM Sale that gives the Attorney General “a contingent right” to impose conditions on the Debtors under California law. *USA United Fleet, Inc.*, 496 B.R. at 87. Accordingly, the Additional Conditions constitute interests in property because they arise from the Debtors’ prior ownership and use of the assets as nonprofit acute care hospitals.



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*Third*, the Attorney General’s authority to review the transaction arises from SGM’s continuation of the Debtors’ business as a health facility. *See* CAL. CORP. CODE § 5914(a)(1) (applying only to a sale of the assets of a nonprofit corporation that “operates or controls a health facility”). Under California law, the Debtors’ assets subject to the SGM Sale qualify as health facilities to the extent they are operating general acute care hospitals. *See* CAL. HEALTH & SAFETY CODE § 1250(a). By way of example, in *Gardens Regional Hospital and Medical Center, Inc.*, this Court found that a sale of closed general acute care hospitals did not fall within the ambit of the Attorney General’s regulatory authority because “the Assets being sold do not include an operating hospital.” *See* 567 B.R. at 827. Here, however, SGM intends to purchase the Debtors’ assets as operating acute care hospitals and continue their operations post-closing. As this Court has observed, the Attorney General’s authority to impose the Additional Conditions on SGM under California Corporations Code, §§ 5914 *et seq.*, is “grounded, at least in part, in the fact that those very assets have been employed for” acute care hospital purposes. *Leckie Smokeless Coal Co.*, 99 F.3d at 582; *see also Gardens Reg’l Hosp. & Med. Ctr., Inc.*, 567 B.R. at 826 (“The Attorney General’s claim to regulatory authority is similar to the regulatory interests asserted in *PBBPC* and *Leckie Smokeless Coal*, and therefore constitutes an ‘interest in . . . property’ for purposes of § 363(f).”). Accordingly, the Additional Conditions constitute interests in property because the Attorney General’s authority to impose the Additional Conditions is conditioned on their operation as health facilities upon the closing of the SGM Sale.

**3. The SGM Sale Should Be Authorized Free and Clear of the Additional Conditions Pursuant to Section 363(f)**

The Debtors are authorized to consummate the SGM Sale free and clear of the 2019 Conditions because the SGM Sale satisfies the disjunctive sub-factors of § 363(f). *See* 11 U.S.C. 363(f); *see also Pinnacle Rest. at Big Sky, LLC v. CH SP Acquisitions (In re Spanish Peaks Hldgs. II, LLC)*, 872 F.3d 892, 897 (9th Cir. 2017). For practical purposes, the analysis below references the Additional Conditions, given that SGM contractually agreed to be bound by the conditions in Schedule 8.6.



a. **California Law Allows the Sale of Nonprofit Health Facilities Without the Imposition of Additional Conditions (§ 363(f)(1))**

The Bankruptcy Code permits the sale of property free and clear of interests if “such a sale would be *legally permissible*.” *In re Spanish Peaks Hldgs. II, LLC*, 872 F.3d at 900 (emphasis added); *see also* 11 U.S.C. § 363(f)(1) (permitting sales free and clear of interests if “applicable nonbankruptcy law permits the sale of such property free and clear of such interest”). Thus, absent a specific statutory requirement, the purchaser of an asset assumes no associated liabilities of the seller, including successor liability. *See Myers v. U.S.*, 297 B.R. at 784 (“As a general rule, under California law a purchaser does not assume the seller’s liability.”). Under § 363(f)(1), the Debtors can sell the Hospitals free and clear of the Additional Conditions because *neither* the Attorney General’s statutory basis for imposing the Additional Conditions *nor* California common law impose successor liability. *See In re Verity Health Sys. Of Cal., Inc.*, 598 B.R. at 296 (Bankr. C.D. Cal. 2018) (Robles, J.) (“Provisions within the Conditions are enforceable only to the extent they are supported by California law.”)

The California Corporations Code does not authorize the Attorney General to impose successor liability on the assets of a health facility. California law imposes upon the seller the obligation to notify the Attorney General of a sale and to obtain his consent to such sale. *See CAL. CORP. CODE* § 5914(a)(1) (“Any nonprofit corporation that . . . operates a health facility . . . shall be required to providing written notice to, and obtain the written consent of, the Attorney General” prior to entering into a sale transaction.); *see id.* § 5917 (granting the Attorney General discretion to “consent to, give conditional consent to, or not consent to any agreement or transaction). But, the statute *does not* grant the Attorney General authority to impose conditions on the assets subject to the transaction. Indeed, the Attorney General was previously unable to identify any provision of applicable “California law entitling him to enforce successorship liability under the circumstances of this case.” *In re Verity Health Sys. of Cal., Inc.*, 598 B.R. at 296 (finding that “[t]he Attorney General’s reliance upon provisions purporting to make the Conditions binding upon all successors, regardless of the circumstances under which such successors acquiring the Hospitals, is an impermissible attempt to expand his regulatory authority over the Hospitals”).



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1 In *La Paloma Generating, Co.*, a bankruptcy court granted a sale pursuant to § 363(f)(1)  
2 after finding that the applicable California regulatory scheme governing the transfer of cap and  
3 trade liabilities in the sale of electrical generation facilities did not impose successor liability. *See*  
4 No. 16-12700, 2017 WL 5197116 (Bankr D. Del. Nov. 9, 2017). The court concluded that, as here,  
5 the regulatory scheme did not impose successor liability because it imposed liabilities on entities  
6 rather than the assets subject to the transaction. *See id.* at \*7 (“[T]he Regulation does not dictate . .  
7 . substitution and assumption of liability. In no way does Section 95835(b)(8) impugn liability on  
8 the purchase of the Covered Entity’s assets.”). Here, similarly, the California Corporations Code  
9 does not impose any statutory successor liability because the obligations are limited to the seller  
10 rather than the assets transferred pursuant to a sale.

11 Further, the SGM Sale does not implicate any of the four grounds to impose successor  
12 liability under California law. Under California law,

13 the purchaser does not assume the seller’s liabilities unless (1) there  
14 is an express or implied agreement of assumption, (2) the transaction  
15 amounts to a consolidation or merger of the two corporations, (3) the  
16 purchasing corporation is a mere continuation of the seller, or (4) the  
transfer of assets to the purchaser is for the fraudulent purpose of  
escaping liability for the seller’s debts.

17 *Ray v. Alad Corp.*, 19 Cal. 3d 22, 28 (1977); *see also City of San Diego v. Nat’l Steel &*  
18 *Shipbuilding Co.*, No. 09-2275, 2011 WL 5104624, at \*4 (S.D. Cal. Oct. 27, 2011). None of the  
19 four grounds is present here. SGM has not expressly or impliedly agreed to assume the Debtors’  
20 obligations under the 2015 Conditions (except to the extent contracted in the SGM APA). The  
21 Court specifically found that the transfer was at arm’s length and in good faith rather than for any  
22 fraudulent purpose. *See* Sale Order, ¶¶ D-E at 6-7 (“[T]he Transaction being consummated  
23 pursuant to and in accordance with the APA is not being consummated, for the purpose of  
24 hindering, delaying or defrauding creditors of the Debtors.”). Finally, the transaction is not a  
25 consolidation, merger, or mere continuation because SGM has provided non-stock consideration  
26 and SGM and the Debtors have different officers, directors, or stockholders. *See, e.g., Alad Corp.*,  
27 19 Cal. 3d at 28-29 (citing *Econ. Refining & Serv. Co. v. Royal Nat. Bank of N.Y.*, 20 Cal. App. 3d  
28 434 (Cal. Ct. App. 1971); *Malone v. Red Top Cab Co.* 16 Cal. App. 2d 268, 272-274 (1936);



1 *Shannon v. Samuel Langston Co.* 379 F. Supp. 797, 801 (W.D. Mich. 1974)). Accordingly, the  
2 Debtors may sell the Hospitals free and clear of the Additional Conditions because nonbankruptcy  
3 law does not impose successor liability notwithstanding the contrary provisions in the Additional  
4 Conditions.

5 **b. The Additional Conditions Are Subject to A Bona Fide Dispute (§**  
6 **363(f)(4))**

7 The Debtors may sell the Hospital free and clear of the Additional Conditions because the  
8 Attorney General's authority to impose the Additional Conditions is in bona fide dispute. *See* 11  
9 U.S.C. § 363(f)(4). The phrase "bona fide dispute" is not defined by the Bankruptcy Code. *See*  
10 *Atlas Mach. & Iron Works, Inc. v. Bethlehem Steel Corp.*, 986 F.2d 709, 715 (4th Cir. 1993)  
11 ("Although courts have not agreed on a precise definition of 'bona fide dispute,' it entails some sort  
12 of meritorious, existing conflict.") (citations omitted). Courts find a "bona fide dispute" when  
13 "there is an objective basis for either a factual or legal dispute as to the validity of the asserted  
14 interest." *In re Taylor*, 198 B.R. 142, 147 (Bankr. D.S.C. 1996). An objective legal basis for  
15 dispute may arise under bankruptcy or nonbankruptcy law. *See In re L.L. Murphrey Co.*, No. 12-  
16 03837-8-JRL, 2013 WL 2451368 (Bankr. E.D.N.C. June 6, 2013) (finding bona fide dispute as to  
17 validity of a creditor's lien subject to avoidance under § 544(a)(3)). Importantly, it is not necessary  
18 that the court resolve the dispute or its merits. *See id.* ("This standard does not require that the  
19 Court resolve the underlying dispute or determine the probable outcome of the dispute, but merely  
20 whether one exists.").

21 Here, the Additional Conditions are subject to bona fide dispute under bankruptcy and  
22 nonbankruptcy law. As set forth in this Motion, the Debtors dispute the Attorney General's  
23 authority to issue conditions impose successor liability contrary to the provisions of California law,  
24 the Bankruptcy Code, and the Sale Order. Further, as discussed more fully below, the Debtors  
25 dispute whether the Attorney General abused his discretion in imposing the Additional Conditions  
26 without adequate support. In each instance, the Court need not determine the relative merits of the  
27 disputes, and, instead, need only find that the disputes raised by the Debtors are bona fide. In each  
28



1 case, the Debtors' disputes as to the Additional Conditions support a sale free and clear of the  
2 Additional Conditions under § 363(f)(4).

3 **c. The Attorney General Can Be Compelled to Accept A Money**  
4 **Satisfaction in the Event of Noncompliance with the Additional**  
5 **Conditions (§ 363(f)(5))**

6 Section 363(f)(5) permits a sale free and clear if (i) the nondebtor could be compelled to  
7 accept a money satisfaction of the interest in property (ii) in a proceeding that could be brought.  
8 *See In re PW, LLC*, 391 B.R. 25, 41 (B.A.P. 9th Cir. 2008). An interest in property is subject to  
9 satisfaction for purposes of § 363(f)(5) if it imposes a calculable monetary obligation. *See In re*  
10 *Vista Marketing Grp. Ltd.*, 557 B.R. at 635 ("[O]ne would be hard-pressed to present a clearer  
11 example of a situation where the interest-holder could be compelled to accept a money satisfaction  
12 of its interest under subsection (f)(5) than the calculable monetary obligation asserted by the  
13 District in its surcharge bill and disconnection notice."); *see also In re Trans World Airlines, Inc.*,  
14 322 F.3d 283, 290 (3d Cir. 2003) (interests in property such as travel vouchers and EEOC claims  
15 may be reduced to a specific monetary value for purposes of § 365(f)(5)).

16 Here, many of the Additional Conditions are subject to satisfaction by the payment of  
17 money. For example, certain Additional Conditions require charity care of a specific monetary  
18 value. *See* Exhibit "C." The Attorney General has historically (including in the Debtors' own  
19 experience) allowed health facilities to satisfy any charity care deficiency by paying funds to  
20 satisfy shortfalls to other purposes or entities. *See, e.g.,* First-Day Decl., ¶ 108 at 28 ("[A]s a result  
21 of a shortfall in the fiscal year 2017 charity care requirement for certain hospitals, VHS was  
22 required to make an additional contribution to the Retirement Plans of \$7,619,000 in October  
23 2017."); *see also In re WBQ P'ship*, 189 B.R. at 107 (finding § 363(f)(5) satisfied where state's  
24 right of recapture upon sale of nursing home could constitute a claim against the debtors subject to  
25 hypothetical cramdown).

26 Indeed, there is no dispute that the Attorney General allows unsatisfied charity care  
27 contributions to be satisfied by the payment of money. In the 2015 Conditions, the Attorney  
28 General expressly allowed the Debtors to satisfy any shortfall by paying an amount equal to the  
charity care shortfall to some other purpose. For example, with regard to St. Francis, the 2015



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1 Conditions expressly allowed satisfaction of the Charity Care Condition by payment of 50% of the  
2 shortfall to employee pension plans and 50% of the shortfall to capital expenditures for  
3 maintenance of the facilities. *See* Docket No.256-1, Exhibit A, at 9. Allowing payment of monies  
4 to other entities to satisfy a shortfall in providing charity care is not unique to these hospitals. A  
5 review of the Attorney General’s website describing nonprofit hospital transactions is replete with  
6 such examples. *See* <https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/nonprofithosp/>. For  
7 example, in a decision on January 9, 2019, regarding Parkview Hospital, the Attorney General  
8 approved the proposed transaction with the condition that if there was a shortfall in the charity care  
9 required, that shortfall could be satisfied by the payment of “an amount equal to the deficiency to  
10 one or more tax-exempt entities that provide direct health care services to residents in the  
11 Hospital’s service area.”

12 Further, the 2019 Conditions make clear that the Attorney General can enforce satisfaction  
13 of these monetary obligations in a hypothetical legal proceeding. *See In re WBQ P’ship*, 189 B.R.  
14 at 107 (holding that nursing home sale was free and clear of state department’s right to recover  
15 depreciation overpayments and emphasizing “‘hypothetical’ satisfaction, since §  
16 363(f)(5) authorizes a sale if the interest holder ‘*could be* compelled, in a legal or equitable  
17 proceeding, to accept a money satisfaction of such interest’”) (emphasis in original). The Attorney  
18 General specifically reserves his right to enforce the 2019 Conditions “to the fullest extent provided  
19 by law” and that, “[i]n addition to any legal remedies the Attorney General may have, the Attorney  
20 General shall be entitled to specific performance, injunctive relief, and such other equitable  
21 remedies a court may deem appropriate for breach of any of these Conditions.” *See* Exhibit “B.”  
22 As with the Debtors’ prior satisfaction of the Charity Care Condition, payment of money was  
23 sufficient to “extinguish” entirely the Debtors’ obligation to comply with the Charity Care  
24 Condition. *See, e.g., In re Hassen Imports P’ship*, 502 B.R. 851, 861 (C.D. Cal. 2013) (finding that  
25 § 363(f)(5) “only authorizes sale free and clear when money payment is given in exchange for the  
26 extinguished interest”). Accordingly, as noted by the Attorney General, monetary conditions may  
27 be satisfied in a hypothetical legal proceeding.



1 Accordingly, the Attorney General can be compelled to accept monetary satisfaction of the  
2 Additional Conditions that impose calculable monetary obligations sufficient to sell the Hospitals  
3 free and clear of the Additional Conditions. For the foregoing reasons, the Sale Order effectuated a  
4 sale free and clear of the 2019 Conditions except for those SGM agreed to assume by contract as  
5 set forth in Schedule 8.6.

6 **d. The Additional Conditions Contravene The Purposes of § 363(f) to the**  
7 **Extent They Purport to Impose Successor Liability on SGM.**

8 California law does not authorize the Attorney General to impose successor liability on the  
9 purchaser of a health care facility because the statute only makes reference to the obligations of the  
10 seller rather than the assets sold. *See* discussion, *supra*; *see also In re La Paloma Generating, Co.*,  
11 No. 16-12700, 2017 WL 5197116 (Bankr. D. Del. Nov. 9, 2017); CAL. CORP. CODE § 5914.  
12 Further, the Debtors may sell the Hospitals free and clear of any successor liability assuming,  
13 *arguendo*, that the Conditions impose successor liability on SGM.

14 Courts favor a broader reading of § 363 in two instances where imposition of successor  
15 liability would compromise the fundamental purposes of bankruptcy sales. **First**, “allowing sales  
16 of debtor assets free and clear of liabilities of the debtor induces a higher sale price for the assets,  
17 thereby maximizing the value of the estate and maximizing potential recovery to creditors.”  
18 *Grumman Olson Indus. Inc.*, 467 B.R. at 703; *see also Douglas v. Stamco*, 363 Fed. Appx. 101,  
19 102-03 (2d Cir. 2010) (“to the extent that the ‘free and clear’ nature of the sale . . . was a crucial  
20 inducement in the sale’s successful transaction . . . the potential chilling effect of allowing a tort  
21 claim subsequent to the sale would run counter to a core aim of the Bankruptcy Code”); *Indiana*  
22 *State Police Pension Trust*, 576 F.3d at 126 (“The possibility of transferring assets free and clear of  
23 existing tort liability was a critical inducement to the Sale.”); *In re PBBPC, Inc.*, 484 B.R. at 870  
24 (rejecting imposition of experience rating where “the possibility of transferring assets free and clear  
25 of successor liability was a critical inducement to the sale”) (quotations omitted); *Myers v. U.S.*,  
26 297 B.R. at 781 (finding sale order sold assets free and clear of successor liability and positing  
27 “who would ever purchase assets at a bankruptcy proceeding if the successor liability were not  
28 limited, despite the plain wording of the bankruptcy court order?”). As discussed in detail, above,



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1 imposition of the Additional Conditions have serious financial consequences for the SGM Sale that  
2 undercut the free and clear nature of the SGM Sale and served as a critical inducement for the only  
3 bidder on the Debtors' Hospital assets. Accordingly, the Debtors may sell the Hospitals free and  
4 clear of any successor liability imposed by the Additional Conditions under § 363.

5 **Second**, allowing a claimant to pursue an asset purchaser in bankruptcy "would subvert the  
6 Bankruptcy Code's priority scheme, by allowing a low-priority, unsecured claim to leapfrog over  
7 other creditors in the bankruptcy." *See, e.g., In re Grumman Olson Indus. Inc.*, 467 B.R. 694, 703  
8 (S.D.N.Y. 2012); *see also In re Trans World Airlines, Inc.*, 322 F.3d 283, 291 (3d Cir. 2003) ("Even  
9 were we to conclude that the claims at issue are not interests in property, the priority scheme of the  
10 Bankruptcy Code supports the transfer of TWA's assets free and clear of the claims."); *Myers*, 297  
11 B.R. at 781 (finding a sale order that *excluded* "successor liability" from the interests stripped  
12 under § 363(f) nevertheless effectuated a sale of the assets free and clear of successor liability  
13 because, to hold otherwise, "would allow unsecured creditors to receive greater protection and  
14 more priority than secured claims"). The Additional Conditions allow the Attorney General to  
15 impose monetary obligations on SGM to continue providing services such as charity care that were  
16 financially infeasible for the Debtors.

17 **B. COMPLIANCE WITH § 363(d)(1) DOES NOT LIMIT THE DEBTORS' RIGHT TO**  
18 **SELL ITS ASSETS FREE AND CLEAR UNDER § 363(f).**

19 Section 363(d)(1) provides that the Debtors must sell the Hospitals in accordance with  
20 nonbankruptcy law applicable to nonprofit transactions, and § 363(f) authorizes the Debtors to sell  
21 the Hospitals free and clear of interests in property. These two sections are easily construed under  
22 several applicable principles of statutory construction.

23 First, each statutory provision should be read by reference to the whole act. *See John*  
24 *Hancock Mut. Life Ins. Co. v. Harris Trust & Sav. Bank*, 114 S. Ct. 517, 523 (1993); *Pavelic &*  
25 *Leflore v. Marvel Entm't Grp.*, 493 U.S. 120, 123-24 (1989); *Mass. v. Morash*, 490 U.S. 107, 114-  
26 15 (1989). Second, the Court should avoid interpreting a provision of the Bankruptcy Code in a  
27 way inconsistent with the policy of another provision of the Bankruptcy Code. *See United Sav.*  
28 *Ass'n v. Timbers of Inwood Forest Assocs.*, 484 U.S. 365, 371 (1988). Finally, specific provisions



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1 targeting a particular issue apply instead of provisions more generally covering the issue. *See*  
2 *Morton v. Mancari*, 417 U.S. 535, 550-51 (1974) (a general statute will not be held to have  
3 repealed by implication a more specific one unless there is “clear intention otherwise”); *U.S. v.*  
4 *Novak*, 476 F.3d 1041, 1054 (9th Cir. 2007) (recognizing “the elementary tenet of statutory  
5 construction that a general statute will not alter a more specific one”) (quotations omitted). This  
6 tenet applies with equal force to interpretation of competing provisions of the Bankruptcy Code.  
7 *See Law v. Seigel*, 571 U.S. 415, 421 (2014) (resolving conflict between §§ 105(a) and 522 by  
8 “application of the axiom that a statute’s general permission to take actions of a certain type must  
9 yield to a specific prohibition found elsewhere”).

10 Applying these principles, the requirement to act in accordance with nonbankruptcy law  
11 does not abrogate the Debtors’ authority to sell free and clear of the Additional Conditions under  
12 the more specific provisions of § 363(f), particularly when the Additional Conditions would render  
13 the terms of the SGM APA and the Sale Order meaningless.

14 Section 363(f) provides specific grounds to conduct sales free and clear of interests in  
15 property that is not limited by a nonprofit debtor’s general obligation, under § 363(d)(1), to comply  
16 with nonbankruptcy law. Section 363 provides that nonprofit debtors must generally comply with  
17 applicable nonbankruptcy law in conducting sales under § 363(b). Section 363(d)(1) provides that  
18 a nonprofit debtor may sell assets of the estate pursuant to § 363(b) “only in accordance with  
19 nonbankruptcy law applicable to the transfer of property by” such nonprofit debtor. 11 U.S.C.  
20 363(d)(1). This general requirement in § 363(d)(1) makes no reference to § 363(f), which sets forth  
21 the specific bases by which a debtor may obtain approval of a sale under § 363(b) free and clear of  
22 any interest in such property. Without a “clear intention otherwise,” the general requirement that a  
23 nonprofit debtor comply with nonbankruptcy law does not repeal by implication the specifics of  
24 free and clear sales under § 363(f), including the Debtors’ rights to sell assets free and clear of  
25 successor liability. *See Morton*, 417 U.S. at 550-51. Simply put, § 363(d)(1) does not grant the  
26 Attorney General the unfettered right to impose conditions without regard to this Court’s exclusive  
27  
28



jurisdiction over the Debtors' assets and any other provisions of the Bankruptcy Code. *See, e.g.*, §§ 363(f), 525, 541; *see also* 28 U.S.C. § 1334(e).<sup>5</sup>

Even if the provisions were in conflict, applicable law authorizing the Attorney General to review and condition sales of health facilities is not inconsistent with the successor liability limitations set forth in § 363(f). As discussed above, applicable California law does not impose successor liability on the SGM Sale because the obligations are imposed on the seller of a health facility rather than the assets themselves. *See, e.g., In re La Paloma Generating, Co.*, 2017 WL 5197116, at \*7 (“[T]he Regulation does not dictate . . . substitution and assumption of liability. In no way does Section 95835(b)(8) impugn liability on the purchase of the Covered Entity’s assets.”).

Accordingly, the general requirements of § 363(d)(1) are not in conflict with the Debtors’ authority to sell assets free and clear of successor liability under § 363(f). The Debtors complied with the requirements of nonbankruptcy law and received the Attorney General’s conditional approval of the SGM Sale. Nonbankruptcy law does not impose successor liability on SGM, and,

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<sup>5</sup> The Attorney General has previously argued that he may enforce conditions on the sale of a nonprofit hospital, pursuant to police and regulatory powers designed to protect the health and safety of the community. *See* Docket No. 463, at 7 (the “Prior Response”). However, unlike § 362(b)(4), § 363 has no exception for governmental entities acting pursuant to police or regulatory powers. The Congress is presumed to act intentionally and purposely when it includes language in one section but omits it in another. *Keene Corp. v. United States*, 508 U.S. 200, 208 (1993) (“where Congress includes particular language in one section of a statute but omits it in another [...] it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion.”) (quoting *Russello v. United States*, 464 U.S. 16, 23 (1983)). Even if such an exception were to apply, as the Attorney General concedes in the Prior Response, preemption of state law is most likely where the state statute carves an exception out of the Bankruptcy Code, or where the state statute is concerned with economic regulation rather than protecting the public health and safety. Prior Response, at 7, lines 1-15 (citing *Baker & Drake, Inc. v. Pub. Serv. Comm’n of Nevada*, 35 F.3d 1348, 1353 (9th Cir. 1994)). Both situations exist here. First, the interpretation suggested by the Attorney General carves a huge exception out of the Bankruptcy Code, basically allowing him to ignore both the plain language of the federal laws, and the practical implications of his interpretation. Second, although the state statute discusses that a sale to a for-profit “may affect the availability of community health care services,” Prior Response, at 7, lines 23-24 (citing CAL. CORP. CODE, Ch. 9, Note §1m Stats 1996, ch. 1105), the Attorney General has *no* general oversight over health facilities in California or over acute care hospitals in particular. Rather, his review is predicated on the regulation of a kind of business—nonprofits—and therefore falls neatly into economic regulations.



1 to the extent the Additional Conditions impose successor liability, the Debtors may sell free and  
2 clear under § 363(f) while still complying with their general obligations under § 363(d)(1).

3 **C. THE ATTORNEY GENERAL CANNOT INTERFERE WITH THE COURT’S**  
4 **EXCLUSIVE JURISDICTION OVER PROPERTY OF THE ESTATES.**

5 Section 1334(e) of title 28 of the United States Code grants federal district courts—and, by  
6 jurisdictional grant, pursuant to 28 U.S.C. § 157(a), bankruptcy courts within each district—  
7 exclusive jurisdiction of all property of the debtor and its estate, “wherever located.” 28 U.S.C. §  
8 1334(e); 11 U.S.C. § 157(a); *see also Hong Kong and Shanghai Banking Corp. v. Simon (In re*  
9 *Simon)*, 153 F.3d 991 (9th Cir. 1998) (district court in which bankruptcy case is commenced has  
10 exclusive *in rem* jurisdiction over all estate property); *see also Central Va. Cmty College v. Katz*,  
11 546 U.S. 356, 126 S. Ct. 990 (2006) (A “critical feature of every bankruptcy proceeding [is] the  
12 exercise of exclusive jurisdiction over all of the debtor’s property.”). Moreover, in the context of  
13 adjudicating the rights of in a bankruptcy estate, even against the Attorney General, the power of  
14 the bankruptcy court includes the “power to issue compulsory orders to facilitate the administration  
15 and distribution of the res.” *Id.* The Supreme Court was clear in *Katz* that the Court’s power was  
16 not limited to *in rem* beyond the “mere adjudication of rights in a res” and extended to proceedings  
17 “necessary to effectuate the *in rem* jurisdiction of the bankruptcy courts.” *Id.* Therefore, under  
18 *Katz*, the Court also has the power to issue orders necessary to effectuate the Sale Order, including  
19 issuing orders that the SGM Sale is free and clear of the Additional Conditions.

20 Here, the Court has exclusive jurisdiction over the Hospitals because they are indisputably  
21 “property of the estates” pursuant to § 541. *See* § 541. The Court’s exclusive jurisdiction limits  
22 the Attorney General’s attempt to impose restrictions on the Hospitals. Moreover, the states’ right  
23 to regulate an operating debtor in possession under 28 U.S.C. § 959(b) does not limit this Court’s  
24 jurisdiction or give the state the right to interfere in the sale of the Debtors’ Hospitals. *See Hillis*  
25 *Motors v Hawai’i Auto Dealers Assn.*, 997 F.2d 581, 592 (9th Cir 1993) (holding that state action  
26 to involuntarily dissolve a corporation for non-payment of franchise fees and filings violated the  
27 automatic stay as an act to control property of the estate under § 362(a)(3) and was not excepted by  
28 §362 (b)(4) or (5) or 28 U.S.C. § 959(b)).



**D. THE ADDITIONAL CONDITIONS VIOLATE § 525 BECAUSE THEIR EXPRESS PURPOSE IS TO REQUIRE SGM TO UNDERTAKE THE SAME OBLIGATIONS THE DEBTORS CAN NO LONGER ACCOMPLISH.**

Imposition of the Additional Conditions constitutes impermissible discrimination against the Debtors and SGM, as a debtor-associate, pursuant to § 525. Section 525(a) grants the Debtors protection against discriminatory treatment by governmental unit on account of the Debtors' insolvency. *See* 11 U.S.C. § 525(a).

One of the leading case interpreting § 525 is the United States Supreme Court's decision in *Federal Communications Commission v. NextWave Communications, Inc.* 537 U.S. 293 (2003) ("NextWave"). In *NextWave*, the Federal Communications Commission (the "FCC") cancelled certain licenses owned by the debtor, but denied that the proximate cause for its cancellation of the licenses was the failure to make payments due to the FCC. Instead, the FCC contended that § 525 did not apply because it had a valid regulatory motive for the cancellation. The Supreme Court held that the FCC's motive was "irrelevant" because "[s]ection 525 means nothing more or less than that the failure to pay a dischargeable debt must alone be the proximate cause of the cancellation—the act or event that triggers the agency's decision to cancel, whatever the agency's ultimate motive in pulling the trigger may be." *NextWave*, 537 U.S. at 301-02. The FCC contended that NextWave's license obligations to the commission were not "debt[s] that [are] dischargeable" in bankruptcy. *Id.* at 302. The FCC argued that regulatory requirements, such as a full and timely payment condition, are not properly classified as "debts" under the Bankruptcy Code. The Supreme Court dismissed this argument, finding that "a debt is a debt even when the obligation to pay it is a regulatory condition." *Id.* at 303. The FCC also argued that NextWave's obligations were not "dischargeable" in bankruptcy because bankruptcy courts did not have the jurisdictional authority to alter regulatory obligations. *Id.* Noting that dischargeability is not tied to the existence of such authority, the Supreme Court found that a preconfirmation debt is dischargeable unless it falls within an express exception to discharge. *Id.*

In *In re Aurora Gas, LLC*, the bankruptcy court addressed whether the State of Alaska violated § 525(a) by effectively conditioning the sale of gas leases on the purchaser's assumption of unpurchased liabilities. *See* No. 16-00130, 2017 WL 4325560 (Bankr. D. Alaska Sept. 26, 2017).



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1 The debtor formerly operated nine oil and gas wells leased from the state. *See id.* at \*1. During the  
2 course of the bankruptcy case, the debtor determined that it would not be able to sell three of the  
3 wells leased on state lands and could not afford to completely plug and abandon the wells. *See id.*  
4 The debtor, thus, began the process of temporarily plugging the wells and obtained approval to  
5 reject the leases. *See id.* The debtor secured an offer to purchase five of the remaining oil and gas  
6 leases for \$100,000, subject, however, to review and approval by the state. *See id.* The bankruptcy  
7 court entered an order granting authority to assume and assign the leases and sell related assets free  
8 and clear of claims and interests. *See id.* at \*2. Subsequently, the state imposed conditions on the  
9 sale that required the purchaser either agree to (i) a bond in the amount of \$200,000 and an  
10 agreement to plug and abandon the three unpurchased wells, or (ii) a bond in the amount of \$6  
11 million. *See id.*

12 The bankruptcy court held that the imposition of the conditions violated § 525(a). The  
13 bankruptcy court noted that “the State does not deny that the Decision was an attempt to collect  
14 [the debtor’s] debt for the [nonoperating] leases. Rather, it defends its action as necessary to  
15 provide for the plugging and abandonment of the wells which the debtor will not be able to  
16 accomplish.” *Id.* at \*4. The court concluded that the state “effectively denied the debtor’s transfer  
17 of five of its . . . leases because it insists on recovering the debtor’s . . . plug and abandonment  
18 liability.” *Id.* at \*5. Indeed, the \$6 million bonding requirement made clear that the state’s intent  
19 was to recover on the debtor’s potentially dischargeable liabilities rather than the “proper exercise  
20 of the agency’s discretion in discharge of its statutory duties.” *See id.* (“There is nothing in the  
21 Decision to support the [state’s] conclusion that it will cost \$1,000,000 to plug and abandon each  
22 well.”).

23 The Additional Conditions are no different than those addressed by the bankruptcy court in  
24 *Aurora Gas* because they impose upon SGM the very same levels of services, charity care, and  
25 other obligations imposed on the Debtors by the 2015 Conditions. The Additional Conditions  
26 repeatedly obligate SGM to maintain licensure and services “at no less than current” levels that  
27 correspond directly to the Debtors’ postpetition services. *See* Exhibit “B” (“The term ‘current’ or  
28 ‘currently’ throughout this document means as of January 1, 2019.”) (2019 Conditions, at 2, n.2).



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As discussed above, § 363(f) allows the Debtors to sell their assets free and clear of the Attorney General’s interests in imposing Additional Conditions. These interests are dischargeable within the meaning of § 525(a) even if the Debtors will not receive a discharge under their Plan. *See Aurora Gas, LLC*, 2017 WL 4325560, at \*6 (“The State has not identified any exception within § 523(a) for the debtor’s prepetition liability for plugging and abandoning the [nonoperating] wells. Nothing within § 525(a) requires that the debtor actually obtain a discharge, only that the debt be dischargeable.”); *FCC v. NextWave Pers. Commc’ns Inc.*, 537 U.S. at 303 (“A preconfirmation debt is dischargeable unless it falls within an express exception to discharge.”). Further, as with *Aurora Gas*, the Additional Conditions will “effectively den[y] the [Debtors’] transfer of” their hospital assets because the Attorney General “insists on recovering” from SGM the same obligations imposed on the Debtors under the 2015 Conditions. The Additional Conditions must be denied as violative of § 525(a) because the Debtors’ inability to continue the same services following the conclusion of these Cases are “the proximate cause” of the Attorney General’s Additional Conditions. *See NextWave Pers. Commc’ns Inc.*, 537 U.S. at 301-02.

**E. THE ATTORNEY GENERAL ABUSED HIS DISCRETION IN IMPOSING THE ADDITIONAL CONDITIONS.**

**1. The Court Has Authority to Review Whether the Attorney General Abused His Discretion in Imposing the Additional Conditions.**

If the Court does not find the Additional Conditions are cut off by § 363, the Debtors ask that the Court review the Attorney General’s decision under applicable nonbankruptcy law. Section 1221(e) of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, Pub. L. No. 109-8, § 1221(e) (2005), makes clear that the applicable nonbankruptcy law should be interpreted by this Court and should not be referred to a state court. *In re HHH Choices Health Plan, LLC*, 554 B.R. 697, 700-01 (Bankr. S.D.N.Y. 2016) (“While a transfer [of nonprofit assets] must comply with the substantive requirements of state law. . . . any determination that would be made by a state court, . . . in the absence of a bankruptcy case, is now a determination to be made by [the bankruptcy court], and not by the state court.”).

The Attorney General has discretion under applicable state law to deny, consent to, or conditionally approve a transaction. However, that discretion is limited and subject to judicial



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1 review. Under state law, the Court has the power to overrule the Attorney General’s decision  
2 imposing conditions inconsistent with Section 8.6 of the SGM APA. *Del Riccio v. Superior Court*,  
3 115 Cal. App. 2d 29, 31 (1952) (“In the exercise of equitable jurisdiction the court undoubtedly has  
4 broad discretionary powers to take whatever action is necessary in the interests of justice in order  
5 that its decrees will not fail to accomplish their purpose.”); *see also* Cal. Code Civ. Proc., § 187.  
6 That power extends even to reviewing discretionary decisions for abuse of discretion. *Lamb v.*  
7 *Webb* (1907) 151 Cal. 451, 454 (the trial court has the power to compel the Attorney General to act  
8 where the Attorney General abused its discretion); accord *City of Campbell v. Mosk*, 197 Cal. App.  
9 2d 640, 645 (1961).

10 Judicial review of most public agency decisions is obtained either by: (1) a writ of  
11 ordinary/traditional mandamus, pursuant to C.C.P. § 1085; or (2) a writ of administrative  
12 mandamus, pursuant to C.C.P. § 1094.5. *See Friends of the Old Trees v. Dep’t of Forestry & Fire*  
13 *Prot.*, 61 Cal. Rptr. 2d 297, 303 (Cal. Ct. App. 1997). Ordinary mandate under C.C.P. § 1085 is a  
14 traditional remedy by which a court compels an inferior tribunal to perform a legally required duty.  
15 Administrative mandate under C.C.P. §1094.5 is a statutory remedy which enables a petitioner to  
16 challenge an administrative decision after an adjudicatory hearing in which the agency performs a  
17 fact finding function. Parties are entitled to seek both in the same action. *See Conlan v. Bonta*, 102  
18 Cal. App. 4th 745, 751-52 (2002). Moreover, C.C.P. §§ 1085 and 1094.5, subd. (f) are identical in  
19 authorizing courts to issue a writ of mandate to compel the performance of an act “which the law  
20 specially enjoins.”

21 Under C.C.P. § 1094.5, the Court “begin[s] its review with a presumption of the correctness  
22 of administrative findings, and then, after affording the respect due to these findings, exercise[s]  
23 independent judgment in making its own findings.” *Fukuda v. City of Angels*, 977 P.2d 693, 701  
24 (Cal. 1999); *see Benetatos v. City of Los Angeles*, 186 Cal. Rptr. 3d 46, 56 (Cal. Ct. App. 2015)  
25 (“the independent judgment test is applied to review administrative decisions that will drive an  
26 owner out of business or significantly injure the business’s ability to function”).

27 Alternatively, for traditional mandamus under C.C.P. § 1085, the Court reviews the  
28 administrative action to determine whether it “was arbitrary, capricious, or entirely lacking in



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1 evidentiary support, contrary to established public policy, unlawful or procedurally unfair.” *Id.*  
2 (quotations omitted). “Although mandate will not lie to control a public agency’s discretion, that is  
3 to say, force the exercise of discretion in a particular manner, it will lie to correct abuses of  
4 discretion.” *Id.* (quotations omitted). “Abuse of discretion is established if the ... order or decision  
5 is not supported by the findings, or the findings are not supported by the evidence.” *Wollmer v.*  
6 *City of Berkeley*, 193 Cal. App. 4th 1329, 1338 (2011) (citing Cal. Code Civ. Proc., § 1094.5, subd.  
7 (b).) Moreover, the Court should not give deference to the Attorney General’s interpretation of  
8 State law. *County of San Diego v. State of Cal.* 15 Cal. 4th 68, 109 (1997). Because public  
9 agencies and officials “have a duty to comply with applicable state statutes and local ordinances,”  
10 failure to do so is an abuse of discretion that is “arbitrary, capricious, or lacking in evidentiary  
11 support *Bright Dev. v. City of Tracy* 20 Cal. App. 4th 783 (1993).

12       Regardless of which standard applies here, the Attorney General’s conduct does not pass  
13 muster under either statute. The Attorney General’s decision to impose many, if not all, of the  
14 Additional Conditions, is not supported by findings or evidence. *See Topanga Assn. for a Scenic*  
15 *Community v. County of Los Angeles*, 11 Cal. 3d 506, 515 (1974) (“[I]mplicit in section 1094.5 is a  
16 requirement that the agency which renders the challenged decision must set forth findings to bridge  
17 the analytic gap between the raw evidence and ultimate decision or order.”). The Attorney General  
18 has given no consideration whatsoever to the economic impact of the 2019 Conditions on the  
19 continued existence of the Hospitals. Although Attorney General’s review of the SGM Sale was  
20 undertaken pursuant to a statute that purports to seek to preserve healthcare for the community, it is  
21 undisputed that the 2019 Conditions imposed by the Attorney General will have the singular result  
22 of destroying the SGM Sale and closing hospitals. There could not be a clearer example of an  
23 abuse of discretion. *Honchariw v. City of Stanislaus* 218 Cal. App. 4th 1019, 1027 (2013); *see*  
24 *also Bob Jones Univ. v. United States* 461 U.S. 574, 586 (1983) (a well-established canon of  
25 statutory construction provides that literal language should not defeat the plain purpose of the  
26 statute).



1           **2.       The Scope of the Court’s Review on Writ of Mandamus**

2           Judicial review of most public agency decisions is obtained by a writ of: (1) ordinary or  
3 traditional mandamus, per C.C.P. § 1085; or (2) administrative mandamus, per C.C.P. § 1094.5.  
4 *See Friends of the Old Trees v. Dep’t of Forestry & Fire Prot.*, 61 Cal. Rptr. 2d 297, 303 (Cal. Ct.  
5 App. 1997).

6           The applicable type of mandate is determined by the nature of the administrative action or  
7 decision, in that quasi-legislative or ministerial acts are reviewed by ordinary mandate, while quasi-  
8 judicial acts are reviewed by administrative mandate. *Id.* “Generally speaking, a legislative action  
9 is the formulation of a rule to be applied to all future cases, while an adjudicatory act involves the  
10 actual application of such a rule to a specific set of existing facts.” *Id.* (quotation omitted). More  
11 specifically, traditional mandate is used to review agency action when the agency was not required  
12 to hold a hearing, whereas administrative mandamus reviews final administrative orders from a  
13 proceeding “in which by law a hearing is required to be given, evidence is required to be taken, and  
14 discretion in the determination of facts is vested in the inferior tribunal[.]” *Id.* (quoting C.C.P.  
15 § 1094.5(a)).

16           Here, when evaluating the proposed transaction, the Attorney General was required to hold  
17 a hearing, take evidence, and utilize discretion in his determination of existing facts. Indeed,  
18 California Corporations Code § 5916 explicitly requires that “[p]rior to issuing any written decision  
19 referred to in Section 5915 . . . the Attorney General shall conduct one or more public meetings,  
20 one of which shall be in the county in which the facility is located, to hear comments from  
21 interested parties.” *See Sierra Club v. State Bd. of Forestry*, 7 Cal. 4th 1215, 1235 (1994) (section  
22 1095.4 hearing requirement satisfied where the Board of Forestry is required to hold a public  
23 hearing to review timber harvesting plan and determine if it conforms to the rules and regulations  
24 of the board and the Forest Practice Act).

25           In addition to being required to receive public input, the Attorney General’s conditional  
26 consent must also only have been determined after considering “relevant factors,” such as the ten  
27 enumerated ones set forth in California Corporations Code § 5917. These factors include the  
28 Attorney General’s receipt and review of evidence supporting whether the transaction is “fair and



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1 reasonable to the nonprofit corporation,” at “fair market value,” and “in the public interest.” CAL.  
2 CORP. CODE § 5917. As part of this evidentiary review, the Attorney General is authorized to  
3 contract with experts and consultants (and has done so here). *See* CAL. CORP. CODE § 5919. As a  
4 result, the Attorney General’s conditional consent is an adjudicatory administrative decision, and  
5 the standard of review in this proceeding must be administrative mandamus.<sup>6</sup> *See Friends of the*  
6 *Old Trees*, 61 Cal. Rptr. 2d at 304–05 (Section 1094.5 review required where the statutes governing  
7 the Department of Forestry & Fire Protection’s approval of a timber harvest plan provides  
8 numerous opportunities for public and agency input, even though the “Department is not required  
9 to hold a trial-type hearing.”); *see also Ebbetts Pass Forest Watch v. Dep’t of Forestry & Fire*  
10 *Prot.*, 20 Cal. Rptr. 3d 808, 814 (Cal. Ct. App. 2004) (public meetings to review timber harvest  
11 plan satisfy section 1094.5 standard).

12 Not only does the § 1094.5 framework apply, the scope of the Court’s judicial review is  
13 necessarily the “independent judgment rule,” because the Attorney General’s conditional consent  
14 “substantially affects” Verity’s “fundamental vested right.” *See, e.g., Mann v. Dep’t of Motor*  
15 *Vehicles*, 90 Cal. Rptr. 2d 277, 283 (Cal. Ct. App. 1999). Due to the separation of powers doctrine,  
16 deprivation of an entity’s or individual’s fundamental rights by an agency cannot evade judicial  
17 protection. *See Bixby v. Pierno*, 481 P.2d 242 (Cal. 1971) (“By carefully scrutinizing  
18 administrative decisions which substantially affect vested, fundamental rights, the courts of  
19 California have undertaken to protect such rights, and particularly the right to practice one’s trade  
20 or profession, from untoward intrusions by the massive apparatus of government.”). Thus, “[i]f the  
21 decision of an administrative agency will substantially affect such a right, the trial court not only  
22 examines the administrative record for errors of law but also exercises its independent judgment  
23 upon the evidence disclosed” in a *de novo* review. *Id.*

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24  
25 <sup>6</sup> This is in sharp contrast to the inapplicable §1085 standard involving only ministerial acts: “[a]  
26 ministerial act is an act that a public officer is required to perform in a prescribed manner in  
27 obedience to the mandate of legal authority and without regard to his own judgment or opinion  
concerning such act’s propriety or impropriety, when a given state of facts exists.” *Schwartz v.*  
*Poizner*, 113 Cal. Rptr. 3d 610, 614 (Cal. Ct. App. 2010) (quotations omitted).



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Whether an administrative decision substantially affects fundamental vested rights is determined on a case-by-case basis, in which this Court must consider “whether the affected right is deemed to be of sufficient significance to preclude its extinction or abridgement by a body lacking *judicial* power.” *Interstate Brands v. Unemployment Ins. Appeals Bd.*, 608 P.2d 707, 713 n.5 (Cal. 1980) (emphasis in original). In this case, the Attorney General’s conditional consent has the practical effect of closing at least three of the Hospitals, forever. In that sense, it is indistinguishable from administrative decisions involving the revocation of a professional license or business permit, which, for decades, courts have consistently held to affect a fundamental right. *See, e.g., Oxford Preparatory Acad. v. Chino Valley Unified Sch. Dist.*, 249 Cal. Rptr. 3d 726, 730–31 (Cal. Ct. App. 2019), *reh’g denied* (July 29, 2019), *review filed* (Aug. 20, 2019) (charter school “has a fundamental vested right to continue operating”); *Coe v. City of San Diego*, 208 Cal. Rptr. 3d 73, 81 (Cal. Ct. App. 2016) (“a decision to revoke a nude entertainment business permit involves a fundamental vested right.”); *The Termo Co. v. Luther*, 86 Cal. Rptr. 3d 687, 697 (Cal. Ct. App. 2008) (“The implementation of the Order and Decision would have the effect not only of shutting down a business that has been in existence for 20 years or more, but also of terminating the right to produce oil—an extraordinarily valuable resource, especially in the current economic era. . . . Certainly, a fundamental vested right is at issue.”); *Bauer v. City of San Diego*, 89 Cal. Rptr. 2d 795, 804 n.14 (Cal. Ct. App. 1999); *Goat Hill Tavern v. City of Costa Mesa*, 8 Cal. Rptr. 2d 385, 391 (Cal. Ct. App. 1992) (“the right to continue operating an established business in which [the owner] has made a substantial investment” is a “fundamental vested right.”). Indisputably, the Debtors’ rights to preserve its Hospitals—such that they can continue providing healthcare and lifesaving procedures to the community they serve—are fundamental, vested, and abridged substantially by the Attorney General’s 2019 Conditions.

The Attorney General may attempt to cast the Debtors’ rights in a purely economic light, incorrectly arguing that the Debtors merely assert the right to sell its businesses. *Cf. SP Star Enterprises, Inc. v. City of Los Angeles*, 93 Cal. Rptr. 3d 152, 162 (Cal. Ct. App. 2009). But, the rights threatened by the Attorney General’s decision are the survival of three Hospitals upon which the public undisputedly depends. *Benetatos v. City of Los Angeles*, 186 Cal. Rptr. 3d 46, 56 (Cal.



1 Ct. App. 2015) (“The substantial evidence test has been applied to review administrative decisions  
2 that restrict a property owner’s return on his property, or which increase the cost of doing business,  
3 or reduce profits, because such decisions impact mere economic interests rather than fundamental  
4 vested rights. In contrast, the independent judgment test is applied to review administrative  
5 decisions *that will drive an owner out of business or significantly injure the business’s ability to*  
6 *function.*”) (emphasis added).

7 As a result, in this proceeding, this Court “begin[s] its review with a presumption of the  
8 correctness of administrative findings, and then, after affording the respect due to these findings,  
9 exercise[s] independent judgment in making its own findings.” *Fukuda v. City of Angels*, 977 P.2d  
10 693, 701 (Cal. 1999).

11 In addition, “[w]here the court finds that there is relevant evidence that, in the exercise of  
12 reasonable diligence, could not have been produced or that was improperly excluded at the hearing  
13 before respondent . . . the court may admit the evidence at the hearing on the writ without  
14 remanding the case.” C.C.P. § 1094.5(e); *see also Tiholiz v. Northridge Hosp. Found.*, 199 Cal.  
15 Rptr. 338, 343 (Cal. Ct. App. 1984) (permitting admission of newly discovered evidence in the  
16 form of declarations, finding that “a litigant has a fundamental interest at stake in procedural  
17 fairness, including but not limited to an interest in the compilation of an accurate hearing record”).

18 Even if traditional mandamus applies, the Attorney General’s conditional consent  
19 constitutes an abuse of his discretion. The Debtors are “beneficially interested” to seek a writ of  
20 mandate, in that its particular right to sustain the Hospitals is direct and substantial, especially  
21 given the undisputed public need for these hospitals. *Citizens for Amending Proposition L v. City*  
22 *of Pomona*, 239 Cal. Rptr. 3d 750, 763–64 (Cal. Ct. App. 2018), *reh’g denied* (Nov. 28, 2018).  
23 Under § 1085, the trial court reviews an administrative action to determine whether an agency’s  
24 action “was arbitrary, capricious, or entirely lacking in evidentiary support, contrary to established  
25 public policy, unlawful or procedurally unfair.” *Id.* (quotations omitted). “Although mandate will  
26 not lie to control a public agency’s discretion, that is to say, force the exercise of discretion in a  
27 particular manner, it will lie to correct abuses of discretion.” *Id.* (quotations omitted).



1 Because public agencies and officials “have a duty to comply with applicable state statutes  
2 and local ordinances,” failure to do so is an abuse of discretion that is “arbitrary, capricious, or  
3 lacking in evidentiary support.” *Id.* at 774.

4 There are also exceptions to the general rule precluding the consideration of extra-record  
5 evidence in traditional mandamus actions, where such evidence provides background information  
6 regarding the quasi-legislative agency decision, to establish whether the agency fulfilled its duties  
7 in making the decision, or to assist the trial court in understanding the agency’s decision. *Outfitter*  
8 *Properties, LLC v. Wildlife Conservation Bd.*, 143 Cal. Rptr. 3d 312, 322 (Cal. Ct. App. 2012).

9 **3. The Attorney General Failed to Assure Preservation of the Hospitals for Their**  
10 **Communities**

11 As set forth above, the Attorney General’s discretion to issue conditions of approval of a  
12 sale of a nonprofit hospital to a for profit entity is circumscribed by (i) California Corporations  
13 Code § 5917, and (ii) the Attorney General’s general statutory and common law obligations to  
14 preserve and/or redirect the charitable assets for public benefit. *See, e.g.*, CAL. GOV’T CODE §  
15 12598. Although the Attorney General is not a technical fiduciary to such assets, *see Restatement*  
16 *of the Law of Charitable Nonprofit Organizations Principles of the Law of Nonprofit Organizations*  
17 § 5.01 TD (2017), and although the Attorney General, in the normal course, is not empowered to  
18 substitute its judgment for that of the trustees of the charitable assets, the Attorney General’s role in  
19 overseeing a nonprofit hospital sale becomes virtually that of a fiduciary to such assets during the  
20 sale process. This virtual status results from the multiple layers of statutory and common law  
21 requirements imposed on the Attorney General’s decision making, and the Attorney General’s  
22 arrogation of the right to impose contractual post-sale restrictions on then for-profit assets (which  
23 in fact imposes the Attorney General’s judgment over that of the successor hospital administrator).

24 Here, the Attorney General, in conditionally approving the SGM Sale, has accepted that the  
25 Hospitals are no longer sustainable as part of a nonprofit enterprise. There were no nonprofit  
26 bidders for the Hospitals. Once the Attorney General has determined that the Hospitals cannot be  
27 maintained as nonprofit, the Attorney General’s duties are to (i) ensure that the facility is  
28 monetized at a fair market value to the nonprofit seller of the facility, *see* CAL. CORP. CODE §



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1 5917(c), and (ii) ensure that the monies received from the sale of the facility are preserved for  
2 charitable use by redirecting them under appropriate *cy pres* guidelines, *see* CAL. GOV'T CODE §  
3 12598(a).

4 The Hospitals, once sold, are no longer charitable assets, so the Attorney General's power  
5 and his right of oversight of these Hospitals ceases. The 2019 Conditions represent the Attorney  
6 General's attempt to subvert California Corporations Code § 5917 and extend his continuing  
7 control over non-charitable health care assets. The Attorney General cannot commit such an end-  
8 run around the statutory limitations to his decision making discretion. Importantly, any continuing  
9 control over the Hospitals is a result solely of a contract entered into between the Attorney General  
10 and SGM.

11 One of the paramount obligations of the Attorney General is to preserve charitable assets.  
12 This obligation is embodied in California Government Code § 12598(a), which provides that "[t]he  
13 primary responsibility for supervising charitable trusts in California, . . . *for protection of assets*  
14 *held by charitable trusts* and public benefit corporations, resides in the Attorney General."  
15 (emphasis added). It is also one of the factors set forth by the Legislature in California  
16 Corporations Code § 5917(h). *See* CAL. CORP. CODE § 5917(h) ("The agreement or transaction  
17 may create a significant effect on the availability or accessibility of health care services to the  
18 affected community.").

19 The Attorney General is duty-bound to ensure that the Hospitals survive, and, thus, cannot  
20 impair availability or access of the community to health care facilities. The Attorney General  
21 breached his obligation to act in a manner to preserve the charitable assets by imposing the  
22 Additional Conditions with full knowledge that such conditions would result in the closure of at  
23 least 3 Hospitals. *See* Exhibit "E;" *see also* Baronoff Decl. ¶ 7. The Attorney General's actions  
24 will have destroyed, not preserved, the charitable assets. Such action clearly controverts the  
25 Attorney General's discretion. Agency decisions, such as those of the Attorney General here, are  
26 subject to judicial review and can be reversed if the court finds that the agency's discretionary  
27 choice is an abuse of discretion. *See Motor Vehicle Mfrs. Assn. of the U.S. v. State Farm Mut. Auto*  
28 *Ins. Co.*, 463 U.S. 29 (1983); *20th Century Ins. Co. v. Garamendi*, 8 Cal. 4th 216, 271



(1994); *Coachella Valley Unified School Dist. v. State of Cal.*, 176 Cal. App. 4th 93, 113-118 (Cal. Ct. App. 2009); *Paulsen v. Golden Gate University*, 25 Cal. 3d 803, 808 (1979); *Saleeby v. State Bar*, 39 Cal. 3d 547, 563 (1985); *Quackenbush v. Mission Ins. Co.*, 46 Cal. App. 4th 458, 465 (Cal. Ct. App. 1996).

Based upon the foregoing, the Attorney General has abused his discretion and breached his most basic duty to preserve charitable assets and to ensure access and availability of health care facilities for the community.

V.

**CONCLUSION**

WHEREFORE, for all the foregoing reasons and such additional reasons as may be advanced at or prior to the hearing regarding this Motion, the Debtors respectfully request that the Court enter an order (i) finding that the SGM Sale is free and clear of the Additional Conditions, or alternatively, (b) the Attorney General has abused his discretion in imposing the Additional Conditions, and (iii) granting such other and further relief as the Bankruptcy Court deems just and proper.

Dated: September 30, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON  
NICHOLAS A. KOFFROTH

By /s/ Tania M. Moyron  
Tania M. Moyron

Attorneys for Verity Health Systems of  
California, Inc., *et al.*



**DECLARATION OF RICHARD G. ADCOCK**

I, Richard G. Adcock, declare that I have personal knowledge of the facts set forth in this declaration, and I would competently testify to them under oath if called as a witness.

1. I am, and have been since January 2018, the Chief Executive Officer of Verity Health System of California, Inc. (“VHS”). Prior thereto, I served as VHS’s Chief Operating Officer since August 2017.

2. I have extensive senior-level experience in the nonprofit healthcare arena, especially in the areas of healthcare delivery, hospital acute care services, health plan management, product management, acquisitions, integrations, population health management, budgeting, disease management and medical devices. I have meaningful experience in both the technology and healthcare industries in the areas of product development, business development, mergers and acquisitions, marketing, financing, strategic and tactical planning, human resources, and engineering.

3. Prior to VHS, from 2014 until 2017, I served as Executive Vice President and Chief Innovation Officer of Sanford Health, a large integrated health system headquartered in the Dakotas dedicated to health and healing. In this role, I was responsible for leading Sanford Health’s growth and innovation, in addition to direct operational oversight of the following related entities: Sanford Research, Sanford Health Plan; Sanford Foundation (a philanthropic fundraising foundation); Sanford Frontiers (a commercial and real estate company); Profile by Sanford (a scientific weight loss program); and Sanford World Clinic (which operates clinics in multiple countries).

4. From 2012 to 2017, I served as the President of Sanford Frontiers and had the responsibility of starting a new entity within Sanford Health focused on innovative ventures. From 2008 to 2012, I served as Executive Vice President of Sanford Clinic. I was responsible both for (i) working directly with the President of the Clinic to the lead team of Vice Presidents in all aspects of management, and (ii) Sanford World Clinics operations, including the design, opening and operation of several global clinics. From 2006 to 2008, I served as the Vice President of Sanford Clinic and was responsible for leading strategic, operational and financial aspects within Sanford



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1 Clinic. From 2004 to 2006, I served as Director of Clinical Operations at Sanford Children's  
2 Specialty Clinic and led the Pediatric Subspecialty Physician program and the clinical practice  
3 through all facets of the operation.

4 5. Prior to Sanford Health, I served as the Director of Engineering and Six Sigma  
5 Master Black Belt at GE Medical Systems, and before that served as the Vice President of Research  
6 and Development and the Co-Owner/Founder of Micro Medical Systems. I have a bachelor of  
7 science in business administration and a masters of business administration in healthcare  
8 management.

9 6. On May 2, 2019, the Court entered an order (the "Sale Order") approving the sale of  
10 substantially all assets of Debtors'<sup>7</sup> remaining hospitals (St. Francis Medical Center ("SFMC"), St.  
11 Vincent Medical Center ("SVMC") including the St. Vincent Dialysis Center ("SVDC"), and Seton  
12 Medical Center ("SMC"), including Seton Medical Center Coastside Campus ("SMCC")  
13 (collectively the "Hospitals"), to Strategic Global Management, Inc. ("SGM") for \$610 million (the  
14 "SGM Sale"), subject to certain adjustments, plus the payment of cure costs and assumption of  
15 certain liabilities, as more fully set forth in that certain asset purchase agreement (the "APA")  
16 [Docket No. 2306].

17 7. The Debtors, SGM and third parties have expended tremendous efforts to prepare  
18 for and close the SGM Sale in reliance on the Sale Order. These tireless efforts have taken a  
19 significant amount of time and resources and simply cannot be undone. By way of example: (i) the  
20 Debtors sent "WARN notices" to approximately 4,900 employees, pursuant to the federal Worker  
21 Adjustment and Retraining Notification Act of 1988; (ii) thousands of counterparties to executory  
22 contracts and unexpired leases, including physicians, have relied on the Sale Order and continued  
23 to provide services in reliance on the finality of that Sale Order; (iii) the Debtors and SGM have  
24 spent months facilitating an efficient close of the sale, with approximately 20 different  
25 workstreams, meeting at least weekly to ensure a smooth transition of operations; (iv) government  
26 agency personnel, including the California Department of Public Health and the Board of

27 \_\_\_\_\_  
28 <sup>7</sup> "Debtors" collectively refers to VHS and its affiliated debtors in this proceeding.



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1 Pharmacy, have been diligently processing SGM's change of ownership applications for licenses  
2 and permits in reliance on the finality of the Sale Order; (v) the Debtors, SGM, and each of the  
3 Debtors' six unions spent months successfully negotiating and finalizing modified collective  
4 bargaining agreements; (vi) the medical groups affiliated with the Debtors have sent termination  
5 notices to their remaining physicians; (vii) the Debtors and SGM have coordinated changes in  
6 insurance coverages and insurance policies to ensure seamless coverage for employees and  
7 patients, and (viii) the Debtors have created plans to shut off certain services after the close of the  
8 SGM Sale. In addition, the Debtors have no further financing source.

9 8. Attached hereto as Exhibit "1" is a true and correct copy of a September 18, 2019  
10 letter from Chokri BenSaid, Director of the Hospital Division of the United Healthcare Workers  
11 West Service Employees International Union, Inc., to Deputy Attorney General Scott Chan,  
12 expressing support for the SGM Sale. Attached hereto as Exhibit "2" is a true and correct copy of a  
13 letter from Jennifer Lemmon, Collective Bargaining Director of the California Nurses Association,  
14 to Attorney General Becerra, to the same effect. Attached hereto as Exhibit "3" is a true and  
15 correct copy of a September 24, 2019 letter from Mark Shinderman, counsel for the official  
16 committee of unsecured creditors, to Attorney General Becerra, also expressing support for the  
17 SGM Sale.

18 9. I have reviewed the conditions (the "2019 Conditions") set forth in the September  
19 25, 2019 report issued by the California Attorney General (the "Attorney General") regarding the  
20 SGM Sale. The 2019 Conditions require, among other things, that SGM continue to operate the  
21 Hospitals and maintain various services, clinics and contractual arrangements for a period of time  
22 greater than the period of time that Debtors would have been obligated under the 2015 Conditions  
23 (defined below) if the Debtors had the ability to continue to operate the Hospitals. The 2019  
24 Conditions are also materially different than those to which SGM agreed in Schedule 8.6 because  
25 they impose additional conditions including, among other things, greater requirements for charity  
26 care expenditures, community benefit expenditures, capital expenditures, and do not account for the  
27 substantial shift in charity care needs following the implementation of the Affordable Care Act.



1           10.     The 2019 Conditions are in large part the same as the proposed conditions  
2     (“Proposed Conditions”) set forth in the Initial Health Care Impact Statements prepared by JD  
3     Healthcare. Annexed hereto as Exhibit “E” is a true and correct copy of a letter from SGM’s  
4     counsel, Todd Swanson of Hooper, Lundy & Bookman, P.C., to Deputy Attorney General Scott  
5     Chan, explaining that SGM would not accept the Proposed Conditions to the extent they materially  
6     differ from Schedule 8.6 to the APA.

7           11.     I previously urged the Attorney General not impose conditions that would threaten  
8     to close the Hospitals or otherwise unwind stakeholders’ heroic efforts to save these Hospitals.  
9     This was detailed in my *Declaration filed in support of the Notice of Submission of Debtors’*  
10    *Response to the Health Care Impact Statements and Conditions Imposed By JD Healthcare, Inc.*  
11    [Docket No. 2946], a true and correct copy of which is annexed hereto as Exhibit “E”. It was also  
12    detailed in my August 23, 2019 letter to Deputy Attorney General Scott Chan, as true and correct  
13    copy of which is annexed hereto as Exhibit “E”.

14          12.     Further, during the week of August 26, 2019, Deputy Attorney General Scott Chan  
15    held public hearings at each of the Hospitals to solicit comments regarding the SGM Sale. I  
16    attended each of the public meetings in person. At each public meeting, representatives of SGM  
17    and the Debtors made public statements detailing the economic impact of the conditions proposed  
18    by the Attorney General’s expert, JD Healthcare, and the economic situation confronting each  
19    Hospital; urging the Attorney General to consider economic factors when issuing his conditions;  
20    and reiterating that any conditions exceeding those in Schedule 8.6 of the SGM APA could result in  
21    the termination of the SGM Sale and the closure of the Hospitals.

22          13.     As was the case with the Proposed Conditions, many of the 2019 Conditions are  
23    materially inconsistent with those to which SGM has agreed in Schedule 8.6, and do not take into  
24    consideration the negative economic impact of the 2019 Conditions and the conditions imposed on  
25    the Hospitals in 2015 (the “2015 Conditions”).

26          14.     Without regard to the economic and community realities, certain of the 2019  
27    Conditions force the Hospitals to maintain programs that not only suffer significant losses an  
28



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1 annual basis, but are unnecessary because the same services (and in some instances, more  
2 comprehensive services) are already provided at other hospitals in the area.

3 15. The economic impact of the 2019 Conditions cannot be understated. As a hospital  
4 operator, I know from first-hand experience operating and overseeing the Hospitals that (i) the  
5 2015 Conditions were too burdensome, (ii) hampered the Hospitals ability to prosper, as discussed  
6 above, and (iii) accelerated the demise of these Hospitals. Verity, its employees, tens of thousands  
7 of vendors and other parties have made tireless efforts during the sale process to ensure high  
8 quality continued patient care and to take the necessary steps that would allow the Hospitals to be  
9 sold to a new operator that could successfully operate the Hospitals. The Bankruptcy Court has  
10 now approved the sale to SGM, which paves the way for these Hospitals and the communities they  
11 serve to continue the Hospitals' mission of quality patient care.

12 16. The Debtors did not receive any other qualified bid to purchase the Hospitals. Thus,  
13 there is no back-up bidder to purchase the Hospitals if the SGM Sale does not close. Additionally,  
14 SGM representatives have repeatedly told the Debtors that multiple lenders have informed SGM  
15 that they would not agree to finance the SGM Sale if the conditions were not consistent with  
16 Schedule 8.6, which makes the SGM Sale nearly impossible to close. Consequently, if the  
17 Additional Conditions were imposed, they would create an environment where it is likely no lender  
18 would be willing to finance the sale of the Hospitals to SGM, ensuring closure of at least three of  
19 the Hospitals.

20 17. Due to the Debtors' liquidity issues, unsustainable operating losses, and the absence  
21 of an interested viable purchaser, SVMC, Seton Medical Center, and Seton Coastside would need  
22 to be closed if the SGM Sale does not close. The closures of SVMC, Seton Medical Center, and  
23 Seton Coastside would result in the loss of approximately 2,900 jobs.

24 18. As to SFMC, the Debtors would likely attempt a private sale in the bankruptcy  
25 cases. I, however, foresee significant challenges to SFMC's sustainability and sale. Specifically,  
26 any new sale of SFMC would require additional time, which would result in an exorbitant amount  
27 of administrative and other expenses in these cases. By way of an example, the Debtors would  
28 need to find a new buyer after a marketing process, seek approval from the Court, and then await



1 yet another review by the Attorney General. To even accomplish the foregoing, it is likely that the  
2 Debtors would need to obtain debtor in possession financing to help fund operations, which would  
3 carry another layer of expense.

4 19. Consequently, even if the Debtors were able to sell SFMC in the event the SGM  
5 Sale failed, recoveries to creditors would be significantly reduced by hundreds of millions of  
6 dollars since (i) there would not be any proceeds from the sale of SVMC, Seton, and Seton  
7 Coastside, and (ii) the delay associated with the second sale of SFMC.

8 20. The Hospitals provide access to essential healthcare services in their communities.  
9 Faced with the possibility of losing the Hospitals in their entirety, rote application of the 2015  
10 Conditions should yield to the pragmatics of economics and demonstrable patient care and  
11 community need.

12 21. If the SGM transaction does not close, the Debtors, employees, pension holders,  
13 other stakeholders, and community members, would be exposed to significant and unrecoverable  
14 health care and economic loss.

15 22. If the SGM Sale fails, the most likely outcome is that at least three of the Hospitals  
16 will have to close. Altogether, between July 1, 2018 and June 30, 2019, the Hospitals had more  
17 than 34,000 inpatient admissions and 312,000 outpatient visits. If the Hospitals are closed, all of  
18 those patients would be forced to find alternative providers for treatment, perhaps at greater  
19 distances than they are now required to travel for treatment at the Hospitals. For example, Seton  
20 Coastside is the only emergency room facility on the Pacific Coast between Daly City and Santa  
21 Cruz. Additionally, Seton Coastside has 116 skilled nursing facility (“SNF”) beds and, if Seton  
22 Coastside were closed, those residents would be forced to be relocated significant distances to find  
23 alternative facilities. In my experience, the risk of negative outcomes for emergency room patients  
24 increases as the distance, and therefore the time, required to obtain treatment, increases.  
25 Additionally, in addition to the difficulty in finding alternative facilities for the SNF patients, the  
26 impact of transfer trauma on this population could be significant.

27 23. Further, among the other stakeholders which will be harmed by a failed SGM Sale  
28 are the vendors that have supported the Hospitals by providing credit terms throughout these cases.



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1 Under the SGM Sale, these creditors will receive payment for their support of the Hospitals during  
2 the sale process. A failed sale to SGM would put that at risk. In addition, there are thousands of  
3 vendors whose contracts will likely be assumed by SGM in the sale. Consequently, these vendors  
4 will be paid for their prepetition claims, an estimated total recovery for these vendors of \$50  
5 million. Even those vendors whose contracts are not assumed by SGM are still expected to receive  
6 millions of dollars of recoveries. In total, the failed sale to SGM would cost these vendors tens of  
7 millions of dollars in recoveries. Further, there would be a loss of future income for services  
8 provided to the operating Hospitals on a go-forward basis.

9 24. The Hospitals have approximately 4,900 employees. SGM has committed to retain  
10 “substantially all” employees of the Debtors, as set forth in the APA.

11 25. In the past week, the Debtors have finalized settlement agreements (the “Settlement  
12 Agreements”) with each and every union that is party to collective bargaining agreements (the  
13 “CBAs”) related to the Hospitals being sold to SGM. The Settlement Agreements provide, *inter*  
14 *alia*, for modification and assignment of the CBAs to SGM (along with waiver of any cure  
15 obligations of the Debtors), the treatment and allowance of certain claims, including severance for  
16 employees who are not offered employment, paid time off, and retiree health (for the few retirees  
17 who utilize the program) and the waiver of other claims. The Settlement Agreements are  
18 conditioned on Bankruptcy Court approval and on other important events, including Plan  
19 confirmation and closing of the sale to SGM for a purchase price that is not materially different  
20 from the amount contained in the SGM APA. The Debtors are in the process of finalizing pleading  
21 papers that will request Court approval of the Settlement Agreements and related relief, which it  
22 expects to file for expedited consideration presently.

23 26. The SGM Sale presents the Debtors’ stakeholders with the best possible alternative,  
24 and the failure of the SGM transaction will likely result in a loss of healthcare access for vulnerable  
25 populations, as well as jobs of thousands of employees.

26 ///

27 ///



1 I declare under penalty of perjury under the laws of the United States that the foregoing is  
2 true and correct.

3 Executed this 30th day of September, 2019, in Los Angeles, California.

4   
5

6 Richard G. Adcock  
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**Exhibit 1**

**Adcock Declaration**





UNITED HEALTHCARE  
WORKERS WEST  
SERVICE EMPLOYEES  
INTERNATIONAL  
UNION, CLC

Via U.S. Mail

September 18, 2019

Attorney General Xavier Becerra  
Office of the Attorney General  
1300 "I" Street  
Sacramento, CA 94814-2919

Scott Chan, Deputy Attorney General  
State of California Department of Justice  
Office of the Attorney General  
455 Golden Gate Avenue, Suite 11000  
San Francisco, CA 94102

**RE: Verity Health Systems, Inc. and Strategic Global Management, Inc.**

Dear Mr. Becerra and Mr. Chan,

The Service Employees International Union United Healthcare Workers West (SEIU-UHW), represents approximately 1,400 workers at St. Francis Medical Center and St. Vincent Medical Center. SEIU-UHW is writing in support of the sale transaction between Verity Health Systems, Inc. and Strategic Global Management, Inc. Given that Verity Health Systems has been in bankruptcy proceedings for over a year and Strategic Global Management was the only entity to submit a qualified bid for St. Francis Medical Center and St. Vincent Medical Center we believe this transaction is the best way to preserve jobs and patient care. Therefore, we urge a prompt closing of this sale.

Sincerely,

A handwritten signature in black ink, appearing to read "Chokri BenSaid", is located below the "Sincerely," text.

Chokri BenSaid  
Director, Hospital Division  
SEIU – UHW

Dave Regan - President  
Stan Lyles - Vice President

560 Thomas L. Berkley Way  
Oakland, CA 94612  
510-251-1250  
FAX 510-763-2680

5480 Ferguson Drive  
Los Angeles, CA 90022  
323-734-8399  
FAX 323-721-3538



**Exhibit 2**

**Adcock Declaration**





**California  
Nurses  
Association**



**National  
Nurses  
United**

OAKLAND  
155 Grand Avenue  
Oakland CA 94612  
phone: 800-287-5021  
fax: 510-663-1625

*A Voice for Nurses. A Vision for Healthcare.*

*Via U.S. Mail*

September 17, 2019

Attorney General Xavier Becerra  
Office of the Attorney General  
1300 "I" Street  
Sacramento, CA 94814-2919

Scott Chan, Deputy Attorney General  
State of California Department of Justice  
Office of the Attorney General  
455 Golden Gate Avenue, Suite 11000  
San Francisco, CA 94102

**RE: Verity Health Systems, Inc. and Strategic Global Management, Inc.**

Dear Mr. Becerra and Mr. Chan:

The California Nurses Association represents approximately 468 registered nurses at St. Vincent Medical Center and approximately 396 registered nurses at Seton Medical Center. CNA is writing in support of the sale transaction between Verity Health Systems, Inc. and Strategic Global Management, Inc. Given that Verity Health Systems has been in bankruptcy proceedings for over a year and Strategic Global Management was the only entity to submit a qualified bid for St. Vincent Medical Center and Seton Medical Center, we believe this transaction is the best way to preserve jobs and patient care. Therefore, we urge a prompt closing of this sale.

Sincerely,

CALIFORNIA NURSES ASSOCIATION

A handwritten signature in black ink, appearing to read "Jennifer Lemmon".

Jennifer Lemmon  
Southern California & Nevada  
Collective Bargaining Director



**Exhibit 3**

**Adcock Declaration**



# Milbank

**MARK SHINDERMAN**

*Partner*

2029 Century Park East, 33rd Floor | Los Angeles, CA 90067-3019

T: 424.386.4411

MShinderman@milbank.com | milbank.com

September 24, 2019

**VIA EMAIL**

The Honorable Xavier Becerra  
Attorney General, State of California  
1300 I Street  
Sacramento, CA 95814

Dear Attorney General Becerra:

The official committee of unsecured creditors (the “Committee”) of debtor Verity Health System (“Verity”), a statewide healthcare provider, represents the interests of Verity’s creditor constituency, including labor unions, retirees, and tort claimants, among others. The Committee is charged with the obligation to help maximize the recoveries of all unsecured creditor constituents.

Verity is rapidly depleting cash reserves such that prolonging the proceedings could result in the shuttering of healthcare facilities in underserved communities. Verity’s proposed sale of assets to Strategic Global Management, Inc., an affiliate of KPC, presents an opportunity to offer continued access to health care services for those communities served by Verity, while also providing an opportunity for unsecured creditors to obtain some recovery, albeit small (absent successful litigation with the secured creditors and others). The Committee is not aware of any alternative at this point that would accomplish these goals.

Time is of the essence and any delay in closing would be very costly. Verity estimates, and the Committee believes, that the cost of delay is almost \$5 million per week. Consequently, any further delay could eliminate unsecured creditor recoveries entirely.

#4810-3748-0337v2

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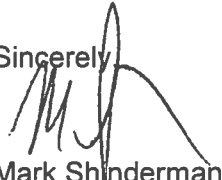


September 24, 2019

Page | 2

Thank you for your consideration of the Committee's views and we look forward to further discussing this matter with you should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'MS', with a long, sweeping horizontal stroke extending to the right.

Mark Shinderman

Milbank

#4810-3748-0337v2

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DECLARATION OF PETER BARONOFF

Peter Baronoff declares as follows:

1. I am currently the Chief Executive Officer of KPC Healthcare, Inc., which owns four hospitals in Orange County: The Orange County Global Medical Center, Southcoast Global Medical Center, Anaheim Global Medical Center, and Chapman Global Medical Center. I am also the Chief Executive Officer of Physicians for Healthy Hospitals, Inc., which owns Hemet Global Medical Center and Mennefee Global Medical Center. I am the Chief Executive Officer of Victor Valley Hospital Acquisition, Inc., which owns the Victor Valley Global Medical Center. All of the afore-said hospitals are acute care hospitals, and collectively referred to as “KPC”.

2. Following the commencement of the Chapter 11 cases for Verity Health Systems of California, Inc., et al (collectively “Verity”), I began discussions with Verity’s representatives regarding the possible acquisition by Strategic Global Management, Inc. (“SGM”), one of KPC’s affiliates, of one or more of the Verity hospitals. Over the course of the months beginning November 2018 and continuing into February 2019, I was directly involved in the negotiations on behalf of SGM in connection with SGM’s prospective acquisition of St. Vincent Medical Center, St. Vincent Dialysis Center, St. Francis Medical Center, and Seton Medical Center (including its Seton Medical Center Coastsides campus) (“the SGM Hospitals”). These negotiations eventually led to the execution of an Asset Purchase Agreement between SGM and Verity for the SGM Hospitals (“APA”).

3. During the course of SGM’s negotiations with Verity, there were innumerable issues that the parties confronted, discussed, negotiated and ultimately resolved when the parties reached a final agreement on the terms of the APA. One of the most intensely negotiated subjects had to do with the prospective conditions that might be imposed by the California Attorney General (“Attorney General”) in connection with the proposed transfer of the SGM Hospitals to SGM. Based upon my prior experience with hospital acquisitions, both in connection with my employment at KPC and also in connection with my prior employment as an



executive of Promise Healthcare (“Promise”), I was well aware of the Attorney General’s approval process in connection with the sale of not for profit hospitals and with the precedent for the Attorney General to impose conditions on such sales. Indeed, I was personally involved, on behalf of Promise, in the Gardens Regional Hospital Chapter 11 case. Promise was a DIP lender and stalking horse bidder for Gardens Regional Hospital, but was ultimately outbid by SGM at the auction. When SGM terminated its purchase agreement, as a result of the imposition by the Attorney General of condition, which were deemed burdensome by SGM, that sale transaction was terminated and Gardens Regional Hospital was eventually closed.

4. Knowing that, in our case, SGM’s acquisition of the SGM Hospitals would undergo an approval process by the Attorney General, and knowing that the Attorney General might impose conditions that would not be acceptable to SGM, SGM recognized the importance of negotiating a provision in its Asset Purchase Agreement which would protect it from the possibility that the Attorney General would impose conditions on the transfer of the hospitals to SGM which would be burdensome from a financial standpoint and otherwise. Accordingly, SGM and Verity spent an enormous amount of time negotiating the provisions of what became Section 8.6 (and Schedule 8.6 referenced therein) of the APA. Without question, the negotiation of Section 8.6 was the most intensely negotiated provision of the APA. In fact, it was not until the morning of the hearing to approve SGM as the stalking horse purchaser, which took place on February 6, 2019, that the parties, with input from the Official Creditors Committee and other stakeholders, were able to agree on the final wording of Section 8.6.

5. In essence, the parties agreed that if the Attorney General imposed “Additional Conditions” (as used in Section 8.6), SGM would not be obligated to close the sale unless Verity was able to procure from the Bankruptcy Court or another court, a supplemental sale order finding that the Additional Conditions are an “interest in property” for purposes of 11 U.S.C. § 363(f), and that the Assets can be sold free and clear of the Additional Conditions without the imposition of any other conditions. Section 8.6 also discusses certain time limits and finality requirements, as more specifically set forth therein.

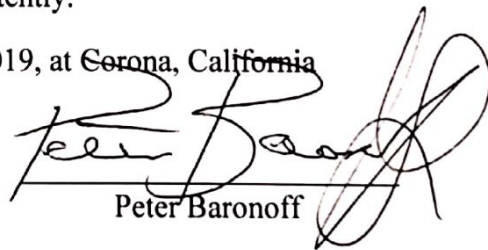


6. The Additional Conditions referred to in Section 8.6 were those conditions which are materially different than the conditions approved by SGM in Schedule 8.6. Additional Conditions which individually or collectively impose a direct or indirect cost to SGM of \$5 million, or more, shall be conclusively deemed to be “materially different.”

7. On September 25, 2019, the Attorney General issued his decision with respect to the proposed transfer of the SGM Hospitals to SGM (“Decision”). We have carefully reviewed the Decision. The Attorney General’s Decision imposes numerous conditions on the transfer of the SGM Hospitals to SGM. Many of these conditions are “Additional Conditions” as that term is used in Section 8.6 of the APA. SGM has evaluated the Additional Conditions and has advised Verity that, based upon these Additional Conditions, SGM is invoking its rights under Section 8.6 of the APA. Accordingly, SGM has advised Verity that SGM will not close the purchase of the SGM Hospitals unless Verity is able to obtain the requisite court order within the time period provided for in Section 8.6.

8. I declare under penalty of perjury, of the laws of the United States of America, that all of the foregoing facts are true and correct and if sworn to testify concerning the contents of this Declaration I could and would do so competently.

Executed this 30<sup>th</sup> day of September, 2019, at Corona, California

  
Peter Baronoff



**PETER C. CHADWICK**

I, Peter C. Chadwick, declare, that if called as a witness, I would and could competently testify thereto, of my own personal knowledge, as follows:

1. I am a Managing Director of Berkeley Research Group, LLC (“BRG”) and am duly authorized to make this declaration (the “Declaration”) on behalf of BRG. I obtained a BA from Pennsylvania State University, and an MBA in Finance from Babson College, Olin School of Business. Before joining BRG, I was an Executive Director at Capstone Advisory Group, LLC. Prior to that, I was a Senior Managing Director at FTI Consulting. For more than twenty years, I have served as a chief restructuring officer, chief executive officer, chief operating officer, chief financial officer and as a financial advisor and trustee in complex restructuring matters. Among other things, I have significant experience in the healthcare arena and effectuating sale transactions.

2. On November 7, 2018, the Court entered an order employing BRG [Docket No. 785] as the financial advisors to Verity Health System of California, Inc. and the above-referenced debtors and debtors in possession (collectively, the “Debtors”), the above captioned chapter 11 cases (the “Cases”). I have diligently worked with the Debtors on every aspect of their Cases. In addition, I have been serving as Chief Financial Officer of Seton Medical Center since September 1, 2019.

3. Except as otherwise indicated herein, this Declaration is based upon my personal knowledge, my review of relevant documents or information provided to me by employees of BRG and the Debtors. In preparing this Declaration, I have relied on my experience as described above. I am also assisted by others at BRG who work at my direction in the preparation of the analysis and other information included herein. In addition, I reviewed the Debtors’ schedules and legal papers. In preparing this Declaration, I worked with persons at the Debtors’ facilities with factual knowledge of information upon which I have relied. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

4. This Declaration is in support of the *Debtors’ Emergency Motion for the Entry of an Order (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding That the Sale Is Free and Clear of Conditions Materially Different Than Those Approved*



1 *by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing*  
2 *Conditions on That Sale; and (IV) Granting Related Relief* (the “Motion”), and for all other  
3 purposes permitted by law. All capitalized terms not otherwise defined herein shall have the same  
4 meaning as in the Motion.

5 5. I have reviewed the conditions (the “2019 Conditions”) set forth in the September  
6 25, 2019 report (the “Report”) issued by the California Attorney General (the “Attorney General”)  
7 regarding the proposed sale of St. Francis Medical Center (“SFMC”), St. Vincent Medical Center  
8 (“SVMC”), and Seton Medical Center, including its Daly City and Coastside Campuses (“Seton”)  
9 (collectively, the “Hospitals”), to Strategic Global Management, Inc. (“SGM”) and its affiliated  
10 entities, as reflected in that certain Asset Purchase Agreement (the “APA”). I have also compared  
11 the 2019 Conditions to Schedule 8.6 to the APA.

12 6. Several of the 2019 Conditions differ materially from Schedule 8.6 attached to the  
13 APA (the “Additional Conditions”). The Additional Conditions would have a significant impact  
14 on the economic viability of the Hospitals and increase the purchase price in the APA to nearly a  
15 billion dollars. By way of example only, the 2019 Conditions would require SVMC to remain  
16 operated and maintained as a licensed general acute care hospital (as defined in California Health  
17 and Safety Code Section 1250) through December 2024, whereas Schedule 8.6 provides that  
18 SVMC must be operated through December 2020. The reported Financial Statements of SVMC  
19 reflect that, in fiscal 2019 (ended June 30, 2019), SVMC lost approximately \$65 million which  
20 was an 18% and 103% increase over the fiscal years 2018 and 2017, respectively. Attached  
21 hereto as Exhibit “1” is a true and correct copy of excerpts from SVMC’s Financial Statements,  
22 which reflect this information. Assuming operating losses at SVMC can be maintained at fiscal  
23 2019 levels (a highly optimistic assumption), the buyer of the Hospitals would likely incur  
24 additional estimated losses totaling \$260 million. Moreover, the \$260 million loss would likely  
25 need to be financed. Using an average interest rate of 5% for four years of debt service would  
26 result in estimated incremental financing charges totaling approximately \$25 million.  
27 Accordingly, this 2019 Condition alone would place a potential burden on the buyer of at least  
28 \$285 million beyond that contemplated in Schedule 8.6.



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7. The Additional Conditions also impose certain charity care (“Charity Care”) requirements on SGM. The Charity Care requirement presents another example of the significant economic impact of the 2019 Conditions when compared with Schedule 8.6. The 2019 Conditions require SGM to provide an annual amount of Charity Care at SFMC equal to or greater than \$12,793,435 for a period of six fiscal years, which is at least \$4,793,435, per year more than SGM has agreed to provide pursuant to Schedule 8.6 for a period of seven years. After adjusting for the one-year shorter required duration of this 2019 Condition, the estimated incremental cost to the buyer would be nearly \$20 million in total over the six years. The 2019 Conditions provide for additional increases in Charity Care amounts for SVMC and Seton, as well as increases across all three Hospitals in Community Benefit Service amounts. Moreover, these Charity Care conditions would actually require the Hospitals to increase the Charity Care they provide above current levels.

8. In summary, the total financial impact of just these two examples of 2019 Conditions would require SGM to incur additional losses of approximately \$305 million beyond those contemplated by Schedule 8.6. Attached hereto as Exhibit “2” is a chart reflecting the economic analysis set forth above. When compared to the buyer’s APA purchase price of \$610 million, these represent a 50% increase in the price for the sale of these distressed assets. The magnitude of these losses calls into question the viability of the acquisition.

9. The two examples of 2019 Conditions addressed above were selected to illustrate the impact on the viability of the system and impact on sale. In fact, many of the other 2019 Conditions materially diverge from Schedule 8.6, including those addressing cancer services and select uneconomic payor agreements. In addition, some of the 2019 Conditions diverge from the conditions under which VHS is currently required to operate (the “2015 Conditions”), including those addressing continuing liver transplant services and acting as a ST-Elevation Myocardial Infarction receiving center. The 2015 Conditions locked the Hospitals into financial obligations and operational obligations that made financial success impossible (the Debtors have lost hundreds of millions of dollars as a result of the implementation of the 2015 Conditions). The Hospitals’ adherence to the Additional Conditions (aside from the two specific examples



1 discussed in paragraphs 6-8 above) would add an additional burden of tens of millions of dollars  
2 in losses, further undermining the viability of the Hospitals.

3 I declare under penalty of perjury and of the laws in the United States of America, the  
4 foregoing is true and correct.

5 Executed this 30th day of September, 2019, in Los Angeles, California.

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8 PETER C. CHADWICK  
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**Exhibit 1**

**Chadwick Declaration**



	FY2017	FY2018	FY2019
<b>REVENUE</b>			
<b>Patient Revenue</b>			
Inpatient Services	\$1,031,722,636	\$1,120,000,426	\$979,692,248
Outpatient Services	383,037,203	411,103,372	402,645,143
<b>Gross Patient Revenue</b>	<b>\$ 1,414,759,839</b>	<b>\$ 1,531,103,798</b>	<b>\$ 1,382,337,391</b>
<b>Deductions from Revenue</b>			
Contractual Adjustments	1,174,183,134	1,293,377,840	1,178,503,798
Charity	7,976,081	5,548,555	3,991,237
Other	17,232,577	15,584,788	17,122,307
<b>Total Deductions</b>	<b>\$ 1,199,391,792</b>	<b>\$ 1,314,511,183</b>	<b>\$ 1,199,617,341</b>
Pat. Rev, Net of Contractuals Allowances and Other Ded.	215,368,047	216,592,615	182,720,050
Provision for Doubtful Accounts	7,104,285	12,283,488	3,003,719
<b>Net patient revenue</b>	<b>\$ 208,263,762</b>	<b>\$ 204,309,127</b>	<b>\$ 179,716,331</b>
Other Revenue	1,963,454	1,213,265	1,671,292
<b>Total Net Revenue</b>	<b>\$ 210,227,216</b>	<b>\$ 205,522,392</b>	<b>\$ 181,387,623</b>
Premium Revenue	18,312,060	31,090,903	19,728,154
Contributions	1,217,644	1,021,479	939,167
<b>Total Revenues</b>	<b>\$ 229,756,920</b>	<b>\$ 237,634,774</b>	<b>\$ 202,054,945</b>
<b>EXPENSES</b>			
<b>Operating and Administrative</b>			
Salaries and Wages	76,453,029	86,207,418	84,278,891
Registry Nursing	5,471,579	7,041,543	5,707,894
Other Contract	1,482,844	563,584	1,055,157
Employee Benefits	22,346,934	20,619,577	23,178,513
<b>Total Labor</b>	<b>\$ 105,754,386</b>	<b>\$ 114,432,122</b>	<b>\$ 114,220,456</b>
Medical Fees	4,936,536	5,585,232	5,346,478
Supplies	48,264,174	52,175,517	41,735,262
Purchased Services	58,529,533	77,992,667	59,339,626
Insurance	2,217,126	2,408,853	2,362,620
Utilities	4,239,356	4,268,399	4,892,640
Depreciation	6,036,514	5,800,329	5,956,136
Interest	3,074,678	2,750,781	2,677,934
<b>Total Expenses</b>	<b>\$ 233,052,303</b>	<b>\$ 265,413,900</b>	<b>\$ 236,531,152</b>
<b>Operating Income Excl Corp Allocation/Management Fees</b>	<b>\$ (3,295,383)</b>	<b>\$ (27,779,126)</b>	<b>\$ (34,476,207)</b>
Corp Allocation	28,553,827	27,063,467	30,319,534
<b>Operating Income Incl Corp Allocation</b>	<b>\$ (31,849,210)</b>	<b>\$ (54,842,593)</b>	<b>\$ (64,795,741)</b>

Source: Internal financial statements



**Exhibit 2**

**Chadwick Declaration**



**Estimated Impact of Certain AG Additional Conditions****\$ in millions****A.) St. Vincent incremental years of operation**

2015 AG requirement: 5 years of operation from Dec 2015 - 1 additional year

2019 AG requirement: 5 years of operation from Dec 2019

**Impact: 4 incremental years of operation**

Financial impact estimate:

	FY2017	FY2018	FY2019
<b>St. Vincent</b>			
Revenues	\$ 230	\$ 238	\$ 202
Expenses	(233)	(265)	(237)
Corp allocation (excl management fees)	(29)	(27)	(30)
<b>Operating loss</b>	<b>\$ (32)</b>	<b>\$ (55)</b>	<b>\$ (65)</b>
% chg re FY2019	<b>103%</b>	<b>18%</b>	

**Cumulative 4-yr loss at FY2019 loss levels: \$ (259)**

Financing cost

Illustrative interest rate 5.0%

**4-yrs of debt service \$ (26)****Potential burden of SV incremental years of operation \$ (285)****B.) St. Francis charity care**

2015 AG requirement: 11 years of charity care at \$16.6 million annual - 7 additional years

SGM 8.6 7 additional years of charity care at \$8 million annual

2019 AG requirement: 6 years of charity care at \$12.8 million

**Impact: Incremental annual spend of \$4.8 million, one fewer year**

Financial impact estimate:

	Ann amt	Yrs	Cost
St. Francis charity care approved by SGM	8.0	7	\$ 56.0
St. Francis charity care required - 2019	12.8	6	\$ 76.8
<b>Potential burden of SF incremental charity care</b>			<b>\$ (20.8)</b>

**Total financial impact of certain AG additional conditions \$ (306)****SGM purchase price \$ 610****Effective % increase in the purchase price 50%**



**DECLARATION OF HOPE R. LEVY-BIEHL**

I, Hope R. Levy-Biehl, declare that I have personal knowledge of the facts set forth in this declaration, and I would competently testify to them under oath if called as a witness.

1. I am an attorney at law licensed to practice before all courts in the State of California. I am a partner in the law firm of Nelson Hardiman LLP, attorneys for Verity Health System of California, Inc. (“VHS”).

2. This Declaration is in support of the *Debtors’ Emergency Motion for the Entry of an Order (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding That the Sale Is Free and Clear of Conditions Materially Different Than Those Approved by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing Conditions on That Sale; and (IV) Granting Related Relief* (the “Motion”), and for all other purposes permitted by law. All capitalized terms not otherwise defined herein shall have the same meaning as in the Motion.

3. Upon information and belief, I understand VHS has had an ongoing dialogue for several years with the California Attorney General about the financial challenges facing VHS and the future of the O’Connor Hospital (“OCH”), Saint Louise Regional Hospital (“SLRH”), St. Francis Medical Center (“SFMC”), St. Vincent Medical Center (“SVMC”), and Seton Medical Center, including its Daly City and Coastsides Campuses (“Seton”). For example, I understand that in anticipation of filing for bankruptcy, VHS representatives met with Deputy Attorney General Wendi Horwitz in July of 2018.

4. On December 27, 2018, the Bankruptcy Court entered the *Order (A) Authorizing the Sale of Certain of the Debtors’ Assets to Santa Clara County Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (B) Approving the Assumption and Assignment of an Unexpired Lease Related Thereto; and (C) Granting Related Relief* [Docket No. 1153], approving a sale of OCH and SLRH, and related assets, to Santa Clara County (the “SCC Sale”).

5. Upon information and belief, I understand VHS representatives subsequently met with Attorney General Xavier Becerra and Senior Advisor Becerra Melanie Fontes Rainer in



1 Sacramento in February of 2019, to discuss the pending SCC Sale and the forthcoming auction and  
2 sale of SFMC, SVMC and Seton (collectively, the “Hospitals”).

3 6. On May 2, 2019, the Court entered the order (the “Sale Order”) approving the sale  
4 of substantially all assets of Debtors’ Hospitals, to Strategic Global Management, Inc. (“SGM”)  
5 for \$610 million (the “SGM Sale”), plus the payment of cure costs and assumption of certain  
6 liabilities, as more fully set forth in that certain asset purchase agreement (the “APA”) [Docket No.  
7 2306].

8 7. In anticipation of submitting a notice and request for approval of the SGM Sale to  
9 the Attorney General’s office, VHS representatives from Nelson Hardiman (including myself)  
10 engaged with Deputy Attorney General Scott Chan beginning in early April 2019. These  
11 discussions and exchanges were regular and ongoing, and addressed, among other things, the  
12 substantive and procedural requirements for the submission and review and the related timeline. At  
13 all times, VHS consistently requested an expedited review of the submission in light of its  
14 significant operating losses and cash flow challenges.

15 8. By letter dated May 7, 2019, VHS provided notice to, and requested written consent  
16 from, the Attorney General for the SGM Sale pursuant to California Corporations Code Section  
17 5914 and Title 11 of the California Code of Regulations, Section 999.5. *See* Docket No. 2379. As  
18 outlined in the submission and discussed a number of times in writing, in person and by email with  
19 various representatives of the Attorney General, the SGM Sale was critical and truly the only  
20 option to help ensure that the Hospitals would survive the current financial challenges facing them  
21 and be preserved as providers of essential health care services to the communities they serve.

22 9. The submission to the Attorney General, on May 7, 2019, was supplemented and  
23 completed on May 13, 2019, with the filing made to the Federal Trade Commission pursuant to the  
24 Hart-Scott-Rodino Antitrust Improvements Act 1976, as amended.

25 10. VHS representatives thereafter engaged in ongoing discussions with the Attorney  
26 General’s office, requesting, among other things, an in-person meeting to review the submission  
27 and transaction prior to the completion of its expert’s Health Care Impact Statements and the  
28 expedited processing of the submission. The Attorney General denied both requests.



11. The Attorney General retained JD Healthcare to prepare Health Care Impact Statements regarding the proposed sale of the Hospitals. After conducting interviews of certain corporate and hospital personnel of VHS and other stakeholders in July 2019, and in advance of the public hearings held by the Attorney General, JD Healthcare released its Health Care Impact Statements concerning the proposed sale of the Hospitals on August 16, 2019 and August 19, 2019.

12. By letter, dated August 21, 2019, SGM submitted its response to the Health Care Impact Statements and the embedded recommended conditions. By letter dated August 23, 2019, VHS submitted its response to these statements and conditions, which was also filed with the Bankruptcy Court. True and correct copies of these letters are annexed as Exhibit “E” to the Motion.

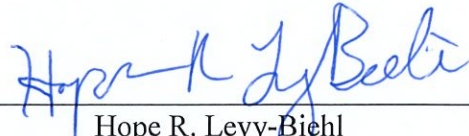
13. In late August 2019, Deputy Attorney General Scott Chan, on behalf of the Attorney General, held public meetings relating to each affected hospital. I attended the public hearings regarding the sale of SFMC and SVMC. At each of the public meetings I attended, Rich Adcock of VHS, Peter Baronoff of SGM, and Sam Maizel of Dentons US LLP, each spoke directly and on the record about the economic issues raised by the potential conditions for each hospital, and urged the Attorney General to consider the economic implications of the conditions he would impose. Mr. Adcock and Mr. Baronoff made clear that the proposed transaction would be at risk, and therefore the continued operations of the Hospitals would be at risk, if the Attorney General imposed conditions which exceeded the conditions agreed to in Schedule 8.6. I understand Rich Adcock, Peter Baronoff and Sam Maizel made similar statements at the Seton public hearings.

14. Following its receipt of the “deal breaker” letters and the public hearings, the Attorney General’s office met first with representatives from SGM on September 6, 2019, and subsequently with representatives of both SGM and VHS on September 19, 2019. Upon information and belief, I understand that at the meeting on September 19, 2019, SGM informed the Attorney General’s office that it would not proceed with the transaction if the Attorney General imposed conditions beyond those it agreed to accept in Schedule 8.6 to the APA.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.



Executed this 30th day of September, 2019, in Los Angeles, California.

  
\_\_\_\_\_  
Hope R. Levy-Biehl

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**Exhibits to Memorandum of Points and Authorities**



**Exhibit A**

**Sale Order**



1 SAMUEL R. MAIZEL (Bar No. 189301)  
2 samuel.maizel@dentons.com  
3 TANIA M. MOYRON (Bar No. 235736)  
4 tania.moyron@dentons.com  
5 DENTONS US LLP  
6 601 South Figueroa Street, Suite 2500  
7 Los Angeles, California 90017-5704  
8 Tel: (213) 623-9300 / Fax: (213) 623-9924  
9 Attorneys for the Chapter 11 Debtors and  
10 Debtors In Possession

FILED & ENTERED

MAY 02 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

CHANGES MADE BY COURT

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Hon. Judge Ernest M. Robles

**ORDER (A) AUTHORIZING THE SALE  
OF CERTAIN OF THE DEBTORS'  
ASSETS TO STRATEGIC GLOBAL  
MANAGEMENT, INC. FREE AND CLEAR OF  
LIENS, CLAIMS, ENCUMBRANCES, AND  
OTHER INTERESTS; (B) APPROVING THE  
ASSUMPTION AND ASSIGNMENT OF  
AN UNEXPIRED LEASE RELATED  
THERE TO; AND (C) GRANTING  
RELATED RELIEF**

Hearing:

Date: April 17, 2019

Time: 10:00 a.m.

Location: Courtroom 1568

255 E. Temple St., Los Angeles, CA

Debtors and Debtors In Possession.

☒ Affects All Debtors

☐ Affects Verity Health System of  
California, Inc.

☐ Affects O'Connor Hospital

☐ Affects Saint Louise Regional Hospital

☐ Affects St. Francis Medical Center

☐ Affects St. Vincent Medical Center

☐ Affects Seton Medical Center

☐ Affects O'Connor Hospital Foundation

☐ Affects Saint Louise Regional Hospital  
Foundation

☐ Affects St. Francis Medical Center of  
Lynwood Foundation

☐ Affects St. Vincent Foundation

☐ Affects St. Vincent Dialysis Center, Inc.

☐ Affects Seton Medical Center Foundation

☐ Affects Verity Business Services

☐ Affects Verity Medical Foundation

☐ Affects Verity Holdings, LLC

☐ Affects De Paul Ventures, LLC

☐ Affects De Paul Ventures - San Jose  
Dialysis, LLC

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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 2 of 27

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1 This matter came before the Court on the *Motion For The Entry Of (I) An Order (1)*  
2 *Approving Form Of Asset Purchase Agreement For Stalking Horse Bidder And For Prospective*  
3 *Overbidders To Use, (2) Approving Auction Sale Format, Bidding Procedures And Stalking*  
4 *Horse Bid Protections, (3) Approving Form Of Notice To Be Provided To Interested Parties, (4)*  
5 *Scheduling A Court Hearing To Consider Approval Of The Sale To The Highest Bidder And (5)*  
6 *Approving Procedures Related To The Assumption Of Certain Executory Contracts And*  
7 *Unexpired Leases; And (II) An Order (A) Authorizing The Sale Of Property Free And Clear Of*  
8 *All Claims, Liens And Encumbrances* (the “Motion”) [Docket No. 1279], filed by Verity Health  
9 System of California, Inc. (“VHS”), and the above-referenced affiliated debtors and debtors in  
10 possession in the above-captioned chapter 11 bankruptcy cases (the “Debtors”), for the entry of  
11 an order, pursuant to §§ 105(a), 363, and 365 of title 11 of the United States Code (the  
12 “Bankruptcy Code”), Rules 2002, 6004, 6006, 9007, and 9014, and LBR 6004-1.<sup>1</sup>

13 At the previous hearing on the Motion on February 19, 2019 (the “Bidding Procedures  
14 Hearing”), the Court considered various objections (the “Premature Objections”) filed by: (i) St  
15 Vincent IPA Medical Corporation and Angeles IPA [Docket No. 1397]; (ii) the California  
16 Attorney General [Docket No. 1352]; (iii) MGH Painting Inc. [Docket No. 1358]; and (iv) Belfor  
17 USA Group, Inc. [Docket No. 1364]. The Court ruled that the Premature Objections were  
18 premature and preserved for the Sale Hearing, as set forth in order granting the Motion (the  
19 “Bidding Procedures Order”) [Docket No. 1572]. The Bidding Procedures Order also stated that  
20 objections filed by the U.S. Department of Health and Human Services and Centers for Medicare  
21 and Medicaid Services [Doc. No. 1346] and the California Department of Health Care Services  
22 [Doc. No. 1353] (the “Continued Objections”) were continued, as resolved by stipulations  
23 [Docket Nos. 1458 and 1473, respectively], approved by this Court’s orders [Docket Nos. 1465  
24 and 1483, respectively].

25  
26  
27 <sup>1</sup> Unless specified otherwise, all chapter and section references are to the Bankruptcy Code, 11  
28 U.S.C. §§ 101-1532, all “Rule” references are to the Federal Rules of Bankruptcy Procedure, and  
all “LBR” references are to the Local Bankruptcy Rules for the United States Bankruptcy Court  
for the Central District of California.



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 3 of 27

Any additional objections that were filed and overruled at the Bidding Procedures Hearing are not listed herein.

The Court, having reviewed the Memorandum [Docket No. 2115], the Declarations of Richard Adcock [Docket Nos. 8 and 1469] and James Moloney [Docket No. 2220] in support thereof, the *Notice To Counterparties To Executory Contracts And Unexpired Leases Of The Debtors That May Be Assumed And Assigned* [Docket No. 1704], the *Supplemental Notice To Counterparties To Executory Contracts and Unexpired Leases of The Debtors That May Be Assumed and Assigned* [Docket No. 1836], the *Second Supplemental Notice Re Notice to Counterparties to Executory Contracts and Unexpired Leases of the Debtors That May Be Assumed and Assigned* [Docket No. 2065] (together Docket Nos. 1704, 1836 and 2065 are the “Cure Notice”), the *Notice of Executory Contracts and Unexpired Leases Designated by Strategic Global Management, Inc. For Assumption and Assignment* [Docket No. 2131] (the “Designation Notice”), the *Notice That No Auction Shall Be Held Re Debtors’ Motion and Motion for the Entry of (I) An Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders; (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections; (3) Approving Form of Notice to Be Provided to Interested Parties; (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder; and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* [Docket No. 2053] (the “No-Auction Notice”), the objections filed by various counterparties to certain executory contracts and unexpired leases [Docket Nos. 1788; 1804; 1819; 1830; 1849; 1850; 1852; 1853; 1856-1858; 1863; 1866; 1869; 1870; 1873-1877 1881; 1882; 1885; 1890-1892; 1904; 1926; 1930; 1933; 1940; 1946; 1948; 1949; 1953; 1954; 1965; 2058; 2066; 2108; 2113; 2144; 2146; 2148, 2150, 2157, 2161, 2162] (the “Cure Objections”), the objection by the California Department of Health Care Services (the “DHCS”) [Docket No. 1879], the *Stipulation Continuing Hearing Regarding Creditors U.S. Department of Health and Human Services and California Department of Health Care Services* [Docket No.

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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 4 of 27

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1 2125], the *Limited Opposition of Belfor USA Group, Inc. to Debtors' Motion for an Order*  
2 *Authorizing the Sale of Property Free and Clear of All Claims Liens and Encumbrances* [Docket  
3 No. 2130], the *Objection of United Healthcare Insurance Company to Debtors' Motion for Order*  
4 *Approving Form of Asset Purchase Agreement for Stalking Horse Bidder, Etc.* [Docket No. 2145]  
5 filed United Healthcare Insurance Company, *SEIU-UHW's Objection and Reservation of Rights*  
6 *to Debtors' Sale Motion* filed by the Service Employees International Union, United Healthcare  
7 Workers-West [Docket No. 2147], the *Limited Objection and Reservation of Rights of United*  
8 *Nurses Associations of California to Motion of Debtors for Approval of Sale [of Remaining*  
9 *Hospital Assets to the Highest Bidder* [Docket No. 2155] filed by the United Nurses Association  
10 of California, the *Reservation of Rights of U.S. Bank National Association, As Series 2015 Note*  
11 *Trustee and as Series 2017 Note Trustee and as Series 2017 Note Trustee, with Respect to*  
12 *Debtors' Motion for Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for*  
13 *Stalking Horse Bidder and For Stalking Horse Bidder and for Prospective Overbidders (2)*  
14 *Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections, (3)*  
15 *Approving Form of Notice to be Provided to Interested Parties, (4) Scheduling a Court Hearing*  
16 *to Consider Approval of the Sale to the Highest Bidder and (5) Approving Procedures Related to*  
17 *the Assumption of Certain Executory Contracts and Unexpired Leases and (II) an Order (A)*  
18 *Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* [Docket  
19 No. 2156] filed by U.S. Bank National Association, As Series 2015 Note Trustee and as Series  
20 2017 Note Trustee, the *Official Committee of Unsecured Creditors Response to the Debtors'*  
21 *SGM Sale Motion* [Docket No. 2164], the *Reservation of Rights of California Statewide*  
22 *Communities Development Authority to Motion of Debtors for Approval of Sale [of Remaining*  
23 *Hospital Assets] to the Highest Bidder* [Docket No. 2168] filed by the California Statewide  
24 Communities Development Authority, the Premature Objections, the Continued Objections, and  
25 any withdrawals thereof, the statements, arguments and representations of the parties made at the  
26 Sale Hearing; and the entire record of these cases; and the Court, having determined that the relief  
27 sought in the Motion is in the best interests of the Debtors, their estates, their creditors, and that  
28



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 5 of 27

the legal and factual bases set forth in the Motion and presented at the Sale Hearing establish just cause for the relief granted herein and for the reasons set forth in the Court's tentative ruling [Docket No. 2221]; and all objections to the Motion, if any, having been withdrawn, continued or overruled; and for the reasons set forth in the Court's tentative ruling [Docket No. 2221], which the Court adopts as its final ruling and which is incorporated herein by reference; and after due deliberation and sufficient good cause appearing therefor:

**THE COURT HEREBY FINDS AND CONCLUDES THAT:<sup>2</sup>**

A. Jurisdiction and Venue. This Court has jurisdiction to hear and determine the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter relates to the administration of the Debtors' bankruptcy estates and is accordingly a core proceeding pursuant to 28 U.S.C. § 157(b) (2) (A), (M), (N) and (O). Venue of these cases is proper in this District and in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Statutory Predicates. The statutory predicates for the relief requested in the Motion are (i) §§ 105(a), 363(b), (f), (k), (l) and (m), and 365, (ii) Rules 2002(a)(2), 2002(c)(1) and (d), 6004 (a), (b), (c), (e), (f) and (h), 6006(a), (c) and (d), 9006, 9007, 9013 and 9014, and (iii) LBR 6004-1 and 9013-1.

C. Notice. As evidenced by the affidavits of service previously filed with the Court, the Debtors have provided proper, timely, adequate and sufficient notice with respect to the following: (i) the Motion and the relief sought therein, including the entry of this Sale Order and the transfer and sale of the assets (the "Purchased Assets"), as set forth in the Asset Purchase Agreement, dated January 8, 2019, a copy of which is attached as Exhibit "A" to Docket No. 1279 (the "APA"); (ii) the Sale Hearing; (iii) the No-Auction Notice; and (iv) the assumption and assignment of the executory contracts and unexpired leases and proposed cure amounts owing under such executory contracts and unexpired leases (the "Cure Amounts"); and no further notice

<sup>2</sup> The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Rule 7052, made applicable to this proceeding pursuant to Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 6 of 27

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1 of the Motion, the relief requested therein or the Sale Hearing is required. The Debtors have also  
2 complied with all obligations to provide notice of the Auction, the Sale Hearing, the proposed  
3 sale and otherwise, as required by the Bidding Procedures Order. A reasonable opportunity to  
4 object and to be heard regarding the relief provided herein has been afforded to parties-in-interest.

5 D. Arm's Length Transaction. The APA and other documents and instruments (the  
6 "Transaction Documents") related to and connected with this transaction (the "Transaction") and  
7 the consummation thereof were negotiated and entered into by the Debtors and Strategic Global  
8 Management, Inc. ("SGM"), as Purchaser under the APA without collusion, in good faith and  
9 through an arm's length bargaining process. Neither SGM nor any of its affiliates or  
10 representatives is an "insider" of the Debtors, as that term is defined in § 101(31). None of the  
11 Debtors, SGM, or their respective representatives engaged in any conduct that would cause or  
12 permit the APA, any of the other Transaction Documents or the Transaction to be avoided under  
13 § 363(n), or have acted in any improper or collusive manner. The terms and conditions of the  
14 APA and the other Transaction Documents, including, without limitation, the consideration  
15 provided in respect thereof, are fair and reasonable, and are not avoidable and shall not be  
16 avoided, and no damages may be assessed against SGM or any other party, as set forth in §  
17 363(n). The consideration provided by SGM is fair, adequate and constitutes reasonably  
18 equivalent value and fair consideration under the Bankruptcy Code and any other applicable laws  
19 of the United States or any of its jurisdictions or subdivisions, including the State of California.

20 E. Good Faith Purchaser. SGM has proceeded in good faith and without collusion in  
21 all respects in connection with the sale process, in that: (i) SGM, in proposing and proceeding  
22 with the Transaction in accordance with the APA, recognized that the Debtors were free to deal  
23 with other interested parties; (ii) SGM agreed to provisions in the APA that would enable the  
24 Debtors to accept a higher and better offer; (iii) SGM complied with all of the provisions in the  
25 Bidding Procedures Order applicable to SGM; (iv) all payments to be made by SGM and other  
26 agreements entered into or to be entered into between SGM and the Debtors in connection with  
27 the Transaction have been disclosed; (v) the negotiation and execution of the APA and related  
28



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 7 of 27

Transaction Documents were conducted in good faith and constituted an arm's length transaction; (vi) SGM did not induce or cause the chapter 11 filings by the Debtors; and (vii) the APA was not entered into, and the Transaction being consummated pursuant to and in accordance with the APA is not being consummated, for the purpose of hindering, delaying or defrauding creditors of the Debtors. SGM is therefore entitled to all of the benefits and protections provided to a good-faith purchaser under § 363(m). Accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Transaction shall not affect the validity of the Transaction, any terms or conditions of the Transaction or SGM's status as a "good faith" purchaser.

F. Justification for Relief. Good and sufficient reasons for approval of the APA and the other Transaction Documents and the Transaction have been articulated to this Court in the Motion and at the Sale Hearing, and the relief requested in the Motion and set forth in this Sale Order is in the best interests of the Debtors, their estates, and their creditors. The Debtors have demonstrated through the Motion and other evidence submitted at the Sale Hearing both (i) good, sufficient and sound business purpose and justification and (ii) compelling circumstances for the transfer and sale of the Purchased Assets as provided in the APA outside the ordinary course of business, and (iii) such transfer and sale is an appropriate exercise of the Debtors' business judgment and in the best interests of the Debtors, their estates, and their creditors.

G. Free and Clear. In accordance with §§ 363(b) and 363(f), the consummation of the Transaction pursuant to the Transaction Documents shall be a legal, valid, and effective transfer and sale of the Purchased Assets and, except with respect to the liens arising from the Special Assessments and the PACE Obligations (each as defined in §1.1(a)(iii) of the APA) assumed by SGM, shall vest in SGM, through the consummation of the Transaction, all of the Debtors' right, title, and interest in and to the Purchased Assets, free and clear of all liens, claims, interests, rights of setoff, recoupment, netting and deductions, rights of first offer, first refusal and any other similar contractual property, legal or equitable rights, and any successor or successor-in-interest liability theories (collectively, the "Encumbrances"). The Debtors have demonstrated that one or



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 8 of 27

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1 more of the standards set forth in § 363(f)(1)-(5) have been satisfied. Those holders of  
2 Encumbrances who did not object, or who withdrew their objections, to the sale or the Motion are  
3 deemed to have consented pursuant to § 363(f)(2). Those holders of Encumbrances who did  
4 object fall within one or more of the other subsections of § 363(f). All holders of the  
5 Encumbrances in the Purchased Assets are adequately protected by having their respective  
6 Encumbrances attach to the Debtors' interests in the proceeds of the sale of the Purchased Assets  
7 under the APA (subject to any Challenge within the meaning of that certain *Final Order (I)*  
8 *Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens*  
9 *and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection,*  
10 *(V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final  
11 DIP Order") that has been, or may be, timely filed<sup>3</sup>), and any related documents or instruments  
12 delivered in connection therewith, whenever and wherever received (the "Sale Proceeds") to the  
13 extent and manner herein provided.

14 H. Prompt Consummation. The Debtors have demonstrated good and sufficient cause  
15 to waive the stay requirement under Rules 6004(h) and 6006(d). Time is of the essence in  
16 consummating the Transaction, and it is in the best interests of the Debtors and their estates to  
17 consummate the Transaction within the timeline set forth in the Motion and the APA. The Court  
18 finds that there is no just reason for delay in the implementation of this Order, and expressly  
19 directs entry of judgment as set forth in this Order.

20  
21 <sup>3</sup> The Final DIP Order granted to the Committee standing to file the requisite pleading to  
22 challenge the validity, enforceability and amount of the Prepetition Liens (each such proceeding  
23 or appropriate pleading commencing a proceeding or other contested matter, a "Challenge")  
24 within ninety (90) days from the formation of the Committee (the "Challenge Deadline"). See  
25 Final DIP Order ¶ 5(e). The Committee's investigation as to the Prepetition Liens remains  
26 ongoing. The Committee and the Prepetition Secured Creditors have entered into a number of  
27 stipulations (the "Challenge Stipulations") by which the Committee has acknowledged and  
28 stipulated to the validity, enforceability and perfection of the Prepetition Liens in certain  
collateral identified in the Challenge Stipulations, and by which the Challenge Deadline has been  
extended a number of times with respect to the validity, enforceability and perfection of the  
Prepetition Liens in any other collateral. The Challenge Deadline with respect to any Prepetition  
Liens for which the Committee has not stipulated pursuant to the Challenge Stipulations as to the  
validity, enforceability and perfection thereof is now May 13, 2019.



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 9 of 27

I. Assumption of Executory Contracts and Unexpired Leases. The Debtors have demonstrated that it is an exercise of their sound business judgment to assume and assign to SGM the Currently Identified Designated Contracts (as defined and identified in paragraph 15 below) and to the extent subsequently identified by SGM pursuant to paragraph 16 below, the Subsequently Identified Designated Contracts (as defined in paragraph 16 below) (the Currently Identified Designated Contracts and the Subsequently Identified Contracts are collectively referred to herein as the “Designated Contracts”) in connection with the consummation of the Transaction, and the assumption and assignment of the Designated Contracts is in the best interests of the Debtors and their estates.

J. Cure/Adequate Assurance. In connection with the Closing, and pursuant to the APA, unless otherwise ordered, any and all defaults existing on or prior to the Closing under any of the Designated Contracts will have been cured, within the meaning of § 365(b)(1)(A), by payment of the amounts and in the manner set forth below, unless otherwise agreed by SGM and the counterparty. SGM has provided or will provide adequate assurance of future performance of and under the Designated Contracts within the meaning of § 365(b)(1)(C) and § 365(f)(2)(B), and shall have no further obligation to provide assurance of performance to any counterparty to a Designated Contract. Pursuant to § 365(f), the Designated Contracts to be assumed by the Debtors (i.e., St. Francis Medical Center, a California nonprofit public benefit corporation (“St. Francis Medical Center”), St. Vincent Medical Center, a California nonprofit public benefit corporation (“St. Vincent Medical Center”), St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation (“St. Vincent Dialysis Center”), and Seton Medical Center, a California nonprofit public benefit corporation (“Seton Medical Center”) (collectively, the “Hospitals”), VHS, and Verity Holdings LLC, a California limited liability company (“Holdings”)), and assigned to SGM under the APA shall be assigned and transferred to, and remain in full force and effect for the benefit of, SGM, notwithstanding any provision in such Designated Contracts prohibiting their assignment or transfer. The Debtors have demonstrated that no other parties to any of the Designated Contracts has incurred any actual pecuniary loss



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 10 of 27

1 resulting from a default on or prior to the Closing under any of the Designated Contracts within  
2 the meaning of § 365(b)(1)(B).

3 K. Rejection of Executory Contracts and Unexpired Leases. The Debtors will have  
4 demonstrated that it is a reasonable and appropriate exercise of their sound business judgment for  
5 the Hospitals to reject all of their executory contracts and unexpired leases, excluding (i)  
6 Designated Contracts, (ii) any prepetition multiparty contract affecting more than one Debtor in  
7 addition to the Hospitals, (iii) any prepetition contract that is the subject of a Rule 9019 settlement  
8 motion prior to Closing, and (vi) any collective bargaining agreement, pension plan or health and  
9 welfare plan providing collectively bargained benefits to which a Hospital is a party or sponsor,  
10 which matters shall be scheduled for determination as provided in paragraph 33 below. Each  
11 such executory contract rejection is subject only to the conditions set forth in paragraphs 18, 31,  
12 and 32. The Debtors shall file an appropriate motion to reject such contracts, covered by this  
13 paragraph K, prior to Closing and shall request therein that the rejection be effective as of the  
14 Closing or as otherwise appropriate.

15 L. Highest or Otherwise Best Offer. The Debtors solicited offers and noticed the  
16 Auction in accordance with the provisions of the Bidding Procedures Order. The Auction was  
17 duly noticed, the sale process was conducted in a non-collusive manner and the Debtors afforded  
18 a full, fair and reasonable opportunity for any person or entity to make a higher or otherwise  
19 better offer to purchase the Purchased Assets. Other than SGM's Stalking Horse Bid, the Debtors  
20 received two Qualified Partial Bids by the Partial Bid Deadline and did not receive a Qualified  
21 Full Bid (as such terms are defined by the Bidding Procedures Order). The Debtors properly  
22 consulted with the Consultation Parties in selecting the SGM Stalking Horse Bid as the highest  
23 and best bid and in determining that no auction should be held (as such terms are defined in the  
24 Bidding Procedures Order), as set forth in their No-Auction Notice. The transfer and sale of the  
25 Purchased Assets to SGM on the terms set forth in the APA constitutes the highest or otherwise  
26 best offer for the Purchased Assets and will provide a greater recovery for the Debtors' estates  
27 than would be provided by any other available alternative. The Debtors' determination, in  
28



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 11 of 27

1 consultation with the Consultation Parties (as defined in the Bidding Procedure Order), that the  
2 APA constitutes the highest or best offer for the Purchased Assets and to not conduct an auction  
3 constitutes a valid and sound exercise of the Debtors' business judgment.

4 M. No De Facto or Sub Rosa Plan of Reorganization. The sale of the Purchased  
5 Assets does not constitute a *de facto* or *sub rosa* plan of reorganization or liquidation because it  
6 does not propose to (i) impair or restructure existing debt of, or equity or membership interests in,  
7 the Debtors, (ii) impair or circumvent voting rights with respect to any plan proposed by the  
8 Debtors, (iii) circumvent chapter 11 safeguards, including those set forth in §§ 1125 and 1129, or  
9 (iv) classify claims or equity or membership interests.

10 N. Legal and Factual Bases. The legal and factual bases set forth in the Motion and at  
11 the Sale Hearing establish just cause for the relief granted herein.

12 **NOW THEREFORE, IT IS HEREBY ORDERED THAT:**

13 1. The relief requested in the Motion is GRANTED and APPROVED in all respects  
14 to the extent provided herein.

15 2. All objections with regard to the relief sought in the Motion that have not been  
16 withdrawn, waived, settled, or provided for herein or in the Bidding Procedures Order, including  
17 any reservation of rights included in such objections, are overruled on the merits with prejudice.  
18 To the extent of any inconsistency between this Sale Order and the Bidding Procedures Order, the  
19 terms of this Sale Order shall prevail.

20 3. Pursuant to §§ 105(a), 363(b), 363(f), and 365, the Transaction, including the  
21 transfer and sale of the Purchased Assets to SGM on the terms set forth in the APA, is approved  
22 in all respects, and the Debtors are authorized and directed to consummate the Transaction in  
23 accordance with the APA, including, without limitation, by executing all of the Transaction  
24 Documents (and any ancillary documents or instruments that may be reasonably necessary or  
25 desirable to implement the APA or the Transaction) and taking all actions necessary and  
26 appropriate to effectuate and consummate the Transaction (including the transfer and sale of the  
27 Purchased Assets) in consideration of the Purchase Price (as defined in § 1.1 of the APA) upon  
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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 12 of 27

1 the terms set forth in the APA, including, without limitation, assuming and assigning to SGM the  
2 Designated Contracts. The Debtors and SGM shall have the right to make any mutually  
3 agreeable, non-material changes to the APA, which shall be in writing signed by both parties,  
4 without further order of the Court provided, that after reasonable notice, the Official Committee  
5 of Unsecured Creditors (the "Committee"), the DIP Agent (as defined in the Final DIP Order  
6 defined below), and the Prepetition Secured Creditors (as defined in the Final DIP Order) do not  
7 object to such changes. Any timely objection by the aforementioned parties to any agreed non-  
8 material changes to the APA may be resolved by the Court on shortened notice.

9 4. As of the Closing, (i) the Transaction set forth in the APA shall effect a legal,  
10 valid, enforceable and effective transfer and sale of the Purchased Assets to SGM free and clear  
11 of all Encumbrances, except with respect to the liens arising from the Special Assessments and  
12 the PACE Obligations assumed by SGM, as further set forth in the APA and this Sale Order; and  
13 (ii) the APA, and the other Transaction Documents, and the Transaction, shall be enforceable  
14 against and binding upon, and not subject to rejection or avoidance by, the Debtors, any successor  
15 thereto including a trustee or estate representative appointed in the Bankruptcy Cases, the  
16 Debtors' estates, all holders of any Claim(s) (as defined in the Bankruptcy Code) against the  
17 Debtors, whether known or unknown, any holders of Encumbrances on all or any portion of the  
18 Purchased Assets, all counterparties to the Designated Contracts and all other persons and  
19 entities.

20 5. Encumbrances in and to Purchased Assets shall attach (subject to any Challenge  
21 within the meaning of the Final DIP Order that has been, or may be, timely filed) to the Sale  
22 Proceeds of such Purchased Assets with each such Encumbrance having the same force, extent,  
23 effect, validity and priority as such Encumbrance had on the Purchased Assets giving rise to the  
24 Sale Proceeds immediately prior to the Closing. For the avoidance of doubt, the foregoing force,  
25 extent, effect, validity and priority shall: (i) reflect the security interests, liens (including any  
26 Prepetition Replacement Liens arising for diminution of value, if any) and rights, powers and  
27 authorities that have been granted to the DIP Agent, the DIP Lender and to the Prepetition  
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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 13 of 27

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1 Secured Creditors, as applicable, pursuant to the Final DIP Order, to the extent that (i) the rights  
2 granted to the Prepetition Secured Creditors with respect to §§506(c) and 552(b) by the Final DIP  
3 Order are not limited or modified as a result of the appeal from the Final DIP Order filed by the  
4 Committee on November 29, 2019; and/or (ii) any replacement liens or security interest granted  
5 to the Prepetition Secured Creditors by the Final DIP Order are not invalidated as a result of any  
6 Challenge within the meaning of the Final DIP Order that has been, or may be, timely filed. In  
7 addition, the Intercreditor Agreement (as defined in the Final DIP Order) shall apply with respect  
8 to the rights of the parties thereto in and to the Sale Proceeds and the Escrow Deposit Account, to  
9 the extent of and in accordance with its terms with all parties reserving all rights thereunder.

10 6. Subject to the fulfillment of the terms and conditions of the APA, this Sale Order  
11 shall, as of the Closing, be considered and constitute for all purposes a full and complete general  
12 assignment, conveyance, and transfer of the Purchased Assets and/or a bill of sale transferring all  
13 of the Debtors' rights, title and interest in and to the Purchased Assets to SGM. Consistent with,  
14 but not in limitation of the foregoing, each and every federal, state, and local governmental  
15 agency or department, except as stated herein, is hereby authorized and directed to accept all  
16 documents and instruments necessary and appropriate to consummate the transactions  
17 contemplated by the APA and approved in this Sale Order. A certified copy of this Order may be  
18 filed with the appropriate clerk and/or recorded with the appropriate recorder to cancel any  
19 Encumbrances of record.

20 7. Any person or entity that is currently, or on the Closing Date may be, in  
21 possession of some or all of the Purchased Assets is hereby directed to surrender possession of  
22 such Purchased Assets either to (a) the Debtors before the Closing or (b) to SGM or its designee  
23 upon the Closing, and to cooperate with the Debtors and SGM in the Debtors' and SGM's  
24 fulfillment of their obligations hereunder and pursuant to the APA.

25 8. The transfer of the Purchased Assets pursuant to the Transaction Documents shall  
26 be a legal, valid, and effective transfer and shall, in accordance with §§ 105(a) and 363(f), and  
27 upon consummation of the Transaction, including, without limitation, payment of the Purchase  
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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 14 of 27

1 Price to the Debtors, vest SGM with all right, title, and interest in the Purchased Assets, free and  
2 clear of all Encumbrances. Upon closing of the Transaction, SGM shall take title to and  
3 possession of the Purchased Assets, subject only to the Assumed Obligations, as set forth in the  
4 APA. The transfer of the Purchased Assets from the Debtors to SGM constitutes a transfer for  
5 reasonable equivalent value and fair consideration under the Bankruptcy Code and the laws of the  
6 State of California.

7 9. Following the Closing, no holder of any Encumbrance against the Debtors or upon  
8 the Purchased Assets shall interfere with SGM's respective rights in, title to or use and enjoyment  
9 of the Purchased Assets. All persons and entities are hereby forever prohibited and enjoined from  
10 taking any action that would adversely affect or interfere with the ability of the Debtors to sell  
11 and transfer the Purchased Assets to SGM, including the assumption and assignment of the  
12 Designated Contracts.

13 10. SGM shall not be deemed, as a result of any action taken in connection with, or as  
14 a result of the Transaction (including the transfer and sale of the Purchased Assets), to: (i) be a  
15 successor, continuation or alter ego (or other such similarly situated party) to the Debtors or their  
16 estates by reason of any theory of law or equity, including, without limitation, any bulk sales law,  
17 doctrine or theory of successor liability, or any theory or basis of liability, regardless of source of  
18 origin; or (ii) have, *de facto* or otherwise, merged with or into the Debtors; or (iii) be a mere  
19 continuation, *alter ego*, or substantial continuation of the Debtors. Other than the Assumed  
20 Liabilities, SGM is not assuming any of the Debtors' debts.

21 11. This Sale Order (i) shall be effective as a determination that, on Closing, all  
22 Encumbrances existing against the Purchased Assets before the Closing have been  
23 unconditionally released, discharged and terminated, and that the transfers and conveyances  
24 described herein have been effected, and (ii) shall be binding upon and shall govern the acts of all  
25 persons and entities. If, following a reasonable written request made by the Debtors, any person  
26 or entity that has filed financing statements or other documents or agreements evidencing any  
27 Encumbrances against the Purchased Assets shall not have delivered to the Debtors for use at or  
28



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 15 of 27

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1 in connection with Closing, in proper form for filing and executed by the appropriate parties,  
2 termination statements, instruments of satisfaction, releases of all Encumbrances which the  
3 person or entity has with respect to the Purchased Assets, then SGM and/or the Debtors are  
4 hereby authorized to execute and file such statements, instruments, releases and other documents  
5 on behalf of the person or entity with respect to such Purchased Assets. For the avoidance of  
6 doubt, such statements, instruments, releases and other documents shall not impair Encumbrances  
7 that attach (subject to any Challenge within the meaning of the Final DIP Order that has been, or  
8 may be, timely filed) to the Sale Proceeds or the terms of this Order, including, but not limited to  
9 paragraphs 5 and 13 hereof.

10 12. In accordance with the APA, concurrently with the Closing, SGM shall pay that  
11 portion of the Purchase Price due at Closing, by wire transfer of immediately available funds, to  
12 Debtors' Escrow Deposit Accounts (defined below), subject to the adjustments set forth in the  
13 APA. Any direct expenses of the Sale shall be disclosed by Debtors to the DIP Agent, the  
14 Prepetition Secured Creditors, and the Committee in advance of the Closing.

15 13. The terms and conditions of the Final DIP Order shall apply with respect to the  
16 Sale Proceeds and Escrow Deposit Accounts (defined herein). Without limiting the foregoing, the  
17 Debtors shall comply with paragraph 4 of the Final DIP Order in the following manner:

18 (a) the Debtors shall direct SGM, pursuant to the terms of the APA, to remit all Sale  
19 Proceeds to the separate accounts opened in the name of each Debtor for the Sale Proceeds (each  
20 such hereafter referred to as "Escrow Deposit Account");

21 (b) in giving direction to SGM pursuant to sub-paragraph (a), above, the Debtors shall  
22 exercise their reasonable business judgment, in good faith, and allocate the Sale Proceeds among  
23 the Escrow Deposit Accounts on the basis of the value of each Debtor's Purchased Assets as of  
24 the Closing (which allocation, for the avoidance of doubt, shall be subject to the reservations of  
25 rights in paragraph 4 of the Final DIP Order and paragraph 31 of the Bidding Procedures Order;  
26 provided further that nothing in this paragraph shall waive or limit any rights the Committee or  
27 the Prepetition Secured Creditors may have in connection with the confirmation of a proposed  
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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 16 of 27

chapter 11 plan for any of the Debtors' cases (including the right to seek to reallocate estate values and the Sale Proceeds);

(c) without limitation of the rights of the DIP Agent and DIP Lender under the DIP Financing Agreements and the Final DIP Order, no funds held in any Escrow Deposit Account shall be (i) commingled with any other funds of the applicable Debtor or any of the other Debtors or (ii) used by the Debtors for any purpose, except as provided in this Order, the DIP Credit Agreements or the Final DIP Order without further order of this Court, after reasonable notice under the circumstances to the DIP Agent, the Prepetition Secured Creditors and the Committee; and

(d) each Escrow Deposit Account shall be subject to a deposit account control agreement in favor of the DIP Agent and DIP Lender, and subject to, without limitation of the rights of the DIP Agent and DIP Lender under the DIP Financing Agreements and the Final DIP Order with respect to the Sale Proceeds and Escrow Deposit Account, including, without limitation, following the occurrence of an Event of Default or the Revolving Loan Termination Date (as defined in the DIP Credit Agreement), the Debtors shall not be permitted to use the funds held in any Escrow Deposit Account for any purpose, except as provided in paragraph 14, 15, 16, and 17 of this Order, and to fund any Purchase Price adjustment in favor of the Purchaser, without first obtaining the consent of the DIP Agent, DIP Lender and the Prepetition Secured Creditors or obtaining an order of the Court pursuant to §§ 363 or 1129 after reasonable notice under the circumstances to the DIP Agent, the DIP Lender, the Prepetition Secured Creditors and the Committee and, if necessary, a hearing thereon; and

(e) for the avoidance of doubt, the rights of the Debtors, the Committee, and the Prepetition Secured Creditors as to the Sale Proceeds and any funds held in a Deposit Escrow shall be, except as set forth herein, as contemplated by Paragraph 4 of the Final DIP Order, and nothing in this Order shall be construed as altering, amending, waiving, or affecting in any way such rights. Concurrently with the Closing or as soon thereafter as is possible, and in accordance with the APA, SGM shall pay to the counter-parties to the Designated Contracts the cure amounts



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 17 of 27

1 set forth in the Cure Notice, or as otherwise agreed to by the Debtors, SGM and the applicable  
2 counter-parties thereto or ordered by this Court after a continued hearing on the Cure Objections  
3 (the “Designated Cure Amounts”). SGM has the right under the APA to remove any Contracts  
4 from the list of Designated Contracts up to seven (7) days prior to Closing, as also set forth in the  
5 *Order Approving Stipulation Regarding Designation Deadline Re Order (1) Approving Form Of*  
6 *Asset Purchase Agreement For Stalking Horse Bidder And For Prospective Overbidders, (2)*  
7 *Approving Auction Sale Format, Bidding Procedures And Stalking Horse Bid Protections*  
8 [Docket No. 1865].

9 14. To the extent that any of the contracts and/or leases, which give rise to the  
10 Designated Cure Amounts and are set forth in the Designation Notice and are not subsequently  
11 and timely removed by SGM under the APA and the *Order Approving Stipulation Regarding*  
12 *Designation Deadline Re Order (1) Approving Form Of Asset Purchase Agreement For Stalking*  
13 *Horse Bidder And For Prospective Overbidders, (2) Approving Auction Sale Format, Bidding*  
14 *Procedures And Stalking Horse Bid Protections* [Docket No. 1865] (the “Currently Identified  
15 Designated Contracts”) are executory contracts or unexpired leases (over which the Court is not  
16 making any such determination at this time), then in connection with the Closing, the Debtors  
17 shall be deemed to have assumed all such Currently Identified Designated Contracts (so that they  
18 are deemed part of the Designated Contracts) and to have assigned them to SGM, and SGM shall  
19 have assumed all obligations owing under all such Currently Identified Designated Contracts  
20 arising after and following the Closing. The Court shall resolve any and all disputes which may  
21 arise between the Debtors, SGM and any of the Currently Identified Designated Contract  
22 Counter-Parties over whether the Currently Identified Designated Contracts are executory  
23 contracts or unexpired leases and whether any of the Currently Identified Designated Contract  
24 Counter-Parties are entitled to an allowed claim against the Debtors which exceeds the  
25 Designated Cure Amounts (the “Assumption Dispute”).

26 15. In the event that the Court determines that any such counter-parties to the  
27 Currently Identified Designated Contracts (the “Currently Identified Designated Contract”  
28

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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 18 of 27

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1 Counter-Parties” and, individually, a “Currently Identified Designated Contract Counter-Party”)  
2 have an allowed cure claim against the Debtors which exceeds the Designated Cure Amounts (the  
3 “Excess Cure Amount”), the difference will be paid by SGM and shall not be the responsibility of  
4 the Debtors as more specifically set forth below; provided, however, that unless the Court makes  
5 such a determination on or before fifteen (15) days prior to Closing, and unless the Debtor, SGM  
6 and the Currently Identified Designated Contract Counter-Party agree otherwise, the Currently  
7 Identified Designated Contract which is the subject of such Assumption Dispute, shall be deemed  
8 a rejected contract within the meaning of § 1.11(a) of the APA as of ten (10) days prior to  
9 Closing, and SGM, except as provided below, shall have no obligation to assume such Currently  
10 Identified Designated Contract or to pay any Cure Amount or Excess Cure Amount in connection  
11 with such Currently Identified Designated Contract. To the extent an Assumption Dispute relates  
12 solely to the Cure Amount, the Debtors may, with SGM’s consent, assume and assign the  
13 applicable executory contract or unexpired lease at Closing and prior to the resolution of the  
14 Assumption Dispute by the Bankruptcy Court, provided, that either (a) the Bankruptcy Court has  
15 estimated the maximum cure payment, pursuant to 11 U.S.C. § 502(c), and SGM has remitted  
16 such amount to the Debtors to be held as sales proceeds in the Sale Proceeds Account for the  
17 relevant Debtor(s), or (b) SGM provides to the relevant Debtor(s) and non-Debtor counterparty a  
18 separate reasonably acceptable undertaking that SGM will promptly pay the maximum disputed  
19 cure amount in accordance with 11 U.S.C. § 365 (b)(1)(A) and (B) (or such smaller amount as  
20 may be fixed or estimated by the Bankruptcy Court or otherwise agreed to by such non-Debtor  
21 party and SGM). The Debtors shall pay and hereby are authorized to pay disputed cure amounts  
22 from the relevant Sales Proceeds Account(s) upon entry of a final order by this Court to the extent  
23 SGM remitted to Sellers the amount required by item (a) of this paragraph of the Order.

24 16. All of the Currently Identified Designated Contracts, to the extent they are  
25 executory contracts or unexpired leases and are not subsequently and timely removed by SGM  
26 under the APA and the *Order Approving Stipulation Regarding Designation Deadline Re Order*  
27 *(1) Approving Form Of Asset Purchase Agreement For Stalking Horse Bidder And For*  
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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 19 of 27

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1 *Prospective Overbidders, (2) Approving Auction Sale Format, Bidding Procedures And Stalking*  
2 *Horse Bid Protections* [Docket No. 1865], or deemed a rejected contract within the meaning of §  
3 1.11(a) of the APA pursuant to paragraph 15 above, shall be part of the Designated Contracts that  
4 will be assumed by the Debtors and assigned to SGM at the Closing. In the event that SGM elects  
5 to add any other of the Debtors' executory contracts or unexpired leases to the list of Designated  
6 Contracts (the "Subsequently Identified Designated Contracts" and, individually, a "Subsequently  
7 Identified Designated Contract") under the APA and the *Order Approving Stipulation Regarding*  
8 *Designation Deadline Re Order (1) Approving Form Of Asset Purchase Agreement For Stalking*  
9 *Horse Bidder And For Prospective Overbidders, (2) Approving Auction Sale Format, Bidding*  
10 *Procedures And Stalking Horse Bid Protections* [Docket No. 1865], SGM shall notify the Debtors  
11 of any such Subsequently Identified Designated Contracts on or before thirty days before Closing,  
12 and the Debtors shall (i) file a notice with the Court identifying all such Subsequently Identified  
13 Designated Contracts and their respective cure amounts as agreed upon between the Debtors and  
14 SGM, and (ii) serve such notice by over-night mail on all counter-parties to the Subsequently  
15 Identified Designated Contracts (the "Subsequently Identified Designated Contract Counter-  
16 Parties"). All Subsequently Identified Designated Contracts shall be assumed by the Debtors and  
17 assigned to SGM at the Closing, with SGM to be obligated to pay all cure amounts owing to such  
18 Subsequently Identified Designated Contract Counter-Parties concurrently with the Closing, as  
19 set forth in the Debtors' notice, or as otherwise agreed to by the Debtors, SGM and the applicable  
20 counter-parties thereto, or ordered by the Court in accordance with paragraphs 34 and 36 below  
21 (the "Additional Cure Amounts"), so long as such amount as ordered by the Court is no greater  
22 than the amount agreed upon by SGM; and in the event the Additional Cure Amount is greater  
23 than the amount agreed upon by SGM, and SGM is not willing to pay the Additional Cure  
24 Amount, the Debtors shall not be required to pay the Additional Cure Amount(s) and the  
25 Subsequently Identified Designated Contract(s) shall be deemed a rejected contract within the  
26 meaning of § 1.11(a) of the APA pursuant to paragraph 15 above; provided, and for the avoidance  
27 of doubt, no collective bargaining agreement, pension plan or health and welfare plan providing  
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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 20 of 27

collectively bargained benefits to which a Hospital is a party or sponsor constitutes a Currently Identified Designated Contract or a Subsequently Identified Designated Contract for which SGM or the Debtors may be obligated to pay any cure amount.

17. Upon the Closing, the Debtors are authorized and directed to assume, assign and/or transfer each of the Designated Contracts to SGM, including the Currently Identified Designated Contracts and any Subsequently Identified Designated Contracts (collectively, the “Contract Counter-Parties”). At the Closing, SGM shall pay the (i) Sale Proceeds, (ii) the Designated Cure Amounts identified in paragraph 13 above, (iii) the Excess Cure Amounts identified in paragraph 15 above, and (iv) the Additional Cure Amounts, subject to paragraph 15 above. Payment by SGM of such Designated Cure Amounts and Additional Cure Amounts are deemed the necessary and sufficient amounts to “cure” all “defaults” with respect to all such Currently Identified Designated Contracts and Subsequently Identified Designated Contracts under § 365(b). The foregoing payment shall (i) effect a cure of all defaults existing under all such Currently Identified Designated Contracts, and (ii) compensate all such Contract Counter-Parties for any actual pecuniary loss resulting from any such default. The Debtors shall then have assumed and assigned to SGM, effective as of the Closing, all of the Designated Contracts (comprised of both all Currently Identified Designated Contracts and all Subsequently Identified Designated Contracts, if any), and, pursuant to § 365(f), the assignment by the Debtors of all such Designated Contracts to SGM shall not be a default thereunder. After the payment of the Designated Cure Amounts and the Additional Cure Amounts, neither the Debtors nor SGM shall have any further liabilities to any Contract Counter-Parties, other than SGM’s obligations under the Designated Contracts that accrue and become due and payable after the Closing Date. In addition, adequate assurance of future performance has been demonstrated by or on behalf of SGM with respect to all of the Designated Contracts within the meaning of §§ 365(b)(1)(c), 365(b)(3) (to the extent applicable) and 365(f)(2)(B). For the avoidance of doubt, SGM shall not be liable for the payment of any liabilities or obligations arising from or related to (a) any executory contracts that the Debtors intend to reject by appropriate motion and which are not being assumed and assigned to SGM, (b) any multiparty contract affecting more than one Debtor in addition to one of the hospitals subject to the

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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 21 of 27

Transaction, or (c) any collective bargaining agreement (“CBA”), pension plan, or health and welfare plan providing for collectively bargained for benefits to which a Hospital is a party or a sponsor, unless expressly assumed and assigned with SGM’s consent.

18. The Debtors intend, and are hereby authorized, to (A) reject, pursuant to § 365(a), all executory contracts to which one or more of the Hospitals are a party, excluding (i) Designated Contracts, and (ii) any prepetition multiparty contract affecting more than one Debtor in addition to one of the Hospitals, and, (B) reject and terminate, to the extent separately authorized by this Court, pursuant to §§ 1113, 1114, and any other applicable provision of the Bankruptcy Code, any collective bargaining agreement, pension plan or health and welfare plan providing collectively bargained benefits to which one of the Hospitals is a party or sponsor and that SGM does not assume.

19. All of the Contract Counter-Parties are forever barred, estopped, and permanently enjoined from (i) raising or asserting against the Debtors or SGM, or any of their property, any assignment fee, acceleration, default, breach, or claim of pecuniary loss, or condition to assignment, arising under or related to the Designated Contracts, existing as of the Closing, or arising by reason of the consummation of the Transaction contemplated by the APA, including, without limitation, the Transaction and the assumption and assignment of the Designated Contracts, including any asserted breach relating to or arising out of the change-in-control provisions in such Designated Contracts, or any purported written or oral modification to the Designated Contracts and (ii) asserting against SGM any claim, counterclaim, breach, or condition asserted or assertable against the Debtors existing as of the Closing or arising by reason of the transfer of the Purchased Assets, except for the Assumed Obligations.

20. Any provisions in any Designated Contracts that prohibit or condition the assignment of such Designated Contract or allow the counterparty to such Designated Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition upon the assignment of such Designated Contract constitute unenforceable anti-assignment provisions



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 22 of 27

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1 that are void and of no force and effect with respect to the Debtors' assumption and assignment of such  
2 Designated Contract to SGM in accordance with the APA, pursuant to § 363(f).

3 21. The terms and provisions of this Sale Order, as well as the rights granted under the  
4 Transaction Documents, shall continue in full force and effect and are binding upon any successor,  
5 reorganized Debtors, or chapter 7 or chapter 11 trustee applicable to the Debtors, notwithstanding entry  
6 of any order of conversion or dismissal ~~any such conversion, dismissal or order entry~~. Nothing  
7 contained in any chapter 11 plan confirmed in the Debtors' cases or in any order confirming such a  
8 plan, nor any order dismissing the cases or converting the cases to a case under chapter 7, shall conflict  
9 with or derogate from the provisions of the APA, any documents or instruments executed in  
10 connection therewith, or the terms of this Sale Order, provided however, that in the event of a conflict  
11 between this Sale Order and an express or implied provision of the APA, this Sale Order shall govern.  
12 The provisions of this Sale Order and any actions taken pursuant hereto shall survive any conversion or  
13 dismissal of the cases and the entry of any other order that may be entered in the cases, including any  
14 order (i) confirming any plan of reorganization; (ii) converting the cases from chapter 11 to chapter 7;  
15 (iii) appointing a trustee or examiner in the cases; or (iv) dismissing the cases.

16 22. The Transaction contemplated by the APA and other Transaction Documents are  
17 undertaken without collusion and in "good faith," as that term is defined in § 363(m) of the Bankruptcy  
18 Code. SGM is a good faith purchaser within the meaning of § 363(m) and, as such, is entitled to the  
19 full protections of § 363(m). Accordingly, the reversal or modification on appeal of the authorization  
20 provided herein by this Sale Order to consummate the Transaction shall not affect the validity of the  
21 sale of the Purchased Assets to SGM. The APA and the Transactions contemplated thereby cannot be  
22 avoided under § 363(n).

23 23. The failure to specifically include any particular provision of the APA or the other  
24 Transaction Documents in this Sale Order shall not diminish or impair the effectiveness of such  
25 provisions, it being the intent of the Bankruptcy Court that the Transaction, the APA and the other  
26 Transaction Documents be authorized and approved in their entirety. Likewise, all of the provisions of  
27 this Sale Order are non-severable and mutually dependent.  
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Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 23 of 27

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24. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Rules 6004(h), 6006(d), 7062, or 9014, if applicable, or any other LBR or otherwise, this Sale Order shall not be stayed for 14-days after the entry hereof, but shall be effective and enforceable immediately upon entry pursuant to Rule 6004(h) and 6006(d). Time is of the essence in approving the Transaction (including the transfer and the sale of the Purchased Assets).

25. The automatic stay in effect pursuant to § 362 is hereby lifted with respect to the Debtors to the extent necessary, without further order of this Court, to (i) allow SGM to deliver any notice provided for in the APA and Transaction Documents and (ii) allow SGM to take any and all actions permitted under the APA and Transaction Documents in accordance with the terms and conditions thereof.

26. Unless otherwise provided in this Sale Order, to the extent any inconsistency exists between the provisions of the APA and this Sale Order, the provisions contained in this Sale Order shall govern.

27. This Court shall retain exclusive jurisdiction to interpret, construe, and enforce the provisions of the APA and this Sale Order in all respects, and further, including, without limitation, to (i) hear and determine all disputes between the Debtors and/or SGM, as the case may be, and any other non-Debtor party to, among other things, the Designated Contracts concerning, among other things, assignment thereof by the Debtors to SGM and any dispute between SGM and the Debtors as to their respective obligations with respect to any asset, liability, or claim arising hereunder; (ii) compel delivery of the Purchased Assets to SGM free and clear of Encumbrances, except with respect to the liens arising from the Special Assessments and the PACE Obligations; (iii) compel the delivery of the Purchase Price or performance of other obligations owed to the Debtors; (iv) interpret, implement, and enforce the provisions of this Sale Order; and (v) protect SGM against (A) claims made related to any of the Excluded Liabilities (as defined in the APA), (B) any claims of successor or vicarious liability (or similar claims or theories) related to the Purchased Assets or the Designated Contracts, or (C) any Encumbrances asserted on or against SGM or the Purchased Assets.



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28. Following the date of entry of this Sale Order, the Debtors and SGM are authorized to make changes to the APA and/or execute supplemental agreements implementing the transactions contemplated by the APA without the need for any further order of the Court provided that all such changes have been approved in writing by the Debtors, SGM, the Committee, the DIP Agent, and Prepetition Secured Creditors. Any other proposed changes to the APA or this Sale Order shall require a further order of the Court, after reasonable notice under the circumstances and a hearing.

29. Notwithstanding any other provision of this Sale Order or any other Order of this Court, no sale, transfer or assignment of any rights and interests of a regulated entity in any federal license or authorization issued by the FCC shall take place prior to the issuance of FCC regulatory approval for such sale, transfer or assignment pursuant to the Communications Act of 1934, as amended, and the rules and regulations promulgated thereunder. The FCC's rights and powers to take any action pursuant to its regulatory authority, including, but not limited to, imposing any regulatory conditions on such sales, transfers and assignments and setting any regulatory fines or forfeitures, are fully preserved, and nothing herein shall proscribe or constrain the FCC's exercise of such power or authority to the extent not inconsistent with the applicable provisions of the Bankruptcy Code.

30. To the extent the Purchased Assets contain records of the Verity Health System Retirement Plan A and Verity Health System Retirement Plan B (collectively, the "Pension Plans") or employment records of participants of the Pension Plans, SGM shall store, and preserve any such records until the Pension Benefit Guaranty Corporation ("PBGC") has completed its investigation regarding the Pension Plans and shall make such documents available to PBGC for inspection and copying. Such records include, but are not limited to, any Pension Plan governing documents, actuarial documents, and employment records (collectively, the "Pension Plan Documents"). The Debtors shall retain and not abandon any Pension Plan Documents that are not Purchased Assets no earlier than February 28, 2020, and shall make such documents available to the PBGC for inspection and copying.

31. No later than May 13, 2019, either (i) the Debtors will file a notice of a resolution of the issues regarding the transfer and/or proposed assumption and assignment or rejection of the



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 25 of 27

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Hospitals' Medi-Cal Provider Agreements or (ii) DHCS will file a supplemental objection to the proposed transfer of the Medi-Cal Provider Agreements. If necessary, the Debtors will file any reply to the supplemental objection no later than 4:00 p.m. (Pacific Time), on May 27, 2019, and a hearing will be held on the issues raised regarding the transfer and/or proposed assumption and assignment or rejection of the Medi-Cal Provider Agreements on June 5, 2019, at 10:00 a.m. (Pacific Time); and all parties' rights, claims, and defenses are preserved until that hearing. Nothing in this Sale Order shall apply to Medi-Cal Provider Agreements until and unless there is a Court order approving a settlement between the Debtors and the DHCS or a Court order resolving the DHCS's objections.

32. No later than May 13, 2019, either (i) the Debtors will file a notice of a resolution of the issues regarding the transfer and/or proposed assumption and assignment or rejection of the Hospitals' Medicare Provider Agreements or (b) HHS will file a supplemental objection to the proposed transfer of the Medicare Provider Agreements. If necessary, the Debtors will file any reply to the supplemental objection no later than 4:00 p.m. (Pacific Time), on May 27, 2019, and a hearing will be held on the issues raised regarding the transfer and/or proposed assumption and assignment or rejection of the Medicare Provider Agreements on June 5, 2019, at 10:00 a.m. (Pacific Time); and all parties' rights, claims, and defenses are preserved until that hearing. Nothing in this Sale Order shall apply to Medicare Provider Agreements until and unless there is a Court order approving a settlement between the Debtors and the HHS or a Court order resolving the HHS's objections.

33. In accordance with the terms of §§ 4.7 and 5.11 of the APA, the Debtors and SGM will negotiate regarding modification of applicable CBAs. To the extent the Debtors seek modification, rejection and/or termination of CBAs, they will comply with the requirements of § 1113, as applicable, and may do so before or after Closing under their discretion.

34. A continued hearing on the Cure Objections shall be held on June 5, 2019, at 10:00 a.m. (Pacific Time). As to the Currently Identified Designated Contracts, by no later than May 22, 2019, at 4:00 p.m. (Pacific Time), the Debtors shall file a notice containing a list of (a) the Cure Objections that have been resolved, and (b) the Cure Objections as to which Court intervention is required. As to the Cure Objections for which Court intervention is required, pursuant to the Order



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 26 of 27

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1 *Approving Omnibus Stipulation Continuing Hearing on Certain Objections to Notice and*  
2 *Supplemental Notice of Contracts Designated for Assumption and Assignment [Docket No. 2183], the*  
3 *deadline for the Debtors to reply to the Cure Objections shall be May 29, 2019, at 4:00 p.m. (Pacific*  
4 *Time). ~~the following briefing schedule shall apply: (1) the Debtors' opposition to each outstanding~~*  
5 *~~Cure Objection shall be submitted by no later than May 22, 2019; and (2) the counterparties' reply in~~*  
6 *~~support of its Cure Objections shall be submitted by no later than May 29, 2019.~~* Nothing in this Sale  
7 Order constitutes a finding or determination on any Cure Objection. All Cure Objections are preserved  
8 until resolved either by agreement between the Debtors and the contract counterparty or further order  
9 of the Court.

10 35. As to any executory contracts or unexpired leases that were listed on the Initial  
11 Designated Contract List, but not listed on any prior Cure Notice, any counterparty thereto may file an  
12 objection to the cure amount or assumption thereof by May 22, 2019, and all other provisions in  
13 paragraph 34 shall apply to resolution thereof.

14 36. As to Subsequently Identified Designated Contracts, (i) promptly upon SGM's  
15 identifying such contract(s), the Debtors shall file a notice with the Court identifying all Subsequently  
16 Identified Designated Contracts no later than 30 days prior to Closing and provide service thereof in  
17 accordance with paragraph 16, and (ii) to the extent that any Subsequently Identified Designated  
18 Contracts were not listed on a Cure Notice, counterparties subject to contracts who object to  
19 assumption and/or the proposed cure amounts must file an objection no later than 14 days prior to  
20 Closing, and any reply shall be filed no later than 7 days prior to Closing. To the extent that a  
21 negotiated resolution cannot be achieved, any objections filed in connection with the Subsequently  
22 Identified Designated Contracts shall be adjudicated by the Court, which shall resolve any and all  
23 disputed issues related to the objection(s).

24 37. The California Attorney General, the Debtors, the Consultation Parties (as defined in  
25 the Bid Procedures Order) and SGM, reserve all rights, arguments and defenses concerning the  
26 California Attorney General's authority, if any, to review the sale under California Corporations Code  
27 §§ 5914-5924 and California Code of Regulations on Nonprofit Hospital Transactions—Title 11,  
28



Case 2:18-bk-20151-ER Doc 2306 Filed 05/02/19 Entered 05/02/19 17:02:03 Desc  
Main Document Page 27 of 27

Chapter 15, § 999.5, and any conditions issued thereto. Nothing in this Sale Order shall be construed as a waiver of the Attorney General's statutory and regulatory authority or other rights.

38. The Committee and the Prepetition Secured Creditors' rights, and their ability to participate and be heard at the hearings described in paragraphs 31 to 36 of this Sale Order, are hereby reserved. To the extent that the DIP Agent, DIP Lender, Prepetition Secured Creditors or the Committee desire to file pleadings related to such hearings, their respective times for filing an objection or response to any of the requests for relief described in paragraphs 31 to 37 herein shall be the same as granted to the Debtors pursuant to the notice in each such instance.

**IT IS SO ORDERED.**

###

Date: May 2, 2019



Ernest M. Robles  
United States Bankruptcy Judge



**Exhibit B**

**2019 Conditions**





**XAVIER BECERRA**  
*Attorney General*

*State of California*  
**DEPARTMENT OF JUSTICE**

455 GOLDEN GATE AVENUE, SUITE 11000  
SAN FRANCISCO, CA 94102-7004

Public: (415) 510-4400  
Telephone: (415) 510-3430  
Facsimile: (415) 703-5480  
E-Mail: Scott.Chan@doj.ca.gov

September 25, 2019

**VIA EMAIL AND US MAIL**

Hope R. Levy-Biehl  
1100 Glendon Avenue, 14th Floor  
Los Angeles, California 90024

hlevybiehl@nelsonhardiman.com

RE: Verity Health System of California, Inc. Notice of Proposed Transfer  
St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical  
Center

Dear Ms. Levy-Biehl:

Under Corporations Code section 5914 et seq., and California Code of Regulations, title 11, section 999.5, the Attorney General has considered the proposed transaction submitted by Verity Health System of California, Inc. In coming to the decisions, described below, we have carefully considered the factors set forth in Corporations Code section 5917 and the applicable regulations, including whether the transaction is in the public interest and whether the transaction effects the availability or accessibility of health care services to the affected community. Our decision is based on the material contained in the notice, the information and documents subsequently submitted by the applicants, comments made by members of the public, discussions with the applicants, and the results of our investigation.

The Attorney General hereby conditionally consents to Verity Health System of California, Inc.'s proposed sale of the assets of St. Francis Medical Center, St. Vincent Medical Center, including its St. Vincent Dialysis Center, and Seton Medical Center to Strategic Global Management, Inc. and/or one or more of its affiliates. The Attorney General's conditional approval of the sale is subject to the attached conditions that are incorporated by reference herein.

Verity Health System of California, Inc. also requested, under Title 11 of the California Code of Regulations, Sec. 999.5(h), a modification of the Attorney General Conditions issued on December 3, 2015. Verity Health System of California, Inc. requested that the Attorney General modify and update the Attorney General's Conditions issued on December 3, 2015 as follows: (1) modify and update the volume of charity care and community benefits provided by the St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center; (2) modify and update capital expenditures to credit Strategic Global Management for the expenditures Verity



September 25, 2019  
Page 2

Health System of California, Inc. has invested in the health system; (3) modify and eliminate the requirement that Strategic Global Management maintain cancer care at St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center; and (4) modify and update the Conditions to conform to the present transaction and specific parties involved.

The Attorney General hereby denies, in part, and conditionally consents to Verity Health System of California, Inc.'s request for modification as reflected in the attached conditions that are incorporated by reference herein. The attached conditions serve as conditions for both the request for modification and the sale of the assets of St. Francis Medical Center, St. Vincent Medical Center, including its St. Vincent Dialysis Center, and Seton Medical Center as described in the second paragraph of this letter.

Sincerely,

[original signed]

SCOTT CHAN  
Deputy Attorney General

For XAVIER BECERRA  
Attorney General

cc: Kathryn F. Edgerton (Russo)  
kedgerton@nelsonhardiman.com



**Conditions to the Sale of St. Francis Medical Center<sup>1</sup> and Approval of the Asset Purchase Agreement by and among Verity Health System of California, Inc., Verity Holdings, LLC, St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc., Seton Medical Center, and Strategic Global Management, Inc.**

**I.**

These Conditions shall be legally binding on Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation, St. Francis Medical Center Foundation, a nonprofit public benefit corporation, St. Vincent Foundation, a California nonprofit corporation, Seton Medical Center Foundation, a California nonprofit corporation, Verity Business Services, a California nonprofit public benefit corporation, Verity Medical Foundation, a California nonprofit public benefit corporation, St. Vincent de Paul Ethics Corporation, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Marillac Insurance Company, Ltd., a Cayman Islands corporation, DePaul Ventures, LLC, a California limited liability company, DePaul Ventures – San Jose ASC, LLC, a California limited liability company, DePaul Ventures – San Jose Dialysis, LLC, a California limited liability company, and Strategic Global Management, Inc., a California corporation, any other subsidiary, parent, general partner, limited partner, member, affiliate, successor, successor in interest, assignee, or person or entity serving in a similar capacity of any of the above-listed entities including, but not limited to, any entity succeeding thereto as a result of consolidation, affiliation, merger, or acquisition of all or substantially all of the real property or operating assets of St. Francis Medical Center, or the real property on which St. Francis Medical Center is located, any and all current and future owners, lessees, licensees, or operators of St. Francis Medical Center, and any and all current and future lessees and owners of the real property on which St. Francis Medical Center is located.

**II.**

The transaction conditionally approved by the Attorney General consists of the Asset Purchase Agreement dated January 8, 2019, by and among, Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a

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<sup>1</sup> Throughout this document, the term “St. Francis Medical Center” shall mean the general acute care hospital located at 3630 East Imperial Highway, Lynwood, CA 90262, and any other clinics, laboratories, units, services, or beds included on the license issued to St. Francis Medical Center by the California Department of Public Health, effective January 1, 2019, unless otherwise indicated.



California nonprofit public benefit corporation, and Strategic Global Management, Inc., a California corporation, and any agreements or documents referenced in or attached to as an exhibit or schedule and any other documents referenced in the Asset Purchase Agreement, including, but not limited to, the Sale Leaseback Agreement and Interim Management Agreement.

All the entities listed in Condition I, and any other parties referenced in the above agreements shall fulfill the terms of these agreements or documents and shall notify and obtain the Attorney General's approval in writing of any proposed modification or rescission of any of the terms of these agreements or documents. Such notifications shall be provided at least sixty days prior to their effective date in order to allow the Attorney General to consider whether they affect the factors set forth in Corporations Code section 5917 and obtain the Attorney General's approval.

### III.

For ten years from the closing date of the Asset Purchase Agreement, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and all future owners, managers, lessees, licensees, or operators of St. Francis Medical Center shall be required to provide written notice to the Attorney General sixty days prior to entering into any agreement or transaction to do any of the following:

- (a) Sell, transfer, lease, exchange, option, convey, manage, or otherwise dispose of St. Francis Medical Center;
- (b) Transfer control, responsibility, management, or governance of St. Francis Medical Center. The substitution, merger or addition of a new member or members of the governing body of Strategic Global Management, Inc. that transfers the control of, responsibility for or governance of St. Francis Medical Center, shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing body of Strategic Global Management, Inc., or any arrangement, written or oral, that would transfer voting control of the members of the governing body of Strategic Global Management, Inc. shall also be deemed a transfer for purposes of this Condition.

### IV.

For ten years from the closing date of the Asset Purchase Agreement, St. Francis Medical Center shall be operated and maintained as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250) and shall maintain and provide 24-hour emergency and trauma medical services at no less than current<sup>2</sup> licensure and designation with the same types and/or levels of services, including the following:

- a. 46 emergency treatment stations at a minimum;
- b. Designation as a Level II Trauma Center;

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<sup>2</sup> The term "current" or "currently" throughout this document means as of January 1, 2019.



- c. Designation as a 5150 Receiving Facility, as defined by the Welfare and Institutions Code, section 5150, for behavioral health patients under involuntary evaluation;
- d. Psychiatric evaluation team;
- e. Designation as an Emergency Department Approved for Pediatrics (EDAP);
- f. Designation as a Paramedic Base Station; and
- g. Certification as a Primary Stroke Center.

Strategic Global Management, Inc. must give one-year advance written notice to the Los Angeles County Emergency Medical Services Agency and the California Department of Public Health if St. Francis Medical Center seeks to reduce trauma or trauma-related care services or stop operating the Level II Trauma Center after ten years from the closing date of the Asset Purchase Agreement.

## V.

For at least ten years from the closing date of the Asset Purchase Agreement, St. Francis Medical shall maintain Center on-call coverage contracts and/or comparable coverage arrangements with physicians at fair market value that are necessary to retain its qualification as a Level II trauma center. Trauma II designation requires 24-hour immediate coverage by general surgeons, as well as coverage by the specialties of orthopedic surgery, neurosurgery, anesthesiology, emergency medicine, radiology and critical care. Requirements for on-call and promptly available specialties include the following:

- a. Neurology;
- b. Obstetrics/gynecology;
- c. Ophthalmology;
- d. Oral or maxillofacial or head and neck;
- e. Plastic surgery;
- f. Reimplantation/microsurgery capability (this surgical service may be provided through a written transfer agreement); and
- g. Urology.

## VI.

For at least ten years from the closing date of the Asset Purchase Agreement, St. Francis Medical Center shall maintain the following services at current licensure, types, and/or levels of services:

- a. Cardiac services, including three cardiac catheterization labs and the designation as a STEMI Receiving Center;
- b. Critical care services, including a minimum of 36 intensive care unit beds or 24 intensive care beds and 12 definitive observation beds;
- c. Neonatal intensive care services, including a minimum of 29 neonatal intensive care beds, and at minimum, maintaining a Level II NICU;
- d. Women's health services, including women's imaging services;
- e. Cancer services, including radiation oncology;



- f. Pediatric services, including a designated area with at least five general acute care beds for pediatric services;
- g. Orthopedic and rehabilitation services;
- h. Wound care services;
- i. Behavioral health services, including a minimum of 40 distinct part inpatient acute psychiatric beds; and
- j. Perinatal services, including a minimum of 50 perinatal beds.

Strategic Global Management, Inc. shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

## VII.

For at least ten years from the closing date of the Asset Purchase Agreement, St. Francis Medical Center shall maintain the same types and/or levels of women's healthcare services currently provided at the location below or a location within three miles of St. Francis Medical Center:

- a. Family Life Center at St. Francis Medical Center, located at 3630 E Imperial Highway, Lynwood, California.

## VIII.

For at least five years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall either: (1) operate clinics (listed below) with the same number of physicians and mid-level provider full-time equivalents in the same or similar alignment structures, or (2) sell the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the purchaser(s) to maintain such services for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and Medicare programs as required in the conditions herein, or (3) ensure that a third party is operating the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the third party to maintain such services for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and Medicare programs as required in the conditions herein. For any of these options, each clinic can be moved to a different location within a three-mile radius of each clinic's current location, and St. Francis Medical Center can utilize an alternative structure in providing such services. The following clinics are subject to this condition:

- a. Pediatric services at Children's Counseling Center, 4390 Tweedy Ave, South Gate, California;
- b. The multi-specialty services, including wound care at Wound Care Center, 3628 E. Imperial Highway, Suite 103, Lynwood, California; and
- c. Orthopedic services at 3628 E. Imperial Highway, Suite 300, Lynwood, California.

## IX.



For ten years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall:

- a) Be certified to participate in the Medi-Cal program at St. Francis Medical Center;
- b) Maintain and have Medi-Cal Managed Care contracts with the below listed Medi-Cal Managed Care Plans to provide the same types and levels of emergency and non-emergency services at St. Francis Medical Center to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care) as required in these Conditions, on the same terms and conditions as other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause or not extended or renewed by the Medi-Cal Managed Care Plan:
  - i) Local Initiative: L.A. Care Health Plan or its successor; and
  - ii) Commercial Plan: Health Net Community Solutions, Inc. or its successor.

If Strategic Global Management, Inc. questions whether it is being reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the Attorney General's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.

- c) Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at St. Francis Medical Center to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care), on the same terms and conditions as other similarly situated hospitals, as required in these Conditions.

## X.

For six fiscal years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall provide an annual amount of Charity Care (as defined below) at St. Francis Medical Center equal to or greater than \$12,793,435 (the Minimum Charity Care Amount). For purposes hereof, the term "charity care" shall mean the amount of charity care costs (not charges) incurred by Strategic Global Management, Inc. in connection with the operation and provision of services at St. Francis Medical Center. The definition and methodology for calculating "charity care" and the methodology for calculating "costs" shall be the same as that used by Office of Statewide Health Planning Development (OSHPD) for annual hospital reporting purposes.<sup>3</sup>

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<sup>3</sup> OSHPD defines charity care by contrasting charity care and bad debt. According to OSHPD, "the determination of what is classified as . . . charity care can be made by establishing whether or not the patient has the ability to pay. The patient's accounts receivable must be written off as bad debt if the patient has the ability but is unwilling to pay off the account."



Strategic Global Management, Inc. shall use and maintain a charity care policy that is no less favorable than Verity Health System of California, Inc.'s current charity care policy (Verity's Financial Assistance Policy No. 06.03.04 effective December 5, 2017 and revised and reviewed June 20, 2018) and in compliance with California and Federal law at St. Francis Medical Center. Within 90 days from the closing of the Asset Purchase Agreement, Strategic Global Management, Inc. will amend the Financial Assistance Policy to include as follows:

- a. A copy of the Financial Assistance Policy and the plain language summary of the Financial Assistance Policy must be posted at St. Francis Medical Center in a prominent location in the emergency room, admissions area, and any other location in the hospital where there is a high volume of patient traffic, including waiting rooms, billing offices, and hospital outpatient service settings.
- b. A copy of the Financial Assistance Policy, the Application for Financial Assistance, and the plain language summary of the Financial Assistance Policy must be posted in a prominent place on St. Francis Medical Center's website.
- c. If requested by a patient, a copy of the Financial Assistance Policy, Application for Financial Assistance, and the plain language summary must be sent by mail at no cost to the patient.
- d. As necessary, and at least on an annual basis, Strategic Global Management, Inc. will place an advertisement regarding the availability of financial assistance at St. Francis Medical Center in a newspaper of general circulation in the communities served by the hospital, or issue a Press Release to widely publicize the availability of the Financial Assistance Policy to the communities served by the hospital.
- e. Strategic Global Management, Inc. will work with affiliated organizations, physicians, community clinics, other health care providers, houses of worship, and other community-based organizations to notify members of the community (especially those who are most likely to require financial assistance) about the availability of financial assistance at St. Francis Medical Center.
- f. By December 1, 2019, all staff that interacts with patients and their families concerning payment of services shall be given training to make patients and their families aware of and informed of Strategic Global Management, Inc.'s Financial Assistance Policy at St. Francis Medical Center.

Any planning of, and any subsequent changes to, the charity care and collection policies, and charity care services provided at St. Francis Medical Center shall be decided after consultation with the Local Governing Board of Directors.

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the closing date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim Average Base Period: 1982-84=100 (CPI-LA, as published by the U.S. Bureau of Labor Statistics).



If the actual amount of charity care provided at St. Francis Medical Center for any fiscal year is less than the Minimum Charity Care Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct healthcare services to residents in the St. Francis Medical Center's service area (31 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

## XI.

For six fiscal years from the closing date of the Asset Purchase Agreement Strategic Global Management, Inc. shall provide an annual amount of Community Benefit Services at St. Francis Medical Center equal to or greater than \$1,139,301 (the "Minimum Community Benefit Services Amount") exclusive of any funds from grants. For six fiscal years, the following community benefit programs and services shall continue to be offered at its current or equivalent location:

- a. Southern California Crossroads Program;
- b. Health Benefit Resource Center;
- c. Welcome Baby Program;
- d. Healthy Community Initiatives;
- e. American Career College access for onsite training;
- f. Paramedic Training and Education; and
- g. Patient Transportation support.

The planning of, and any subsequent changes to, the community benefit services provided at St. Francis Medical Center shall be decided after consultation with the Local Governing Board of Directors.

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the effective date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim Average Base Period: 1982-84=100 (CPI-LA, as published by the U.S. Bureau of Labor Statistics).

If the actual amount of community benefit services provided at St. Francis Medical Center for any fiscal year is less than the Minimum Community Benefit Services Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide community benefit services for residents in St. Francis Medical Center's service area (31 ZIP codes), as defined on as described on page 54 in the Healthcare Impact



Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

## XII.

For at least ten years from the closing date of the Asset Purchase Agreement unless otherwise indicated, Strategic Global Management, Inc. shall maintain its contracts and any amendments and exhibits thereto with the City and/or County of Los Angeles for services, including the following:

- a. Participation in the Hospital Preparedness Program between the Hospital and Los Angeles County;
- b. Department of Mental Health Legal Entity Contract between the Hospital and Los Angeles County;
- c. Paramedic Base Hospital Services between the Hospital and Los Angeles County;
- d. Radiation Therapy Services between the Hospital and Los Angeles County;
- e. Designation Agreement between the County of Los Angeles Department of Mental Health (LAC-DMH) and the Hospital and approved as a 72-hour Evaluation and Intensive Treatment facility;
- f. Affiliation Agreement for physicians in post graduate training;
- g. Trauma Center Service Agreement between the Hospital and Los Angeles County; and
- h. Paramedic Training Institute Students between the Hospital and Los Angeles County.

For at least ten years from the closing date of the Asset Purchase Agreement, Strategic Global Management shall provide to the Los Angeles County Department of Health Services and Los Angeles County of Department of Mental Health information and documents related to staffing assessments, clinical guidelines, services provided, and technology needs for St. Francis Medical Center. The goal is to ensure that Strategic Global Management, Inc.'s decisions or changes in these areas will not be motivated by a desire to move away from serving the Medi-Cal population. Such information and documents will also be provided to the Local Governing Board.

## XIII.

For ten years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall have at St. Francis Medical Center a Local Governing Board of Directors. Strategic Global Management, Inc. shall consult with the Local Governing Board of Directors prior to making changes to medical services, community benefit programs, making capital expenditures, including making changes to the charity care and collection policies, and making changes to charity care services provided at St. Francis Medical Center. The members of the Local Governing Board shall include physicians from St. Francis Medical Center's medical staff, St. Francis Medical Center's Chief of Staff, one member designated by the Los Angeles County Board of Supervisors, and community representatives from St. Francis Medical Center's primary service area (31 ZIP codes), as described on page 54 in the Healthcare Impact Report



authored by JD Healthcare dated August 16, 2019 attached hereto as Exhibit 1, including at least one member from a local healthcare advocacy group. Such consultation shall occur at least sixty days prior to the effective date of such changes or actions unless done so on an emergency basis. The Local Governing Board's approval is required of all reports submitted to the Attorney General regarding compliance with these Conditions.

#### XIV.

Strategic Global Management, Inc. shall commit to reserve or expend capital for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals over the five-year period from the closing of the Asset Purchase Agreement of the amount that remains unexpended from the \$180 million commitment required of BlueMountain Capital Management, LLC as part of the Attorney General Conditions approved on December 3, 2015 but this amount can be no less than \$5.8 million among the three hospitals.

#### XV.

Strategic Global Management, Inc. shall commit the necessary investments required to maintain OSHPD seismic compliance requirements at the Hospital through 2030 under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act, (Health & Safety. Code, § 129675-130070).

#### XVI.

Strategic Global Management, Inc. shall maintain privileges for current medical staff who are in good standing as of the closing date of the Asset Purchase Agreement. Further, the closing of the Asset Purchase Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure at St. Francis Medical Center.

#### XVII.

There shall be no discrimination against lesbian, gay, bisexual, or transgender individuals at St. Francis Medical Center, and no restriction or limitation on providing or making reproductive health services available at St. Francis Medical Center, its medical office buildings, or at any of its facilities. Both of these prohibitions shall be set forth in Strategic Global Management, Inc.'s written policies, adhered to, and strictly enforced.

#### XVIII.

Within 15 days of the closing of date of the Asset Purchase Agreement, St. Francis Medical Center Foundation shall transfer all charitable assets including, but not limited to, all temporary and permanently restricted funds to the California Community Foundation.

- a) The funds from St. Francis Medical Center Foundation, if not previously restricted to support a specific charitable organization, will be deposited



into the California Community Foundation's St. Francis Medical Center Fund, and used to support nonprofit tax-exempt charitable organizations, clinics and facilities in providing healthcare services to residents of St. Francis Medical Center's service area (31 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) The donated funds shall be maintained and used for the purposes specified herein for a period of at least five years.

- b) If there are funds from St. Francis Medical Center Foundation previously restricted to support a specific charitable organization, such funds shall be deposited into a fund or funds at California Community Foundation restricted to continuing support for such charitable organization or organizations. Such funds are protected against obsolescence. If the purposes of any restricted fund become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by California Community Foundation, the California Community Foundation's Board of Directors shall have the ability to modify any restriction or condition on the use such fund.

#### **XIX.**

For eleven fiscal years from the closing date of the Asset Purchase Agreement Strategic Global Management shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail compliance with each Condition set forth herein. The Chairman of the Board of Directors of Strategic Global Management, Inc. shall certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Local Governing Board.

#### **XX.**

At the request of the Attorney General, all parties listed in Condition I, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and any other parties referenced in the agreements listed in Condition II shall provide such information as is reasonably necessary for the Attorney General to monitor compliance with these Conditions and the terms of the transaction as set forth herein. The Attorney General shall, at the request of a party and to the extent provided by law, keep confidential any information so produced to the extent that such information is a trade secret or is privileged under state or federal law, or if the private interest in maintaining confidentiality clearly outweighs the public interest in disclosure.

#### **XXI.**

Once the Asset Purchase Agreement is closed, all parties listed in Condition I, and any other parties referenced in the agreements listed in Condition II are deemed to have explicitly and implicitly consented to the applicability and compliance with each and every Condition and to have waived any right to seek judicial relief with respect to each and every Condition.



The Attorney General reserves the right to enforce each and every Condition set forth herein to the fullest extent provided by law. In addition to any legal remedies the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of any of these Conditions. Pursuant to Government Code section 12598, the Attorney General's office shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.



## Analysis of the Hospital's Service Area

### Service Area Definition

Based upon the Hospital's CY 2017 inpatient discharges, the Hospital's service area is comprised of 31 ZIP Codes from which 75% of the Hospital's inpatient discharges came from. Approximately 51% of the Hospital's discharges originated from the top eight ZIP Codes, located in Lynwood, South Gate, Los Angeles, Bell, Compton, Bell Gardens, and Huntington Park. In CY 2017, the Hospital's market share in the service area was approximately 11% based on total area discharges.

PATIENT ORIGIN, CY 2017						
ZIP Code	Community	Discharges	Percentage of Discharges	Cumulative Percentage	Market Share	Total Discharges
90262	Lynwood	2,490	11.1%	11.1%	38.1%	6,538
90280	South Gate	2,187	9.8%	20.9%	29.0%	7,554
90221	Compton	1,400	6.3%	27.2%	24.1%	5,812
90201	Bell	1,359	6.1%	33.3%	16.3%	8,363
90002	Los Angeles	1,066	4.8%	38.0%	18.4%	5,797
90255	Huntington Park	956	4.3%	42.3%	15.5%	6,172
90059	Los Angeles	948	4.2%	46.6%	17.2%	5,527
90001	Los Angeles	922	4.1%	50.7%	15.6%	5,901
90220	Compton	708	3.2%	53.9%	12.7%	5,554
90222	Compton	700	3.1%	57.0%	18.1%	3,868
90003	Los Angeles	625	2.8%	59.8%	7.6%	8,209
90044	Los Angeles	542	2.4%	62.2%	4.5%	11,994
90723	Paramount	525	2.3%	64.6%	11.7%	4,483
90061	Los Angeles	358	1.6%	66.2%	9.5%	3,764
90650	Norwalk	344	1.5%	67.7%	3.3%	10,373
90270	Maywood	282	1.3%	69.0%	12.2%	2,309
90805	Long Beach	267	1.2%	70.2%	2.7%	9,940
90706	Bellflower	263	1.2%	71.3%	3.6%	7,223
90242	Downey	252	1.1%	72.5%	6.2%	4,038
90241	Downey	224	1.0%	73.5%	6.0%	3,726
90660	Pico Rivera	91	0.4%	73.9%	1.4%	6,608
90240	Downey	69	0.3%	74.2%	3.3%	2,073
90670	Santa Fe Springs	46	0.2%	74.4%	2.7%	1,703
90605	Whittier	44	0.2%	74.6%	1.1%	4,082
90606	Whittier	44	0.2%	74.8%	1.4%	3,244
90703	Cerritos	37	0.2%	74.9%	0.9%	4,026
90604	Whittier	32	0.1%	75.1%	0.9%	3,698
90701	Artesia	31	0.1%	75.2%	1.7%	1,813
90638	La Mirada	30	0.1%	75.4%	0.7%	4,274
90603	Whittier	3	0.0%	75.4%	0.1%	2,152
90639	La Mirada	0	0.0%	75.4%	0.0%	10
Sub-Total		16,845	75.4%	75.4%	10.5%	160,828
All Other		5,504	24.6%	100%		
Grand Total		22,349	100%			

Source: OSHPD Discharge Database, CY 2017







**Conditions to the Sale of St. Vincent Medical Center<sup>1</sup> and Approval of the Asset Purchase Agreement by and among Verity Health System of California, Inc., Verity Holdings, LLC, St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc., Seton Medical Center, and Strategic Global Management, Inc.**

**I.**

These Conditions shall be legally binding on Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation, St. Francis Medical Center Foundation, a nonprofit public benefit corporation, St. Vincent Foundation, a California nonprofit corporation, Seton Medical Center Foundation, a California nonprofit corporation, Verity Business Services, a California nonprofit public benefit corporation, Verity Medical Foundation, a California nonprofit public benefit corporation, St. Vincent de Paul Ethics Corporation, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Marillac Insurance Company, Ltd., a Cayman Islands corporation, DePaul Ventures, LLC, a California limited liability company, DePaul Ventures – San Jose ASC, LLC, a California limited liability company, DePaul Ventures – San Jose Dialysis, LLC, a California limited liability company, and Strategic Global Management, Inc., a California corporation, any other subsidiary, parent, general partner, limited partner, member, affiliate, successor, successor in interest, assignee, or person or entity serving in a similar capacity of any of the above-listed entities including, but not limited to, any entity succeeding thereto as a result of consolidation, affiliation, merger, or acquisition of all or substantially all of the real property or operating assets of St. Vincent Medical Center, or the real property on which St. Vincent Medical Center is located, any and all current and future owners, lessees, licensees, or operators of St. Vincent Medical Center, and any and all current and future lessees and owners of the real property on which St. Vincent Medical Center is located.

**II.**

The transaction conditionally approved by the Attorney General consists of the Asset Purchase Agreement dated January 8, 2019, by and among, Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a

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<sup>1</sup> Throughout this document, the term “St. Vincent Medical Center” shall mean the general acute care hospital located at 2131 West Third Street, Los Angeles, CA 90057, and any other clinics, laboratories, units, services, or beds included on the license issued to St. Vincent Medical Center by the California Department of Public Health, effective January 1, 2019, unless otherwise indicated.



California nonprofit public benefit corporation, and Strategic Global Management, Inc., a California corporation, and any agreements or documents referenced in or attached to as an exhibit or schedule and any other documents referenced in the Asset Purchase Agreement, including, but not limited to, the Sale Leaseback Agreement and Interim Management Agreement.

All the entities listed in Condition I, and any other parties referenced in the above agreements shall fulfill the terms of these agreements or documents and shall notify and obtain the Attorney General's approval in writing of any proposed modification or rescission of any of the terms of these agreements or documents. Such notifications shall be provided at least sixty days prior to their effective date in order to allow the Attorney General to consider whether they affect the factors set forth in Corporations Code section 5917 and obtain the Attorney General's approval.

### III.

For five years from the closing date of the Asset Purchase Agreement, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and all future owners, managers, lessees, licensees, or operators of St. Vincent Medical Center shall be required to provide written notice to the Attorney General sixty days prior to entering into any agreement or transaction to do any of the following:

- (a) Sell, transfer, lease, exchange, option, convey, manage, or otherwise dispose of St. Vincent Medical Center;
- (b) Transfer control, responsibility, management, or governance of St. Vincent Medical Center. The substitution, merger or addition of a new member or members of the governing body of Strategic Global Management, Inc. that transfers the control of, responsibility for or governance of St. Vincent Medical Center, shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing body of Strategic Global Management, Inc., or any arrangement, written or oral, that would transfer voting control of the members of the governing body of Strategic Global Management, Inc. shall also be deemed a transfer for purposes of this Condition.

### IV.

For five years from the closing date of the Asset Purchase Agreement unless otherwise stated, St. Vincent Medical Center shall be operated and maintained as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250). If, on Strategic Global Management, Inc.'s further evaluation, the cost to seismically retrofit the St. Vincent Medical Center becomes less feasible than building a new replacement hospital, services may need to be temporarily closed or relocated due to construction. A detailed program and services plan, architectural drawings, and financing plan shall be presented to the California Attorney General for approval before ceasing to operate any services.

### V.



For five years from the closing date of the Asset Purchase Agreement, St. Vincent Medical Center shall maintain and provide 24-hour emergency services at no less than its current licensure<sup>2</sup> of 8 treatment stations, and designation and the following health care services at current licensure types, and/or levels of services:

- a. Designation as a STEMI Receiving center; and
- b. Maintaining the requirements set by the County of Los Angeles Emergency Medical Services for 911 Receiving Hospitals.

## VI.

For at least five years from the closing date of the Asset Purchase Agreement, St. Vincent Medical Center shall maintain and provide the following services at current licensure, types, and/or levels of services:

- a. Acute rehabilitation services, including a minimum of 19 licensed rehabilitation beds;
- b. Intensive care services, including a minimum of 30 intensive care beds;
- c. Cardiac services, including cardiac surgery and a minimum of two cardiac catheterization labs;
- d. Cancer services, including radiation oncology. Radiation oncology services may be relocated and patients transitioned to another site that has capacity within a three-mile radius after the first year after the closing of the Asset Purchase Agreement;
- e. Gastroenterology services;
- f. Imaging and laboratory services;
- g. Nephrology services, including end stage renal disease program, acute inpatient dialysis, and hemodialysis treatments;
- h. Neurology and neurotology services, including neurosurgery;
- i. Orthopedics, joint replacement, and spine care services;
- j. Transplant services, including kidney and multi-organ transplant procedures for kidney/pancreas double transplants. Transplant services do not include the liver transplant program. These services may be relocated to another hospital in the primary service area based upon a submission of a detailed plan to be approved by the California Attorney General; and
- k. Outpatient dialysis services. The outpatient dialysis services shall be within 5 miles of St. Vincent Medical Center by either (1) operating St. Vincent Dialysis Center, or (2) transferring St. Vincent Dialysis Center to a separate entity and requiring that entity to operate it for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and Medicare programs as required in the Conditions herein, or (3) ensuring that a third party is operating an outpatient dialysis center(s) at current levels for 5 years from the closing date of the Asset Purchase Agreement and that such center(s) participate in the Medi-Cal and Medicare programs as required in Conditions herein.

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<sup>2</sup> The term “current” or “currently” throughout this document means as of January 1, 2019.



Strategic Global Management, Inc. shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

## VII.

For at least five years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall either: (1) operate clinics (listed below) with the same number of physicians and mid-level provider full-time equivalents in the same or similar alignment structures, or (2) sell the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the purchaser(s) to maintain such services for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and Medicare programs as required in the conditions herein, or (3) ensure that a third party is operating the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the third party to maintain such services for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and Medicare programs as required in the conditions herein. For any of these options, each clinic can be moved to a different location within a three-mile radius of each clinic's current location, and St. Vincent Medical Center can utilize an alternative structure in providing such services. The following clinics are subject to this condition:

- a. Cardiac Care Institute, located at 201 S. Alvarado Street, Suite 321, Los Angeles, California;
- b. Transplant Medical Office, located at 8501 Camino Media, Suite 100, Bakersfield, California;
- c. Cancer Treatment Center, located at 201 S. Alvarado Street, Suite A, Los Angeles, California;
- d. Multi-Organ Transplant services, located at 2200 W. Third Street, 5th Floor, Los Angeles, California;
- e. Radiology services, located at 201 S. Alvarado Street, Suite 311, Los Angeles, California;
- f. Orthopedic Services, located at 2200 W. Third Street, 4th Floor, Los Angeles, California; and
- g. Multispecialty Clinic located at 2200 W. Third Street, Suite 120, Los Angeles, California.

## VIII.

For at least five years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall:

- a) Be certified to participate in the Medi-Cal program at St Vincent Medical Center;
- b) Maintain and have Medi-Cal Managed Care contracts with the below listed Medi-Cal Managed Care Plans to provide the same types and levels of emergency and non-emergency services at St. Vincent Medical Center to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care) as required in these Conditions, on the same terms and conditions as



other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause or not extended or renewed by the Medi-Cal Managed Care Plan:

- i) Local Initiative: L.A. Care Health Plan or its successor; and
- ii) Commercial Plan: Health Net Community Solutions, Inc. or its successor.

If Strategic Global Management, Inc. questions whether it is being reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the Attorney General's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.

c) Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at St. Vincent Medical Center to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care), on the same terms and conditions as other similarly situated hospitals, as required in these Conditions.

## IX.

For six fiscal years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall provide an annual amount of Charity Care (as defined below) at St. Vincent Medical Center equal to or greater than \$696,643 (the Minimum Charity Care Amount). For purposes hereof, the term "charity care" shall mean the amount of charity care costs (not charges) incurred by Strategic Global Management, Inc. in connection with the operation and provision of services at St. Vincent Medical Center. The definition and methodology for calculating "charity care" and the methodology for calculating "costs" shall be the same as that used by Office of Statewide Health Planning Development (OSHPD) for annual hospital reporting purposes.<sup>3</sup>

Strategic Global Management, Inc. shall use and maintain a charity care policy that is no less favorable than Verity Health System of California, Inc.'s current charity care policy (Verity's Financial Assistance Policy No. 06.03.04 effective December 5, 2017 and revised and reviewed June 20, 2018) and in compliance with California and Federal law at St. Vincent Medical Center. Within 90 days from the closing of the Asset Purchase Agreement, Strategic Global Management, Inc. will amend the Financial Assistance Policy to include as follows:

- a. A copy of the Financial Assistance Policy and the plain language summary of the Financial Assistance Policy must be posted at St. Vincent Medical Center in a prominent

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<sup>3</sup> OSHPD defines charity care by contrasting charity care and bad debt. According to OSHPD, "the determination of what is classified as . . . charity care can be made by establishing whether or not the patient has the ability to pay. The patient's accounts receivable must be written off as bad debt if the patient has the ability but is unwilling to pay off the account."



- location in the emergency room, admissions area, and any other location in the hospital where there is a high volume of patient traffic, including waiting rooms, billing offices, and hospital outpatient service settings.
- b. A copy of the Financial Assistance Policy, the Application for Financial Assistance, and the plain language summary of the Financial Assistance Policy must be posted in a prominent place on St. Vincent Medical Center's website.
  - c. If requested by a patient, a copy of the Financial Assistance Policy, Application for Financial Assistance, and the plain language summary must be sent by mail at no cost to the patient.
  - d. As necessary, and at least on an annual basis, Strategic Global Management, Inc. will place an advertisement regarding the availability of financial assistance at St. Vincent Medical Center in a newspaper of general circulation in the communities served by the hospital, or issue a Press Release to widely publicize the availability of the Financial Assistance Policy to the communities served by the hospital.
  - e. Strategic Global Management, Inc. will work with affiliated organizations, physicians, community clinics, other health care providers, houses of worship, and other community-based organizations to notify members of the community (especially those who are most likely to require financial assistance) about the availability of financial assistance at St. Vincent Medical Center.
  - f. By December 1, 2019, all staff that interacts with patients and their families concerning payment of services shall be given training to make patients and their families aware of and informed of Strategic Global Management, Inc.'s Financial Assistance Policy at St. Vincent Medical Center.

Any planning of, and any subsequent changes to, the charity care and collection policies, and charity care services provided at St. Vincent Medical Center shall be decided after consultation with the Local Governing Board of Directors.

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the closing date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim Average Base Period: 1982-84=100 (CPI-LA, as published by the U.S. Bureau of Labor Statistics).

If the actual amount of charity care provided at St. Vincent Medical Center for any fiscal year is less than the Minimum Charity Care Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct healthcare services to residents in the St. Vincent Medical Center's service area (48 ZIP codes), as described on page 52 in the Healthcare Impact Report authored by JD Healthcare dated



August 16, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

**X.**

For six fiscal years from the closing date of the Asset Purchase Agreement Strategic Global Management, Inc. shall provide an annual amount of Community Benefit Services at St. Vincent Medical Center equal to or greater than \$1,065,604 (the “Minimum Community Benefit Services Amount”) exclusive of any funds from grants. For six fiscal years, the following community benefit programs and services shall continue to be offered at its current or equivalent location:

- a. Health Benefits Resource Center; and
- b. Asian Pacific Liver Center.

The planning of, and any subsequent changes to, the community benefit services provided at St. Vincent Medical Center shall be decided after consultation with the Local Governing Board of Directors.

Strategic Global Management, Inc.’s obligation under this Condition shall be prorated on a daily basis if the effective date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.’s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach Anaheim Average Base Period: 1982-84=100 (CPI-LA, as published by the U.S. Bureau of Labor Statistics).

If the actual amount of community benefit services provided at St. Vincent Medical Center for any fiscal year is less than the Minimum Community Benefit Services Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide community benefit services for residents in St. Vincent Medical Center’s service area (48 ZIP codes), as defined on as described on page 52 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

**XI.**

For at least five years from the closing date of the Asset Purchase Agreement unless otherwise indicated, Strategic Global Management, Inc. shall maintain its contracts and any amendments and exhibits thereto with the City and/or County of Los Angeles for services, including the following:

- a. Participation in the Hospital Preparedness Program between the Hospital and Los Angeles County; and



b. Radiation Therapy Services between the Hospital and Los Angeles County.

For at least five years from the closing date of the Asset Purchase Agreement, Strategic Global Management shall provide to the Los Angeles County Department of Health Services and Los Angeles County of Department of Mental Health information and documents related to staffing assessments, clinical guidelines, services provided, and technology needs for St. Vincent Medical Center. The goal is to ensure that Strategic Global Management, Inc.'s decisions or changes in these areas will not be motivated by a desire to move away from serving the Medi-Cal population. Such information and documents will also be provided to the Local Governing Board.

**XII.**

For five years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall have at St. Vincent Medical Center a Local Governing Board of Directors. Strategic Global Management, Inc. shall consult with the Local Governing Board of Directors prior to making changes to medical services, community benefit programs, making capital expenditures, including making changes to the charity care and collection policies, and making changes to charity care services provided at St. Vincent Medical Center. The members of the Local Governing Board shall include physicians from St. Vincent Medical Center's medical staff, St. Vincent Medical Center's Chief of Staff, one member designated by the Los Angeles County Board of Supervisors, and community representatives from St. Vincent Medical Center's primary service area (48 ZIP codes), as described on page 52 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019 attached hereto as Exhibit 1, including at least one member from a local healthcare advocacy group. Such consultation shall occur at least sixty days prior to the effective date of such changes or actions unless done so on an emergency basis. The Local Governing Board's approval is required of all reports submitted to the Attorney General regarding compliance with these Conditions.

**XIII.**

Strategic Global Management, Inc. shall commit to reserve or expend capital for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals over the five-year period from the closing of the Asset Purchase Agreement of the amount that remains unexpended from the \$180 million commitment required of BlueMountain Capital Management, LLC as part of the Attorney General Conditions approved on December 3, 2015 but this amount can be no less than \$5.8 million among the three hospitals.

**XIV.**

Strategic Global Management, Inc. shall commit the necessary investments required to meet and maintain OSHPD seismic compliance requirements at St. Vincent Medical Center through 2030 under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act, (Health & Saf. Code, § 129675-130070).



Verity Health System of California, Inc. shall commit the necessary capital investment required to refurbish St. Vincent Medical Center's elevators in order to meet the City of Los Angeles' Elevator Code.

**XV.**

Strategic Global Management, Inc. shall maintain privileges for current medical staff who are in good standing as of the closing date of the Asset Purchase Agreement. Further, the closing of the Asset Purchase Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure at St. Vincent Medical Center.

**XVI.**

There shall be no discrimination against lesbian, gay, bisexual, or transgender individuals at St. Vincent Medical Center, and no restriction or limitation on providing or making reproductive health services available at St. Vincent Medical Center, its medical office buildings, or at any of its facilities. Both of these prohibitions shall be set forth in Strategic Global Management Inc.'s written policies, adhered to, and strictly enforced.

**XVII.**

Within 15 days of the closing of date of the Asset Purchase Agreement, St. Vincent Medical Center Foundation shall transfer all charitable assets including, but not limited to, all temporary and permanently restricted funds to the California Community Foundation.

- a) The funds from St. Vincent Medical Center Foundation, if not previously restricted to support a specific charitable organization, will be deposited into the California Community Foundation's St. Vincent Medical Center Fund, and used to support nonprofit tax-exempt charitable organizations, clinics and facilities in providing healthcare services to residents of St. Vincent Medical Center's service area (48 ZIP codes), as described on page 52 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) The donated funds shall be maintained and used for the purposes specified herein for a period of at least five years.
- b) If there are funds from St. Vincent Medical Center Foundation previously restricted to support a specific charitable organization, such funds shall be deposited into a fund or funds at California Community Foundation restricted to continuing support for such charitable organization or organizations. Such funds are protected against obsolescence. If the purposes of any restricted fund become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by California Community Foundation, the California Community Foundation's Board of Directors shall have the ability to modify any restriction or condition on the use such fund.



**XVIII.**

For six fiscal years from the closing date of the Asset Purchase Agreement Strategic Global Management shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail compliance with each Condition set forth herein. The Chairman of the Board of Directors of Strategic Global Management, Inc. shall certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Local Governing Board.

**XIX.**

At the request of the Attorney General, all parties listed in Condition I, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and any other parties referenced in the agreements listed in Condition II shall provide such information as is reasonably necessary for the Attorney General to monitor compliance with these Conditions and the terms of the transaction as set forth herein. The Attorney General shall, at the request of a party and to the extent provided by law, keep confidential any information so produced to the extent that such information is a trade secret or is privileged under state or federal law, or if the private interest in maintaining confidentiality clearly outweighs the public interest in disclosure.

**XX.**

Once the Asset Purchase Agreement is closed, all parties listed in Condition I, and any other parties referenced in the agreements listed in Condition II are deemed to have explicitly and implicitly consented to the applicability and compliance with each and every Condition and to have waived any right to seek judicial relief with respect to each and every Condition.

The Attorney General reserves the right to enforce each and every Condition set forth herein to the fullest extent provided by law. In addition to any legal remedies the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of any of these Conditions. Pursuant to Government Code section 12598, the Attorney General's office shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.



## Analysis of the Hospital's Service Area

### Service Area Definition

Based upon the Hospital's CY 2017 inpatient discharges, the Hospital's service area is comprised of 48 ZIP Codes from which 71% of the Hospital's inpatient discharges came from. Approximately 38% of the Hospital's discharges originated from the top eight ZIP Codes, located in Los Angeles. In CY 2017, the Hospital's market share in the primary and secondary service area was approximately 4% based on total area discharges.

PATIENT ORIGIN, CY 2017						
ZIP Codes	Community	Total Discharges	% of Discharges	Cumulative % of Discharges	Total Area Discharges	Market Share
90057	Los Angeles	1,106	10.0%	10.0%	5,955	18.6%
90006	Los Angeles	726	6.5%	16.5%	5,472	13.3%
90026	Los Angeles	579	5.2%	21.7%	5,034	11.5%
90004	Los Angeles	491	4.4%	26.1%	4,691	10.5%
90005	Los Angeles	486	4.4%	30.5%	2,843	17.1%
90020	Los Angeles	297	2.7%	33.2%	2,600	11.4%
90019	Los Angeles	286	2.6%	35.8%	5,893	4.9%
90018	Los Angeles	263	2.4%	38.1%	5,975	4.4%
90029	Los Angeles	238	2.1%	40.3%	4,114	5.8%
90017	Los Angeles	235	2.1%	42.4%	2,308	10.2%
90037	Los Angeles	226	2.0%	44.4%	7,439	3.0%
90011	Los Angeles	212	1.9%	46.3%	10,436	2.0%
90012	Los Angeles	198	1.8%	48.1%	4,017	4.9%
90007	Los Angeles	195	1.8%	49.9%	3,129	6.2%
90013	Los Angeles	115	1.0%	50.9%	2,655	4.3%
90015	Los Angeles	112	1.0%	51.9%	1,918	5.8%
90014	Los Angeles	99	0.9%	52.8%	1,287	7.7%
90010	Los Angeles	50	0.5%	53.3%	311	16.1%
90009	Los Angeles	12	0.1%	53.4%	113	10.6%
PSA Sub-Total		5,926	53.4%	53.4%	76,190	7.8%
90044	Los Angeles	152	1.4%	54.7%	11,994	1.3%
90027	Los Angeles	150	1.4%	56.1%	4,273	3.5%
90016	Los Angeles	130	1.2%	57.3%	5,656	2.3%
90008	Los Angeles	127	1.1%	58.4%	4,258	3.0%
90003	Los Angeles	106	1.0%	59.4%	8,209	1.3%
90062	Los Angeles	96	0.9%	60.2%	4,018	2.4%
90028	Los Angeles	95	0.9%	61.1%	2,820	3.4%
90047	Los Angeles	87	0.8%	61.9%	7,164	1.2%
90043	Los Angeles	86	0.8%	62.6%	6,137	1.4%
90038	Los Angeles	82	0.7%	63.4%	2,349	3.5%
90033	Los Angeles	77	0.7%	64.1%	5,255	1.5%
90042	Los Angeles	68	0.6%	64.7%	5,173	1.3%
90039	Los Angeles	67	0.6%	65.3%	2,365	2.8%
90031	Los Angeles	62	0.6%	65.8%	3,161	2.0%
90065	Los Angeles	62	0.6%	66.4%	4,202	1.5%
90046	Los Angeles	61	0.5%	66.9%	4,210	1.4%
90036	Los Angeles	56	0.5%	67.5%	3,313	1.7%
90063	Los Angeles	55	0.5%	67.9%	5,008	1.1%
90001	Los Angeles	51	0.5%	68.4%	5,901	0.9%
90002	Los Angeles	46	0.4%	68.8%	5,797	0.8%
90032	Los Angeles	41	0.4%	69.2%	4,442	0.9%
90255	Huntington Park	40	0.4%	69.6%	6,172	0.6%
90023	Los Angeles	36	0.3%	69.9%	4,965	0.7%
91205	Glendale	28	0.3%	70.1%	4,781	0.6%
90041	Los Angeles	22	0.2%	70.3%	2,587	0.9%
90048	Los Angeles	20	0.2%	70.5%	2,470	0.8%
91204	Glendale	14	0.1%	70.6%	2,260	0.6%
90270	Maywood	13	0.1%	70.7%	2,309	0.6%
90069	West Hollywood	10	0.1%	70.8%	1,850	0.5%
PSA + SSA Sub-Total		7,866	70.8%	70.8%	209,289	3.8%
Other ZIPs		3,238	29.2%	100%		
Total		11,104	100%			

Note: Excludes normal newborns

Source: OSHPD Patient Discharge Database







**Conditions to the Sale of Seton Medical Center<sup>1</sup> and Seton Coastsides<sup>2</sup> and Approval of the Asset Purchase Agreement by and among Verity Health System of California, Inc., Verity Holdings, LLC, St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc., Seton Medical Center, and Strategic Global Management, Inc.**

**I.**

These Conditions shall be legally binding Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation, St. Francis Medical Center Foundation, a nonprofit public benefit corporation, St. Vincent Foundation, a California nonprofit corporation, Seton Medical Center Foundation, a California nonprofit corporation, Verity Business Services, a California nonprofit public benefit corporation, Verity Medical Foundation, a California nonprofit public benefit corporation, St. Vincent de Paul Ethics Corporation, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Marillac Insurance Company, Ltd., a Cayman Islands corporation, DePaul Ventures, LLC, a California limited liability company, DePaul Ventures – San Jose ASC, LLC, a California limited liability company, DePaul Ventures – San Jose Dialysis, LLC, a California limited liability company, and Strategic Global Management, Inc., a California corporation, any other subsidiary, parent, general partner, limited partner, member, affiliate, successor, successor in interest, assignee, or person or entity serving in a similar capacity of any of the above-listed entities including, but not limited to, any entity succeeding thereto as a result of consolidation, affiliation, merger, or acquisition of all or substantially all of the real property or operating assets of Seton Medical Center and Seton Coastsides, or the real property on which Seton and Seton Coastsides are located, any and all current and future owners, lessees, licensees, or operators of Seton Medical Center and Seton Coastsides, and any and all current and future lessees and owners of the real property on which Seton Medical Center and Seton Coastsides are located.

**II.**

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<sup>1</sup> Throughout this document, the term “Seton Medical Center” shall mean the general acute care hospital located at 1900 Sullivan Ave., Daly City, CA 94015, and any other clinics, laboratories, units, services, or beds included on the license issued to Seton Medical Center by the California Department of Public Health, effective January 1, 2019, unless otherwise indicated.

<sup>2</sup> Throughout this document, the term “Seton Coastsides” shall mean the skilled nursing facility with 5 general acute care beds located at 600 Marine Boulevard, Moss Beach, CA 94038-9641, and any other clinics, laboratories, units, services, or beds included on the license issued to Seton Medical Center by the California Department of Public Health, effective January 1, 2019, unless otherwise indicated.



The transaction conditionally approved by the Attorney General consists of the Asset Purchase Agreement dated January 8, 2019, by and among, Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation, and Strategic Global Management, Inc., a California corporation, and any agreements or documents referenced in or attached to as an exhibit or schedule and any other documents referenced in the Asset Purchase Agreement, including, but not limited to, the Sale Leaseback Agreement and Interim Management Agreement.

All the entities listed in Condition I, and any other parties referenced in the above agreements shall fulfill the terms of these agreements or documents and shall notify and obtain the Attorney General's approval in writing of any proposed modification or rescission of any of the terms of these agreements or documents. Such notifications shall be provided at least sixty days prior to their effective date in order to allow the Attorney General to consider whether they affect the factors set forth in Corporations Code section 5917 and obtain the Attorney General's approval.

### III.

For approximately 6 years (until December 13, 2025) from the closing date of the Asset Purchase Agreement, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and all future owners, managers, lessees, licensees, or operators of Seton Medical Center and Seton Coastside shall be required to provide written notice to the Attorney General sixty days prior to entering into any agreement or transaction to do any of the following:

- (a) Sell, transfer, lease, exchange, option, convey, manage, or otherwise dispose of Seton Medical Center or Seton Coastside;
- (b) Transfer control, responsibility, management, or governance of Seton Medical Center or Seton Coastside. The substitution, merger or addition of a new member or members of the governing body of Strategic Global Management, Inc. that transfers the control of, responsibility for or governance of Seton Medical Center or Seton Coastside, shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing body of Strategic Global Management, Inc., or any arrangement, written or oral, that would transfer voting control of the members of the governing body of Strategic Global Management, Inc. shall also be deemed a transfer for purposes of this Condition.



#### IV.

For the remainder of the term<sup>3</sup> (until December 13, 2025), Seton Medical Center (including Seton Coastside because both facilities are on the same license) shall be operated and maintained as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250).

#### V.

For the remainder of the term (until December 13, 2025), the Seton Medical Center shall maintain 24-hour emergency medical services at a minimum of 18 treatment stations with the same types and/or levels of services, including:

- a. Designation as a STEMI Receiving Center; and
- b. Advanced certification as a Primary Stroke Center;

#### VI.

For the remainder of the term (until December 13, 2025), Seton Medical Center shall maintain the following services at current<sup>4</sup> licensure, types, and/or levels of services, including:

- a. Cardiac services, including the 2 cardiac catheterization labs;
- b. Critical care services, including a minimum of 20 intensive care/coronary care beds;
- c. Psychiatric services, including a minimum of 22 distinct part beds with at least 20 beds available for the geriatric psychiatric unit;
- d. Women's health services, including the Seton Breast Health Center and women's imaging and mammography services; and
- e. Sub-acute services, including a minimum of 44 sub-acute beds and Medi-Cal Certification as a sub-acute unit.

Strategic Global Management, Inc. shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

#### VII.

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<sup>3</sup> The term "For the remainder of the term" refers to the Conditions to Change in Control and Governance of Seton Medical Center and Seton Coastside and Approval of the System Restructuring and Support Agreement by and among Daughters of Charity Ministry Services Corporation, Daughters of Charity Health System, Certain Funds Managed by BlueMountain Capital Management, LLC, and Integrity Healthcare, LLC., dated December 3, 2015. The System Restructuring and Support Agreement closed on December 14, 2015.

<sup>4</sup> The term "current" or "currently" throughout this document means as of January 1, 2019.



For at least five years from the closing date of the Asset Purchase Agreement, Seton Medical Center shall maintain the following services at current licensure, types, and/or levels of services:

- a. Gastroenterology services, including enteroscopy, endoscopy, and colonoscopy services;
- b. Cancer services, including inpatient oncology services, interventional radiology, radiation therapy, and for those patients that may be in need of infusion therapy treatment, a referral process to other nearby hospitals or clinics, including Stanford Cancer Center, UCSF Helen Diller Comprehensive Cancer Clinic, St. Mary's Cancer Center, or other health facility that provides infusion therapy services. The referral process shall be memorialized in the policies and procedures at Seton Medical Center and should include procedures on how to assist patients with accessing infusion therapy at the nearby hospitals or clinics, and the transferring of patient medical records;
- c. 's written policies or procedures that refers patients that require medical infusion to be referred to another nearby hospital or entity that provides medial infusion services;
- d. Orthopedics and rehabilitation services, including spine care services;
- e. Diabetes services, including Northern California Diabetes Institute;
- f. Wound care services, including Seton Center for Advanced Wound Care; and
- g. Nephrology services.

Strategic Global Management, Inc. shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

#### VIII.

For the remainder of the term (until December 13, 2025), Seton Medical Center shall maintain the following services at current licensure, types, and/or levels of services at Seton Coastside including:

- a. 24-hour "standby" Emergency Department, with a minimum of 7 treatment stations; and
- b. Skilled nursing services, including a minimum of 116 licensed skilled nursing beds.

#### IX.

For at least five years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall either: (1) operate clinics (listed below) with the same number of physicians and mid-level provider full-time equivalents in the same or similar alignment structures, or (2) sell the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the purchaser(s) to maintain such services for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and Medicare programs as required in the conditions herein, or (3) ensure that a third party is operating the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the third party to maintain such services for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and Medicare programs as required in the conditions herein. For any of these options, each clinic can be



moved to a different location within a three-mile radius of each clinic's current location, and Seton Medical and Seton Coastside can utilize an alternative structure in providing such services.

The following clinics are subject to this condition shall maintain the same types and/or levels of services provided, including women's healthcare services, and mammography services:

- a. Women's Health Services, located at 1850 Sullivan Avenue, Suite 190, Daly City California.
- b. Imaging Services located at 1850 Sullivan Avenue, Suite 100, Daly City California; and
- c. Wound Care Services, located at 1850 Sullivan Avenue, Suite 115, Daly City California.

#### X.

For six fiscal years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall provide an annual amount of Charity Care (as defined below) at Seton Medical Center and Seton Coastside equal to or greater than \$1,055,863 (the Minimum Charity Care Amount). For purposes hereof, the term "charity care" shall mean the amount of charity care costs (not charges) incurred by Strategic Global Management, Inc. in connection with the operation and provision of services at Seton Medical Center and Seton Coastside. The definition and methodology for calculating "charity care" and the methodology for calculating "costs" shall be the same as that used by Office of Statewide Health Planning Development (OSHPD) for annual hospital reporting purposes.<sup>5</sup>

Strategic Global Management, Inc. shall use and maintain a charity care policy that is no less favorable than Verity Health System of California, Inc.'s current charity care policy (Verity's Financial Assistance Policy No. 06.03.04 effective December 5, 2017 and revised and reviewed June 20, 2018) and in compliance with California and Federal law at Seton Medical Center and Seton Coastside. Within 90 days from the closing of the Asset Purchase Agreement, Strategic Global Management, Inc. will amend the Financial Assistance Policy to include as follows:

- a. A copy of the Financial Assistance Policy and the plain language summary of the Financial Assistance Policy must be posted at Seton Medical Center and Seton Coastside in a prominent location in the emergency room, admissions area, and any other location in the hospital where there is a high volume of patient traffic, including waiting rooms, billing offices, and hospital outpatient service settings.
- b. A copy of the Financial Assistance Policy, the Application for Financial Assistance, and the plain language summary of the Financial Assistance Policy must be posted in a prominent place on each Seton Medical Center's and Seton Coastside's website(s).

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<sup>5</sup> OSHPD defines charity care by contrasting charity care and bad debt. According to OSHPD, "the determination of what is classified as . . . charity care can be made by establishing whether or not the patient has the ability to pay. The patient's accounts receivable must be written off as bad debt if the patient has the ability but is unwilling to pay off the account."



- c. If requested by a patient, a copy of the Financial Assistance Policy, Application for Financial Assistance, and the plain language summary must be sent by mail at no cost to the patient.
- d. As necessary, and at least on an annual basis, Strategic Global Management, Inc. will place an advertisement regarding the availability of financial assistance at Seton Medical Center and Seton Coastsides in a newspaper of general circulation in the communities served by the hospitals, or issue a Press Release to widely publicize the availability of the Financial Assistance Policy to the communities served by the hospitals.
- e. Strategic Global Management, Inc. will work with affiliated organizations, physicians, community clinics, other health care providers, houses of worship, and other community-based organizations to notify members of the community (especially those who are most likely to require financial assistance) about the availability of financial assistance at Seton Medical Center and Seton Coastsides.
- f. By December 1, 2019, all staff that interacts with patients and their families concerning payment of services shall be given training to make patients and their families aware of and informed of Strategic Global Management, Inc.'s Financial Assistance Policy at Seton Medical Center and Seton Coastsides.

Any planning of, and any subsequent changes to, the charity care and collection policies, and charity care services provided at Seton Medical Center and Seton Coastsides shall be decided after consultation with the Local Governing Board of Directors.

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the closing date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose, California Average Base Period: 1982-84=100 (as published by the U.S. Bureau of Labor Statistics). If the actual amount of charity care provided at Seton Medical Center and Seton Coastsides for any fiscal year is less than the Minimum Charity Care Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct healthcare services to residents in the Seton Medical Center service area (14 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 19, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

## XI.

For six fiscal years from the closing date of the Asset Purchase Agreement Strategic Global Management, Inc. shall provide an annual amount of Community Benefit Services at Seton Medical Center and Seton Coastsides equal to or greater than \$685,870 (the "Minimum Community Benefit Services Amount") exclusive of any funds from grants. For six fiscal years,



the following community benefit programs and services shall continue to be offered at its current or equivalent location:

- a. Health Benefits Resource Center; and
- b. RotaCare Clinic.

The planning of, and any subsequent changes to, the community benefit services provided at Seton Medical Center shall be decided after consultation with the Local Governing Board of Directors.

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the effective date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose, California Average Base Period: 1982-84=100 (as published by the U.S. Bureau of Labor Statistics). If the actual amount of community benefit services provided at Seton Medical Center and Seton Coastsides for any fiscal year is less than the Minimum Community Benefit Services Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide community benefit services for residents in Seton Medical Center's service area (14 ZIP codes), as defined on as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 19, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

## XII.

For the remainder of the term (until December 13, 2025), Strategic Global Management, Inc. shall:

- a) Be certified to participate in the Medi-Cal program at Seton Medical Center and Seton Coastsides;
- b) Maintain and have a Medi-Cal Managed Care contract with San Mateo Health Commission dba Health Plan of San Mateo or its successor to provide the same types and levels of emergency and non-emergency services at Seton Medical Center and Seton Coastsides to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care) as required in these Conditions, on the same terms and conditions as other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause or not extended or renewed by the Medi-Cal Managed Care Plan.



If Strategic Global Management, Inc. questions whether it is being reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the Attorney General's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.

c) Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at Seton Medical Center and Seton Coastside to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care) as required in these Conditions.

### XIII.

For at least five years from the closing date of the Asset Purchase Agreement unless otherwise indicated, Strategic Global Management, Inc. shall maintain its contracts and any amendments and exhibits thereto with the County of San Mateo, unless otherwise terminated by the County of San Mateo, for services, including the following:

- a. Participation in the Hospital Preparedness Program between the Hospital (jointly with Seton Coastside) and San Mateo County;
- b. STEMI Receiving Center Designation between the Hospital and San Mateo County;
- c. Financial Support for Seismic Upgrades between the Hospital and San Mateo County;
- d. Information Sharing and Data Use Agreement between the Hospital and the County of San Mateo Health System;
- e. Fee for Service Hospital Services Agreement between the Hospital (jointly with Seton Coastside) and San Francisco Health Plan;
- f. Memorandum of Understanding between the Hospital and San Mateo County Behavioral Health and Recovery Services Division;
- g. Affiliation Agreement for the Radiology Technology Program between the Hospital and San Mateo College District;
- h. Affiliation Agreement for the Registered Nursing Program between the Hospital (jointly with Seton Coastside) and San Mateo College District;
- i. Patient Transfer Agreement between the Hospital and San Mateo County Medical Center;
- j. Rail Shuttle Bus Service Administration for Seton Shuttle Agreement between the Hospital and San Mateo County Transit District;
- k. Medical Services Agreement between the Hospital and San Mateo Health Community Health Authority- Access and Care for Everyone (ACE) Program;
- l. Hospital Medi-Cal Hospital Agreement between the Hospital and San Mateo Health Commission dba Health Plan of San Mateo;
- m. Memorandum of Understanding for Long Term Care Partnership Program between the Hospital and San Mateo Health Commission dba Health Plan of San Mateo; and
- n. Care Advantage Hospital Service Agreement between the Hospital and San Mateo Health Commission dba Health Plan of San Mateo.

### XIV.



For the remainder of the term (until December 13, 2025), Strategic Global Management, Inc. shall have at Seton Medical Center and Seton Coastside Local Governing Board(s) of Directors. Strategic Global Management, Inc. shall consult with the Local Governing Board(s) of Directors prior to making changes to medical services, community benefit programs, making capital expenditures, making changes to the charity care and collection policies, and making changes to charity care services provided at Seton Medical Center and Seton Coastside. The members of the Local Governing Board(s) shall include physicians from Seton Medical Center's and Seton Coastside's medical staff, Seton Medical Center's and Seton Coastside's Chief(s) of Staff, one member designated by the San Mateo County Board of Supervisors, and community representatives from Seton Medical Center's and Seton Coastside's service area (14 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 19, 2019, attached hereto as Exhibit 1, including at least one member from a local healthcare advocacy group. Such consultation shall occur at least sixty days prior to the effective date of such changes or actions unless done so on an emergency basis. The Local Governing Board(s)'s approval is required of all reports submitted to the Attorney General regarding compliance with these Conditions.

**XV.**

Strategic Global Management, Inc. shall commit to reserve or expend capital for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals over the five-year period from the closing of the Asset Purchase Agreement of the amount that remains unexpended from the \$180 million commitment required of BlueMountain Capital Management, LLC as part of the Attorney General Conditions approved on December 3, 2015 but this amount can be no less than \$5.8 million among the three hospitals.

**XVI.**

Strategic Global Management, Inc. shall maintain privileges for current medical staff who are in good standing as of the closing date of the Asset Purchase Agreement. Further, the closing of the Asset Purchase Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure at Seton Medical Center and Seton Coastside.

**XVII.**

Strategic Global Management, Inc. shall commit the necessary investments required to meet and maintain OSHPD seismic compliance requirements at Seton Medical Center and Seton Coastside through 2030 under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act, (Health & Saf. Code, § 129675-130070). Strategic Global Management, Inc. shall meet construction benchmarks which include the starting of construction on the 1963 Tower, and as detailed on the attached Exhibit 2.

**XVIII.**



There shall be no discrimination against lesbian, gay, bisexual, or transgender individuals at Seton Medical Center and Seton Coastside, and no restriction or limitation on providing or making reproductive health services available at Seton Medical Center and Seton Coastside, its medical office buildings, or at any of its facilities. Both of these prohibitions shall be set forth in Strategic Global Management Inc.'s written policies, adhered to, and strictly enforced.

#### XIX.

Within 15 days of the Attorney General's approval, Seton Medical Center Foundation shall transfer all charitable assets including, but not limited to, all temporary and permanently restricted funds to the California Community Foundation.

- a) The funds from Seton Medical Center Foundation, if not previously restricted to support a specific charitable organization, will be deposited into the California Community Foundation's Seton Medical Foundation, and used to support nonprofit tax-exempt charitable organizations, clinics and facilities in providing healthcare services to residents of Seton Medical Foundation's service area (14 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 19, 2019. (Exhibit 1.) The donated funds shall be maintained and used for the purposes specified herein for a period of at least five years.
- b) If there are funds from Seton Medical Foundation previously restricted to support a specific charitable organization, such funds shall be deposited into a fund or funds at California Community Foundation restricted to continuing support for such charitable organization or organizations. Such funds are protected against obsolescence. If the purposes of any restricted fund become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by California Community Foundation, the California Community Foundation's Board of Directors shall have the ability to modify any restriction or condition on the use such fund.

#### XX.

For six fiscal years from the closing date of the Asset Purchase Agreement Strategic Global Management shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail compliance with each Condition set forth herein. The Chairman of the Board of Directors of Strategic Global Management, Inc. shall certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Local Governing Board.

#### XXI.

At the request of the Attorney General, all parties listed in Condition I, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and any other parties



referenced in the agreements listed in Condition II shall provide such information as is reasonably necessary for the Attorney General to monitor compliance with these Conditions and the terms of the transaction as set forth herein. The Attorney General shall, at the request of a party and to the extent provided by law, keep confidential any information so produced to the extent that such information is a trade secret or is privileged under state or federal law, or if the private interest in maintaining confidentiality clearly outweighs the public interest in disclosure.

## XXII.

Once the Asset Purchase Agreement is closed, all parties listed in Condition I, and any other parties referenced in the agreements listed in Condition II are deemed to have explicitly and implicitly consented to the applicability and compliance with each and every Condition and to have waived any right to seek judicial relief with respect to each and every Condition.

The Attorney General reserves the right to enforce each and every Condition set forth herein to the fullest extent provided by law. In addition to any legal remedies the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of any of these Conditions. Pursuant to Government Code section 12598, the Attorney General's office shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.



## Analysis of the Hospital's Service Area

### Service Area Definition

The Hospital's service area is comprised of 14 ZIP Codes, from which approximately 82% of its discharges originated in CY 2017. Approximately 55% of the Hospital's discharges came from the top three ZIP Codes, located in Daly City, and South San Francisco. In CY 2017, the Hospital's market share in the service area was 12.6% based on inpatient discharges.

		PATIENT ORIGIN, CY 2017			Total Area Discharges	Market Share
ZIP Codes	Community	Total Discharges	% of Discharges	Cumulative % of Discharges		
94015	Daly City	1,347	25.5%	25.5%	4,640	29.0%
94014	Daly City	798	15.1%	40.6%	3,337	23.9%
94080	South San Francisco	732	13.8%	54.4%	5,074	14.4%
94044	Pacifica	533	10.1%	64.5%	2,972	17.9%
94112	San Francisco	263	5.0%	69.5%	6,620	4.0%
94066	San Bruno	216	4.1%	73.5%	3,515	6.1%
94134	San Francisco	130	2.5%	76.0%	3,795	3.4%
94132	San Francisco	114	2.2%	78.2%	1,908	6.0%
94019	Half Moon Bay	74	1.4%	79.6%	1,194	6.2%
94038	Moss Beach	46	0.9%	80.4%	249	18.5%
94005	Brisbane	21	0.4%	80.8%	369	5.7%
94037	Montara	14	0.3%	81.1%	183	7.7%
94018	El Granada	12	0.2%	81.3%	257	4.7%
94017	Daly City	11	0.2%	81.5%	33	33.3%
<b>Subtotal</b>		<b>4,311</b>	<b>81.5%</b>	<b>81.5%</b>	<b>34,146</b>	<b>12.6%</b>
Other ZIPs		977	18.5%	100%		
<b>Total</b>		<b>5,288</b>	<b>100%</b>			

Note: Excludes normal newborns

Source: OSHPD Patient Discharge Database



Report Year and Quarter  
All

AB 2190 Quarterly Reports for 10801 Seton Medical Center

OSHPD Building Nbr	Bldg Name	Report Year and Quarter	Construction Project Nbr	Milestone Date	Milestone Description	Milestone Comments	Milestone Quarterly Update
BLD-00846	1963 Tower	2019 - Q2	I160019-41-00; I160019-41-01; I160019-41-02; I160019-41-03	4/1/2020	Start Construction		On schedule
				7/1/2022	Complete Construction		On schedule
BLD-00847	Front Wing	2019 - Q2	I160020-41-00; I160020-41-01	4/1/2020	Start Construction		On schedule
				7/1/2022	Complete Construction		On schedule



**Exhibit C**

**The Additional Conditions**



**Conditions to the Sale of St. Francis Medical Center<sup>1</sup> and Approval of the Asset Purchase Agreement by and among Verity Health System of California, Inc., Verity Holdings, LLC, St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc., Seton Medical Center, and Strategic Global Management, Inc.**

**I.**

These Conditions shall be legally binding on Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation, ~~St. Francis Medical Center Foundation, a nonprofit public benefit corporation, St. Vincent Foundation, a California nonprofit corporation, Seton Medical Center Foundation, a California nonprofit corporation, Verity Business Services, a California nonprofit public benefit corporation, Verity Medical Foundation, a California nonprofit public benefit corporation, St. Vincent de Paul Ethics Corporation, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Marillae Insurance Company, Ltd., a Cayman Islands corporation, DePaul Ventures, LLC, a California limited liability company, DePaul Ventures — San Jose ASC, LLC, a California limited liability company, DePaul Ventures — San Jose Dialysis, LLC, a California limited liability company,~~ and Strategic Global Management, Inc., a California corporation, any other subsidiary, parent, general partner, limited partner, member, affiliate, successor, successor in interest, assignee, or person or entity serving in a similar capacity of any of the above-listed entities including, but not limited to, any entity succeeding thereto as a result of consolidation, affiliation, merger, or acquisition of all or substantially all of the real property or operating assets of St. Francis Medical Center, or the real property on which St. Francis Medical Center is located, any and all current and future owners, lessees, licensees, or operators of St. Francis Medical Center, and any and all current and future lessees and owners of the real property on which St. Francis Medical Center is located.

**II.**

The transaction conditionally approved by the Attorney General consists of the Asset Purchase Agreement dated January 8, 2019, by and among, Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a

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<sup>1</sup> Throughout this document, the term “St. Francis Medical Center” shall mean the general acute care hospital located at 3630 East Imperial Highway, Lynwood, CA 90262, and any other clinics, laboratories, units, services, or beds included on the license issued to St. Francis Medical Center by the California Department of Public Health, effective January 1, 2019, unless otherwise indicated.



California nonprofit public benefit corporation, and Strategic Global Management, Inc., a California corporation, and any agreements or documents referenced in or attached to as an exhibit or schedule and any other documents referenced in the Asset Purchase Agreement, including, but not limited to, the Sale Leaseback Agreement and Interim Management Agreement.

All the entities listed in Condition I, and any other parties referenced in the above agreements shall fulfill the terms of these agreements or documents and shall notify and obtain the Attorney General's approval in writing of any proposed modification or rescission of any of the terms of these agreements or documents. Such notifications shall be provided at least sixty days prior to their effective date in order to allow the Attorney General to consider whether they affect the factors set forth in Corporations Code section 5917 and obtain the Attorney General's approval.

### III.

For ten years from the closing date of the Asset Purchase Agreement, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and all future owners, managers, lessees, licensees, or operators of St. Francis Medical Center shall be required to provide written notice to the Attorney General sixty days prior to entering into any agreement or transaction to do any of the following:

- (a) Sell, transfer, lease, exchange, option, convey, manage, or otherwise dispose of St. Francis Medical Center;
- (b) Transfer control, responsibility, management, or governance of St. Francis Medical Center. The substitution, ~~merger~~ or addition of a new member or members of the governing body of Strategic Global Management, Inc. that transfers the control of, responsibility for or governance of St. Francis Medical Center, shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing body of Strategic Global Management, Inc., or any arrangement, written or oral, that would transfer voting control of the members of the governing body of Strategic Global Management, Inc. shall also be deemed a transfer for purposes of this Condition.

### IV.

For ~~ten years from the closing date~~<sup>remainder</sup> of the ~~Asset Purchase Agreement~~,<sup>term<sup>2</sup> (until December 13, 2025)</sup>, St. Francis Medical Center shall be operated and maintained as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250) and shall maintain and provide 24-hour emergency and trauma medical services at no less than

<sup>2</sup> The term "For the remainder of the term" refers to the Conditions to Change in Control and Governance of St. Francis Medical Center and Approval of the System Restructuring and Support Agreement by and among Daughters of Charity Ministry Services Corporation, Daughters of Charity Health System, Certain Funds Managed by BlueMountain Capital Management, LLC, and Integrity Healthcare, LLC., dated December 3, 2015. The System Restructuring and Support Agreement closed on December 14, 2015 ("2015 Conditions")



current<sup>3</sup> licensure and designation with the same types and/or levels of services, including the following:

- a. 46 emergency treatment stations at a minimum;
- b. Designation as a Level II Trauma Center;
- c. Designation as a 5150 Receiving Facility, as defined by the Welfare and Institutions Code, section 5150, for behavioral health patients under involuntary evaluation;
- d. Psychiatric evaluation team;
- e. Designation as an Emergency Department Approved for Pediatrics (EDAP);
- f. Designation as a Paramedic Base Station; and
- g. Certification as a Primary Stroke Center.

Strategic Global Management, Inc. must give one-year advance written notice to the Los Angeles County Emergency Medical Services Agency and the California Department of Public Health if St. Francis Medical Center seeks to reduce trauma or trauma-related care services or stop operating the Level II Trauma Center after ten years from the closing date of the Asset Purchase Agreement.

## V.

For ~~at least ten years from the closing date~~remainder of the ~~Asset Purchase Agreement, term (until December 13, 2025)~~, St. Francis Medical Center shall maintain ~~Center~~ on-call coverage contracts and/or comparable coverage arrangements with physicians at fair market value that are necessary to retain its qualification as a Level II trauma center. ~~Trauma II designation requires 24-hour immediate coverage by general surgeons, as well as coverage by the specialties of orthopedic surgery, neurosurgery, anesthesiology, emergency medicine, radiology and critical care. Requirements for on-call and promptly available specialties include the following:~~The following on-call coverage contracts and/or comparable coverage arrangements are required to retain St. Francis Medical Center's status as a Level II trauma center:

- a. Neurology;
- b. Obstetrics/gynecology;
- c. Ophthalmology;
- d. Oral or maxillofacial or head and neck;
- e. Orthopaedic;
- ~~e.f.~~ f. Plastic surgery;
- ~~f.g.~~ g. Reimplantation/microsurgery capability (this surgical service may be provided through a written transfer agreement); and
- ~~g.h.~~ h. Urology.<sup>4</sup>

## VI.

<sup>3</sup> The term "current" or "currently" throughout this document means as of January 1, 2019.

<sup>4</sup> 22 CCR 100259(a)(8)(B).



For ~~at least ten years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2025), St. Francis Medical Center shall maintain the following services at current licensure, types, and/or levels of services:

- a. Cardiac services, including three cardiac catheterization labs and the designation as a STEMI Receiving Center;
- b. Critical care services, including a minimum of 36 intensive care unit beds or 24 intensive care beds and 12 definitive observation beds;
- c. Neonatal intensive care services, including a minimum of 29 neonatal intensive care beds, and at minimum, maintaining a Level II NICU;
- d. Women's health services, including women's imaging services;
- ~~e. Cancer services, including radiation oncology;~~
- ~~f. e.~~ e. Pediatric services, including a designated area with at least five general acute care beds for pediatric services;
- ~~g. f.~~ f. Orthopedic and rehabilitation services;
- ~~h. g.~~ g. Wound care services;
- ~~i. h.~~ h. Behavioral health services, including a minimum of 40 distinct part inpatient acute psychiatric beds; and
- ~~j. i.~~ i. Perinatal services, including a minimum of 50 perinatal beds.

For the remainder of the term (until December 13, 2025), Strategic Global Management, Inc. shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

## VII.

For ~~at least ten years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2025), St. Francis Medical Center shall maintain the same types and/or levels of women's healthcare services currently provided ~~at the location below or a location within three miles of St. Francis Medical Center:~~

- ~~a. Family Life Center at St. Francis Medical Center, located at 3630 E Imperial Highway, Lynwood, California.~~

## VIII.

For ~~at least five years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2020), Strategic Global Management, Inc. shall either: (1) operate clinics (listed below) with the same number of physicians and mid-level provider full-time equivalents in the same or similar alignment structures, or (2) sell the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the purchaser(s) to maintain such services for ~~5 years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2020), and to participate in the Medi-Cal and Medicare programs as required in the conditions herein, or (3) ensure that a third party is operating the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the third party to maintain such services for ~~5 years from the closing~~



~~date~~remainder of the ~~Asset Purchase Agreement~~term (December 13, 2020), and to participate in the Medi-Cal and Medicare programs as required in the conditions herein. For any of these options, each clinic can be moved to a different location within a three-mile radius of each clinic's current location, and St. Francis Medical Center can utilize an alternative structure in providing such services. The following clinics are subject to this condition:

- ~~a. Pediatric services at Children's Counseling Center, 4390 Tweedy Ave, South Gate, California;~~
- ~~b. The multi-specialty services, including wound care at Wound Care Center, 3628 E. Imperial Highway, Suite 103, Lynwood, California; and~~
- ~~e.~~a. Orthopedic services at 3628 E. Imperial Highway, Suite 300, Lynwood, California.

## IX.

For ~~ten years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2025), Strategic Global Management, Inc. shall:

- a) Be certified to participate in the Medi-Cal program at St. Francis Medical Center;
- b) Maintain and have Medi-Cal Managed Care contracts with the below listed Medi-Cal Managed Care Plans to provide the same types and levels of emergency and non-emergency services at St. Francis Medical Center to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care) as required in these Conditions, on the same terms and conditions as other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause or not extended or renewed by the Medi-Cal Managed Care Plan:
  - i) Local Initiative: L.A. Care Health Plan or its successor; and
  - ii) Commercial Plan: Health Net Community Solutions, Inc. or its successor.

If Strategic Global Management, Inc. questions whether it is being reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the Attorney General's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.

- c) Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at St. Francis Medical Center to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care), on the same terms and conditions as other similarly situated hospitals, as required in these Conditions.

## X.



For ~~six fiscal years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2026), Strategic Global Management, Inc. shall provide an annual amount of Charity Care (as defined below) at St. Francis Medical Center equal to or greater than ~~\$12,793,435~~\$8,000,000 (the Minimum Charity Care Amount). For purposes hereof, the term “charity care” shall mean the amount of charity care costs (not charges) incurred by Strategic Global Management, Inc. in connection with the operation and provision of services at St. Francis Medical Center. The definition and methodology for calculating “charity care” and the methodology for calculating “costs” shall be the same as that used by Office of Statewide Health Planning Development (OSHPD) for annual hospital reporting purposes.<sup>5</sup>

~~Strategic Global Management, Inc. shall use and maintain a charity care policy that is no less favorable than Verity Health System of California, Inc.’s current charity care policy (Verity’s Financial Assistance Policy No. 06.03.04 effective December 5, 2017 and revised and reviewed June 20, 2018) and in compliance with California and Federal law at St. Francis Medical Center. Within 90 days from the closing of the Asset Purchase Agreement, Strategic Global Management, Inc. will amend the Financial Assistance Policy to include as follows:~~

- ~~a. A copy of the Financial Assistance Policy and the plain language summary of the Financial Assistance Policy must be posted at St. Francis Medical Center in a prominent location in the emergency room, admissions area, and any other location in the hospital where there is a high volume of patient traffic, including waiting rooms, billing offices, and hospital outpatient service settings.~~
- ~~b. A copy of the Financial Assistance Policy, the Application for Financial Assistance, and the plain language summary of the Financial Assistance Policy must be posted in a prominent place on St. Francis Medical Center’s website.~~
- ~~c. If requested by a patient, a copy of the Financial Assistance Policy, Application for Financial Assistance, and the plain language summary must be sent by mail at no cost to the patient.~~
- ~~d. As necessary, and at least on an annual basis, Strategic Global Management, Inc. will place an advertisement regarding the availability of financial assistance at St. Francis Medical Center in a newspaper of general circulation in the communities served by the hospital, or issue a Press Release to widely publicize the availability of the Financial Assistance Policy to the communities served by the hospital.~~
- ~~e. Strategic Global Management, Inc. will work with affiliated organizations, physicians, community clinics, other health care providers, houses of worship, and other community-based organizations to notify members of the community (especially those who are most likely to require financial assistance) about the availability of financial assistance at St. Francis Medical Center.~~
- ~~f. By December 1, 2019, all staff that interacts with patients and their families concerning payment of services shall be given training to make patients and their families aware of~~

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<sup>5</sup> OSHPD defines charity care by contrasting charity care and bad debt. According to OSHPD, “the determination of what is classified as . . . charity care can be made by establishing whether or not the patient has the ability to pay. The patient’s accounts receivable must be written off as bad debt if the patient has the ability but is unwilling to pay off the account.”



~~and informed of Strategic Global Management, Inc.'s Financial Assistance Policy at St. Francis Medical Center.~~

~~Any planning of, and any subsequent changes to, the charity care and collection policies, and charity care services provided at St. Francis Medical Center shall be decided after consultation with the Local Governing Board of Directors.~~

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the closing date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim Average Base Period: 1982-84=100 (CPI-LA, as published by the U.S. Bureau of Labor Statistics).

If the actual amount of charity care provided at St. Francis Medical Center for any fiscal year is less than the Minimum Charity Care Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct healthcare services to residents in the St. Francis Medical Center's service area (31 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

## XI.

For six fiscal years from the closing date of the Asset Purchase Agreement Strategic Global Management, Inc. shall provide an annual amount of Community Benefit Services at St. Francis Medical Center equal to or greater than \$1,139,301 (the "Minimum Community Benefit Services Amount") exclusive of any funds from grants. For six fiscal years, the following community benefit programs and services shall continue to be offered at its current or equivalent location:

~~Southern California Crossroads Program;~~

- a. Health Benefit Resource Center;
- b. Welcome Baby Program;
- c. Healthy Community Initiatives;
- d. American Career College access for onsite training;
- e. Paramedic Training and Education; and
- f. Patient Transportation support.

The planning of, and any subsequent changes to, the community benefit services provided at St. Francis Medical Center shall be decided after consultation with the Local Governing Board of Directors.



Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the effective date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim Average Base Period: 1982-84=100 (CPI-LA, as published by the U.S. Bureau of Labor Statistics).

If the actual amount of community benefit services provided at St. Francis Medical Center for any fiscal year is less than the Minimum Community Benefit Services Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide community benefit services for residents in St. Francis Medical Center's service area (31 ZIP codes), as defined on as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1). Such payment(s) shall be made within six months following the end of such fiscal year.

## XII.

For ~~at least ten years from the remainder of the closing date of the Asset Purchase Agreement unless otherwise indicated,~~ term (until December 13, 2025), Strategic Global Management, Inc. shall maintain its contracts and any amendments and exhibits thereto with the City and/or County of Los Angeles for services, including the following:

- a. Participation in the Hospital Preparedness Program between the Hospital and Los Angeles County;
- b. Department of Mental Health Legal Entity Contract between the Hospital and Los Angeles County;
- c. Paramedic Base Hospital Services between the Hospital and Los Angeles County;
- d. Radiation Therapy Services between the Hospital and Los Angeles County;
- e. Designation Agreement between the County of Los Angeles Department of Mental Health (LAC-DMH) and the Hospital and approved as a 72-hour Evaluation and Intensive Treatment facility;
- ~~f. Affiliation Agreement for physicians in post graduate training;~~
- ~~g.~~ f. Trauma Center Service Agreement between the Hospital and Los Angeles County; and
- ~~h.~~ g. Paramedic Training Institute Students between the Hospital and Los Angeles County.

For ~~at least ten years from the closing date~~ remainder of the ~~Asset Purchase Agreement,~~ term (until December 13, 2025), Strategic Global Management shall provide to the Los Angeles County Department of Health Services and Los Angeles County of Department of Mental Health information and documents related to staffing assessments, clinical guidelines, services provided, and technology needs for St. Francis Medical Center. The goal is to ensure that



Strategic Global Management, Inc.'s decisions or changes in these areas will not be motivated by a desire to move away from serving the Medi-Cal population. Such information and documents will also be provided to the Local Governing Board.

### XIII.

For ~~ten years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2025), Strategic Global Management, Inc. shall have at St. Francis Medical Center a Local Governing Board of Directors. Strategic Global Management, Inc. shall consult with the Local Governing Board of Directors prior to making changes to medical services, community benefit programs, making capital expenditures, including making changes to the charity care and collection policies, and making changes to charity care services provided at St. Francis Medical Center. The members of the Local Governing Board shall include physicians from St. Francis Medical Center's medical staff, St. Francis Medical Center's Chief of Staff, one member designated by the Los Angeles County Board of Supervisors, and community representatives from St. Francis Medical Center's primary service area (31 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019 attached hereto as Exhibit 1, including at least one member from a local healthcare advocacy group. Such consultation shall occur at least sixty days prior to the effective date of such changes or actions unless done so on an emergency basis. The Local Governing Board's approval is required of all reports submitted to the Attorney General regarding compliance with these Conditions.

### XIV.

Strategic Global Management, Inc. shall commit to reserve or expend ~~capital~~ for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals over the five-year period from the closing of the Asset Purchase Agreement ~~of~~ the amount of capital ("Capital Amount") that remains unexpended from the \$180 million commitment required of BlueMountain Capital Management, LLC as part of the ~~Attorney General Conditions approved on December 3, 2015 but this amount can be no less than \$5.8 million among the three hospitals.~~2015 Conditions. The Capital Amount is calculated based on Strategic Global Management, Inc.'s proportionate share (i.e. 72%) of the \$180 million capital commitment from the 2015 Conditions that remains unexpended as of the closing of the Asset Purchase Agreement, to be allocated across the acquired Verity facilities as it deems appropriate, over a five year period from the closing of the Asset Purchase Agreement. The total commitment to reserve or expend capital, for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals will not exceed Seventy-Five Million Dollars (\$75,000,000).

### XV.

Strategic Global Management, Inc. shall commit the necessary investments required to maintain OSHPD seismic compliance requirements at the Hospital through 2030 under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act, (Health & Safety. Code, § 129675-130070).

### XVI.



~~Strategic Global Management, Inc. shall maintain privileges for current medical staff who are in good standing as of the closing date of the Asset Purchase Agreement. Further, the closing of the Asset Purchase Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure at St. Francis Medical Center.~~

~~[REMOVED]~~

## XVII.

There shall be no discrimination against lesbian, gay, bisexual, or transgender individuals at St. Francis Medical Center, and no restriction or limitation on providing or making reproductive health services available at St. Francis Medical Center, its medical office buildings, or at any of its facilities. Both of these prohibitions shall be set forth in Strategic Global Management, Inc.'s written policies, adhered to, and strictly enforced.

## XVIII.

~~Within 15 days of the closing of date of the Asset Purchase Agreement, St. Francis Medical Center Foundation shall transfer all charitable assets including, but not limited to, all temporary and permanently restricted funds to the California Community Foundation.~~

- ~~a) The funds from St. Francis Medical Center Foundation, if not previously restricted to support a specific charitable organization, will be deposited into the California Community Foundation's St. Francis Medical Center Fund, and used to support nonprofit tax-exempt charitable organizations, clinics and facilities in providing healthcare services to residents of St. Francis Medical Center's service area (31 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) The donated funds shall be maintained and used for the purposes specified herein for a period of at least five years.~~
- ~~b) If there are funds from St. Francis Medical Center Foundation previously restricted to support a specific charitable organization, such funds shall be deposited into a fund or funds at California Community Foundation restricted to continuing support for such charitable organization or organizations. Such funds are protected against obsolescence. If the purposes of any restricted fund become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by California Community Foundation, the California Community Foundation's Board of Directors shall have the ability to modify any restriction or condition on the use such fund.~~

~~[REMOVED]~~

## XIX.



For ~~eleven~~seven fiscal years from the closing date of the Asset Purchase Agreement, Strategic Global Management shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail compliance with each Condition set forth herein. The Chairman of the Board of Directors of Strategic Global Management, Inc. shall certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Local Governing Board.

## XX.

At the request of the Attorney General, all parties listed in Condition I, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and any other parties referenced in the agreements listed in Condition II shall provide such information as is reasonably necessary for the Attorney General to monitor compliance with these Conditions and the terms of the transaction as set forth herein. The Attorney General shall, at the request of a party and to the extent provided by law, keep confidential any information so produced to the extent that such information is a trade secret or is privileged under state or federal law, or if the private interest in maintaining confidentiality clearly outweighs the public interest in disclosure.

## XXI.

Once the Asset Purchase Agreement is closed, all parties listed in Condition I, and any other parties referenced in the agreements listed in Condition II are deemed to have explicitly and implicitly consented to the applicability and compliance with each and every Condition and to have waived any right to seek judicial relief with respect to each and every Condition.

~~The Attorney General reserves the right to enforce each and every Condition set forth herein to the fullest extent provided by law. In addition to any legal remedies the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of any of these Conditions. Pursuant to Government Code section 12598, the Attorney General's office shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.~~



## Analysis of the Hospital's Service Area

### Service Area Definition

Based upon the Hospital's CY 2017 inpatient discharges, the Hospital's service area is comprised of 31 ZIP Codes from which 75% of the Hospital's inpatient discharges came from. Approximately 51% of the Hospital's discharges originated from the top eight ZIP Codes, located in Lynwood, South Gate, Los Angeles, Bell, Compton, Bell Gardens, and Huntington Park. In CY 2017, the Hospital's market share in the service area was approximately 11% based on total area discharges.

PATIENT ORIGIN, CY 2017						
ZIP Code	Community	Discharges	Percentage of Discharges	Cumulative Percentage	Market Share	Total Discharges
90262	Lynwood	2,490	11.1%	11.1%	38.1%	6,538
90280	South Gate	2,187	9.8%	20.9%	29.0%	7,554
90221	Compton	1,400	6.3%	27.2%	24.1%	5,812
90201	Bell	1,359	6.1%	33.3%	16.3%	8,363
90002	Los Angeles	1,066	4.8%	38.0%	18.4%	5,797
90255	Huntington Park	956	4.3%	42.3%	15.5%	6,172
90059	Los Angeles	948	4.2%	46.6%	17.2%	5,527
90001	Los Angeles	922	4.1%	50.7%	15.6%	5,901
90220	Compton	708	3.2%	53.9%	12.7%	5,554
90222	Compton	700	3.1%	57.0%	18.1%	3,868
90003	Los Angeles	625	2.8%	59.8%	7.6%	8,209
90044	Los Angeles	542	2.4%	62.2%	4.5%	11,994
90723	Paramount	525	2.3%	64.6%	11.7%	4,483
90061	Los Angeles	358	1.6%	66.2%	9.5%	3,764
90650	Norwalk	344	1.5%	67.7%	3.3%	10,373
90270	Maywood	282	1.3%	69.0%	12.2%	2,309
90805	Long Beach	267	1.2%	70.2%	2.7%	9,940
90706	Bellflower	263	1.2%	71.3%	3.6%	7,223
90242	Downey	252	1.1%	72.5%	6.2%	4,038
90241	Downey	224	1.0%	73.5%	6.0%	3,726
90660	Pico Rivera	91	0.4%	73.9%	1.4%	6,608
90240	Downey	69	0.3%	74.2%	3.3%	2,073
90670	Santa Fe Springs	46	0.2%	74.4%	2.7%	1,703
90605	Whittier	44	0.2%	74.6%	1.1%	4,082
90606	Whittier	44	0.2%	74.8%	1.4%	3,244
90703	Cerritos	37	0.2%	74.9%	0.9%	4,026
90604	Whittier	32	0.1%	75.1%	0.9%	3,698
90701	Artesia	31	0.1%	75.2%	1.7%	1,813
90638	La Mirada	30	0.1%	75.4%	0.7%	4,274
90603	Whittier	3	0.0%	75.4%	0.1%	2,152
90639	La Mirada	0	0.0%	75.4%	0.0%	10
Sub-Total		16,845	75.4%	75.4%	10.5%	160,828
All Other		5,504	24.6%	100%		
Grand Total		22,349	100%			

Source: OSHPD Discharge Database, CY 2017



**Conditions to the Sale of St. Vincent Medical Center<sup>1</sup> and Approval of the Asset Purchase Agreement by and among Verity Health System of California, Inc., Verity Holdings, LLC, St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc., Seton Medical Center, and Strategic Global Management, Inc.**

**I.**

These Conditions shall be legally binding on Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation, ~~St. Francis Medical Center Foundation, a nonprofit public benefit corporation, St. Vincent Foundation, a California nonprofit corporation, Seton Medical Center Foundation, a California nonprofit corporation, Verity Business Services, a California nonprofit public benefit corporation, Verity Medical Foundation, a California nonprofit public benefit corporation, St. Vincent de Paul Ethics Corporation, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Marillac Insurance Company, Ltd., a Cayman Islands corporation, DePaul Ventures, LLC, a California limited liability company, DePaul Ventures — San Jose ASC, LLC, a California limited liability company, DePaul Ventures — San Jose Dialysis, LLC, a California limited liability company,~~ and Strategic Global Management, Inc., a California corporation, any other subsidiary, parent, general partner, limited partner, member, affiliate, successor, successor in interest, assignee, or person or entity serving in a similar capacity of any of the above-listed entities including, but not limited to, any entity succeeding thereto as a result of consolidation, affiliation, merger, or acquisition of all or substantially all of the real property or operating assets of St. Vincent Medical Center, or the real property on which St. Vincent Medical Center is located, any and all current and future owners, lessees, licensees, or operators of St. Vincent Medical Center, and any and all current and future lessees and owners of the real property on which St. Vincent Medical Center is located.

**II.**

The transaction conditionally approved by the Attorney General consists of the Asset Purchase Agreement dated January 8, 2019, by and among, Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical

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<sup>1</sup> Throughout this document, the term “St. Vincent Medical Center” shall mean the general acute care hospital located at 2131 West Third Street, Los Angeles, CA 90057, and any other clinics, laboratories, units, services, or beds included on the license issued to St. Vincent Medical Center by the California Department of Public Health, effective January 1, 2019, unless otherwise indicated.



Center, a California nonprofit public benefit corporation, and Strategic Global Management, Inc., a

California corporation, and any agreements or documents referenced in or attached to as an exhibit or schedule and any other documents referenced in the Asset Purchase Agreement, including, but not limited to, the Sale Leaseback Agreement and Interim Management Agreement.

All the entities listed in Condition I, and any other parties referenced in the above agreements shall fulfill the terms of these agreements or documents and shall notify and obtain the Attorney General's approval in writing of any proposed modification or rescission of any of the terms of these agreements or documents. Such notifications shall be provided at least sixty days prior to their effective date in order to allow the Attorney General to consider whether they affect the factors set forth in Corporations Code section 5917 and obtain the Attorney General's approval.

### III.

For five years from the closing date of the Asset Purchase Agreement, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and all future owners, managers, lessees, licensees, or operators of St. Vincent Medical Center shall be required to provide written notice to the Attorney General sixty days prior to entering into any agreement or transaction to do any of the following:

(a) Sell, transfer, lease, exchange, option, convey, manage, or otherwise dispose of St. Vincent Medical Center;

(b) Transfer control, responsibility, management, or governance of St. Vincent Medical Center. The substitution, ~~merger~~ or addition of a new member or members of the governing body of Strategic Global Management, Inc. that transfers the control of, responsibility for or governance of St. Vincent Medical Center, shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing body of Strategic Global Management, Inc., or any arrangement, written or oral, that would transfer voting control of the members of the governing body of Strategic Global Management, Inc. shall also be deemed a transfer for purposes of this Condition.

### IV.

For ~~five years from the closing date~~remainder of the ~~Asset Purchase Agreement unless otherwise stated,~~term<sup>2</sup> (until December 13, 2020), St. Vincent Medical Center shall be operated

<sup>2</sup> The term "For the remainder of the term" refers to the Conditions to Change in Control and Governance of St. Vincent Medical Center and Approval of the System Restructuring and Support Agreement by and among Daughters of Charity Ministry Services Corporation, Daughters of Charity Health System, Certain Funds Managed by BlueMountain Capital



and maintained as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250). If, on Strategic Global Management, Inc.'s further evaluation, the cost to seismically retrofit the St. Vincent Medical Center becomes less feasible than building a new replacement hospital, services may need to be temporarily closed or relocated due to construction. A detailed program and services plan, architectural drawings, and financing plan shall be presented to the California Attorney General for approval before ceasing to operate any services.

## V.

For ~~five years from the closing date~~remainder of the ~~Asset Purchase Agreement, term (until December 13, 2020)~~, St. Vincent Medical Center shall maintain and provide 24-hour emergency services at no less than its current licensure<sup>3</sup> of 8 treatment stations, and designation and the following health care services at current licensure types, and/or levels of services:

~~Designation as a STEMI Receiving center; and~~

- a. Maintaining the requirements set by the County of Los Angeles Emergency Medical Services for 911 Receiving Hospitals.

## VI.

For ~~at least five years from the closing date~~remainder of the ~~Asset Purchase Agreement, term (until December 13, 2020)~~, St. Vincent Medical Center shall maintain and provide the following services at current licensure, types, and/or levels of services:

- a. Acute rehabilitation services, including a minimum of 19 licensed rehabilitation beds;
- b. Intensive care services, including a minimum of 30 intensive care beds;
- c. Cardiac services, including cardiac surgery and a minimum of two cardiac catheterization labs,
- ~~d. Cancer services, including radiation oncology. Radiation oncology services may be relocated and patients transitioned to another site that has capacity within a three-mile radius after the first year after the closing of the Asset Purchase Agreement;~~
- ~~e.~~d. Gastroenterology services;
- ~~f.~~e. Imaging and laboratory services;
- ~~g.~~f. Nephrology services, including end stage renal disease program, acute inpatient dialysis, and hemodialysis treatments;
- ~~h.~~g. Neurology and neurology services, including neurosurgery;
- ~~i.~~h. Orthopedics, joint replacement, and spine care services;
- ~~j.~~i. Transplant services, including kidney and multi-organ transplant procedures for kidney/pancreas double transplants. Transplant services do not include the liver transplant program. These services may be relocated to another hospital in the primary

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Management, LLC, and Integrity Healthcare, LLC., dated December 3, 2015. The System Restructuring and Support Agreement closed on December 14, 2015 ("2015 Conditions").

<sup>3</sup> The term "current" or "currently" throughout this document means as of January 1, 2019.



service area based upon a submission of a detailed plan to be approved by the California Attorney General; and

~~k.j.~~ Outpatient dialysis services. The outpatient dialysis services shall be within 5 miles of St. Vincent Medical Center by either (1) operating St. Vincent Dialysis Center, or (2) transferring St. Vincent Dialysis Center to a separate entity and requiring that entity to operate it for ~~5 years from the~~ closing date ~~remainder~~ of the ~~Asset Purchase Agreement~~ term (until December 13, 2020), and to participate in the Medi-Cal and Medicare programs as required in the Conditions herein, or (3) ensuring that a third party is operating an outpatient dialysis center(s) at current levels for ~~5 years from the~~ closing date ~~remainder~~ of the ~~Asset Purchase Agreement~~ term (until December 13, 2020), and that such center(s) participate in the Medi-Cal and Medicare programs as required in Conditions herein.

For the remainder of the term (until December 13, 2020), Strategic Global Management, Inc. shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

## VII.

For ~~at least five years from the~~ closing date ~~remainder~~ of the ~~Asset Purchase Agreement~~ term (until December 13, 2020), Strategic Global Management, Inc. shall either: (1) operate clinics (listed below) with the same number of physicians and mid-level provider full-time equivalents in the same or similar alignment structures, or (2) sell the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the purchaser(s) to maintain such services for ~~5 years from the~~ closing date ~~remainder~~ of the ~~Asset Purchase Agreement~~ term (until December 13, 2020), and to participate in the Medi-Cal and Medicare programs as required in the conditions herein, or (3) ensure that a third party is operating the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the third party to maintain such services for ~~5 years from the~~ closing date ~~remainder~~ of the ~~Asset Purchase Agreement~~ term (until December 13, 2020), and to participate in the Medi-Cal and Medicare programs as required in the conditions herein. For any of these options, each clinic can be moved to a different location within a three-mile radius of each clinic's current location, and St. Vincent Medical Center can utilize an alternative structure in providing such services. The following clinics are subject to this condition:

- a. Cardiac Care Institute, located at 201 S. Alvarado Street, Suite 321, Los Angeles, California;
- ~~b. Transplant Medical Office, located at 8501 Camino Media, Suite 100, Bakersfield, California;~~
- ~~e.b.~~ Cancer Treatment Center, located at 201 S. Alvarado Street, Suite A, Los Angeles, California;
- ~~d.c.~~ Multi-Organ Transplant services, located at 2200 W. Third Street, 5th Floor, Los Angeles, California;
- ~~e. Radiology services, located at 201 S. Alvarado Street, Suite 311, Los Angeles, California;~~



~~f.d.~~ Orthopedic Services, located at 2200 W. Third Street, 4th Floor, Los Angeles, California; and  
~~g. Multispecialty Clinic located at 2200 W. Third Street, Suite 120, Los Angeles, California.~~

### VIII.

For ~~at least five years from the closing date~~remainder of the ~~Asset Purchase Agreement, term (until December 13, 2020)~~, Strategic Global Management, Inc. shall:

- a) Be certified to participate in the Medi-Cal program at St Vincent Medical Center;
- b) Maintain and have Medi-Cal Managed Care contracts with the below listed Medi-Cal Managed Care Plans to provide the same types and levels of emergency and non-emergency services at St. Vincent Medical Center to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care) as required in these Conditions, on the same terms and conditions as other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause or not extended or renewed by the Medi-Cal Managed Care Plan:
  - i) Local Initiative: L.A. Care Health Plan or its successor; and
  - ii) Commercial Plan: Health Net Community Solutions, Inc. or its successor.

If Strategic Global Management, Inc. questions whether it is being reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the Attorney General's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.

- c) Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at St. Vincent Medical Center to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care), on the same terms and conditions as other similarly situated hospitals, as required in these Conditions.

### IX.

For ~~six fiscal years from the closing date~~remainder of the ~~Asset Purchase Agreement, term (until December 13, 2021)~~, Strategic Global Management, Inc. shall provide an annual amount of Charity Care (as defined below) at St. Vincent Medical Center equal to or greater than ~~\$696,643~~430,384 (the Minimum Charity Care Amount). For purposes hereof, the term "charity care" shall mean the amount of charity care costs (not charges) incurred by Strategic Global Management, Inc. in connection with the operation and provision of services at St. Vincent Medical Center. The definition and methodology for calculating "charity care" and the



methodology for calculating “costs” shall be the same as that used by Office of Statewide Health Planning Development (OSHPD) for annual hospital reporting purposes.<sup>4</sup>

~~Strategic Global Management, Inc. shall use and maintain a charity care policy that is no less favorable than Verity Health System of California, Inc.’s current charity care policy (Verity’s Financial Assistance Policy No. 06.03.04 effective December 5, 2017 and revised and reviewed June 20, 2018) and in compliance with California and Federal law at St. Vincent Medical Center. Within 90 days from the closing of the Asset Purchase Agreement, Strategic Global Management, Inc. will amend the Financial Assistance Policy to include as follows:~~

- ~~a. A copy of the Financial Assistance Policy and the plain language summary of the Financial Assistance Policy must be posted at St. Vincent Medical Center in a prominent location in the emergency room, admissions area, and any other location in the hospital where there is a high volume of patient traffic, including waiting rooms, billing offices, and hospital outpatient service settings.~~
- ~~b. A copy of the Financial Assistance Policy, the Application for Financial Assistance, and the plain language summary of the Financial Assistance Policy must be posted in a prominent place on St. Vincent Medical Center’s website.~~
- ~~c. If requested by a patient, a copy of the Financial Assistance Policy, Application for Financial Assistance, and the plain language summary must be sent by mail at no cost to the patient.~~
- ~~d. As necessary, and at least on an annual basis, Strategic Global Management, Inc. will place an advertisement regarding the availability of financial assistance at St. Vincent Medical Center in a newspaper of general circulation in the communities served by the hospital, or issue a Press Release to widely publicize the availability of the Financial Assistance Policy to the communities served by the hospital.~~
- ~~e. Strategic Global Management, Inc. will work with affiliated organizations, physicians, community clinics, other health care providers, houses of worship, and other community-based organizations to notify members of the community (especially those who are most likely to require financial assistance) about the availability of financial assistance at St. Vincent Medical Center.~~
- ~~f. By December 1, 2019, all staff that interacts with patients and their families concerning payment of services shall be given training to make patients and their families aware of and informed of Strategic Global Management, Inc.’s Financial Assistance Policy at St. Vincent Medical Center.~~

~~Any planning of, and any subsequent changes to, the charity care and collection policies, and charity care services provided at St. Vincent Medical Center shall be decided after consultation with the Local Governing Board of Directors.~~

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<sup>4</sup> OSHPD defines charity care by contrasting charity care and bad debt. According to OSHPD, “the determination of what is classified as . . . charity care can be made by establishing whether or not the patient has the ability to pay. The patient’s accounts receivable must be written off as bad debt if the patient has the ability but is unwilling to pay off the account.”



Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the closing date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim Average Base Period: 1982-84=100 (CPI-LA, as published by the U.S. Bureau of Labor Statistics).

If the actual amount of charity care provided at St. Vincent Medical Center for any fiscal year is less than the Minimum Charity Care Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct healthcare services to residents in the St. Vincent Medical Center's service area (48 ZIP codes), as described on page 52 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

#### X.

For ~~six fiscal years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2021), Strategic Global Management, Inc. shall provide an annual amount of Community Benefit Services at St. Vincent Medical Center equal to or greater than \$1,~~065,604~~076,459 (the "Minimum Community Benefit Services Amount") exclusive of any funds from grants. ~~For six fiscal years,~~For the remainder of the term (until December 13, 2021), the following community benefit programs and services shall continue to be offered at its current or equivalent location:

- a. Health Benefits Resource Center; and
- b. Asian Pacific Liver Center.

The planning of, and any subsequent changes to, the community benefit services provided at St. Vincent Medical Center shall be decided after consultation with the Local Governing Board of Directors.

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the effective date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach Anaheim Average Base Period: 198284=100 (CPI-LA, as published by the U.S. Bureau of Labor Statistics).



If the actual amount of community benefit services provided at St. Vincent Medical Center for any fiscal year is less than the Minimum Community Benefit Services Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide community benefit services for residents in St. Vincent Medical Center's service area (48 ZIP codes), as defined on as described on page 52 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.

## XI.

For ~~at least five years from the closing date~~remainder of the ~~Asset Purchase Agreement unless otherwise indicated,~~term (until December 13, 2020), Strategic Global Management, Inc. shall maintain its contracts and any amendments and exhibits thereto with the City and/or County of Los Angeles for services, including the following:

- a. Participation in the Hospital Preparedness Program between the Hospital and Los Angeles County; and
- b. Radiation Therapy Services between the Hospital and Los Angeles County.

For ~~at least five years from the closing date~~remainder of the ~~Asset Purchase Agreement,~~term (until December 13, 2020), Strategic Global Management shall provide to the Los Angeles County Department of Health Services and Los Angeles County of Department of Mental Health information and documents related to staffing assessments, clinical guidelines, services provided, and technology needs for St. Vincent Medical Center. The goal is to ensure that Strategic Global Management, Inc.'s decisions or changes in these areas will not be motivated by a desire to move away from serving the Medi-Cal population. Such information and documents will also be provided to the Local Governing Board.

## XII.

For ~~five years from the closing date~~remainder of the ~~Asset Purchase Agreement,~~term (until December 13, 2020), Strategic Global Management, Inc. shall have at St. Vincent Medical Center a Local Governing Board of Directors. Strategic Global Management, Inc. shall consult with the Local Governing Board of Directors prior to making changes to medical services, community benefit programs, making capital expenditures, including making changes to the charity care and collection policies, and making changes to charity care services provided at St. Vincent Medical Center. The members of the Local Governing Board shall include physicians from St. Vincent Medical Center's medical staff, St. Vincent Medical Center's Chief of Staff, one member designated by the Los Angeles County Board of Supervisors, and community representatives from St. Vincent Medical Center's primary service area (48 ZIP codes), as described on page 52 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019 attached hereto as Exhibit 1, including at least one member from a local healthcare advocacy group. Such consultation shall occur at least sixty days prior to the effective date of such changes or actions unless done so on an



emergency basis. The Local Governing Board's approval is required of all reports submitted to the Attorney General regarding compliance with these Conditions.

### XIII.

Strategic Global Management, Inc. shall commit to reserve or expend ~~capital~~ for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals over the five-year period from the closing of the Asset Purchase Agreement ~~of~~ the amount of capital ("Capital Amount") that remains unexpended from the \$180 million commitment required of BlueMountain Capital Management, LLC as part of ~~the Attorney General Conditions approved on December 3, 2015 but this amount can be no less than \$5.8 million among the three hospitals.~~ 2015 Conditions. The Capital Amount is calculated based on Strategic Global Management, Inc.'s proportionate share (i.e. 72%) of the \$180 million capital commitment from the 2015 Conditions that remains unexpended as of the closing of the Asset Purchase Agreement, to be allocated across the acquired Verity facilities as it deems appropriate, over a five year period from the closing of the Asset Purchase Agreement. The total commitment to reserve or expend capital, for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals will not exceed Seventy-Five Million Dollars (\$75,000,000).

### XIV.

Strategic Global Management, Inc. shall commit the necessary investments required to meet and maintain OSHPD seismic compliance requirements at St. Vincent Medical Center through 2030 under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act, (Health & Saf. Code, § 129675-130070). Verity Health System of California, Inc. shall commit the necessary capital investment required to refurbish St. Vincent Medical Center's elevators in order to meet the City of Los Angeles' Elevator Code.

### XV.

~~Strategic Global Management, Inc. shall maintain privileges for current medical staff who are in good standing as of the closing date of the Asset Purchase Agreement. Further, the closing of the Asset Purchase Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure at St. Vincent Medical Center.~~

[REMOVE]

### XVI.

There shall be no discrimination against lesbian, gay, bisexual, or transgender individuals at St. Vincent Medical Center, and no restriction or limitation on providing or making reproductive health services available at St. Vincent Medical Center, its medical office buildings, or at any of its facilities. Both of these prohibitions shall be set forth in Strategic Global Management Inc.'s written policies, adhered to, and strictly enforced.



## XVII.

~~Within 15 days of the closing of date of the Asset Purchase Agreement, St. Vincent Medical Center Foundation shall transfer all charitable assets including, but not limited to, all temporary and permanently restricted funds to the California Community Foundation.~~

- ~~a) The funds from St. Vincent Medical Center Foundation, if not previously restricted to support a specific charitable organization, will be deposited into the California Community Foundation's St. Vincent Medical Center Fund, and used to support nonprofit tax-exempt charitable organizations, clinics and facilities in providing healthcare services to residents of St. Vincent Medical Center's service area (48 ZIP codes), as described on page 52 in the Healthcare Impact Report authored by JD Healthcare dated August 16, 2019. (Exhibit 1.) The donated funds shall be maintained and used for the purposes specified herein for a period of at least five years.~~
- ~~b) If there are funds from St. Vincent Medical Center Foundation previously restricted to support a specific charitable organization, such funds shall be deposited into a fund or funds at California Community Foundation restricted to continuing support for such charitable organization or organizations. Such funds are protected against obsolescence. If the purposes of any restricted fund become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by California Community Foundation, the California Community Foundation's Board of Directors shall have the ability to modify any restriction or condition on the use such fund.~~

[\[REMOVE\]](#)

## XVIII.

For ~~six~~two fiscal years from the closing date of the Asset Purchase Agreement, Strategic Global Management shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail compliance with each Condition set forth herein. The Chairman of the Board of Directors of Strategic Global Management, Inc. shall certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Local Governing Board.

## XIX.

At the request of the Attorney General, all parties listed in Condition I, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and any other parties referenced in the agreements listed in Condition II shall provide such information as is



reasonably necessary for the Attorney General to monitor compliance with these Conditions and the terms of the transaction as set forth herein. The Attorney General shall, at the request of a party and to the extent provided by law, keep confidential any information so produced to the extent that such information is a trade secret or is privileged under state or federal law, or if the private interest in maintaining confidentiality clearly outweighs the public interest in disclosure.

## XX.

Once the Asset Purchase Agreement is closed, all parties listed in Condition I, and any other parties referenced in the agreements listed in Condition II are deemed to have explicitly and implicitly consented to the applicability and compliance with each and every Condition and to have waived any right to seek judicial relief with respect to each and every Condition.

~~The Attorney General reserves the right to enforce each and every Condition set forth herein to the fullest extent provided by law. In addition to any legal remedies the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of any of these Conditions. Pursuant to Government Code section 12598, the Attorney General's office shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.~~



## Analysis of the Hospital's Service Area

### Service Area Definition

Based upon the Hospital's CY 2017 inpatient discharges, the Hospital's service area is comprised of 48 ZIP Codes from which 71% of the Hospital's inpatient discharges came from. Approximately 38% of the Hospital's discharges originated from the top eight ZIP Codes, located in Los Angeles. In CY 2017, the Hospital's market share in the primary and secondary service area was approximately 4% based on total area discharges.

PATIENT ORIGIN, CY 2017						
ZIP Codes	Community	Total Discharges	% of Discharges	Cumulative % of Discharges	Total Area Discharges	Market Share
90057	Los Angeles	1,106	10.0%	10.0%	5,955	18.6%
90006	Los Angeles	726	6.5%	16.5%	5,472	13.3%
90026	Los Angeles	579	5.2%	21.7%	5,034	11.5%
90004	Los Angeles	491	4.4%	26.1%	4,691	10.5%
90005	Los Angeles	486	4.4%	30.5%	2,843	17.1%
90020	Los Angeles	297	2.7%	33.2%	2,600	11.4%
90019	Los Angeles	286	2.6%	35.8%	5,893	4.9%
90018	Los Angeles	263	2.4%	38.1%	5,975	4.4%
90029	Los Angeles	238	2.1%	40.3%	4,114	5.8%
90017	Los Angeles	235	2.1%	42.4%	2,308	10.2%
90037	Los Angeles	226	2.0%	44.4%	7,439	3.0%
90011	Los Angeles	212	1.9%	46.3%	10,436	2.0%
90012	Los Angeles	198	1.8%	48.1%	4,017	4.9%
90007	Los Angeles	195	1.8%	49.9%	3,129	6.2%
90013	Los Angeles	115	1.0%	50.9%	2,655	4.3%
90015	Los Angeles	112	1.0%	51.9%	1,918	5.8%
90014	Los Angeles	99	0.9%	52.8%	1,287	7.7%
90010	Los Angeles	50	0.5%	53.3%	311	16.1%
90009	Los Angeles	12	0.1%	53.4%	113	10.6%
PSA Sub-Total		5,926	53.4%	53.4%	76,190	7.8%
90044	Los Angeles	152	1.4%	54.7%	11,994	1.3%
90027	Los Angeles	150	1.4%	56.1%	4,273	3.5%
90016	Los Angeles	130	1.2%	57.3%	5,656	2.3%
90008	Los Angeles	127	1.1%	58.4%	4,258	3.0%
90003	Los Angeles	106	1.0%	59.4%	8,209	1.3%
90062	Los Angeles	96	0.9%	60.2%	4,018	2.4%
90028	Los Angeles	95	0.9%	61.1%	2,820	3.4%
90047	Los Angeles	87	0.8%	61.9%	7,164	1.2%
90043	Los Angeles	86	0.8%	62.6%	6,137	1.4%
90038	Los Angeles	82	0.7%	63.4%	2,349	3.5%
90033	Los Angeles	77	0.7%	64.1%	5,255	1.5%
90042	Los Angeles	68	0.6%	64.7%	5,173	1.3%
90039	Los Angeles	67	0.6%	65.3%	2,365	2.8%
90031	Los Angeles	62	0.6%	65.8%	3,161	2.0%
90065	Los Angeles	62	0.6%	66.4%	4,202	1.5%
90046	Los Angeles	61	0.5%	66.9%	4,210	1.4%
90036	Los Angeles	56	0.5%	67.5%	3,313	1.7%
90063	Los Angeles	55	0.5%	67.9%	5,008	1.1%
90001	Los Angeles	51	0.5%	68.4%	5,901	0.9%
90002	Los Angeles	46	0.4%	68.8%	5,797	0.8%
90032	Los Angeles	41	0.4%	69.2%	4,442	0.9%
90255	Huntington Park	40	0.4%	69.6%	6,172	0.6%
90023	Los Angeles	36	0.3%	69.9%	4,965	0.7%
91205	Glendale	28	0.3%	70.1%	4,781	0.6%
90041	Los Angeles	22	0.2%	70.3%	2,587	0.9%
90048	Los Angeles	20	0.2%	70.5%	2,470	0.8%
91204	Glendale	14	0.1%	70.6%	2,260	0.6%
90270	Maywood	13	0.1%	70.7%	2,309	0.6%
90069	West Hollywood	10	0.1%	70.8%	1,850	0.5%
PSA + SSA Sub-Total		7,866	70.8%	70.8%	209,289	3.8%
Other ZIPs		3,238	29.2%	100%		
Total		11,104	100%			

Note: Excludes normal newborns

Source: OSHPD Patient Discharge Database



**Conditions to the Sale of Seton Medical Center<sup>1</sup> and Seton Coastsides<sup>2</sup> and Approval of the Asset Purchase Agreement by and among Verity Health System of California, Inc., Verity Holdings, LLC, St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc., Seton Medical Center, and Strategic Global Management, Inc.**

**I.**

These Conditions shall be legally binding Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation, ~~St. Francis Medical Center Foundation, a nonprofit public benefit corporation, St. Vincent Foundation, a California nonprofit corporation, Seton Medical Center Foundation, a California nonprofit corporation, Verity Business Services, a California nonprofit public benefit corporation, Verity Medical Foundation, a California nonprofit public benefit corporation, St. Vincent de Paul Ethics Corporation, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Marillae Insurance Company, Ltd., a Cayman Islands corporation, DePaul Ventures, LLC, a California limited liability company, DePaul Ventures—San Jose ASC, LLC, a California limited liability company, DePaul Ventures—San Jose Dialysis, LLC, a California limited liability company,~~ and Strategic Global Management, Inc., a California corporation, any other subsidiary, parent, general partner, limited partner, member, affiliate, successor, successor in interest, assignee, or person or entity serving in a similar capacity of any of the above-listed entities including, but not limited to, any entity succeeding thereto as a result of consolidation, affiliation, merger, or acquisition of all or substantially all of the real property or operating assets of Seton Medical Center and Seton Coastsides, or the real property on which Seton and Seton Coastsides are located, any and all current and future owners, lessees, licensees, or operators of Seton Medical Center and Seton Coastsides, and any and all current and future lessees and owners of the real property on which Seton Medical Center and Seton Coastsides are located.

**II.**

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<sup>1</sup> Throughout this document, the term “Seton Medical Center” shall mean the general acute care hospital located at 1900 Sullivan Ave., Daly City, CA 94015, and any other clinics, laboratories, units, services, or beds included on the license issued to Seton Medical Center by the California Department of Public Health, effective January 1, 2019, unless otherwise indicated.

<sup>2</sup> Throughout this document, the term “Seton Coastsides” shall mean the skilled nursing facility with 5 general acute care beds located at 600 Marine Boulevard, Moss Beach, CA 94038-9641, and any other clinics, laboratories, units, services, or beds included on the license issued to Seton Medical Center by the California Department of Public Health, effective January 1, 2019, unless otherwise indicated.



The transaction conditionally approved by the Attorney General consists of the Asset Purchase Agreement dated January 8, 2019, by and among, Verity Health System of California, Inc., a California nonprofit public benefit corporation, Verity Holdings, LLC, a California limited liability company, St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation, and Strategic Global Management, Inc., a California corporation, and any agreements or documents referenced in or attached to as an exhibit or schedule and any other documents referenced in the Asset Purchase Agreement, including, but not limited to, the Sale Leaseback Agreement and Interim Management Agreement.

All the entities listed in Condition I, and any other parties referenced in the above agreements shall fulfill the terms of these agreements or documents and shall notify and obtain the Attorney General's approval in writing of any proposed modification or rescission of any of the terms of these agreements or documents. Such notifications shall be provided at least sixty days prior to their effective date in order to allow the Attorney General to consider whether they affect the factors set forth in Corporations Code section 5917 and obtain the Attorney General's approval.

### III.

For approximately 6 years (until December 13, 2025) from the closing date of the Asset Purchase Agreement, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and all future owners, managers, lessees, licensees, or operators of Seton Medical Center and Seton Coastside shall be required to provide written notice to the Attorney General sixty days prior to entering into any agreement or transaction to do any of the following:

(a) Sell, transfer, lease, exchange, option, convey, manage, or otherwise dispose of Seton Medical Center or Seton Coastside;

(b) Transfer control, responsibility, management, or governance of Seton Medical Center or Seton Coastside. The substitution, ~~merger~~ or addition of a new member or members of the governing body of Strategic Global Management, Inc. that transfers the control of, responsibility for or governance of Seton Medical Center or Seton Coastside, shall be deemed a transfer for purposes of this Condition. The substitution or addition of one or more members of the governing body of Strategic Global Management, Inc., or any arrangement, written or oral, that would transfer voting control of the members of the governing body of Strategic Global Management, Inc. shall also be deemed a transfer for purposes of this Condition.



#### IV.

For the remainder of the term<sup>3</sup> (until December 13, 2025), Seton Medical Center (including Seton Coastside because both facilities are on the same license) shall be operated and maintained as a licensed general acute care hospital (as defined in California Health and Safety Code Section 1250).

#### V.

For the remainder of the term (until December 13, 2025), the Seton Medical Center shall maintain 24-hour emergency medical services at a minimum of 18 treatment stations with the same types and/or levels of services, including:

- a. Designation as a STEMI Receiving Center; and
- b. Advanced certification as a Primary Stroke Center;

#### VI.

For the remainder of the term (until December 13, 2025), Seton Medical Center shall maintain the following services at current<sup>4</sup> licensure, types, and/or levels of services, including:

- a. Cardiac services, including the 2 cardiac catheterization labs;
- b. Critical care services, including a minimum of 20 intensive care/coronary care beds;
- ~~c. Psychiatric services, including a minimum of 22 distinct part beds with at least 20 beds available for the geriatric psychiatric unit;~~
- ~~d.~~ c. Women's health services, including the Seton Breast Health Center and women's imaging and mammography services; and
- ~~e.~~ d. Sub-acute services, including a minimum of 44 sub-acute beds and Medi-Cal Certification as a sub-acute unit.

For the remainder of the term (until December 13, 2025), Strategic Global Management, Inc. shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

#### VII.

<sup>3</sup> The term "For the remainder of the term" refers to the Conditions to Change in Control and Governance of Seton Medical Center and Seton Coastside and Approval of the System Restructuring and Support Agreement by and among Daughters of Charity Ministry Services Corporation, Daughters of Charity Health System, Certain Funds Managed by BlueMountain Capital Management, LLC, and Integrity Healthcare, LLC., dated December 3, 2015. The System Restructuring and Support Agreement closed on December 14, 2015. ("2015 Conditions").

<sup>4</sup> The term "current" or "currently" throughout this document means as of January 1, 2019.



For ~~at least five years from the closing date~~remainder of the ~~Asset Purchase Agreement, term (until December 13, 2020)~~, Seton Medical Center shall maintain the following services at current licensure, types, and/or levels of services:

- a. Gastroenterology services, including enteroscopy, endoscopy, and colonoscopy services;
- ~~b. Cancer services, including inpatient oncology services, interventional radiology, radiation therapy, and for those patients that may be in need of infusion therapy treatment, a referral process to other nearby hospitals or clinics, including Stanford Cancer Center, UCSF Helen Diller Comprehensive Care Cancer Clinic, St. Mary's Cancer Center, or other health facility that provides infusion therapy services. The referral process shall be memorialized in the policies and procedures at Seton Medical Center and should include procedures on how to assist patients with accessing infusion therapy at the nearby hospitals or clinics, and the transferring of patient medical records;~~
- ~~c. 's written policies or procedures that refers patients that require medical infusion to be referred to another nearby hospital or entity that provides medial infusion services;~~
- ~~d.~~b. Orthopedics and rehabilitation services, including spine care services;
- ~~e.~~c. Diabetes services, including Northern California Diabetes Institute;
- ~~f.~~d. Wound care services, including Seton Center for Advanced Wound Care; and
- ~~g.~~e. Nephrology services.

For the remainder of the term (until December 13, 2020), Strategic Global Management, Inc. shall not place all or any portion of its above-listed licensed-bed capacity or services in voluntary suspension or surrender its license for any of these beds or services.

## VIII.

For the remainder of the term (until December 13, 2025), Seton Medical Center shall maintain the following services at current licensure, types, and/or levels of services at Seton Coastside including:

- a. 24-hour "standby" Emergency Department, with a minimum of 7 treatment stations; and
- b. Skilled nursing services, including a minimum of 116 licensed skilled nursing beds.

## IX.

~~For at least five years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc. shall either: (1) operate clinics (listed below) with the same number of physicians and mid-level provider full-time equivalents in the same or similar alignment structures, or (2) sell the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the purchaser(s) to maintain such services for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and~~



~~Medicare programs as required in the conditions herein, or (3) ensure that a third party is operating the clinics (listed below) with the same number of physician and mid-level provider full-time equivalents and require the third party to maintain such services for 5 years from the closing date of the Asset Purchase Agreement and to participate in the Medi-Cal and Medicare programs as required in the conditions herein. For any of these options, each clinic can be moved to a different location within a three-mile radius of each clinic's current location, and Seton Medical and Seton Coastsides can utilize an alternative structure in providing such services.~~

~~The following clinics are subject to this condition shall maintain the same types and/or levels of services provided, including women's healthcare services, and mammography services:~~

- ~~a. Women's Health Services, located at 1850 Sullivan Avenue, Suite 190, Daly City California;~~
- ~~b. Imaging Services located at 1850 Sullivan Avenue, Suite 100, Daly City California; and~~
- ~~c. Wound Care Services, located at 1850 Sullivan Avenue, Suite 115, Daly City California.~~

[REMOVE]

## X.

~~For six fiscal years from the closing date of the Asset Purchase Agreement, Strategic Global Management, Inc.~~ For the remainder of the term (until December 13, 2021), Strategic Global Management, Inc. shall provide an annual amount of Charity Care (as defined below) at Seton Medical Center and Seton Coastsides equal to or greater than ~~\$1,055,863~~ 935,405 (the Minimum Charity Care Amount). For purposes hereof, the term "charity care" shall mean the amount of charity care costs (not charges) incurred by Strategic Global Management, Inc. in connection with the operation and provision of services at Seton Medical Center and Seton Coastsides. The definition and methodology for calculating "charity care" and the methodology for calculating "costs" shall be the same as that used by Office of Statewide Health Planning Development (OSHPD) for annual hospital reporting purposes.<sup>5</sup>

~~Strategic Global Management, Inc. shall use and maintain a charity care policy that is no less favorable than Verity Health System of California, Inc.'s current charity care policy (Verity's Financial Assistance Policy No. 06.03.04 effective December 5, 2017 and revised and reviewed June 20, 2018) and in compliance with California and Federal law at Seton Medical Center and Seton Coastsides. Within 90 days from the closing of the Asset Purchase Agreement, Strategic Global Management, Inc. will amend the Financial Assistance Policy to include as follows:~~

- ~~a. A copy of the Financial Assistance Policy and the plain language summary of the Financial Assistance Policy must be posted at Seton Medical Center and Seton Coastsides~~

<sup>5</sup> OSHPD defines charity care by contrasting charity care and bad debt. According to OSHPD, "the determination of what is classified as . . . charity care can be made by establishing whether or not the patient has the ability to pay. The patient's accounts receivable must be written off as bad debt if the patient has the ability but is unwilling to pay off the account."



~~in a prominent location in the emergency room, admissions area, and any other location in the hospital where there is a high volume of patient traffic, including waiting rooms, billing offices, and hospital outpatient service settings.~~

~~e. A copy of the Financial Assistance Policy, the Application for Financial Assistance, and the plain language summary of the Financial Assistance Policy must be posted in a prominent place on each Seton Medical Center's and Seton Coastsides website(s). If requested by a patient, a copy of the Financial Assistance Policy, Application for Financial Assistance, and the plain language summary must be sent by mail at no cost to the patient.~~

~~d. As necessary, and at least on an annual basis, Strategic Global Management, Inc. will place an advertisement regarding the availability of financial assistance at Seton Medical Center and Seton Coastsides in a newspaper of general circulation in the communities served by the hospitals, or issue a Press Release to widely publicize the availability of the Financial Assistance Policy to the communities served by the hospitals.~~

~~e. Strategic Global Management, Inc. will work with affiliated organizations, physicians, community clinics, other health care providers, houses of worship, and other community-based organizations to notify members of the community (especially those who are most likely to require financial assistance) about the availability of financial assistance at Seton Medical Center and Seton Coastsides.~~

~~f. By December 1, 2019, all staff that interacts with patients and their families concerning payment of services shall be given training to make patients and their families aware of and informed of Strategic Global Management, Inc.'s Financial Assistance Policy at Seton Medical Center and Seton Coastsides.~~

~~Any planning of, and any subsequent changes to, the charity care and collection policies, and charity care services provided at Seton Medical Center and Seton Coastsides shall be decided after consultation with the Local Governing Board of Directors.~~

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the closing date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Charity Care Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose, California Average Base Period: 1982-84=100 (as published by the U.S. Bureau of Labor Statistics). If the actual amount of charity care provided at Seton Medical Center and Seton Coastsides for any fiscal year is less than the Minimum Charity Care Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide direct healthcare services to residents in the Seton Medical Center service area (14 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 19, 2019. (Exhibit 1.) Such payment(s) shall be made within six months following the end of such fiscal year.



## XI.

For ~~six fiscal years from the closing date~~remainder of the ~~Asset Purchase Agreement~~term (until December 13, 2021), Strategic Global Management, Inc. shall provide an annual amount of Community Benefit Services at Seton Medical Center and Seton Coastsides equal to or greater than ~~\$685,870,848,434~~ (the "Minimum Community Benefit Services Amount") exclusive of any funds from grants. ~~For six fiscal years,~~For the remainder of the term (until December 13, 2021), the following community benefit programs and services shall continue to be offered at its current or equivalent location:

- a. Health Benefits Resource Center; and
- b. RotaCare Clinic.

The planning of, and any subsequent changes to, the community benefit services provided at Seton Medical Center shall be decided after consultation with the Local Governing Board of Directors.

Strategic Global Management, Inc.'s obligation under this Condition shall be prorated on a daily basis if the effective date of the Asset Purchase Agreement is a date other than the first day of Verity Health System of California, Inc.'s fiscal year.

For the second fiscal year and each subsequent fiscal year, the Minimum Community Benefit Services Amount shall be increased (but not decreased) by an amount equal to the Annual Percent increase, if any, in the 12 Months Percent Change: All Items Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose, California Average Base Period: 1982-84=100 (as published by the U.S. Bureau of Labor Statistics).

If the actual amount of community benefit services provided at Seton Medical Center and Seton Coastsides for any fiscal year is less than the Minimum Community Benefit Services Amount (as adjusted pursuant to the above-referenced Consumer Price Index) required for such fiscal year, Strategic Global Management, Inc. shall pay an amount equal to the deficiency to one or more tax-exempt entities that provide community benefit services for residents in Seton Medical Center's service area (14 ZIP codes), as defined on as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 19, 2019. (Exhibit 1-~~2~~3). Such payment(s) shall be made within six months following the end of such fiscal year.

## XII.

For the remainder of the term (until December 13, 2025), Strategic Global Management, Inc. shall:

- a) Be certified to participate in the Medi-Cal program at Seton Medical Center and Seton Coastsides;



b) Maintain and have a Medi-Cal Managed Care contract with San Mateo Health Commission dba Health Plan of San Mateo or its successor to provide the same types and levels of emergency and non-emergency services at Seton Medical Center and Seton Coastside to Medi-Cal beneficiaries (both Traditional Medi-Cal and Medi-Cal Managed Care) as required in these Conditions, on the same terms and conditions as other similarly situated hospitals offering substantially the same services, without any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage, unless the contract is terminated for cause or not extended or renewed by the Medi-Cal Managed Care Plan.

If Strategic Global Management, Inc. questions whether it is being reimbursed on the same terms and conditions as other similarly situated hospitals offering substantially the same services, it shall notify the Attorney General's Office with at least 120 days' notice prior to taking any action that would effectuate any loss, interruption of service or diminution in quality, or gap in contracted hospital coverage or prior to giving any required notice of taking such action.

c) Be certified to participate in the Medicare program by maintaining a Medicare Provider Number to provide the same types and levels of emergency and non-emergency services at Seton Medical Center and Seton Coastside to Medicare beneficiaries (both Traditional Medicare and Medicare Managed Care) as required in these Conditions.

### XIII.

For ~~at least five years from the closing date~~remainder of the ~~Asset Purchase Agreement unless otherwise indicated;~~term (until December 13, 2020), Strategic Global Management, Inc. shall maintain its contracts and any amendments and exhibits thereto with the County of San Mateo, unless otherwise terminated by the County of San Mateo, for services, including the following:

- a. Participation in the Hospital Preparedness Program between the Hospital (jointly with Seton Coastside) and San Mateo County;
- ~~b. STEMI Receiving Center Designation between the Hospital and San Mateo County;~~
- ~~c. Financial Support for Seismic Upgrades between the Hospital and San Mateo County;~~
- ~~d.~~b. Information Sharing and Data Use Agreement between the Hospital and the County of San Mateo Health System;
- ~~e. Fee for Service Hospital Services Agreement between the Hospital (jointly with Seton Coastside) and San Francisco Health Plan;~~
- ~~f. Memorandum of Understanding between the Hospital and San Mateo County Behavioral Health and Recovery Services Division;~~
- ~~g. Affiliation Agreement for the Radiology Technology Program between the Hospital and San Mateo College District;~~
- ~~h. Affiliation Agreement for the Registered Nursing Program between the Hospital (jointly with Seton Coastside) and San Mateo College District;~~
- ~~i.~~c. Patient Transfer Agreement between the Hospital and San Mateo County Medical Center;
- ~~j. Rail Shuttle Bus Service Administration for Seton Shuttle Agreement between the Hospital and San Mateo County Transit District;~~



- k.d. Medical Services Agreement between the Hospital and San Mateo Health Community Health Authority- Access and Care for Everyone (ACE) Program;
- ~~l. Hospital Medi-Cal Hospital Agreement between the Hospital and San Mateo Health Commission dba Health Plan of San Mateo;~~
- ~~m. Memorandum of Understanding for Long Term Care Partnership Program between the Hospital and San Mateo Health Commission dba Health Plan of San Mateo; and~~
- ~~n. Care Advantage Hospital Service Agreement between the Hospital and San Mateo Health Commission dba Health Plan of San Mateo.~~

#### XIV.

For the remainder of the term (until December 13, 2025), Strategic Global Management, Inc. shall have at Seton Medical Center and Seton Coastside Local Governing Board(s) of Directors. Strategic Global Management, Inc. shall consult with the Local Governing Board(s) of Directors prior to making changes to medical services, community benefit programs, making capital expenditures, making changes to the charity care and collection policies, and making changes to charity care services provided at Seton Medical Center and Seton Coastside. The members of the Local Governing Board(s) shall include physicians from Seton Medical Center's and Seton Coastside's medical staff, Seton Medical Center's and Seton Coastside's Chief(s) of Staff, one member designated by the San Mateo County Board of Supervisors, and community representatives from Seton Medical Center's and Seton Coastside's service area (14 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 19, 2019, attached hereto as Exhibit 1, including at least one member from a local healthcare advocacy group. Such consultation shall occur at least sixty days prior to the effective date of such changes or actions unless done so on an emergency basis. The Local Governing Board(s)'s approval is required of all reports submitted to the Attorney General regarding compliance with these Conditions.

#### XV.

Strategic Global Management, Inc. shall commit to reserve or expend ~~capital~~ for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals over the five-year period from the closing of the Asset Purchase Agreement ~~of~~ the amount of capital ("Capital Amount") that remains unexpended from the \$180 million commitment required of BlueMountain Capital Management, LLC as part of the ~~Attorney General Conditions approved on December 3, 2015 but this amount can be no less than \$5.8 million among the three hospitals.~~ 2015 Conditions. The Capital Amount is calculated based on Strategic Global Management, Inc.'s proportionate share (i.e. 72%) of the \$180 million capital commitment from the 2015 Conditions that remains unexpended as of the closing of the Asset Purchase Agreement, to be allocated across the acquired Verity facilities as it deems appropriate, over a five year period from the closing of the Asset Purchase Agreement. The total commitment to reserve or expend capital, for St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center for capital improvements to the hospitals will not exceed Seventy-Five Million Dollars (\$75,000,000).

#### XVI.



~~Strategic Global Management, Inc. shall maintain privileges for current medical staff who are in good standing as of the closing date of the Asset Purchase Agreement. Further, the closing of the Asset Purchase Agreement shall not change the medical staff officers, committee chairs, or independence of the medical staff, and such persons shall remain in good standing for the remainder of their tenure at Seton Medical Center and Seton Coastside.~~

~~[REMOVE]~~

## **XVII.**

Strategic Global Management, Inc. shall commit the necessary investments required to meet and maintain OSHPD seismic compliance requirements at Seton Medical Center and Seton Coastside through 2030 under the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983, as amended by the California Hospital Facilities Seismic Safety Act, (Health & Saf. Code, § 129675-130070). ~~Strategic Global Management, Inc. shall meet construction benchmarks which include the starting of construction on the 1963 Tower, and as detailed on the attached Exhibit 2,~~ to the extent Strategic Global Management, Inc. obtains necessary waivers or other authority from OSHPD and the State of California to permit the continued operation of Seton Medical Center through the five (5) years following closing date of the Asset Purchase Agreement, pending replacement or retrofit of the current patient tower at Seton Medical Center, and Strategic Global Management, Inc. receives PACE funding at currently accrued levels (i.e. approximately Forty Million Dollars (\$40,000,000)).

## **XVIII.**

There shall be no discrimination against lesbian, gay, bisexual, or transgender individuals at Seton Medical Center and Seton Coastside, and no restriction or limitation on providing or making reproductive health services available at Seton Medical Center and Seton Coastside, its medical office buildings, or at any of its facilities. Both of these prohibitions shall be set forth in Strategic Global Management Inc.'s written policies, adhered to, and strictly enforced.

## **XIX.**

~~Within 15 days of the Attorney General's approval, Seton Medical Center Foundation shall transfer all charitable assets including, but not limited to, all temporary and permanently restricted funds to the California Community Foundation.~~

- ~~a) The funds from Seton Medical Center Foundation, if not previously restricted to support a specific charitable organization, will be deposited into the California Community Foundation's Seton Medical Foundation, and used to support nonprofit tax-exempt charitable organizations, clinics and facilities in providing healthcare services to residents of Seton Medical Foundation's service area (14 ZIP codes), as described on page 54 in the Healthcare Impact Report authored by JD Healthcare dated August 19, 2019. (Exhibit 1.) The donated funds shall be maintained and used for the purposes specified herein for a period of at least five years.~~



~~If there are funds from Seton Medical Foundation previously restricted to support a specific charitable organization, such funds shall be deposited into a fund or funds at California Community Foundation restricted to continuing support for such charitable organization or organizations. Such funds are protected against obsolescence. If the purposes of any restricted fund become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by California Community Foundation, the California Community Foundation's Board of Directors shall have the ability to modify any restriction or condition on the use such fund.~~ [\[REMOVE\]](#)

## XX.

For six fiscal years from the closing date of the Asset Purchase Agreement Strategic Global Management shall submit to the Attorney General, no later than four months after the conclusion of each fiscal year, a report describing in detail compliance with each Condition set forth herein. The Chairman of the Board of Directors of Strategic Global Management, Inc. shall certify that the report is true, accurate, and complete and provide documentation of the review and approval of the report by the Local Governing Board.

## XXI.

At the request of the Attorney General, all parties listed in Condition I, Verity Health System of California, Inc., Verity Holdings, LLC, Strategic Global Management, Inc., and any other parties referenced in the agreements listed in Condition II shall provide such information as is reasonably necessary for the Attorney General to monitor compliance with these Conditions and the terms of the transaction as set forth herein. The Attorney General shall, at the request of a party and to the extent provided by law, keep confidential any information so produced to the extent that such information is a trade secret or is privileged under state or federal law, or if the private interest in maintaining confidentiality clearly outweighs the public interest in disclosure.

## XXII.

Once the Asset Purchase Agreement is closed, all parties listed in Condition I, and any other parties referenced in the agreements listed in Condition II are deemed to have explicitly and implicitly consented to the applicability and compliance with each and every Condition and to have waived any right to seek judicial relief with respect to each and every Condition.

~~The Attorney General reserves the right to enforce each and every Condition set forth herein to the fullest extent provided by law. In addition to any legal remedies the Attorney General may have, the Attorney General shall be entitled to specific performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of any of these Conditions. Pursuant to Government Code section 12598, the Attorney General's office shall also be entitled to recover its attorney fees and costs incurred in remedying each and every violation.~~



## Analysis of the Hospital's Service Area

### Service Area Definition

The Hospital's service area is comprised of 14 ZIP Codes, from which approximately 82% of its discharges originated in CY 2017. Approximately 55% of the Hospital's discharges came from the top three ZIP Codes, located in Daly City, and South San Francisco. In CY 2017, the Hospital's market share in the service area was 12.6% based on inpatient discharges.

ZIP Codes	Community	PATIENT ORIGIN, CY 2017			Total Area Discharges	Market Share
		Total Discharges	% of Discharges	Cumulative % of Discharges		
94015	Daly City	1,347	25.5%	25.5%	4,640	29.0%
94014	Daly City	798	15.1%	40.6%	3,337	23.9%
94080	South San Francisco	732	13.8%	54.4%	5,074	14.4%
94044	Pacifica	533	10.1%	64.5%	2,972	17.9%
94112	San Francisco	263	5.0%	69.5%	6,620	4.0%
94066	San Bruno	216	4.1%	73.5%	3,515	6.1%
94134	San Francisco	130	2.5%	76.0%	3,795	3.4%
94132	San Francisco	114	2.2%	78.2%	1,908	6.0%
94019	Half Moon Bay	74	1.4%	79.6%	1,194	6.2%
94038	Moss Beach	46	0.9%	80.4%	249	18.5%
94005	Brisbane	21	0.4%	80.8%	369	5.7%
94037	Montara	14	0.3%	81.1%	183	7.7%
94018	El Granada	12	0.2%	81.3%	257	4.7%
94017	Daly City	11	0.2%	81.5%	33	33.3%
<b>Subtotal</b>		<b>4,311</b>	<b>81.5%</b>	<b>81.5%</b>	<b>34,146</b>	<b>12.6%</b>
Other ZIPs		977	18.5%	100%		
<b>Total</b>		<b>5,288</b>	<b>100%</b>			

Note: Excludes normal newborns

Source: OSHPD Patient Discharge Database



Report Year and Quarter  
All

AB 2190 Quarterly Reports for 10801 Seton Medical Center

OSHPD Building Nbr	Bldg Name	Report Year and Quarter	Construction Project Nbr	Milestone Date	Milestone Description	Milestone Comments	Milestone Quarterly Update
BLD-00846	1983 Tower	2019 - Q2	I180019-41-00; I180019-41-01; I180019-41-02; I180019-41-03	4/1/2020	Start Construction		On schedule
				7/1/2022	Complete Construction		On schedule
BLD-00847	Front Wing	2019 - Q2	I180020-41-00; I180020-41-01	4/1/2020	Start Construction		On schedule
				7/1/2022	Complete Construction		On schedule



**Exhibit D**

**SGM APA**



**ASSET PURCHASE AGREEMENT**

**By and Among**

**Verity Health System of California, Inc., Verity Holdings, LLC,**

**St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc.,  
Seton Medical Center**

**and**

**Strategic Global Management, Inc.**

**Dated January 8, 2019**



## TABLE OF CONTENTS

	Page
ARTICLE 1 SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING .....	2
1.1 Purchase Price .....	2
1.2 Deposit .....	3
1.3 Closing Date .....	4
1.4 Items to be Delivered by Sellers at Closing .....	4
1.5 Items to be Delivered by Purchaser at Closing .....	5
1.6 Prorations and Utilities .....	6
1.7 Transfer of Assets of Sellers .....	7
1.8 Excluded Assets .....	10
1.9 Assumed Obligations .....	13
1.10 Excluded Liabilities .....	14
1.11 Designation of Assumed Contracts and Assumed Leases .....	14
1.12 Disclaimer of Warranties; Release .....	15
ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF SELLERS .....	16
2.1 Authorization .....	16
2.2 Binding Agreement .....	16
2.3 Organization and Good Standing; No Violation .....	16
2.4 Contracts .....	16
2.5 Brokers and Finders .....	17
2.6 Seller Knowledge .....	17
2.7 Non-Contravention .....	17
2.8 Compliance with Legal Requirements .....	17
2.9 Required Consents .....	17
2.10 Environmental Matters .....	17
2.11 Title .....	18
2.12 Certain Other Representations with Respect to the Hospitals .....	18
2.13 Financial Statements .....	18
2.14 Legal Proceedings .....	19
2.15 Employee Benefits .....	19
2.16 Personnel .....	19
2.17 Insurance .....	19
2.18 Accounts Receivable .....	20
2.19 Payer Contracts .....	20
2.20 Excluded Individuals .....	20
ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF PURCHASER .....	20
3.1 Authorization .....	20
3.2 Binding Agreement .....	20
3.3 Organization and Good Standing .....	20
3.4 No Violation .....	21
3.5 Brokers and Finders .....	21
3.6 Representations of Sellers .....	21



**TABLE OF CONTENTS**  
(continued)

		<b>Page</b>
3.7	Legal Proceedings.....	21
3.8	No Knowledge of a Seller’s Breach.....	21
3.9	Ability to Perform.....	22
3.10	Purchaser Knowledge .....	22
3.11	Investigation.....	22
ARTICLE 4 COVENANTS OF SELLERS .....		22
4.1	Access and Information; Inspections .....	22
4.2	Cooperation.....	23
4.3	Other Bidders .....	23
4.4	Sellers’ Efforts to Close .....	24
4.5	Termination Cost Reports .....	24
4.6	Conduct of the Business.....	24
4.7	Contract With Unions .....	25
ARTICLE 5 COVENANTS OF PURCHASER.....		25
5.1	Purchaser’s Efforts to Close.....	26
5.2	Required Governmental Approvals .....	26
5.3	Certain Employee Matters .....	27
5.4	Excluded Assets .....	27
5.5	Waiver of Bulk Sales Law Compliance.....	28
5.6	Attorney General.....	28
5.7	Conduct Pending Closing .....	28
5.8	Cure Costs .....	28
5.9	Operating Covenant .....	28
5.10	HSR Filing .....	28
5.11	Contract with Unions .....	29
ARTICLE 6 SELLERS’ BANKRUPTCY AND BANKRUPTCY COURT APPROVAL.....		29
6.1	Bankruptcy Court Approval; Overbid Protection and Break-Up Fee.....	29
6.2	Appeal of Sale Order .....	30
ARTICLE 7 CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS.....		31
7.1	Signing and Delivery of Instruments .....	31
7.2	No Restraints.....	31
7.3	Performance of Covenants.....	31
7.4	Governmental Authorizations.....	31
7.5	Attorney General Provisions.....	31
7.6	Bankruptcy Court Approval.....	31
7.7	HSR Act .....	31
7.8	CSCDA Acknowledgement .....	32
ARTICLE 8 CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER .....		32
8.1	Governmental Authorizations.....	32



**TABLE OF CONTENTS**  
(continued)

		<b>Page</b>
8.2	Bankruptcy Court Approval.....	32
8.3	Signing and Delivery of Instruments .....	32
8.4	Performance of Covenants .....	32
8.5	No Restraints.....	32
8.6	Attorney General Provisions.....	32
8.7	Medicare and Medi-Cal Provider Agreements .....	34
8.8	HSR Act .....	34
ARTICLE 9 TERMINATION .....		34
9.1	Termination.....	34
9.2	Termination Consequences.....	35
ARTICLE 10 POST-CLOSING MATTERS.....		36
10.1	Excluded Assets .....	36
10.2	Preservation and Access to Records After the Closing .....	36
10.3	Closing of Financials .....	38
10.4	Medical Staff.....	39
10.5	Shared Intangible Assets.....	39
ARTICLE 11 DEFAULT, TAXES AND COST REPORTS .....		39
11.1	Purchaser Default.....	39
11.2	Seller Default .....	39
11.3	Tax Matters; Allocation of Purchase Price .....	39
11.4	Cost Report Matters .....	40
ARTICLE 12 MISCELLANEOUS PROVISIONS.....		40
12.1	Further Assurances and Cooperation .....	40
12.2	Successors and Assigns.....	41
12.3	Governing Law; Venue.....	41
12.4	Amendments .....	41
12.5	Exhibits, Schedules and Disclosure Schedule .....	41
12.6	Notices .....	41
12.7	Headings .....	42
12.8	Publicity .....	42
12.9	Fair Meaning.....	43
12.10	Gender and Number; Construction; Affiliates.....	43
12.11	Third Party Beneficiary.....	43
12.12	Expenses and Attorneys' Fees .....	43
12.13	Counterparts .....	43
12.14	Entire Agreement .....	43
12.15	No Waiver.....	44
12.16	Severability .....	44
12.17	Time is of the Essence .....	44



## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “**Agreement**”) is made and entered into as of the 8<sup>th</sup> day of January, 2019 (the “**Signing Date**”) by and among Verity Health System of California, Inc., a California nonprofit public benefit corporation (“**Verity**”), Verity Holdings, LLC, a California limited liability company (“**Verity Holdings**”), St. Francis Medical Center, a California nonprofit public benefit corporation (“**St. Francis**”), St. Vincent Medical Center, a California nonprofit public benefit corporation (“**St. Vincent**”), St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation (“**St. Vincent Dialysis**”), and Seton Medical Center, a California nonprofit public benefit corporation (“**Seton**” and together with St. Francis Medical Center, St. Vincent Medical Center and St. Vincent Dialysis, collectively, the “**Hospital Sellers**”) (Verity, Verity Holdings, St. Francis, St. Vincent, St. Vincent Dialysis and Seton are each referred to herein individually as a “**Seller**” and collectively as the “**Sellers**”), and Strategic Global Management, Inc., a California corporation (“**Purchaser**”).

### RECITALS:

A. St. Francis engages in the business of the operation of the hospital known as St. Francis Medical Center, located at 3630 E. Imperial Highway, Lynwood, CA 90262, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by St. Francis (collectively, the “**St. Francis Hospital**”).

B. St. Vincent engages in the business of the operation of the hospital known as St. Vincent Medical Center, located at 2131 W 3rd Street, Los Angeles, CA 90057, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by St. Vincent (collectively, the “**St. Vincent Hospital**”).

C. Seton engages in the business of the operation of two general acute care hospitals under a single license, consisting of: (i) the hospital known as Seton Medical Center, located at 1900 Sullivan Avenue, Daly City, CA 94015, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by Seton (collectively, the “**Seton Hospital**”) and (ii) the hospital known as Seton Medical Center Coastside, located at 600 Marine Blvd, Moss Beach, CA 94038, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by Seton (collectively, the “**Seton Coastside Hospital**”) and together with the St. Francis Medical Center Hospital, the St. Vincent Medical Center Hospital and the Seton Hospital, the “**Hospitals**”; the business of the operation of the Hospitals is referred to herein as the “**Businesses**”).

D. Purchaser desires to purchase from Sellers, and Sellers desire to sell to Purchaser, the assets described in Section 1.7 below (the “**Assets**”) owned by Sellers and used with respect to the Businesses, for the consideration and upon the terms and conditions contained in this Agreement.



E. Sellers filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Central District of California, Los Angeles Division (the “**Bankruptcy Court**”), lead Case No. 2:18-bk-201510ER, jointly administered or to be jointly administered with their affiliates (the “**Bankruptcy Cases**”).

F. The parties intend to effectuate the transactions contemplated by this Agreement through a sale of the Assets approved by the Bankruptcy Court pursuant to Section 363 of Title 11 of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants contained in this Agreement, and for their mutual reliance and incorporating into this Agreement the above recitals, the parties hereto agree as follows:

## ARTICLE 1

### SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING

#### 1.1 Purchase Price.

(a) Subject to the terms and conditions of this Agreement, the purchase price (“**Purchase Price**”) shall consist of the following:

(i) Cash payment to Sellers (the “**Cash Consideration**”) of Six Hundred Ten Million Dollars (\$610,000,000.00), which shall be allocated Four Hundred Twenty Million Dollars (\$420,000,000) to St. Francis Medical Center, One Hundred Twenty Million Dollars (\$120,000,000) to St. Vincent Medical Center, and Seventy Million Dollars (\$70,000,000) to Seton for Seton Hospital and Seton Coastside Hospital, provided, that if the CA AG’s approval does not include a requirement that Seton Hospital remain open as an acute care hospital or that Seton Coastside Hospital remain open as a skilled nursing facility, then an amount to be determined by Purchaser, in its sole discretion, of such Cash Consideration shall be re-allocated from St. Francis to Seton;

(ii) Assumption of Sellers’ accrued vacation and other paid time off as of the Closing, to be provided only with respect to Hired Employees (as defined in Section 5.3(a)) in the form of credited vacation and PTO, subject to compliance with applicable law and regulation, including consent of such employees if required;

(iii) Assumption of all liabilities of Seton as Obligated Party and Property Owner under the (i) Agreement to Pay Assessment and Finance Improvements dated May 17, 2017 with California Statewide Communities Development Authority (“**CSCDA**”) and (ii) Agreement to Pay Assessment and Finance Improvements dated May 18, 2017 with CSCDA (collectively



the “**Special Assessments**”) each associated with of the Property Assessed Clean Energy (“**PACE**”) (seismic and clean energy) loans (collectively the “**PACE Obligations**”); and

(iv) Payment of Cure Costs (defined below) associated with any Assumed Leases and/ or Assumed Contracts and assumption of the other Assumed Obligations (as defined below).

(b) Purchaser (i) is acquiring the Assets and (ii) is only assuming (x) the PACE Obligations and (y) the Assumed Obligations (as defined below).

(c) At the Closing, Purchaser shall pay to Sellers, by wire transfer of immediately available funds to the accounts specified by Sellers to Purchaser in writing, an aggregate amount equal to the Cash Consideration, minus the Net QAF Reduction Amount (defined below), if any, plus the Net QAF Increase Amount (defined below), if any, plus any amounts (x) held by the PACE Trustee as an interest or fee reserve on account the PACE Obligations on the Closing Date and (y) remitted to CSCDA by Seton pursuant to the Special Assessments from and after the date of execution of this Agreement by Buyer up to and including the Closing Date, minus the Deposit (defined below).

(d) For purposes of this Agreement, the “**QAF Program**” means the California Department of Health Care Services Hospital Quality Assurance Fee Programs IV (“**QAF IV**”) and V (“**QAF V**”). During the period prior to Closing, Sellers shall pay any fees owing under QAF IV and QAF V, and Sellers shall be entitled to retain all payments received under QAF IV and QAF V. At Closing, Sellers shall credit to the Cash Consideration the amount by which payments received under QAF IV and QAF V between the Signing Date and Closing exceed the sum of (i) fees paid under QAF IV and QAF V during such period plus (ii) the amount of fees which are unpaid and owing as of the Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V (the “**Net QAF Reduction Amount**”), as provided above in Section 1.1(c). At Closing, Purchaser shall pay Sellers (as an increase to the Cash Consideration) the amount by which the sum of (i) fees paid under QAF IV and QAF V between the Signing Date and Closing plus (ii) the amount of fees which are unpaid and owing as of Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V exceeds payments received under QAF IV and QAF V during such period (the “**Net QAF Increase Amount**”), as provided above in Section 1.1(c).

(e) Purchaser shall, prior to Closing, be permitted to communicate with holders of secured debt of the Sellers regarding the possible assumption by Purchaser of all or a portion of such debt at the Closing. If Purchaser agrees to assume any such debt at the Closing, Purchaser and Sellers shall negotiate an appropriate credit to the Purchase Price for such assumption of debt.

1.2 **Deposit.** Purchaser, by wire transfer to an account designated by Sellers has made a good faith deposit in the amount of Thirty Million Dollars (\$30,000,000) on the date hereof (the “**Deposit**”). The Deposit shall be non-refundable in all events, except as provided in Section 6.1(b) or Section 6.2, or in the event Purchaser has terminated this Agreement pursuant to Section 9.1 (other than Section 9.1(b)) or as set forth in Section 9.2, in which case Seller shall immediately return the Deposit to Purchaser with all interest earned thereon. Upon Closing, the Deposit will



be credited against the Purchase Price. Pending the Closing, or until this Agreement is terminated, the Deposit shall be deposited in an interest bearing account, with interest credited to Purchaser, at a federally-insured financial institution mutually acceptable to Purchaser and Sellers. In addition, on the Signing Date, Purchaser shall deliver to Sellers executed letters from its financing sources, in form and substance satisfactory to Sellers in their discretion.

1.3 Closing Date. The consummation of the transactions contemplated by this Agreement (the “**Closing**”) shall take place at 10:00 a.m. local time at the offices of Dentons US LLP, 601 South Figueroa St., Suite 2500, Los Angeles, CA 90017-5704 (the day on which Closing actually occurs, the “**Closing Date**”) promptly but no later than ten (10) business days following the satisfaction or waiver of the conditions set forth in ARTICLE 7 and ARTICLE 8, other than those conditions that by their nature are to be satisfied at Closing but subject to fulfillment or waiver of those conditions. The Closing shall be deemed to occur and to be effective as of 11:59 p.m. Pacific time on the Closing Date (the “**Effective Time**”).

1.4 Items to be Delivered by Sellers at Closing. At or before the Closing, Sellers shall deliver, or cause to be delivered, to Purchaser the following:

1.4.1 a Bill of Sale substantially in the form of Exhibit 1.4.1 attached hereto (the “**Bill of Sale**”), duly executed by each Seller, with respect to the Assets;

1.4.2 Real Estate Assignment and Assumption Agreements (the “**Real Estate Assignments**”) in the form of Exhibit 1.4.2 attached hereto with respect to (i) the Leased Real Property, and (ii) the Tenant Leases, each duly executed by each Seller;

1.4.3 a Quitclaim Deed (the “**Deed**”) in the form of Exhibit 1.4.2 attached hereto with respect to the real property listed in Schedule 1.4.3, together with all plant, buildings, structures, installments, improvements, fixtures, betterments, additions and constructions in progress situated thereon (collectively, the “**Owned Real Property**”) duly executed by each Seller;

1.4.4 an Assumption Agreement (the “**Assumption Agreement**”) in the form of Exhibit 1.4.2 attached hereto with respect to the Assumed Obligations duly executed by each Seller;

1.4.5 favorable original certificates of good standing, of each Seller, issued by the State of California, dated no earlier than a date which is fifteen (15) calendar days prior to the Closing Date;

1.4.6 a duly executed certificate of an officer of each Seller certifying to Purchaser (i) the incumbency of the officers of such Seller on the Signing Date and on the Closing Date and bearing the authentic signatures of all such officers who shall execute this Agreement and any additional documents contemplated by this Agreement and (ii) the due adoption and text of the resolutions or consents of the Board of Directors of such Seller authorizing (I) the transfer of the Assets and transfer of the Assumed Obligations by such Seller to Purchaser and (II) the due execution, delivery and performance of this Agreement and all additional documents contemplated



by this Agreement, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

1.4.7 a certified copy of the Sale Order (as defined below);

1.4.8 a Transition Services Agreement (the “**Transition Services Agreement**”) in form and substance satisfactory to Sellers and Purchaser, in their reasonable discretion, granting to Sellers use of certain assets, systems and personnel identified in such agreement solely in connection with Sellers’ wind-down of the Businesses, the completion of the Bankruptcy Cases and the dissolution of Sellers (and following completion of such wind-down, Bankruptcy Cases and dissolution of Sellers, such Transition Services Agreement shall automatically terminate);

1.4.9 acknowledgements by CSCDA and the PACE Trustee that Purchaser is the Successor Property Owner and Obligated Party under the PACE Obligations and releases of the Sellers from any and all claims arising or accruing prior to the Closing Date, and

1.4.10 any such other instruments, certificates, consents or other documents which Purchaser and Sellers mutually deem reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

1.5 Items to be Delivered by Purchaser at Closing. At or before the Closing, Purchaser shall deliver or cause to be delivered to Sellers the following:

1.5.1 payment of the Cash Consideration subject to credits or plus payment to Sellers of all amounts as provided under Section 1.6;

1.5.2 evidence of payment of all Cure Costs required hereunder to be paid by Purchaser;

1.5.3 a duly executed certificate of the Secretary of Purchaser certifying to Sellers (a) the incumbency of the officers of Purchaser on the Signing Date and on the Closing Date and bearing the authentic signatures of all such officers who shall execute this Agreement and any additional documents contemplated by this Agreement and (b) the due adoption and text of the resolutions of the Board of Directors of Purchaser authorizing the execution, delivery and performance of this Agreement and all additional documents contemplated by this Agreement, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

1.5.4 favorable original certificate of good standing, of Purchaser, issued by the California Secretary of State dated no earlier than a date which is fifteen (15) calendar days prior to the Closing Date;

1.5.5 the Bill of Sale, duly executed by Purchaser;

1.5.6 the Real Estate Assignment(s), duly executed by Purchaser;

1.5.7 the Assumption Agreement, duly executed by Purchaser;



1.5.8 the License Agreement referenced in Section 1.7(q);

1.5.9 the Transition Services Agreement; and

1.5.10 any such other instruments, certificates, consents or other documents which Purchaser and Sellers mutually deem reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

1.6 Prorations and Utilities. All items of income and expense listed below with respect to the Assets shall be prorated in accordance with the principles and the rules for the specific items set forth hereafter:

1.6.1 All transfer, conveyance, sales, use, stamp, similar state and local taxes arising from the sale of the Assets hereunder shall be the responsibility of, and allocated to, Purchaser.

1.6.2 Other than the Utility Deposits (defined below), which are governed by Section 1.8(j), and other than with respect to Cure Costs payable by Purchaser, the following costs and expenses shall be prorated based upon the payment period (*i.e.*, calendar or other tax fiscal year) to which the same are attributable: all real estate and personal property lease payments, real estate and personal property taxes, real estate assessments, other than the PACE Special Assessments and other similar charges against real estate, and power and utility charges (collectively, the “**Prorated Charges**”) on the Assets. Each Seller shall pay its respective portion at or prior to the Closing (or Purchaser shall receive credit for) of any unpaid Prorated Charges attributable to periods or portions thereof occurring prior to the Effective Time, and Purchaser shall assume as an Assumed Liability or, to the extent previously paid by any Seller, pay to such Seller at the Closing all Prorated Charges attributable to periods or portions thereof occurring from and after the Effective Time. In the event that as of the Closing Date the actual tax bills for the tax year or years in question are not available and the amount of taxes to be prorated as aforesaid cannot be ascertained, then rates, millages and assessed valuation of the previous year, with known changes, shall be used. The parties agree that if the real estate and personal property tax prorations are made based upon the taxes for the preceding tax period, the prorations shall be re-prorated after the Closing. As to power and utility charges, “final readings” as of the Closing Date shall be ordered from the utilities; the cost of obtaining such “final readings,” if any, shall be paid by Purchaser.

1.6.3 Sellers shall be entitled to all rents and other payments under Tenant Leases accruing for the period prior to the Effective Time (“**Pre Effective Time Lease Amounts**”), and Purchaser shall be entitled to all rents and other payments under tenant leases accruing for the period after the Effective Time (“**Post Effective Time Lease Amounts**” and together with the Pre Effective Time Lease Amounts, the “**Lease Amounts**”). All Lease Amounts that are collected prior to the Closing shall be prorated as of the Closing in accordance with the immediately preceding sentence. All Lease Amounts that are accrued but uncollected as of the Closing (including, without limitation, rents and other payments accrued prior to the Closing but payable in arrears after the Closing) (collectively, the “**Unpaid Amounts**”) shall belong to Sellers, and Purchaser shall, upon receipt of said rents and other payments, receive the same in trust for Sellers and shall promptly remit any of such amounts to the applicable Seller within ten (10) days after



Purchaser's receipt of same. For the avoidance of doubt, all rental payments received after Closing shall be first applied to any amounts owed to the Sellers under this Section 1.6.3.

1.6.4 All prorations and payments to be made under the foregoing provisions shall be agreed upon by Purchaser and Sellers prior to the Closing and shall be binding upon the parties; provided, however, with respect to the Unpaid Amounts, in the event any proration, apportionment or computation shall prove to be incorrect for any reason, then either the applicable Seller or Purchaser shall be entitled to an adjustment to correct the same, provided that said party makes written demand on the party from whom it is entitled to such adjustment within thirty (30) calendar days after the erroneous payment or computation was made, or such later time as may be required, in the exercise of due diligence, to obtain the necessary information for proration. This Section 1.6 shall survive Closing.

1.7 Transfer of Assets of Sellers. On the Closing Date and subject to the terms and conditions of this Agreement, each Seller shall sell, assign, transfer, convey and deliver to Purchaser, free and clear of all liens, claims, interests and encumbrances other than the Permitted Exceptions (defined below), and Purchaser shall acquire, all of each Seller's right, title and interest in and to only the following assets and properties, as such assets shall exist on the Closing Date, in each case (notwithstanding anything else in this Agreement) solely to the extent used primarily in the conduct of the Businesses and to the extent not included among the Excluded Assets, such transfer being deemed to be effective at the Effective Time:

(a) all of the tangible personal property owned by such Hospital Seller, or to the extent assignable or transferable by each Hospital Seller, leased, subleased or licensed by such Hospital Seller, and used by such Seller in the operation of the Hospital of such Hospital Seller, including equipment, furniture, fixtures, machinery, vehicles, office furnishings and leasehold improvements (the "**Personal Property**");

(b) all of such Hospital Seller's rights, to the extent assignable or transferable, to all Medicare and Medi-Cal provider agreements, permits, approvals, certificates of exemption, franchises, accreditations and registrations and other governmental licenses, permits or approvals issued to such Seller for use in the operation of the Hospital of such Hospital Seller (the "**Licenses**"), including, without limitation, the Licenses and Medicare/Medi-Cal Provider Agreements set forth on Schedule 1.7(b), except to the extent Purchaser elects, in its discretion, not to take assignment of any such Licenses;

(c) all of such Hospital Seller's interest in and to the Owned Real Property and all of such Hospital Seller's interest, to the extent assignable or transferable, in and to all of the following (the "**Assumed Leases**"): (i) personal property leases with respect to the operation of the Hospital of such Hospital Seller (including leases for assets described in Section 1.7(i), (ii) the real property leases for all real property leased by such Hospital Seller and set forth on Schedule 1.7(c)(ii) (the "**Leased Real Property**"), and (iii) the real property leased or subleased by such Seller to a third party and set forth on Schedule 1.7(c)(iii) (the "**Tenant Leases**");

(d) all of such Hospital Seller's interest, to the extent assignable or transferable, in and to all contracts and agreements (including, but not limited to, purchase orders) with respect



to the operation of the Hospital of such Hospital Seller that have been designated by Purchaser as a contract to be assumed pursuant to Section 1.11 (the “**Assumed Contracts**”);

(e) other than the Excluded Settlements and Actions (defined below), all claims, rights, interests and proceeds (whether received in cash or by credit to amounts otherwise due to a third party) with respect to amounts overpaid by such Seller to any third party health plans with respect to periods prior to the Effective Time (e.g. such overpaid amounts may be determined by billing audits undertaken by such Seller or such Seller’s consultants), except with respect to any causes of action or proceeds thereof arising under Chapter 5 of the Bankruptcy Code other than with respect to Assumed Contracts and Assumed Leases and other items described in Section 1.8(h);

(f) to the extent assignable or transferable, all inventories of supplies, drugs, food, janitorial and office supplies and other disposables and consumables (i) located at the Hospital of such Seller or (ii) used in the operation of the Hospital of such Seller (the “**Inventory**”) except as set forth in Section 1.8(e);

(g) other than Utility Deposits, all prepaid rentals, deposits, prepayments (excluding prepaid insurance and prepaid taxes) and similar amounts relating to the Assumed Contracts and/or the Assumed Leases, which were made with respect to the operation of the Hospital of such Hospital Seller (the “**Prepays**”);

(h) to the extent assignable or transferrable, all of the following that are not proprietary to such Seller and/or owned by or proprietary to such Hospital Seller’s affiliates: operating manuals, files and computer software with respect to the operation of the Hospital of such Hospital Seller, including, without limitation, all patient records, medical records, employee records, financial records, equipment records, construction plans and specifications, and medical and administrative libraries; *provided, however*, that any patient records and medical records which are not required by law to be maintained by such Hospital Seller as of the Effective Time shall be an Excluded Asset;

(i) to the extent assignable or transferrable (and if leased, to the extent the associated lease is transferrable), including any assignment which is made effective pursuant to the Sale Order where the consent of a third party is required pursuant to the terms of an applicable agreement but not obtained, all systems, servers, computers, hardware, firmware, middleware, telecom equipment, networks, data communications lines, routers, hubs, switches and all other information technology equipment, and all associated documentation owned, leased or licensed by Sellers and used by Sellers with respect to the operations of the Hospitals;

(j) all Measure B trauma funding received after the Signing Date to be paid related to service periods ending on or after the Signing Date (pro rated between Purchaser and Sellers for any such payments covering service periods which include days both before and after the Signing Date based upon the number of days in the relevant payment period before the Signing Date (for the account of Sellers) and after the Signing Date (for the account of Purchaser));

(k) Except for as stated in Section 1.7(j), all accounts and interest thereupon, notes and interest thereupon and other receivables of such Seller, including, without limitation,



accounts, notes or other amounts receivable, disproportionate share payments and all claims, rights, interests and proceeds related thereto, including all accounts and other receivables, and Seller Cost Report settlements related thereto, in each case arising from the rendering of services or provision of goods, products or supplies to inpatients and outpatients at the Hospital of such Seller, billed and unbilled, recorded and unrecorded, for services, goods, products and supplies provided by such Seller prior to the Effective Time whether payable by Medicare, Medicaid, or any other payor (including an insurance company), or any health care provider or network (such as a health maintenance organization, preferred provider organization or any other managed care program) or any fiscal intermediary of the foregoing, private pay patients, private insurance or by any other source (collectively, “**Accounts Receivable**”);

(l) all rights, claims and causes of action of such Seller to the extent related to and/or to the extent arising out of the Accounts Receivable acquired by Purchaser at the Closing;

(m) other than the Excluded Settlements and Actions, all regulatory settlements, rebates, adjustments, refunds or group appeals, including without limitation pursuant to all cost reports filed by Sellers for payment or reimbursement from government payment programs and other payors with respect to periods after the Signing Date;

(n) other than the Excluded Settlements and Actions, all casualty insurance proceeds arising in respect of casualty losses occurring after the Signing Date in connection with the ownership or operation of the Assets;

(o) other than the Excluded Settlements and Actions, all surpluses arising out of any risk pools, shared savings program or accountable care organization arrangement to which any Seller is party on the Closing Date, in each case to the extent Purchaser assumes the underlying contract relating to such risk pools, shared savings program or accountable care organization arrangement;

(p) all transferable unclaimed property of any Person in Sellers’ possession as of the Closing Date, including, without limitation, property which is subject to applicable escheat laws;

(q) to the extent assignable or transferable by Sellers without out-of-pocket expense to Sellers, all warranties (including warranties of any manufacturer or vendor) on or in connection with the Assets (including the Personal Property) in favor of the Hospitals or Sellers;

(r) the right to use the names “St. Francis Medical Center”, “St. Vincent Medical Center”, “Seton Medical Center” and “Seton Medical Center Coastside”, including any trademarks, service marks, trademark and service mark registrations and registration applications, trade names, trade name registrations, logos, domain names, trade dress, copyrights, copyright registrations, website content, know-how, trade secrets and the corporate or company names of Sellers and the names of the Hospitals, together with all rights to sue and recover damages for infringement, dilution, misappropriation or other violation or conflict associated with any of the foregoing; at the Closing, Purchaser will execute and deliver to Sellers the Transition Services Agreement granting to Sellers an unlimited, royalty free, irrevocable license to use any and all of the foregoing solely in connection with the wind-down of the Businesses, the completion of the



Bankruptcy Cases and the dissolution of Sellers (and following completion of such wind-down, Bankruptcy Cases and dissolution of Sellers, such license shall automatically terminate);

(s) all goodwill of the Hospital of such Hospital Seller evidenced by or associated with any of the Assets;

(t) to the extent transferable or assignable, such Hospital Seller's right or interest in the telephone and facsimile numbers and uniform resource locaters used with respect to the operation of the Hospital of such Hospital Seller;

(u) each such Hospital Seller's Medicare and Medi-Cal provider agreements and lockbox account(s) identified on **Schedule 1.7(u)**;

(v) all documents, records, correspondence, work papers and other documents, other than patient records, primarily relating to the Accounts Receivable;

(w) with respect to Verity Holdings, the assets represented by the assessor's parcel numbers (APN's) listed in **Schedule 1.7(w)** hereof (the "**Purchased Verity Holdings Assets**");

(x) except for the Excluded Assets, to the extent assignable or transferable, and subject to the Permitted Exceptions, any other assets owned by such Hospital Seller (which are not otherwise specifically described above in this Section 1.7) that are used in the operation of the Hospital of such Hospital Seller;

(y) all of Seton's interest in and to the PACE Obligations; and

(z) all QAF V and subsequent QAF program payments received after the Closing (e.g., QAF VI and QAF VII).

As used herein, the term "**Permitted Exceptions**" means (i) the Assumed Obligations; (ii) the PACE Obligations; (iii) liens for taxes not yet due and payable (iv) easements, rights of way, zoning ordinances and other similar encumbrances affecting real property; (v) other imperfections of title or encumbrances, if any, which are not monetary in nature and that are not, individually or in the aggregate, material to the business of the Hospital; (vi) any agreements made with any governmental authority in order to obtain any consent or approval, including, without limitation, in connection with the Medicare and Medi-Cal provider agreements; and (vii) other imperfections of title or encumbrances that are expressly identified on **Schedule 1.7** hereof.

1.8 Excluded Assets. Notwithstanding anything to the contrary in Section 1.7, each Seller shall retain all interests, rights and other assets owned directly or indirectly by it (or any of such Seller's affiliates) which are not among the Assets, including, without limitation, the following interests, rights and other assets of such Seller (collectively, the "**Excluded Assets**"):

(a) cash, cash equivalents and short-term investments;



(b) all Seller Plans (defined below) and the assets of all Seller Plans and any asset that would revert to the employer upon the termination of any Seller Plan, including, without limitation, any assets representing a surplus or overfunding of any Seller Plan;

(c) all contracts that are not Assumed Contracts;

(d) all leases that are not Assumed Leases;

(e) the portions of Inventory, Prepaids, and other assets disposed of, expended or canceled, as the case may be, by such Seller after the Signing Date and prior to the Effective Time in the ordinary course of business;

(f) assets owned and provided by vendors of services or goods to the Hospital of such Hospital Seller;

(g) all of such Seller's organizational or corporate record books, minute books, tax returns, tax records and reports, data, files and documents, including electronic data related thereto;

(h) all claims, counterclaims and causes of action of such Seller or such Seller's bankruptcy estate (including parties acting for or on behalf of such Seller's bankruptcy estate, including, but not limited to, the official committee of unsecured creditors appointed in the Bankruptcy Cases), including, without limitation, rights of recovery or set-off of every kind and character against third parties, causes of action arising out of any claims and causes of action under chapter 5 of the Bankruptcy Code and any related claims, counterclaims and causes of action under applicable non-bankruptcy law, and any rights to challenge liens asserted against property of such Seller's bankruptcy estate, including, but not limited to, liens attaching to the Purchase Price paid to such Seller, and the proceeds from any of the foregoing;

(i) other than casualty insurance proceeds described in Section 1.7(m), all insurance policies and contracts and coverages obtained by such Seller or listing such Seller as insured party, a beneficiary or loss payee, including prepaid insurance premiums, and all rights to insurance proceeds under any of the foregoing, and all subrogation proceeds related to any insurance benefits arising from or relating to Assets prior to the Closing Date;

(j) all deposits made with any entity that provides utilities to the Hospital (the **"Utility Deposits"**);

(k) all rents, deposits, prepayments, and similar amounts relating to any contract or lease that is not an Assumed Contract or Assumed Lease;

(l) all non-transferrable unclaimed property of any third party as of the Effective Time, including, without limitation, property which is subject to applicable escheat laws;

(m) all other bank accounts of such Sellers not listed on **Schedule 1.7(u)**;



(n) all writings and other items that are protected from discovery by the attorney-client privilege, the attorney work product doctrine or any other cognizable privilege or protection;

(o) the rights of such Seller to receive mail and other communications with respect to Excluded Assets or Excluded Liabilities;

(p) all director and officer insurance;

(q) all tax refunds of such Seller;

(r) all documents, records, operating manuals and film pertaining to the Hospital that the parties agree that such Seller is required by law to retain;

(s) all patient records and medical records which are not required by law to be maintained by such Seller as of the Effective Time;

(t) all documents, records, correspondence, work papers and other patient records that may not be transferred under applicable law, and any other documents, records, or correspondence (including with respect to any employees) that may not be transferred under applicable law;

(u) any rights or documents relating to any Excluded Liability or other Excluded Asset;

(v) any rights or remedies provided to such Seller under this Agreement and each other document executed in connection with the Closing;

(w) any (i) personnel files for employees of such Seller who are not hired by Purchaser; (ii) other books and records that such Seller is required by Law to retain; provided, however, that except as prohibited by Law and subject to Article 5, Purchaser shall have the right to make copies of any portions of such retained books and records that relate to the business of the Hospital as conducted before the Closing or that relate to any of the Assets; (iii) documents which such Seller is not permitted to transfer pursuant to any contractual obligation owed to any third party; (iv) documents primarily related to any Excluded Assets; and (v) documents necessary to prepare tax returns (Purchaser shall be entitled to a copy of such documents). With respect to documents necessary to prepare cost reports, Purchaser shall receive the original document and such Seller shall be entitled to retain a copy of such documents for any period ending on or prior to the Closing Date;

(x) all deposits or other prepaid charges and expenses paid in connection with or relating to any other Excluded Assets;

(y) all rights, claims and causes of action of such Seller to the extent related to and/or to the extent arising out of the receivables identified in **Schedule 1.8(y)** and rights to settlements and retroactive adjustments, if any, whether arising under a Seller Cost Report or otherwise, for any reporting periods ending on or prior to the Effective Time, whether open or closed, arising from or against the United States government under the terms of the Medicare



program or TRICARE (formerly the Civilian Health and Medical Program of the Uniformed Services);

(z) all pre-Closing settlements or settlements pursuant to adversary proceedings in the Bankruptcy Cases, including, without limitation, any proceedings identified in Section 1.8(h) or 1.8(y) (together with the items identified in Section 1.8(h) and 1.8(y), the “**Excluded Settlements and Actions**”);

(aa) for the avoidance of doubt, all QAF IV and QAF V payments actually received prior to the Signing Date;

(bb) all assets of Verity Holdings other than the Purchased Verity Holdings Assets and all assets of any of the tenants located in the leased premises of the purchased Verity Holdings properties; and

(cc) any assets identified in Schedule 1.8(cc).

1.9 Assumed Obligations. On the Closing Date, each Seller shall assign, and Purchaser shall assume and agrees to discharge, perform and satisfy fully, on and after the Effective Time, the following liabilities and obligations of such Seller and only the following liabilities and obligations (collectively, the “**Assumed Obligations**”):

(a) the Assumed Contracts and all liabilities of such Seller under the Assumed Contracts, including related Cure Costs;

(b) the Assumed Leases and all liabilities of such Seller under the Assumed Leases, including related Cure Costs;

(c) all liabilities and obligations arising out of or relating to any act, omission, event or occurrence connected with the use, ownership or operation by Purchaser of the Hospital or any of the Assets on or after the Effective Time;

(d) all accrued vacation and other paid time off, to the extent assumed under Section 1.1(a)(ii);

(e) all liabilities and obligations of such Seller related to the Hired Employees arising on or following the Effective Time;

(f) all unpaid real and personal property taxes, if any, that are attributable to the Assets after the Effective Time, subject to the prorations provided in Section 1.6;

(g) all liabilities and obligations relating to utilities being furnished to the Assets, subject to the prorations provided in Section 1.6;

(h) any documentary, sales and transfer tax liabilities of such Seller incurred as a result of the consummation of the transaction contemplated by this Agreement;

(i) all liabilities or obligations provided for in Section 5.3;



(j) any obligations or liabilities Purchaser may desire or need to assume in order to have the Certifications/Licenses/Permits identified on Schedule 1.7(b) reissued to Purchaser, as well as any liabilities or obligations associated with Sellers' Medicare and Medi-Cal provider agreements, but only to the extent assumed by Purchaser, and any Medi-Cal liabilities or obligations needed to support ongoing Hospital Quality Assurance Fee Program payments; and

(k) any other obligations and liabilities identified in Schedule 1.9(k).

1.10 Excluded Liabilities. Purchaser shall not assume or become responsible for any duties, obligations or liabilities of any Seller that are not assumed by Purchaser pursuant to the terms of this Agreement, the Bill of Sale, the Assumption Agreement or the Real Estate Assignment(s) (the "**Excluded Liabilities**"), and each Seller shall remain fully and solely responsible for all of such Seller's debts, liabilities, contract obligations, expenses, obligations and claims of any nature whatsoever related to the Assets or the Hospital unless assumed by Purchaser under this Agreement, in the Bill of Sale, the Assumption Agreement or in the Real Estate Assignment(s).

1.11 Designation of Assumed Contracts and Assumed Leases.

(a) Except as provided in Section 1.11(b), all contracts and leases will be subject to evaluation by Purchaser for assumption or rejection (collectively "**Evaluated Contracts**"). Not later than seven (7) days prior to the date of the auction for the Assets (i) Purchaser shall notify each Seller in writing of which Evaluated Contracts are to be assumed by such Seller and assigned to Purchaser and (ii) Purchaser shall notify each Seller in writing signed and dated by Purchaser of which Evaluated Contracts are to be rejected by such Seller (collectively, the "**Rejected Contracts**"); provided, that Purchaser shall have the right to designate additional Evaluated Contracts for assumption up to thirty (30) days prior to Closing. Each Seller shall file such motions in the Bankruptcy Court and take such other actions as are reasonably necessary to ensure that final and non-appealable orders are entered (x) assuming and assigning the respective Assumed Contracts or Assumed Leases applicable to such Seller to Purchaser and (y) rejecting the Rejected Contracts. With respect to each Assumed Lease, the applicable Seller shall execute and deliver to Purchaser an Assignment and Assumption of Lease. Notwithstanding anything to the contrary set forth in this Agreement, the Rejected Contracts shall constitute part of the Excluded Assets pursuant to, and as defined in, this Agreement.

(b) At Closing and pursuant to an order of the Bankruptcy Court, each Seller will assume and immediately assign to Purchaser the leases of such Seller for Leased Real Property and the Tenant Leases.

(c) Notwithstanding the foregoing, Purchaser's obligation to consummate the transactions contemplated by this Agreement are not contingent upon the assumption, assignment or rejection of any contract or lease, or on the amount of any payment or other performance needed to cure any default thereunder.



1.12 Disclaimer of Warranties; Release.

(a) THE ASSETS TRANSFERRED TO PURCHASER WILL BE SOLD BY SELLERS AND PURCHASED BY PURCHASER IN THEIR PHYSICAL CONDITION AT THE EFFECTIVE TIME, “AS IS, WHERE IS AND WITH ALL FAULTS AND NONCOMPLIANCE WITH LAWS” WITH NO WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, USAGE, WORKMANSHIP, QUALITY, PHYSICAL CONDITION, OR VALUE, AND ANY AND ALL SUCH OTHER REPRESENTATIONS AND WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED, AND WITH RESPECT TO THE LEASED REAL PROPERTY WITH NO WARRANTY OF HABITABILITY OR FITNESS FOR HABITATION, INCLUDING, WITHOUT LIMITATION, THE LAND, THE BUILDINGS AND THE IMPROVEMENTS. ALL OF THE PROPERTIES, ASSETS, RIGHTS, LICENSES, PERMITS, PRIVILEGES, LIABILITIES, AND OBLIGATIONS OF SELLERS INCLUDED IN THE ASSETS AND THE ASSUMED OBLIGATIONS ARE BEING ACQUIRED OR ASSUMED “AS IS, WHERE IS” ON THE CLOSING DATE AND IN THEIR PRESENT CONDITION, WITH ALL FAULTS. ALL OF THE TANGIBLE ASSETS SHALL BE FURTHER SUBJECT TO NORMAL WEAR AND TEAR AND NORMAL AND CUSTOMARY USE OF THE INVENTORY AND SUPPLIES IN THE ORDINARY COURSE OF BUSINESS UP TO THE EFFECTIVE TIME.

(b) Purchaser acknowledges that Purchaser will be examining, reviewing and inspecting all matters which in Purchaser’s judgment bear upon the Assets, the Sellers, the Hospitals, the business of the Hospitals and their value and suitability for Purchaser’s purposes and is relying solely on Purchaser’s own examination, review and inspection of the Assets and Assumed Obligations. Purchaser releases each Seller and its affiliates from all responsibility and liability regarding the condition, valuation, salability or utility of the business of the Hospitals or the Assets, or their suitability for any purpose whatsoever. Purchaser further acknowledges that the representations and warranties of Sellers contained in ARTICLE 2 of this Agreement are the sole and exclusive representations and warranties made by Sellers to Purchaser (including with respect to the Hospitals, the Assets and the Assumed Obligations) and shall expire, and be of no further force or effect after January 8, 2019 (the period from the Signing Date until January 8, 2019, the “**Final Diligence Period**”), except that the Sale Order Date Representations shall expire, and be of no further force or effect upon the Sale Order Date, and in each case Sellers shall not have any liability in respect of any breach thereof following such expiration.



## ARTICLE 2

### REPRESENTATIONS AND WARRANTIES OF SELLERS

Each Seller hereby represents, warrants and covenants to Purchaser, severally (and not jointly) with respect to such Seller that the following matters are true and correct as of the Signing Date and as of the last day of the Final Diligence Period, except as would not have a material adverse effect upon the Hospitals, taken as a whole (a “**Material Adverse Effect**”) and except as disclosed in the disclosure schedule, as may be amended pursuant to the terms of this Agreement (the “**Disclosure Schedule**”), provided that the representations and warranties set forth in Sections 2.1 (Authorization), 2.2 (Binding Agreement), 2.3 (Organization and Good Standing; No Violation), 2.8 (Compliance with Legal Requirements), 2.9 (Required Consents), 2.11 (Title) and 2.14 (Legal Proceedings) (the “**Sale Order Date Representations**”) shall also be made as of immediately prior to the entry of the Sale Order (the “**Sale Order Date**”):

2.1 Authorization. Such Seller has all necessary corporate power and authority to enter into this Agreement and, subject to Bankruptcy Court approval, to carry out the transactions contemplated hereby.

2.2 Binding Agreement. This Agreement has been duly and validly executed and delivered by such Seller and, assuming due and valid execution by Purchaser, this Agreement constitutes a valid and binding obligation of such Seller enforceable in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies. Except for such corporate actions which have been taken on or before the date hereof, no other corporate action on the part of Sellers is necessary to authorize the execution, delivery and performance of this Agreement and the transactions contemplated hereby and thereby.

2.3 Organization and Good Standing; No Violation.

(a) Such Seller is an entity duly organized, validly existing and in good standing under the laws of the State of California. Such Seller has all necessary power and authority to own, operate and lease its properties and to carry on its businesses as now conducted.

(b) Neither the execution and delivery by such Seller of this Agreement nor the consummation of the transactions contemplated hereby by such Seller nor compliance with any of the material provisions hereof by such Seller, will violate, conflict with or result in a breach of any material provision of such Seller’s articles of incorporation or bylaws or any other organizational documents of such Seller.

2.4 Contracts. Except as set forth in Schedule 2.4, upon entry of the Sale Order and Purchaser’s payment of the Cure Costs, to Seller’s knowledge, Seller is not in material breach or default of the Assumed Contracts or Assumed Leases. No provision of this Section 2.4 shall apply to any failure to obtain consents to the assignment of the Assumed Contracts and Assumed Leases from third parties to the Assumed Contracts and Assumed Leases for which consent is required to



assign the Assumed Contracts and Assumed Leases to Purchaser (the “**Contract and Lease Consents**”).

2.5 Brokers and Finders. Except as set forth on Schedule 2.5, neither such Seller nor any affiliate thereof, nor any officer or director thereof, have engaged or incurred any liability to any finder, broker or agent in connection with the transactions contemplated hereunder.

2.6 Seller Knowledge. References in this Agreement to “Sellers’ knowledge or “the knowledge of Sellers” means the actual knowledge of the Chief Executive Officer or Chief Financial Officer of the applicable Seller, without independent research. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

2.7 Non-Contravention. Neither the execution and delivery by Sellers of this Agreement and each Ancillary Agreement nor performance of any of the material provisions hereof by Sellers, will violate, conflict with or result in a breach of any material provisions of the articles of incorporation or bylaws of Sellers.

2.8 Compliance with Legal Requirements. Except as set forth in Schedule 2.8, to the knowledge of Sellers: each Seller, with respect to the operation of the Hospitals, is in material compliance with all applicable laws, statutes, ordinances, orders, rules, regulations, policies, guidelines, licenses, certificates, judgments or decrees of all judicial or governmental authorities (federal, state, local, foreign or otherwise) (collectively, “**Legal Requirements**”). Except as set forth in Schedule 2.8, to the knowledge of Sellers, none of the Sellers, with respect to the operation of the Hospitals, has been charged in writing with or been given written notice of or is under investigation with respect to, any material violation of, or any obligation to take material remedial action under, any applicable Legal Requirements.

2.9 Required Consents. Except as set forth in Schedule 2.9, and other than in connection with any Licenses, any provider agreements (including any such agreements with a governmental authority) and the CA AG (defined below), Sellers are not a party to or bound by, nor are any of the Assets subject to, any mortgage, or any material lien, deed of trust, material lease, or material contract or any material order, judgment or decree which, after giving effect to the Sale Order (a) will require the consent of any third party to the execution of this Agreement or (b) will require the consent of any third party to consummate the transactions contemplated by this Agreement.

2.10 Environmental Matters.

(a) Sellers have provided Purchasers with the Phase I Environmental Site Assessments set forth in said Schedule 2.10(a).

(b) Except as disclosed in Schedule 2.10(b), to the knowledge of Sellers, the operations of the Hospitals are not in material violation of any applicable limitations, restrictions, conditions, standards, prohibitions, requirements and obligations of Environmental Laws and related orders of any court or any other governmental authority.



(c) For the purposes of this Section, the term “**Environmental Laws**” shall mean all state, federal or local laws, ordinances, codes or regulations relating to Hazardous Substances or to the protection of the environment, including, without limitation, laws and regulations relating to the storage, treatment and disposal of medical and biological waste. For purposes of this Agreement, the term “**Hazardous Substances**” shall mean (i) any hazardous or toxic waste, substance, or material defined as such in (or for the purposes of) any Environmental Laws, (ii) asbestos-containing material, (iii) medical and biological waste, (iv) polychlorinated biphenyls, (v) petroleum products, including gasoline, fuel oil, crude oil and other various constituents of such products, and (vi) any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any Environmental Laws.

2.11 Title. Prior to December 21, 2018, Sellers have delivered at their own expense (i) for all the Real Property preliminary title reports issued by First American Title Insurance Company (the “**Title Commitments**”), (ii) for all of the Real Property all underlying title documents listed on the Title Commitments (the “**Underlying Title Documents**”), and (iii) for all of the Hospitals an as-built ALTA Surveys (the “**Surveys**”, and collectively with the Title Commitment and the Underlying Title Documents, the “**Title Documents**”).

2.12 Certain Other Representations with Respect to the Hospitals.

(a) Except as set forth in Schedule 2.12, all Licenses which are material and necessary to the operation of the Hospitals or the Hospitals by Sellers are valid and in good standing and Sellers are in compliance with the terms and conditions of all such Licenses in all material respects, in each case except where the failure to be valid and in good standing or in compliance would not have a material adverse effect on the Assets or the Hospitals. Except as set forth in Schedule 2.12, as of the Closing Date Sellers will have any and all material Licenses required under Legal Requirements to conduct the Hospitals as presently conducted by Sellers, except where the failure to have any such License would not have a material adverse effect on the Assets or the Hospitals. To the knowledge of Sellers, no loss or expiration of any License is pending or threatened.

(b) Sellers are certified for participation in the Medicare, Medi-Cal and TRICARE programs and any other federal or state health care reimbursement programs in which they participate, and have current and valid provider agreements with each such program, except where the failure to be so certified or have such provider agreements would not have a material adverse effect.

(c) Sellers have not been excluded from Medicare, Medi-Cal or any federal or state health care reimbursement program, and, to the knowledge of Sellers, there is no pending or threatened exclusion action by a governmental authority against Sellers.

2.13 Financial Statements.

(a) Schedule 2.13(a) hereto contains the following financial statements (the “Historical Financial Statements”): (i) the unaudited balance sheets of the Sellers as of June 30,



2018; (ii) unaudited income statements of the Sellers for the twelve-month periods ended June 30, 2018; (iii) the audited consolidated income statements of Sellers for the years ended 2016 and 2017; and (iv) the unaudited consolidated balance sheet of Sellers as of June 30, 2018.

(b) the income statements contained in the Historical Financial Statements present, fairly in all material respects the results of the operations of the Sellers as of and for the periods covered therein and, except as set forth on Schedule 2.13(b), the balance sheets contained in the Historical Financial Statements (i) are true, complete and correct in all material respects; (ii) present, fairly in all material respects the financial condition of the Sellers as of the dates indicated thereon; and (iii) to the extent prepared by an independent certified public accounting firm, have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered, except as disclosed therein.

2.14 Legal Proceedings. Except as set forth on Schedule 2.14, and except for any and all cases and/or pleadings filed or to be filed in the Bankruptcy Court, which shall be available through Sellers' claims and noticing agent's website at <http://www.kccclcc.com/VERITYHEALTH/>, to the knowledge of Sellers, there are no material claims, proceedings or investigations pending or threatened with respect to the ownership of the Assets or the operation of the Hospitals or the Hospitals by Sellers before any governmental authority. Except as set forth on Schedule 2.14, and other than any action or proceeding brought in the Bankruptcy Court, to the knowledge of Sellers, Sellers are not subject to any government order with respect to the ownership or operation by Sellers of the Hospitals or the other Assets or the Hospitals and are in substantial compliance with respect to each such government order.

2.15 Employee Benefits. Schedule 2.15(a) contains a list of (i) each pension, profit sharing, bonus, deferred compensation, or other retirement plan or arrangement of Seller with respect to the operation of the Hospital, whether oral or written, which constitutes an "employee pension benefit plan" as defined in Section 3(2) of ERISA, (ii) each medical, health, disability, insurance or other plan or arrangement of Seller with respect to the operation of the Hospital, whether oral or written, which constitutes an "employee welfare benefit plan" as defined in Section 3(1) of ERISA, and (iii) each other employee benefit or perquisite provided by Seller with respect to the operation of the Hospital, in which any employee of Seller participates in his capacity as such (collectively, the "**Seller Plans**").

2.16 Personnel. Schedule 2.16 sets forth a complete list (as of the date set forth therein) of names, positions and current annual salaries or wage rates and scheduled bonus, and the accrued paid time off pay of all employees of Sellers (including employees of the Hospitals and employees of Verity and Verity Holdings) immediately prior to December 21, 2018, whether such employees are full time employees, part-time employees, on short-term or long-term disability or on leave of absence pursuant to Sellers's policies, the Family and Medical Leave Act of 1993 or other similar Legal Requirements (the "**Hospital Employees**") and indicating whether the Hospital Employee is full- time or part-time. Sellers shall have the right to update to Schedule 2.16(a) to reflect changes in employment status or new hires and terminations occurring after December 21, 2018 by providing a revised schedule to Purchase no later than five (5) Business Days before the date scheduled for the Closing.Insurance. Schedule 2.17 contains a list of all material insurance maintained by Sellers with respect to the Assets and the Businesses, as of the Signing Date.



2.18 Accounts Receivable. To the knowledge of Sellers, all Accounts Receivable included in the Assets at Closing result from the bona fide provision of products or services in the ordinary course of business. All Sellers Accounts Receivable are currently deposited, either electronically or manually, into the bank accounts listed on Schedule 4.25(b).

2.19 Payer Contracts. To the knowledge of Sellers, and subject to Section 365 of the Bankruptcy Code, Schedule 2.19 sets forth a complete list of all written contracts with private third party payers including insurance companies and HMOs (“**Payer Contracts**”). Sellers have provided Purchasers with a true and correct copy of all material Payer Contracts, whether or not entered into in the ordinary course of business, or otherwise required to be disclosed on Schedule 2.20, in each case together with all amendments thereto.

2.20 Excluded Individuals. Except as set forth on Schedule 2.20, to the knowledge of Sellers: neither Sellers, Hospitals nor any director, officer or employee of Sellers or Hospitals (a) was, is or is proposed to be, suspended, excluded from participation in, or sanctioned under, any federal or state health care program (including, without limitation, Medicare and Medicaid) (an “**Excluded Individual**”); (b) has been convicted of any criminal offense related to the delivery of any medical or health care services or supplies, or related to the neglect or abuse of patients; (c) has failed to maintain its current License to provide the services required to be provided by it to or on behalf of Sellers and Hospitals; or (d) is unable to obtain or maintain liability insurance consistent with commercially reasonable industry practices.

### ARTICLE 3

#### REPRESENTATIONS AND WARRANTIES OF PURCHASER

As an inducement to Sellers to enter into this Agreement and to consummate the transactions contemplated by this Agreement, Purchaser hereby represents, warrants and covenants to Sellers as to the following matters as of the Signing Date and, except as otherwise provided herein, shall be deemed to remake all of the following representations, warranties and covenants as of the Closing Date:

3.1 Authorization. Purchaser has full power and authority to enter into this Agreement and has full power and authority to perform its obligations hereunder and to carry out the transactions contemplated hereby. No additional internal consents are required in order for Purchaser to perform its obligations and agreements hereunder.

3.2 Binding Agreement. This Agreement has been duly and validly executed and delivered by Purchaser and, assuming due and valid execution by Sellers, this Agreement constitutes a valid and binding obligation of Purchaser enforceable in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies.

3.3 Organization and Good Standing. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of California, is or will be duly



authorized to transact business in the State of California, and has full power and authority to own, operate and lease its properties and to carry on its business as now conducted.

3.4 No Violation. Except as set forth in **Schedule 3.4**, neither the execution and delivery by Purchaser of this Agreement nor the consummation of the transactions contemplated hereby nor compliance with any of the material provisions hereof by Purchaser will (a) violate, conflict with or result in a breach of any material provision of the Articles of Incorporation, Bylaws or other organizational documents of Purchaser or any contract, lease or other instrument by which Purchaser is bound; (b) require any approval or consent of, or filing with, any governmental agency or authority, (c) violate any law, rule, regulation, or ordinance to which Purchaser is or may be subject, (d) violate any judgment, order or decree of any court or other governmental agency or authority to which Purchaser is subject.

3.5 Brokers and Finders. Neither Purchaser nor any affiliate thereof nor any officer or director thereof has engaged any finder or broker in connection with the transactions contemplated hereunder.

3.6 Representations of Sellers. Purchaser acknowledges that it is purchasing the Assets on an "AS IS, WHERE IS" basis (as more particularly described in Section 1.12), and that Purchaser is not relying on any representation or warranty (expressed or implied, oral or otherwise) made on behalf of any Seller other than as expressly set forth in this Agreement. Purchaser further acknowledges that no Seller is making any representations or warranties herein relating to the Assets or the operation of the Hospital on and after the Effective Time.

3.7 Legal Proceedings. Except as described on **Schedule 3.7**, there are no claims, proceedings or investigations pending or, to the best knowledge of Purchaser, threatened relating to or affecting Purchaser or any affiliate of Purchaser before any court or governmental body (whether judicial, executive or administrative) in which an adverse determination would materially adversely affect the properties, business condition (financial or otherwise) of Purchaser or any affiliate of Purchaser or which would adversely affect Purchaser's ability to consummate the transactions contemplated hereby. Neither Purchaser nor any affiliate of Purchaser is subject to any judgment, order, decree or other governmental restriction specifically (as distinct from generically) applicable to Purchaser or any affiliate of Purchaser which materially adversely affects the condition (financial or otherwise), operations or business of Purchaser or any affiliate of Purchaser or which would adversely affect Purchaser's ability to consummate the transactions contemplated hereby.

3.8 No Knowledge of a Seller's Breach. Neither Purchaser nor any of its affiliates has knowledge of any breach of any representation or warranty by any Seller or of any other condition or circumstance that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c). If information comes to Purchaser's attention on or before the Closing Date (whether through a Seller or otherwise and whether before or after the Signing Date) which indicates that Sellers have breached any of its representations and warranties under this Agreement, then the effect shall be as if the representations and warranties had been modified in this Agreement in accordance with the actual state of facts existing prior to the Effective Time such that there will be no breach under Sellers' representations and warranties in relation to such information; *provided, however*, that Purchaser must immediately notify Sellers if any such breach comes to its attention



on or before the Closing Date, and Purchaser's failure to so notify Sellers shall constitute a waiver by Purchaser of Sellers' breach, if any, of any representation or warranty. If any such information comes to Purchaser's attention on or before the Closing Date (whether through a Seller or otherwise, including through updated schedules, and whether before or after the Signing Date) that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c), Purchaser must immediately notify Sellers if any such information comes to its attention on or before the Closing Date, and Purchaser's failure to so notify Sellers shall constitute a waiver of such right in relation to the relevant breach.

3.9 Ability to Perform. Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.

3.10 Purchaser Knowledge. References in this Agreement to "Purchaser's knowledge" or "the knowledge of Purchaser" means the actual knowledge of the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer of Purchaser, without independent research. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

3.11 Investigation. Purchaser has been afforded reasonable access to, and has been provided adequate time to review, the books, records, information, operations, facilities and personnel of each Seller and the Hospital for purposes of conducting a due diligence investigation of each Seller and the Hospital. Purchaser has conducted a reasonable due diligence investigation of each Seller and the Hospital and has received satisfactory answers to all inquiries it has made respecting each Seller and the Hospital and has received all information it considers necessary to make an informed business evaluation of each Seller and the Hospital. In connection with its due diligence investigation of each Seller and the Hospital, Purchaser has not relied upon any books, records, information, operations, facilities and personnel provided by any Seller, including in making its determination to enter into this Agreement and/or consummate the transactions contemplated hereby.

## ARTICLE 4

### COVENANTS OF SELLERS

#### 4.1 Access and Information; Inspections.

4.1.1 From the Signing Date through the Effective Time, (a) each Seller shall afford to the officers and agents of Purchaser (which shall include accountants, attorneys, bankers and other consultants and authorized agents of Purchaser) reasonable access during normal business hours at Seller's corporate headquarters in El Segundo, California to, and the right to inspect, the books, accounts, records and all other relevant documents and information with respect to the assets, liabilities and business of the Hospital of such Seller and the plant and property of the Hospital of such Seller at the Hospital of such Seller and (b) each Seller shall furnish Purchaser with such additional financial and operating data and other information in such Seller's possession



as to businesses and properties of the Hospital of such Seller as Purchaser or its representatives may from time to time reasonably request; *provided, however*, that such Seller is not obligated to disclose information which is proprietary to such Seller and would not be essential to the ongoing operation of the Hospital of such Seller by Purchaser; *provided, further*, that all disclosures of information shall be consistent with the confidentiality agreements and any other non-disclosure agreements entered into (or to be entered into) among Purchaser, its representatives and such Seller. Purchaser's right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operations of any Seller or the Hospital.

4.1.2 Notwithstanding anything contained herein, no Seller shall be required to provide Purchaser or its representatives or agents access to or disclose information where such access or disclosure would violate the rights of its patients, jeopardize the attorney-client or similar privilege with respect to such information or contravene any law, judgment, fiduciary duty or contract entered into prior to or on the date of this Agreement with respect to such information.

#### 4.2 Cooperation.

4.2.1 Each Seller shall reasonably cooperate with Purchaser and its authorized representatives and attorneys: (a) in Purchaser's efforts to obtain all consents, approvals, authorizations, clearances and licenses required to carry out the transactions contemplated by this Agreement (including, without limitation, those of governmental and regulatory authorities) or which Purchaser reasonably deems necessary or appropriate, (b) in the preparation of any document or other material which may be required by any governmental agency as a predicate to or result of the transactions contemplated in this Agreement, and (c) in Purchaser's efforts to effectuate the assignment of Assumed Contracts to Purchaser as of the Closing Date. Except as may be otherwise requested by a Seller in order to comply with applicable law or regulatory guidance, notwithstanding anything contained herein, other than Bankruptcy Court orders and authorizations, it shall be Purchaser's sole responsibility (including payment of any fees, expenses, filings costs or other amounts) to obtain the Contract and Lease Consents, as well as all governmental consents, approvals, assignments, authorizations, clearances and licenses required to (x) carry out the transactions contemplated by this Agreement, including but not limited to medical licenses and/or (y) transfer any of the Assets, including any Licenses. To the extent Purchaser needs certain information and data which is in the possession of a Seller in order for Purchaser to complete Purchaser's license and permit approval applications, Purchaser shall receive, upon request, reasonable assistance from such Seller in connection with the provision of such information.

4.2.2 Notwithstanding any provision to the contrary contained in this Agreement (including Section 8.7), no Seller shall be obligated to obtain the approval or consent to the assignment, to Purchaser, of any Assumed Contracts or Assumed Leases, from any party to any of the Assumed Contracts or Assumed Leases even if any such contract or lease states that it is not assignable without such party's consent.

4.3 Other Bidders. Purchaser expressly acknowledges and agrees that each Seller has an obligation to seek out and determine the best and highest offer reasonably available for such



Seller's assets in accordance with the Bankruptcy Code, and nothing herein shall amend, modify, alter, diminish or affect such obligation.

4.4 Sellers' Efforts to Close. Each Seller shall use its reasonable commercial efforts to satisfy all of the conditions precedent set forth in ARTICLE 7 and ARTICLE 8 to its or Purchaser's obligations under this Agreement to the extent that such Seller's action or inaction can control or materially influence the satisfaction of such conditions; provided, however, that such Seller shall not be required to pay or commit to pay any amount to (or incur any obligation in favor of) any person (other than filing or application fees).

4.5 Termination Cost Reports. Each Seller shall file all Medicare, Medi-Cal and any other termination cost reports required to be filed as a result of the consummation of (a) the transfer of the Assets of such Seller to Purchaser and (b) the transactions contemplated by this Agreement with respect to such Seller, provided that Purchaser shall fund reasonable costs and expenses of preparation, filing and audit of such reports. Purchaser shall permit each Seller access to all Hospital books and records to prepare such reports and shall assist such Seller in the process of preparing, filing, and reviewing the termination cost reports. All such termination cost reports shall be filed by the applicable Seller in a manner that is consistent with current laws, rules and regulations. Each Seller shall be responsible for filing governmental cost reports for the period of January 1, 2019 through the Closing Date. Purchaser shall be responsible for its own cost report filings relating to the Hospitals beginning on the day immediately following the Effective Time.

4.6 Conduct of the Business. From the Signing Date until the Closing, or the earlier termination of this Agreement, without the prior written consent of Purchaser, Sellers shall, with respect to the ownership of the Assets and the operation of the Hospitals, use commercially reasonable efforts to, in each case except as would not have a Material Adverse Effect (except as otherwise noted):

(a) without regard to Material Adverse Effect, carry on Sellers' ownership of the Assets and the operation of the Hospitals consistent with past practice, but subject to the Bankruptcy Cases and Sellers' obligations and actions in connection therewith;

(b) maintain in effect the insurance and equipment replacement coverage with respect to the Assets;

(c) if and as permitted by the Bankruptcy Court, pay any bonuses payable under the Key Employee Retention Plan and Key Employee Incentive Plan of Sellers;

(d) maintain the Assets in materially the same condition as at present, ordinary wear and tear excepted;

(e) perform its obligations under all contracts with respect to the Assets in compliance with the Bankruptcy Code;

(f) following entry of the Sale Order, permit and allow reasonable access by Purchaser and its representatives (which shall include the right to send written materials, all of which shall be subject to Sellers' reasonable approval prior to delivery) to make offers of post-



Closing employment to any of Sellers' personnel (including access by Purchasers and their representatives for the purpose of conducting open enrollment sessions for Purchasers' employee benefit plans and programs) and to establish relationships with physicians, medical staff and others having business relations with Sellers;

(g) with respect to material deficiencies, if any, cited by any governmental authority (other than the Attorney General of the State of California and other than with respect to Seismic requirements) or accreditation body in the most recent surveys conducted by each, cure or develop and timely implement a plan of correction that is acceptable to such governmental authority or such accreditation body;

(h) timely file or cause to be filed all material reports, notices and tax returns required to be filed and pay all required taxes as they come due;

(i) without regard to Material Adverse Effect, beginning on February 21, 2019 and in accordance with the Sellers' budget under their debtor in possession financing, timely pay any fees that are or become due and payable under QAF IV and QAF V;

(j) comply in all material respects with all Legal Requirements (including Environmental Laws) applicable to the conduct and operation of the Hospitals; and

(k) without regard to Material Adverse Effect, maintain all material approvals, permits and environmental permits relating to the Hospitals and the Assets.

**4.7 Contract With Unions.** Representatives of Sellers who are parties to collective bargaining agreements and Purchaser shall meet and confer from time to time as reasonably requested by either party to discuss strategic business options and alternative approaches in negotiating each collective bargaining agreement. The applicable Sellers and Purchaser shall each participate in all union negotiations related to any specific collective bargaining agreement. Promptly following the Signing Date, applicable Sellers shall use commercially reasonable efforts to initiate discussions with Purchaser and conduct discussions to renegotiate each collective bargaining agreement currently in effect with each applicable union. The applicable Sellers will not unreasonably withhold, condition or delay approval or implementation of any successfully renegotiated collective bargaining agreement. The parties recognize that an applicable Seller's failure to secure a modification to any collective bargaining agreement, or to conclude a successor collective bargaining agreement shall not be a breach of Sellers' obligation under this Agreement, provided that if the unions refuse to negotiate, or otherwise are not timely, reasonable or realistic in renegotiating, the collective bargaining agreements during the period between the Signing Date and the Closing Date, Sellers and Purchaser will jointly consider, and negotiate mutually in good faith, alternative approaches that may be available and/or necessary to reduce Sellers' labor cost structure, including, but not limited to, seeking to reject the collective bargaining agreement(s).

## ARTICLE 5

### COVENANTS OF PURCHASER



5.1 Purchaser's Efforts to Close. Purchaser shall use its reasonable commercial efforts to satisfy all of the conditions precedent set forth in ARTICLE 7 and ARTICLE 8 to its or Sellers' obligations under this Agreement to the extent that Purchaser's action or inaction can control or materially influence the satisfaction of such conditions. Prior to consummation of the transactions contemplated hereby or the termination or expiration of this Agreement, Purchaser shall be permitted to communicate and meet with (a) counter-parties to the agreements and contracts of the Hospitals, included those included in Assumed Obligations, regarding the terms and conditions under which they may be assumed and assigned to Purchaser, and (b) applicable governmental and regulatory authorities regarding prospective compliance with regulatory requirements and related issues; so long as, in the case of each of (a) and (b) (i) such communications and meetings do not interfere with the operation of the Businesses or the conduct of the Bankruptcy Cases and (ii) any communications or meetings with any governmental authority are approved in advance by Sellers as to timing and content (and Sellers are copied on such communications and afforded the opportunity to participate in such meetings).

5.2 Required Governmental Approvals.

(a) Purchaser, at its sole cost and expense (a) shall use its best efforts to secure, as promptly as practicable before the Closing Date, all consents, approvals (or exemptions therefrom), authorizations, clearances and licenses required to be obtained from governmental and regulatory authorities in order to carry out the transactions contemplated by this Agreement and to cause all of its covenants and agreements to be performed, satisfied and fulfilled (and provide Sellers copies of all materials relating to such consents, approvals, authorizations, clearances and licenses upon submission and all materials received from third parties in connection with such consents, approvals, authorizations, clearances and licenses upon receipt), and (b) will provide such other information and communications to governmental and regulatory authorities as any Seller or such authorities may reasonably request. Purchaser will provide Sellers periodic and timely updates regarding all such consents, approvals, authorizations, clearances and licenses. Purchaser is responsible for all filings with and requests to governmental authorities necessary to enable Purchaser to operate the Hospital at and after the Effective Time. Purchaser shall, promptly, but no later than thirty (30) business days after the entry of the Sale Order or sooner if required by applicable governmental or regulatory authorities, file all applications, licensing packages and other similar documents with all applicable governmental and regulatory authorities which are a prerequisite to obtaining the material licenses, permits, authorizations and provider numbers described in Section 8.1. Purchaser shall be entitled, but not obligated, to obtain the Contract and Lease Consents. Purchaser shall be entitled, but not obligated, to solicit and obtain estoppel certificates from any third party to any Leased Real Property. Purchaser's failure to obtaining any or all of the Contract and Lease Consents or estoppel certificates as of the Closing Date shall not be a condition precedent to either party's obligation to close the transactions contemplated by this Agreement.

(b) Purchaser and Sellers agree that because the change of ownership and regulatory approval process in connection with the transactions contemplated by this Agreement may take an extended period of time, Purchaser and Sellers agree to an initial closing effective upon the approval of the court and upon the approval of the transaction by the CA AG (as defined below) in accordance with Sections 7.5 and 8.6, at which time the Assets (less the portion of the Assets constituting drugs or other pharmacy assets) will be sold to Purchaser and immediately leased back



to Sellers, with a concurrent management agreement entered into at that time upon terms mutually agreeable to the parties in their reasonable business judgment. The Sale Leaseback Agreement and Interim Management Agreement will terminate at the Closing when the Purchaser is issued the Licenses necessary to operate the Hospitals directly (namely, the Hospital Licenses and pharmacy permits).

### 5.3 Certain Employee Matters.

(a) Purchaser agrees to make offers of employment, effective as of the Effective Time, to substantially all persons (whether such persons are full time employees, part-time employees, on short-term or long-term disability or on leave of absence, military leave or workers compensation leave) (the “**Hospital Employees**”) who, immediately prior to the Effective Time are: (i) employees of any Seller; (ii) employees of any affiliate of any Seller which employs individuals at the Hospital and are listed on Schedule 5.3; or (iii) employed by an affiliate of any Seller and are listed on Schedule 5.3. For the avoidance of doubt, the Hospital Employees shall not include any employees of Verity or any other affiliate of Seller unless such individual is listed on Schedule 5.3. Any of the Hospital Employees who accept an offer of employment with Purchaser as of or after the Effective Time shall be referred to in this Agreement as the “**Hired Employees**.” All employees who are Hired Employees shall cease to be employees of the applicable Seller or its affiliates as of the Effective Time.

(b) Purchaser shall give all Hired Employees full credit for paid time off pay to such employees as of the Closing Date by crediting such employees the time off reflected in the employment records of the applicable Seller and/or any of its affiliates immediately prior to the Effective Time, subject to compliance with applicable law and regulation, including consent of such employees if required.

(c) After the Closing Date, Purchaser’s human resources department will give reasonable assistance to each Seller and its affiliates with respect to such Seller’s and such Seller’s affiliates’ post-Closing administration of such Seller’s and such Seller’s affiliates’ pre-Closing employee benefit plans for the Hospital Employees. Within five (5) days after the Closing Date, Purchaser shall provide to each Seller a list of all the Hospital Employees who were offered employment by Purchaser but refused such employment along with a list of all Hired Employees (which such list Purchaser shall periodically update).

(d) With respect to any collective bargaining agreements or labor contract with respect to any employees, Purchaser shall comply with the applicable laws and bankruptcy court orders relating to collective bargaining agreements or labor contracts.

(e) The provisions of this Section 5.3 are solely for the benefit of the parties to this Agreement, and no employee or former employee or any other individual associated therewith or any employee benefit plan or trustee thereof shall be regarded for any purpose as a third party beneficiary of this Agreement, and nothing herein shall be construed as an amendment to any employee benefit plan for any purpose.

5.4 Excluded Assets. As soon as practicable after the Closing Date, Purchaser shall deliver to each Seller or such Seller’s designee any Excluded Assets of such Seller found at the



Hospital on and after the Effective Time, without imposing any charge on any Seller for Purchaser's storage or holding of same on and after the Effective Time.

5.5 Waiver of Bulk Sales Law Compliance. Purchaser hereby waives compliance by Sellers with the requirements, if any, of Article 6 of the Uniform Commercial Code as in force in any state in which the Assets are located and all other laws applicable to bulk sales and transfers.

5.6 Attorney General. Promptly after entry of the Sale Order, but in any event within ten (10) calendar days, Purchaser shall, at its sole cost and expense, make any notices or other filings with the Attorney General of the State of California (the "CA AG"). Each Seller shall reasonably cooperate with Purchaser in such notices or other filings.

5.7 Conduct Pending Closing. Prior to consummation of the transactions contemplated hereby or the termination or expiration of this Agreement pursuant to its terms, unless Sellers shall otherwise consent in writing, Purchaser shall not take any action or fail or omit to take any action which would cause any of Purchaser's representations and warranties set forth in ARTICLE 4 to be inaccurate or untrue as of the Closing.

5.8 Cure Costs. Purchaser, upon assumption, shall pay the Cure Costs for each Assumed Contract and Assumed Lease so that each such Assumed Contract and Assumed Lease may be assumed by the applicable Seller and assigned to Purchaser in accordance with the provisions of section 365 of the Bankruptcy Code. For purposes of this Agreement, "**Cure Costs**", means all amounts that must be paid and all obligations that otherwise must be satisfied, including pursuant to Sections 365(b)(1)(A) and (B) of the Bankruptcy Code in connection with the assumption and/or assignment of the Assumed Contracts and Assumed Leases to Purchaser as provided herein.

5.9 Operating Covenant. Purchaser shall act in good faith and use Purchaser's commercially reasonable efforts to serve the medical needs of each Hospital's service area.

5.10 HSR Filing. Purchaser and each Seller will as promptly as practicable, and in any event no later than five business days after the date of the Sale Order, file with the Federal Trade Commission and the Department of Justice the notification and report forms required for the transactions contemplated hereby and any supplemental information that may be reasonably requested in connection therewith pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**HSR Act**"), which notification and report forms and supplemental information will comply in all material respects with the requirements of the HSR Act. Purchaser shall pay all filing fees required with respect to the notification, report and other requirements of the HSR Act. Each of Purchaser and Sellers shall furnish to the other such information and assistance as the other shall reasonably requires in connection with the preparation and submission to, or agency proceedings by, any governmental authority under the HSR Act, and each of Purchaser and Sellers shall keep the other promptly apprised of any communications with, and inquires or requests for information from, such governmental authorities. Purchaser shall take such action (including divestitures or hold separate arrangements) as may be required by any governmental authority in order to resolve with the minimum practicable delay any objections such governmental authorities may have to the transactions contemplated by this Agreement under the HSR Act.



5.11 Contract with Unions. Representatives of Sellers who are parties to collective bargaining agreements and Purchaser shall meet and confer from time to time as reasonably requested by either party to discuss strategic business options and alternative approaches in negotiating each collective bargaining agreement. The applicable Sellers and Purchaser shall each participate in all union negotiations related to any specific collective bargaining agreement. Promptly following the Signing Date, applicable Sellers shall use commercially reasonable efforts to initiate discussions with Purchaser and conduct discussions to renegotiate each collective bargaining agreement currently in effect with each applicable union. The applicable Sellers will not unreasonably withhold, condition or delay approval or implementation of any successfully renegotiated collective bargaining agreement to be assumed by Purchaser. The parties recognize that an applicable Seller's failure to secure a modification to any collective bargaining agreement, or to conclude a successor collective bargaining agreement shall not be a breach of Sellers' obligation under this Agreement. In addition, Sellers may, in their discretion, seek to reject any or all of the collective bargaining agreement(s).

## ARTICLE 6

### SELLERS' BANKRUPTCY AND BANKRUPTCY COURT APPROVAL

#### 6.1 Bankruptcy Court Approval; Overbid Protection and Break-Up Fee.

(a) Sellers and Purchaser acknowledge that this Agreement and the sale of the Assets and the assumption and assignment of the Assumed Contracts and Assumed Leases are subject to Bankruptcy Court approval, and that this Agreement is subject to termination in its entirety in the event any Seller receives a better and higher offer for the Assets in accordance with the Bankruptcy Code and subject to the terms stated herein.

(b) Promptly following the execution of this Agreement by all parties, the Seller shall file a motion with the Bankruptcy Court (the "**Sales Procedures Motion**"), the content of which shall be subject to the reasonable approval by Purchaser, for entry of an order approving bid procedures and overbid protections containing substantially the following terms and conditions:

(1) the Seller shall not accept any offer to sell the Assets subject to this Agreement ("**Overbid**") to another purchaser ("**Overbidder**") unless that offer exceeds the Purchase Price by an amount sufficient to pay the Break-Up Fee and such offer includes the purchase of substantially all Assets subject of this Agreement;

(2) in the event that an overbidder (and not the Purchaser) is the successful bidder for the purchase of the Assets (the "**Alternate Transaction**") and the Alternative Transaction is approved by the Bankruptcy Court, (a) the Deposit, and any interest earned thereon, shall be returned to Purchaser immediately upon the entry of such sale order, and (b) Purchaser shall be paid a break-up fee of three and one-half percent (3.25%) of the Cash Consideration (\$19,825,000.00) plus reimbursement of reasonably documented reasonable costs and expenses incurred by Purchaser related to its due diligence, and pursuing, negotiating, and documenting the transactions contemplated by this Agreement in an amount not to exceed \$2,000,000.00 ( the "**Break-Up Fee**"); provided, however, that in the event that



the Purchaser is successful as to some but not all of the Assets, the Break-Up Fee shall be reduced pro rata to the percentage of Assets not actually purchased by the Purchaser, based on the allocation of the Purchase Price as described in Section 1.1(a)(i), as compared to the Assets which were the subject of this Agreement; in the event that Purchaser terminates this Agreement in accordance with Section 8.6 hereof, expenses of Purchaser incurred in satisfaction of Section 8.6 shall be reimbursed up to \$500,000; and

(3) The Break-Up Fee shall be deemed to be an allowed expense of the kind specified in Section 503(b) of the Bankruptcy Code to be paid solely from the proceeds of the Alternate Transaction, pursuant to the Sale Order. The Break-Up Fee shall not be paid if the Alternate Transaction was pursued due to a material breach by the Purchaser or the Purchaser's failure or refusal to consummate the transaction after the satisfaction or waiver of all closing conditions.

The Sales Procedures Motion will contain bid procedures as set forth in the bid procedures attached hereto as **Schedule 6.1(b)(3)**.

If Sellers fails to obtain Bankruptcy Court approval for the Sales Procedures Motion by no later than four weeks after the end of the Final Diligence Period, Purchaser shall have the right to terminate this Agreement, without recourse or liability, and Seller shall immediately thereafter return to Purchaser the Deposit and any interest earned thereon.

(c) Each Seller shall at the Sale Hearing exercise reasonable efforts to obtain a "Sale Order" approving this Agreement, subject to its obligations in respect of any better and higher offer for such Seller's assets in accordance with the Bankruptcy Code. For purposes of this Agreement, the term "**Sale Order**" shall mean an order of the Bankruptcy Court authorizing the sale of the Assets (including the assumption and assignment of the Assumed Contracts and Assumed Leases) to Purchaser consistent with this Agreement and in a form reasonably satisfactory to Purchaser.

(d) Each Seller agrees to proceed in good faith to obtain Bankruptcy Court approval of the sale contemplated herein with a determination that Purchaser is a good faith purchaser pursuant to Bankruptcy Code section 363(m) and to file such declarations and other evidence as may be required to support a finding of good faith.

(e) Each Seller shall seek an order from the Bankruptcy Court retaining jurisdiction over all matters relating to claims against such Seller as debtor solely in the Bankruptcy Court.

6.2 Appeal of Sale Order. In the event an appeal is taken or a stay pending appeal is requested from the Sale Order, Sellers shall immediately notify Purchaser of such appeal or stay request and shall provide to Purchaser promptly a copy of the related notice of appeal or order of stay. Sellers shall also provide Purchaser with written notice of any motion or application filed in connection with any appeal from either of such orders. In the event of an appeal of the Sale Order, Sellers shall be primarily responsible for drafting pleadings and attending hearings as necessary to defend against the appeal; provided, however, Purchaser, at its option, shall have the right to



participate as a party in interest in such appeal. In the event a stay is issued by any appellate court, including the United States District Court, which prevents the sale from closing, as scheduled, Purchaser shall have the right to terminate this Agreement if such stay is not vacated on or before 45 days from the date of the stay is issued, and Purchaser shall be entitled to the prompt return of the Deposit and any interest earned thereon.

## ARTICLE 7

### CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS

Sellers' obligation to sell the Assets and to close the transactions as contemplated by this Agreement shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Sellers in whole or in part at or prior to the Closing:

7.1 Signing and Delivery of Instruments. Purchaser shall have executed and delivered all documents, instruments and certificates required to be executed and delivered pursuant to the provisions of this Agreement.

7.2 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated in this Agreement shall have been issued by any court of competent jurisdiction or any other governmental body and shall remain in effect on the Closing Date, and further, no governmental entity shall have commenced any action or suit before any court of competent jurisdiction or other governmental authority that seeks to restrain or prohibit the consummation of the transactions contemplated hereby.

7.3 Performance of Covenants. Purchaser shall have in all respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by it on or prior to the Closing Date.

7.4 Governmental Authorizations. Purchaser shall have obtained all material licenses, permits and authorizations from governmental agencies or governmental bodies that are necessary or required for completion of the transactions contemplated by this Agreement, including reasonable assurances that any material licenses, permits and authorizations not actually issued as of the Closing will be issued following Closing (which may include oral assurances from appropriate governmental agencies or bodies).

7.5 Attorney General Provisions. The conditions to Purchaser's obligations to close set forth in Section 8.6 shall have been satisfied.

7.6 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order.

7.7 HSR Act. The applicable waiting period under the HSR Act shall have expired or been earlier terminated.



7.8 CSCDA Acknowledgement. The CSCDA and PACE Trustee shall have executed acknowledgements in form and substance acceptable to Sellers that Purchaser is the Successor Property Owner and Obligated Party under the PACE Obligations, and releases of the Sellers from any and all claims arising or accruing prior to the Closing Date.

## ARTICLE 8

### CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER

Purchaser's obligation to purchase the Assets and to close the transactions contemplated by this Agreement shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Purchaser in whole or in part at or prior to the Closing.

8.1 Governmental Authorizations. Except as otherwise set forth in this Agreement, Purchaser and Sellers shall have obtained licenses, permits and authorizations from governmental agencies or governmental bodies that are required for the purchase, sale and operation of the Hospitals, including without limitation approval of the CA AG (subject to Section 8.6), except in such case where failure to obtain such license, permit or authorizations from a governmental agency or governmental body does not have a Material Adverse Effect.

8.2 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order and made a finding that Purchaser is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code.

8.3 Signing and Delivery of Instruments. Sellers shall have executed and delivered all documents, instruments and certificates required to be executed and delivered pursuant to all of the provisions of this Agreement.

8.4 Performance of Covenants. Sellers shall have in all material respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by Sellers on or prior to the Closing Date; *provided, however*, this condition will be deemed to be satisfied unless (a) Sellers were given written notice of such failure to perform or comply and did not or could not cure such failure to perform or comply within fifteen (15) business days after receipt of such notice and (b) the respects in which such obligations, covenants, agreements and conditions have not been performed have had or would have a Material Adverse Effect.

8.5 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated in this Agreement shall have been issued by any court of competent jurisdiction and shall remain in effect on the Closing Date, and further, no governmental entity shall have commenced any action or suit before any court of competent jurisdiction or other governmental authority that seeks to restrain or prohibit the consummation of the transactions contemplated hereby.

8.6 Attorney General Provisions. Purchaser recognizes that the transactions contemplated by this Agreement may be subject to review and approval of the CA AG. Purchaser



agrees to close the transactions contemplated by this Agreement so long as any conditions imposed by the CA AG are substantially consistent with the conditions set forth, as Purchaser Approved Conditions, in Schedule 8.6. In the event the CA AG imposes conditions on the transactions contemplated by this Agreement, or on Purchaser in connection therewith, which are materially different than the Purchaser Approved Conditions set forth on Schedule 8.6 (the “Additional Conditions”), Sellers shall have the opportunity to file a motion with the Bankruptcy Court seeking the entry of an order (“Supplemental Sale Order”) finding that the Additional Conditions are an “interest in property” for purposes of 11 U.S.C. § 363(f), and that the Assets can be sold free and clear of the Additional Conditions without the imposition of any other conditions, which would adversely affect the Purchaser. For purposes of this Section 8.6, Additional Conditions which individually or collectively impose a direct or indirect cost to Purchaser of \$5 million, or more, shall be conclusively deemed to be “materially different.” If Sellers determine not to seek such Supplemental Sale Order, or fail to obtain such Supplemental Sale Order within 60 days of the Attorney General’s imposition of Additional Conditions, Purchaser shall be entitled to terminate this Agreement and receive the return of its Good Faith Deposit. If Sellers timely obtain such Supplemental Sale Order from the Bankruptcy Court or another court, Purchaser shall have a period of 21 business days from the entry of such order (the “Evaluation Period”) to determine, in the exercise of the Purchaser’s reasonable business judgment and in consultation with Purchaser’s financing sources, whether to proceed to consummate the transactions contemplated by this Agreement; provided, however, (i) Purchaser shall not terminate or provide notice of termination of the Stalking Horse APA based on the Seller’s failure to satisfy the condition set forth under this Section 8.6 until the expiration of the Evaluation Period as may be extended herein, and (ii) the Evaluation Period may be extended by the Debtors, in consultation with the Consultation Parties, by up to 90 days for any appeal properly perfected with respect to the Supplemental Sale Order (the “Extended Evaluation Periods”). For the avoidance of doubt, if the Debtors or any of the Consultation Parties dispute the reasonableness of the exercise of the Purchaser’s business judgment, such dispute shall be determined by the Bankruptcy Court only in the context of an adversary proceeding. If, at the conclusion of the Extended Evaluation Periods, such Supplemental Sale Order has not become a final, non-appealable order and Purchaser determines not to proceed, Purchaser shall have the right within ten (10) business days after the conclusion of the Extended Evaluation Periods to terminate this Agreement and receive the return of its Good Faith Deposit. Sellers shall provide Purchaser with prompt written notice of the conclusion of the Extended Evaluation Periods and whether the Supplemental Sale Order has become a final, non-appealable order. For purposes of this Section 8.6, “a final, non-appealable order” shall include a Supplemental Sale Order (i) which has been affirmed or the appeal of which has been dismissed by any appellate court and for which the relevant appeal period has expired (other than any right of appeal to the U.S. Supreme Court), or (ii) which has been withdrawn by the appellant. If the Supplemental Sale Order becomes a final, non-appealable order prior to the expiration of the Evaluation Period or, if applicable, the Extended Evaluation Periods, Purchaser shall consummate the Sale provided that all other conditions to closing have been satisfied. During any Evaluation Period or Extended Evaluation Periods, Purchaser shall reasonably cooperate in any efforts to render the Supplemental Sale Order a final, non-appealable order, including timely taking reasonable steps in preparation for closing of the transactions described in this Agreement; provided, however, Purchaser shall not be obligated to expend more than \$500,000. For the avoidance of doubt, neither this provision, nor any of the rights granted to the Purchaser herein,



shall constitute a waiver of any party in interest's right to argue that any appeal from the Sale Order should be dismissed on statutory, Constitutional or equitable mootness grounds.

8.7 Medicare and Medi-Cal Provider Agreements. Sellers shall transfer their Medicare provider agreements pursuant to a settlement agreement with the Centers for Medicare and Medicaid Services (“CMS”) and shall transfer their Medi-Cal provider agreements pursuant to a settlement agreement with the California Department of Health Care Services (“DHCS”), which such settlement agreements shall result in: (i) resolution of all outstanding financial defaults under any of Sellers’ Medicare and Medi-Cal provider agreements and (ii) full satisfaction, discharge, and release of any claims under the Medicare or Medi-Cal provider agreements, whether known or unknown, that CMS or DHCS, as applicable, has against the Seller or Purchaser for monetary liability arising under the Medicare or Medi-Cal provider agreements before the Effective Time; provided, however, that Purchaser acknowledges that it will succeed to the quality history associated with the relevant Medicare or Medi-Cal provider agreements assigned and shall be treated, for purposes of survey and certification issues as if it is the relevant Seller and no change of ownership occurred.

8.8 HSR Act. The applicable waiting period under the HSR Act shall have expired or been earlier terminated.

## ARTICLE 9

### TERMINATION

9.1 Termination. This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written consent of the parties;
- (b) by Sellers if a material breach of this Agreement has been committed by Purchaser and such breach has not been (i) waived in writing by Sellers or (ii) cured by Purchaser to the reasonable satisfaction of Sellers within fifteen (15) business days after service by Sellers upon Purchaser of a written notice which describes the nature of such breach;
- (c) by Purchaser if, in its sole and absolute discretion, it is not satisfied with either (i) the results of its due diligence examination of the Hospitals, or (ii) the contents of any schedule or exhibit that was not completed and attached to this Agreement, but which has been provided to Purchaser after the Signing Date, and Purchaser has notified Seller of its election to terminate the Agreement under this Section 9.1(c) on or prior to January 8, 2019, which notice may be given by facsimile or email correspondence; provided, that for the avoidance of doubt, following expiration of the Final Diligence Period, notwithstanding anything else in this Agreement, Purchaser shall not be entitled to terminate this Agreement (or not Close) as a result of the breach of any representation or warranty made by Sellers (or any of them) other than the breach of a Sale Order Date Representation, but in each case solely to the extent such breach of a



Sale Order Date Representation would result in a Material Adverse Effect; provided, further, that any dispute between Purchaser and Sellers as to whether a Material Adverse Effect has occurred for any purpose under this Agreement shall be exclusively settled by a determination made by the Bankruptcy Court;

(d) by Purchaser if a material breach of this Agreement has been committed by Sellers and such breach has not been (i) waived in writing by Purchaser or (ii) cured by Sellers to the reasonable satisfaction of Purchaser within fifteen (15) business days after service by Purchaser upon Sellers of a written notice which describes the nature of such breach;

(e) by Purchaser if satisfaction of any of the conditions in ARTICLE 8 has not occurred by December 31, 2019 or becomes impossible, and Purchaser has not waived such condition in writing (provided that the failure to satisfy any of the applicable condition or conditions in Sections 8.1 through 8.5 inclusive has occurred by reason other than (i) through the failure of Purchaser to comply with its obligations under this Agreement or (ii) Sellers' failure to provide their closing deliveries on the Closing Date as a result of Purchaser not being ready, willing and able to close the transaction on the Closing Date); provided that upon the imposition of Additional Conditions by the CA AG, Section 8.6 must be satisfied or waived by Purchaser by no later than sixty (60) days thereafter.

(f) by Sellers if satisfaction of any of the conditions in ARTICLE 7 has not occurred by December 31, 2019 or becomes impossible, and Sellers have not waived such condition in writing (provided that the failure to satisfy the applicable condition or conditions has occurred by reason other than (i) through the failure of Sellers to comply with their obligations under this Agreement or (ii) Purchaser's failure to provide its closing deliveries on the Closing Date as a result of Sellers not being ready, willing and able to close the transaction on the Closing Date);

(g) by either Purchaser or Sellers if the Bankruptcy Court enters an order dismissing the Bankruptcy Cases or fails to approve the Sales Procedures Motion by the date specified in Section 6.1(b);

(h) by Sellers if, in connection with the Bankruptcy Cases, any Seller accepts an Alternate Transaction and pays the Break-Up Fee;

(i) by either Purchaser or Sellers if the Closing has not occurred (other than through the failure of any party seeking to terminate this Agreement to comply fully with its obligations under this Agreement) on or before December 31, 2019; or

(j) by Purchaser if a force majeure event (such as acts of God, storms, floods, landslides, earthquakes, lightning, riots, fires, pandemics, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities, other national or international calamity, one or more acts of terrorism, or failure of energy sources) shall have occurred between the Signing Date and Closing Date, which event is reasonably likely to have a Material Adverse Effect.

9.2 Termination Consequences. If this Agreement is terminated pursuant to



Sections 6.1(b), 6.2 or 9.1: (a) all further obligations of the parties under this Agreement shall terminate (other than Purchaser's right to receive the Break-Up Fee if applicable), provided that the provisions of ARTICLE 12, shall survive; and (b) each party shall pay only its own costs and expenses incurred by it in connection with this Agreement; provided, in the case of any termination based on Sections 9.1(b) or (d) the consequences of such termination shall be determined in accordance with ARTICLE 11 hereof. In addition, if this Agreement is terminated pursuant to Sections 6.1(b), 6.2 or 9.1 (other than Section 9.1(b)), Seller shall immediately return the Deposit to Purchaser with all interest earned thereon. Each Party acknowledges that the agreements contained in this Section 9.2 are an integral part of the transactions contemplated by this Agreement, that without these agreements such Party would not have entered into this Agreement.

## ARTICLE 10

### POST-CLOSING MATTERS

#### 10.1 Excluded Assets.

Subject to Section 10.2 hereof, any Excluded Asset (or proceeds thereof) (a) pursuant to the terms of this Agreement, (b) as otherwise determined by the parties' mutual written agreement or (c) absent such agreement, as determined by adjudication by the Bankruptcy Court, which comes into the possession, custody or control of Purchaser (or its respective successors-in-interest, assigns or affiliates) shall, within five (5) business days following receipt, be transferred, assigned or conveyed by Purchaser (and its respective successors-in-interest, assigns and affiliates) to the applicable Seller. Purchaser (and its respective successors-in-interest, assigns and affiliates) shall have neither the right to offset amounts payable to any Seller under this Section 10.1 against, nor the right to contest its obligation to transfer, assign and convey to any Seller because of, outstanding claims, liabilities or obligations asserted by Purchaser against any Seller. If Purchaser does not remit any monies included in the Excluded Assets (or proceeds thereof) to the applicable Seller in accordance with the first sentence of this Section 10.1, such withheld funds shall bear interest at the Prime Rate in effect on the calendar day upon which such payment was required to be made to Seller (the "**Excluded Asset Due Date**") plus five percent (5%) (or the maximum rate allowed by law, whichever is less), such interest accruing on each calendar day after the Excluded Asset Due Date until payment of the Excluded Assets and all interest thereon is made to the applicable Seller.

#### 10.2 Preservation and Access to Records After the Closing.

(a) From the Closing Date until seven (7) years after the Closing Date or such longer period as required by law (the "**Document Retention Period**"), Purchaser shall keep and preserve all medical records (including, without limitation, electronic medical records), patient records, medical staff records and other books and records which are among the Assets as of the Effective Time, but excluding any records which are among the Excluded Assets. Purchaser will afford to the representatives of Sellers, any of their affiliates, the Official Committee of the Unsecured Creditors of the Sellers, Sellers' estate representative or any liquidating trustee of the Sellers' bankruptcy estate ("**Seller Parties**"), including their counsel and accountants, full and complete access to, and copies (including, without limitation, color laser copies) of, such records with respect to time periods prior to the Effective Time (including, without limitation, access to



records of patients treated at the Hospital prior to the Effective Time) during normal business hours after the Effective Time, to the extent reasonably needed by any Seller Party for any lawful purpose. Purchaser acknowledges that, as a result of entering into this Agreement and operating the Hospital, it will gain access to patient records and other information which are subject to rules and regulations concerning confidentiality. Purchaser shall abide by any such rules and regulations relating to the confidential information it acquires. Purchaser shall maintain the patient and medical staff records at the Hospital in accordance with applicable law and the requirements of relevant insurance carriers. After the expiration of the Document Retention Period, if Purchaser intends to destroy or otherwise dispose of any of the documents described in this Section 10.2(a), Purchaser shall provide written notice to Sellers of Purchaser's intention no later than forty-five (45) calendar days prior to the date of such intended destruction or disposal. Any of the Seller Parties shall have the right, at its sole cost, to take possession of such documents during such forty-five (45) calendar day period. If any of the Seller Parties does not take possession of such documents during such forty-five (45) calendar day period, Purchaser shall be free to destroy or otherwise dispose of such documentation upon the expiration of such forty-five (45) calendar day period.

(b) Provided that Purchaser shall not incur any out of pocket costs, Purchaser shall give full cooperation to the Seller Parties and their insurance carriers in connection with the administration of Sellers' estate, including, without limitation, in connection with all claims, actions, causes of action or audits relating to the Excluded Assets, Excluded Liabilities or pre-Closing operation of the Sellers or the Hospital that any Seller Party may elect to pursue, dispute or defend, in respect of events occurring prior to the Effective Time with respect to the operation of the Hospital. Such cooperation shall include, without limitation, making the Hired Employees available for interviews, depositions, hearings and trials and other assistance in connection with the administration of Sellers' estate and such cooperation shall also include making all of its employees available to assist in the securing and giving of evidence and in obtaining the presence and cooperation of witnesses (all of which shall be done without payment of any fees or expenses to Purchaser or to such employees); provided that Purchaser shall not be required to incur any out of pocket costs in association therewith. In addition, Sellers and their affiliates shall be entitled to remove from the Hospital originals of any such records, but only for purposes of pending litigation involving the persons to whom such records refer, as certified in writing prior to removal by counsel retained by Sellers or any of their affiliates in connection with such litigation. Any records so removed from the Hospital shall be promptly returned to Purchaser following Sellers' or their applicable affiliate's use of such records.

(c) In connection with (i) the transition of the Hospital pursuant to the transaction contemplated by this Agreement, (ii) Sellers' rights to the Excluded Assets, (iii) any claim, audit, or proceeding, including, without limitation, any tax claim, audit, or proceeding and (iv) the Sellers' obligations under the Excluded Liabilities, Purchaser shall after the Effective Time give Sellers access during normal business hours to Purchaser's books, personnel, accounts and records and all other relevant documents and information with respect to the assets, liabilities and business of the Hospital as representatives of Sellers and their affiliates may from time to time reasonably request, all in such manner as not to unreasonably interfere with the operations of the Hospital.



(d) Purchaser and its representatives shall be given access by Sellers during normal business hours to the extent reasonably needed by Purchaser for business purposes to all documents, records, correspondence, work papers and other documents retained by Sellers pertaining to any of the Assets prior to the Effective Time (excluding confidential employee information, privileged materials and patient records), all in such manner as to not interfere unreasonably with Sellers. Such documents and other materials shall be, at Sellers' option, either (i) copied by Sellers for Purchaser at Purchaser's expense, or (ii) removed by Purchaser from the premises, copied by Purchaser and promptly returned to Sellers.

(e) Purchaser shall comply with, and be solely responsible for, all obligations under the Standards for Privacy of Individually Identifiable Health Information (45 CFR Parts 160 and 164) promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 with respect to the operation of the Hospital on and after the Effective Time.

(f) Purchaser shall cooperate with Sellers, on a timely basis and as reasonably requested by Sellers, in connection with the provision of all data of the Hospital and other information required by Sellers for reporting to HFAP for the remainder of the quarterly period in which the Closing has occurred.

(g) To the maximum extent permitted by law, if any Person requests or demands, by subpoena or otherwise, any documents relating to the Excluded Liabilities or Excluded Assets, including without limitation, documents relating to the operations of any of the Hospital or any of the Hospital's committees prior to the Effective Time, prior to any disclosure of such documents, Purchaser shall notify Sellers and shall provide Sellers with the opportunity to object to, and otherwise coordinate with respect to, such request or demand.

(h) Provision of Benefits of Certain Contracts. Notwithstanding anything contained herein to the contrary, this Agreement shall not constitute an agreement to assign any Assumed Contract or Assumed Lease, if, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, an attempted assignment thereof, without the consent of the third party thereto, would constitute a breach thereof or in any way negatively affect the rights of Sellers or Purchaser, as the assignee of such Assumed Contract or Assumed Lease, as the case may be, thereunder. If, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, such consent or approval is required but not obtained, Sellers will cooperate with Purchaser in any reasonable arrangement designed to both (a) provide Purchaser with the benefits of or under any such Assumed Contract or Assumed Lease, and (b) cause Purchaser to bear all costs and obligations of or under any such Assumed Contract or Assumed Lease. Further, notwithstanding anything contained in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Account Receivable the assignment of which is either prohibited by law or by the terms of any contract with a payor without the consent of such payor. Any payments received by Sellers after the Closing Date from patients, payors, clients, customers, or others who are the obligors on Accounts Receivables transferred to Purchaser as a part of the Assets on the Closing Date shall be paid over to Purchaser within ten (10) business days after receipt by Seller.

10.3 Closing of Financials. Provided that Purchaser shall not incur any out of pocket costs, Purchaser shall cause the individual acting as the chief financial officer of the Hospital after the Effective Time (the "**Post-Effective Time CFO**") to cooperate with Sellers' representatives in



order to complete the standardized closing of Sellers' financial records through the Closing Date including, without limitation, the closing of general ledger account reconciliations (collectively, the "**Closing of Financials**"). Purchaser shall cause the Post-Effective Time CFO to use his or her good faith efforts to cooperate with Sellers' representatives in order to complete the Closing of Financials by no later than the date which is thirty (30) calendar days after the Closing Date. The Post-Effective Time CFO and other appropriate personnel shall be reasonably available to Sellers for a period of no less than one hundred eighty (180) calendar days after the Closing Date to assist Sellers in the completion of Sellers' post-Closing audit, such assistance not to interfere unreasonably with such Post-Effective Time CFO's other duties.

10.4 Medical Staff. To ensure continuity of care in the community, Purchaser agrees that the Hospital's medical staff members in good standing as of the Effective Time shall maintain medical staff privileges at the Hospital as of the Effective Time. On and after the Effective Time, the medical staff will be subject to the Hospital's Medical Staff Bylaws then currently in effect, provided that such Bylaws are in compliance with all applicable laws and regulations and contain customary obligations.

10.5 Shared Intangible Assets. In the event and to the extent that certain intangible Assets transferred by Sellers have been used to operate businesses of Verity or Verity Holdings or their affiliates which are not being sold to Purchaser ("**Shared Intangible Assets**") and such Shared Intangible Assets continue to be used by Verity or Verity Holdings or their affiliates to operate such businesses after Closing, Verity and Verity Holdings retain the rights to continue to use such Assets notwithstanding their sale to Purchaser. Purchaser shall reasonably cooperate with Verity and Verity Holdings and their affiliates to give effect to such rights and shall provide Verity and Verity Holdings and their affiliates such documentation, records and information and reasonable access to such systems as necessary for Verity and Verity Holdings and their affiliates to continue to operate such businesses; all in such manner as not to reasonably interfere with the operations of the Hospitals; provided, however, Purchaser shall not be required to incur any out-of-pocket costs in association therewith unless reimbursed by Verity and Verity Holdings and their affiliates.

## ARTICLE 11

### DEFAULT, TAXES AND COST REPORTS

11.1 Purchaser Default. If Purchaser commits any material default under this Agreement, Sellers shall have the right to sue for damages; provided, however that the amount of such damages shall never exceed \$60,000,000.00. For the avoidance of doubt, Sellers shall have no right to sue for specific performance under this Agreement.

11.2 Seller Default. If Sellers commit any material default under this Agreement, Purchaser shall have the right to demand and receive a refund of the Deposit, and Purchaser may, in addition thereto, pursue any rights or remedies that Purchaser may have under applicable law, including the right to sue for damages or specific performance.

11.3 Tax Matters; Allocation of Purchase Price.



(a) After the Closing Date, the parties shall cooperate fully with each other and shall make available to each other, as reasonably requested, all information, records or documents relating to tax liabilities or potential tax liabilities attributable to Sellers with respect to the operation of the Hospital for all periods prior to the Effective Time and shall preserve all such information, records and documents at least until the expiration of any applicable statute of limitations or extensions thereof. The parties shall also make available to each other to the extent reasonably required, and at the reasonable cost of the requesting party (for out-of-pocket costs and expenses only), personnel responsible for preparing or maintaining information, records and documents in connection with tax matters and as Sellers reasonably may request in connection with the completion of any post-Closing audits of the Hospital.

(b) The Purchase Price (including any liabilities that are considered to be an increase to the Purchase Price for United States federal income Tax purposes) shall be allocated among the Assets in accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder as set forth in **Schedule 11.3(b)** (such schedule the “**Allocation Schedule**”). The Allocation Schedule shall be for Sellers’ and Purchaser’s tax purposes only, and shall not limit the Sellers’ creditors in any way.

#### 11.4 Cost Report Matters.

(a) Consistent with Section 4.5, Sellers shall, at Purchaser’s expense, prepare and timely file all cost reports relating to the periods ending prior to the Effective Time or required as a result of the consummation of the transactions described in this Agreement, including, without limitation, those relating to Medicare, Medicaid, and other third party payors which settle on a cost report basis (the “**Seller Cost Reports**”).

(b) Upon reasonable notice and during normal business office hours, Purchaser will cooperate reasonably with Sellers in regard to Sellers’ preparation and filing of the Seller Cost Reports. Such cooperation shall include, at no cost to Sellers, obtaining access to files at the Hospital and Purchaser’s provision to Sellers of data and statistics, and the coordination with Sellers pursuant to reasonable notice of Medicare and Medicaid exit conferences or meetings. Sellers shall have no obligations after the Effective Time with respect to Seller Cost Reports except for preparation and filing thereof.

## ARTICLE 12

### MISCELLANEOUS PROVISIONS

12.1 Further Assurances and Cooperation. Sellers shall execute, acknowledge and deliver to Purchaser any and all other assignments, consents, approvals, conveyances, assurances, documents and instruments reasonably requested by Purchaser at any time and shall take any and all other actions reasonably requested by Purchaser at any time for the purpose of more effectively assigning, transferring, granting, conveying and confirming to Purchaser, the Assets. After consummation of the transaction contemplated in this Agreement, the parties agree to cooperate with each other and take such further actions as may be necessary or appropriate to effectuate, carry out and comply with all of the terms of this Agreement, the documents referred to in this Agreement and the transactions contemplated hereby.



12.2 Successors and Assigns. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; *provided, however*, that no party hereto may assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the other parties which consent shall not be unreasonably withheld or delayed, except that Purchaser may, without the prior written consent of Sellers, assign all or any portion of its rights under this Agreement to one or more of its affiliates prior to the Closing Date.

12.3 Governing Law; Venue. This Agreement shall be construed, performed, and enforced in accordance with, and governed by, the laws of the State of California (without giving effect to the principles of conflicts of laws thereof), except to the extent that the laws of such State are superseded by the Bankruptcy Code or other applicable federal law. For so long as Sellers are subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. The parties hereby consent to the jurisdiction of such court and waive their right to challenge any proceeding involving or relating to this Agreement on the basis of lack of jurisdiction over the Person or forum non conveniens.

12.4 Amendments. This Agreement may not be amended other than by written instrument signed by the parties hereto.

12.5 Exhibits, Schedules and Disclosure Schedule. The Disclosure Schedule and all exhibits and schedules referred to in this Agreement shall be attached hereto and are incorporated by reference herein. From the Signing Date until the Closing, the parties agree that Sellers may update the Disclosure Schedule as necessary upon written notice to Purchaser, and the applicable representation and warranty shall thereafter be deemed amended for all purposes by such updated Disclosure Schedule. Notwithstanding the foregoing, but subject to Section 9.2(c), should any exhibit or schedule not be completed and attached hereto as of the Signing Date, Sellers and Purchaser shall promptly negotiate in good faith any such exhibit or schedule, which exhibit or schedule must be acceptable to each of Sellers and Purchaser in their reasonable discretion prior to being attached hereto. Any matter disclosed in this Agreement or in the Disclosure Schedule with reference to any Section of this Agreement shall be deemed a disclosure in respect of all sections to which such disclosure may apply. The headings, if any, of the individual sections of the Disclosure Schedule are provided for convenience only and are not intended to affect the construction or interpretation of this Agreement. The Disclosure Schedule is arranged in sections and paragraphs corresponding to the numbered and lettered sections and paragraphs of Article III merely for convenience, and the disclosure of an item in one section of the Disclosure Schedule as an exception to a particular representation or warranty shall be deemed adequately disclosed as an exception with respect to all other representations or warranties to the extent that the relevance of such item to such representations or warranties is reasonably apparent on the face of such disclosure, notwithstanding the presence or absence of an appropriate section of the Disclosure Schedule with respect to such other representations or warranties or an appropriate cross reference thereto.

12.6 Notices. Any notice, demand or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by telegraphic or other electronic means (including facsimile) or overnight courier, or five (5)



calendar days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to Sellers: Verity Health System of California, Inc.  
2040 East Mariposa St.  
El Segundo, CA 90245  
Attention: Rich Adcock, CEO  
Telephone: 424-367-0630

With copies to: Dentons US LLP  
(which copies shall 601 South Figueroa St., Suite 2500  
not constitute notice) Los Angeles, CA 90017-5704  
Attention: Samuel R. Maizel, Esq.  
Telephone: 213-892-2910  
Facsimile: 213-623-9924

If to Purchaser: Strategic Global Management, Inc.  
9 KPC Parkway, Suite 301  
Corona, CA 92879  
Attention: William E. Thomas  
Facsimile: 951-782-8850

With copies to: Levene, Neale, Bender, Yoo & Brill L.L.P.  
(which copies shall 10250 Constellation Blvd., Suite 1700  
not constitute notice) Los Angeles, CA 90067  
Attention: Gary E. Klausner, Esq.  
Facsimile: 310-229-1244

and  
Loeb & Loeb LLP  
10100 Santa Monica Blvd., Suite 2200  
Los Angeles, California 90067  
Attention: Allen Z. Sussman, Esq.  
Facsimile: 310-919-3934

or at such other address as one party may designate by notice hereunder to the other parties.

12.7 Headings. The section and other headings contained in this Agreement and in the Disclosure Schedule, exhibits and schedules to this Agreement are included for the purpose of convenient reference only and shall not restrict, amplify, modify or otherwise affect in any way the meaning or interpretation of this Agreement or the Disclosure Schedule, exhibits and schedules hereto.

12.8 Publicity. Prior to the Closing Date, Sellers and Purchaser shall consult with each other as to the form and substance of any press release or other public disclosure materially related



to this Agreement or any other transaction contemplated hereby and each shall have the right to review and comment on the other's press releases prior to issuance; *provided, however*, that nothing in this Section 12.8 shall be deemed to prohibit either Sellers or Purchaser from making any disclosure that its counsel deems necessary or advisable in order to satisfy either party's disclosure obligations imposed by law subject to reasonable prior notice to the other party thereof.

12.9 Fair Meaning. This Agreement shall be construed according to its fair meaning and as if prepared by all parties hereto.

12.10 Gender and Number; Construction; Affiliates. All references to the neuter gender shall include the feminine or masculine gender and vice versa, where applicable, and all references to the singular shall include the plural and vice versa, where applicable. Unless otherwise expressly provided, the word "including" followed by a listing does not limit the preceding words or terms and shall mean "including, without limitation." Any reference in this Agreement to an "affiliate" shall mean any Person directly or indirectly controlling, controlled by or under common control with a second Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. A "Person" shall mean any natural person, partnership, corporation, limited liability company, association, trust or other legal entity.

12.11 Third Party Beneficiary. None of the provisions contained in this Agreement are intended by the parties, nor shall they be deemed, to confer any benefit on any person not a party to this Agreement, except for the parties' successors and permitted assigns, and except for any liquidating trustee or plan administrator for Sellers' estate.

12.12 Expenses and Attorneys' Fees. Except as otherwise provided in this Agreement, each party shall bear and pay its own costs and expenses relating to the preparation of this Agreement and to the transactions contemplated by, or the performance of or compliance with any condition or covenant set forth in, this Agreement, including without limitation, the disbursements and fees of their respective attorneys, accountants, advisors, agents and other representatives, incidental to the preparation and carrying out of this Agreement, whether or not the transactions contemplated hereby are consummated. The parties expressly agree that all sales, transfer, documentary transfer and similar taxes, fees, surcharges and the like in connection with the sale of the Assets shall be borne by Purchaser. If any action is brought by any party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its court costs and reasonable attorneys' fees.

12.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement, binding on all of the parties hereto. The parties agree that facsimile copies of signatures shall be deemed originals for all purposes hereof and that a party may produce such copies, without the need to produce original signatures, to prove the existence of this Agreement in any proceeding brought hereunder.

12.14 Entire Agreement. This Agreement, the Disclosure Schedule, the exhibits and schedules, and the documents referred to in this Agreement contain the entire understanding



between the parties with respect to the transactions contemplated hereby and supersede all prior or contemporaneous agreements, understandings, representations and statements, oral or written, between the parties on the subject matter hereof (the “**Superseded Agreements**”), which Superseded Agreements shall be of no further force or effect; provided, that notwithstanding the foregoing, the letter Confidentiality Agreement dated July 12, 2018 between Purchaser and Cain Brothers, a division of KeyBanc Capital Markets Inc., on behalf of Sellers and their related entities shall not be a Superseded Agreement and shall continue in full force in effect in accordance with its terms.

12.15 No Waiver. Any term, covenant or condition of this Agreement may be waived at any time by the party which is entitled to the benefit thereof but only by a written notice signed by the party expressly waiving such term or condition. The subsequent acceptance of performance hereunder by a party shall not be deemed to be a waiver of any preceding breach by any other party of any term, covenant or condition of this Agreement, other than the failure of such other party to perform the particular duties so accepted, regardless of the accepting party’s knowledge of such preceding breach at the time of acceptance of such performance. The waiver of any term, covenant or condition shall not be construed as a waiver of any other term, covenant or condition of this Agreement.

12.16 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstance shall be held to be invalid or unenforceable to any extent in any jurisdiction, then the remainder of this Agreement and the application of such term, provision, condition or covenant in any other jurisdiction or to persons or circumstances other than those as to whom or which it is held to be invalid or unenforceable, shall not be affected thereby, and each term, provision, condition and covenant of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12.17 Time is of the Essence. Time is of the essence for all dates and time periods set forth in this Agreement and each performance called for in this Agreement.

*[Signature Page Follows]*



IN WITNESS WHEREOF, this Agreement has been entered into as of the day and year first above written.

**PURCHASER:**

**STRATEGIC GLOBAL  
MANAGEMENT, INC.,**  
a California corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SELLERS:**

**ST. FRANCIS MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ST. VINCENT MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**ST. VINCENT DIALYSIS CENTER,  
INC.**

a California nonprofit public benefit  
corporation

Signature By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

**SETON MEDICAL CENTER,**

a California nonprofit public benefit  
corporation

Signature By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

**VERITY HOLDINGS, LLC,**

a California limited liability company

Signature By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

**VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC.,**

a California nonprofit public benefit  
corporation

Signature By:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_



**Exhibit E**

**Deal Breakers Correspondence**





**XAVIER BECERRA**  
*Attorney General*

*State of California*  
**DEPARTMENT OF JUSTICE**

455 GOLDEN GATE AVENUE, SUITE 11000  
SAN FRANCISCO, CA 94102-7004

Public: (415) 510-4400  
Telephone: (415) 510-3430  
Facsimile: (415) 703-5480  
E-Mail: [Scott.Chan@doj.ca.gov](mailto:Scott.Chan@doj.ca.gov)

August 16, 2019

**VIA EMAIL AND US MAIL**

Hope R. Levy-Biehl  
1100 Glendon Avenue, 14th Floor  
Los Angeles, California 90024

RE: Verity Health System of California, Inc. Notice of Proposed Transfer  
St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical  
Center

Dear Ms. Levy-Biehl:

The Health Care Impact Statements for the proposed sale of the Verity hospitals for St. Vincent and St. Francis were posted today on the Attorney General's web site at <http://oag.ca.gov/charities/nonprofithosp>. Please have your clients review the proposed conditions in the Health Care Impact Statements, and let me know in writing whether any of the conditions are a "deal breaker." If there is such a condition, please provide an explanation why your client considers it a "deal breaker" and provide any supporting documents and information. Please provide your client's response on or before August 23, 2019. If I receive no response, I will assume your client has no such concerns. In addition, California Code of Regulations, Title 11, section 999.5(e)(3)(D) states in pertinent part:

The applicant shall prominently post a copy of the independent health care impact statement on its website available to the public and any applicant's website available to its employees within 24 hours of receipt. If the report is posted on the Attorney General's website, the applicant may provide a prominent link to the report in lieu of posting on its website.

Please have your client post on any and all hospitals' websites available to the public and websites available to its employees or post a link to the Attorney General's website.

Sincerely,

*Scott Chan*  
SCOTT CHAN

Deputy Attorney General

For XAVIER BECERRA  
Attorney General



HOOPER, LUNDY & BOOKMAN, P.C.

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August 20, 2019

**VIA EMAIL AND OVERNIGHT DELIVERY**

Scott Chan  
Deputy Attorney General  
California Department of Justice  
Office of the Attorney General  
455 Golden Gate Avenue, Suite 11000  
San Francisco, CA 94102-7004

Re: Verity Health System of California, Inc. Notice of Proposed Transfer of St. Francis Medical Center, St. Vincent Medical Center, and Seton Medical Center.

Dear Mr. Chan:

As you know, our firm is healthcare counsel to Strategic Global Management, Inc. ("SGM"), the purchaser of four of the Verity Hospitals pursuant to the Asset Purchase Agreement between the Verity Chapter 11 Debtors ("Verity") and SGM, as approved by the Bankruptcy Court ("APA").

We have reviewed your letters of August 16, 2019 and August 19, 2019, to Hope R. Levy-Biehl, outside counsel for the Verity, as well as the Initial Health Care Impact Statements ("Impact Statements"), related to St. Vincent Medical Center, St. Francis Medical Center and Seton Medical Center ("Hospitals"), which are referenced in the letters.

In your letters to Ms. Levy-Biehl, you have requested from her the identification of any conditions set forth in the Impact Statements which are considered "deal breakers," and you further requested an explanation as to why Verity would consider any of the conditions deal breakers. Although the letters were not sent to SGM, we do want to communicate to you SGM's position on the proposed conditions set forth in the Impact Statements.

Our client very much appreciates the ongoing efforts of the Attorney General to review our client's proposed acquisition of the Hospitals and related assets, and we look forward to the opportunity of continuing a dialogue with the Attorney General regarding the acquisition of these Hospitals and any conditions that may be attached to the Attorney General's approval of their transfer to SGM.



HOOPER, LUNDY & BOOKMAN, P.C.  
HEALTH CARE LAWYERS & ADVISORS

Scott Chan  
August 20, 2019  
Page 2

However, the conditions recommended in the Impact Statements are materially inconsistent with the conditions which our client had thoughtfully developed and agreed to accept, as set forth in Schedule 8.6 to the APA. SGM continues to investigate and analyze the Hospitals' assets and operations, but SGM still believes that the conditions agreed to in Schedule 8.6 reflect the appropriate and needed approach in support of efforts to address the significant, long standing operational, economic and physical plant challenges facing these Hospitals, many of which were noted in the Impact Statements.

Accordingly, at this juncture, SGM would not accept the conditions proposed in the Impact Statements to the extent they materially differ from the conditions accepted by SGM in Schedule 8.6 to the APA. SGM reserves all of its rights in connection with the APA and, specifically, all of SGM's rights set forth in Section 8.6 thereof.

Nonetheless, as noted above, SGM is continuing its investigation and remains open to discussions with the Attorney General regarding these matters, including face-to-face meetings as appropriate.

Very truly yours,



Todd E. Swanson

TES/sdh

cc: William Thomas, Esq.  
Hope Levy-Biehl, Esq.





2040 E. Mariposa Avenue  
El Segundo, CA 90245

August 23, 2019

**VIA EMAIL AND FEDEX**

Scott Chan, Deputy Attorney General  
California State Department of Justice  
Office of the Attorney General  
455 Golden Gate Avenue, Suite 11000  
San Francisco, CA 94102-7004

Re: Response to August 16 and August 19, 2019 Correspondence  
Summary of “Deal Breakers”

Dear Mr. Chan,

Please consider this letter the response of Verity Health System of California, Inc. and its affiliates (“Verity” or “Debtors”) to your letters regarding the conditions proposed (the “Recommended Conditions”) by JD Healthcare, Inc. (“JD Healthcare” or “Expert”) in its Health Care Impact Statements (“Impact Statements”), analyzing the proposed sale of St. Francis Medical Center (“St. Francis”), St. Vincent Medical Center (St. Vincent), and Seton Medical Center, including its Daly City and Coastsides Campuses (“Seton”) (collectively, the “Hospitals”) to Strategic Global Management, Inc. and/or one of its affiliated entities (“SGM” or “Buyer”) (the “Transaction”) pursuant to the Asset Purchase Agreement (the “APA”), entered into by and between the parties and approved by the Bankruptcy Court [Docket No. 2305]. We appreciate the opportunity to provide this response.

For the reasons outlined below, if the Attorney General (“AG”) adopts the Recommended Conditions, SGM will not proceed with acquiring the Hospitals. SGM confirmed this in its letter to you dated August 21, 2019, when it stated that “the conditions recommended in the Impact Statements are materially inconsistent with the conditions . . . agreed to in Schedule 8.6.” Importantly, any condition that the AG adopts that is not consistent with Schedule 8.6 is, in our view, a “deal breaker.” Further, if the AG adopts the Proposed Conditions and if the Debtors are unsuccessful in their efforts to cut off the conditions under Section 363 of the Bankruptcy Code<sup>1</sup>

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<sup>1</sup> Verity reserves the right to challenge the AG’s ability to impose conditions such as the Recommended Conditions in the context of a sale in bankruptcy pursuant to section 363 of the Bankruptcy Code. In this case and *In re Gardens Regional Hospital and Medical Center, Inc.*, 567 B.R. 820 (Bankr. C.D. Cal. 2017), the Bankruptcy Court expressly held, for example, that conditions imposed on a buyer by the Attorney General, as part of the Attorney General’s review of the sale of a non-for-profit hospital, is an “interest in property” that can be stripped off the assets through a sale under section 363 of the Bankruptcy Code. *See also In re Verity Health Sys. of Cal., Inc.*, 598 B.R. 283, 293 (Bankr. C.D. 2018) (holding that the “Conditions are an “interest in property” within the meaning of §363(f). These ruling are consistent with rulings by the Second, Third, Fourth and Seventh Circuits, and many lower courts, which have interpreted “any interest” expansively to include not only in rem interests in property, but also





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and the sale to SGM does not proceed, the likely outcome is the closure of St. Vincent, Seton, and perhaps St. Francis. This would be an unnecessary and avoidable tragedy and would have a dire impact on countless patients, employees, vendors, and stakeholders. This is especially true here when SGM has agreed to continue to operate the Hospitals and to abide by the vast majority of the conditions imposed by the AG in its approval of the BlueMountain Transaction (the “2015 Conditions”)<sup>2</sup> for the remaining term that the conditions apply to Verity, as set forth in Schedule 8.6 to the APA.

Consequently, we strongly request that your office not accept the Expert’s Recommended Conditions, which are essentially a roll-forward of the 2015 Conditions based on the historic operations and not current patient care needs or market conditions. Instead, we encourage the AG to tailor the conditions to match those outlined in Schedule 8.6 providing SGM with the flexibility necessary to turn the Hospitals around financially, so they can continue to provide critical healthcare access to the communities they serve and thousands of jobs for the foreseeable future.

We further urge the Attorney General to exercise his discretion in a manner that considers the economic impact of the Recommended Conditions on the Hospitals. While the Impact Statements provide a significant amount of information related to the Hospitals background and the Transaction, the reports lack (i) any analysis of the economic impact that the 2015 Conditions have had on the Hospitals, and (ii) any cost-benefit analysis of the Recommended Conditions. Alarming, without regard to the economic and community realities, certain Recommended Conditions, if adopted, would force the Hospitals to maintain programs that not only lose significant amounts of money on an annual basis, but are unnecessary since the same services (and in some instances, more comprehensive or robust services) are already being provided at other hospitals in the area. To aid the Attorney General, we have provided evidence that considers the economic impact of the Recommended Conditions on the Hospitals both in this letter and in the enclosed, supporting declarations. We are happy to provide additional evidence and to discuss this further.

The Attorney General’s consideration of the economic impact of the prospective conditions is critical. We, as operators of the Hospitals, know the 2015 Conditions were overly burdensome and hampered the Hospitals’ ability to break even, let alone prosper. Indeed, the

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other obligations that are “connected to or arise from the property being sold” or that could “potentially travel with the property being sold.” See, e.g., *In re La Paloma Generating, Co.*, 2017 WL 5197116, \*4 (Bankr. D. Del. Nov. 9, 2017); *PBBPC, Inc. v. OPK Biotech, LLC* (In re PBBPC, Inc.), 484 B.R. 860 (1st Cir. B.A.P. 2013); *In re Vista Marketing Group Ltd.*, 557 B.R. 630 (Bankr. N.D. Ill. 2016); *United Mine Workers of Am. Combined Benefit Fund v. Walter Energy, Inc.*, 551 B.R. 631, 641 (N.D. Ala. 2016); *In re Tougher Indus.*, 2013 WL 1276501 (Bankr. N.D.N.Y. Mar. 27, 2013).

<sup>2</sup> These 2015 Conditions are contained in the AG’s “Conditions to Change in Control and Governance of St. Francis Medical Center and Approval of the System Restructuring and Support Agreement by and among Daughters of Charity Health System, Certain Funds Managed by BlueMountain Capital Management, L.L.C., and Integrity Health, L.L.C.” dated December 3, 2015.





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Hospitals filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code on August 31, 2018 to stop hemorrhaging precious cash resources. Verity, its employees, its 10,000 vendors, and other parties have made tireless efforts during the tenure of the Chapter 11 cases to ensure continued patient care and to take the necessary steps to allow the Hospitals to be sold to a new operator that could successfully operate the Hospitals.

The Bankruptcy Court has now approved the Transaction, which paves the way for a better chapter for these Hospitals and the communities they serve. The Attorney General should carefully consider the foregoing and not impose any conditions, based largely on historic operations, that would unravel operational improvements resulting from the heroic efforts of Verity's employees and management to save these Hospitals and inexorably lead to their closure.

We also request the opportunity to meet with you and other key decisions makers before any conditions are finalized in this Transaction, given their importance and the fact that the Recommended Conditions would destroy the Transaction and have a negative impact on tens of thousands of patients, employees, vendors, and stakeholders.

## **I. The 2015 Conditions and the Chapter 11 Cases**

Before discussing the Recommended Conditions, I would like you to have the benefit of my experience overseeing the operations and financial performance of the Hospitals. *See* Enclosed Declaration of Richard G. Adcock, Verity Health System of California, Inc. Chief Executive Officer. Upon my appointment of CEO as the Hospitals, two competing issues were immediately apparent: the Hospitals are (i) critically important to the communities they serve, but (ii) are damaged financially as a result of cumulative decisions made in the last two decades.

While my extensive experience in healthcare has assisted me in understanding and navigating the complex problems threatening the Hospitals, one thing has crystalized for me: *the Hospitals require operational flexibility to adjust to market needs and demands and to effectuate a financial turn-around.* The 2015 Conditions do not allow for that type of flexibility and therefore hamper the Hospitals' ability to succeed. Thus, it is imperative that the Attorney General consider the pragmatic realities of the Hospitals' operations when imposing conditions on the Hospitals. We strongly request that the AG tailor the conditions imposed on this Transaction to align with the Purchaser Approved Conditions in Schedule 8.6, providing SGM with the flexibility to close on the Transaction and turn the Hospitals around so they can continue to provide meaningful health care services, community benefits, and jobs to the communities they serve.

## **II. SGM Was the Only Qualified Bidder for St. Francis, St. Vincent, and Seton.**

Verity conducted a robust process to market and solicit potential buyers. In June 2018, it engaged Cain Brothers, a division of KeyBanc Capital Markets ("Cain"), to identify potential





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buyers of some or all of the Verity hospitals and related assets and commenced discussions with those potential buyers. Cain prepared a Confidential Investment Memorandum and organized an online data site to share information with potential buyers, contacting over 181 prospective strategic and financial buyers beginning in July 2018 to solicit their interest in exploring a transaction regarding the Verity hospitals. As a result of its far-reaching marketing process, Cain received sixteen indications of interest or other proposals and continued to develop potential sales.

Verity, in consultation with Cain and its other advisors, selected SGM's offer to serve as the stalking-horse bid to acquire the assets of St. Francis, St. Vincent, St. Vincent Dialysis Center, Seton, and related assets (the "Assets") through a sale under section 363 of chapter 11 of title 11 of the United State Code (the "Bankruptcy Code"). Following extensive negotiations, SGM and St. Francis, St. Vincent, St. Vincent Dialysis Center, and Seton entered into the APA, which provides for the purchase of the Assets for \$610 million, plus payments of cure costs, as set forth therein.

Thereafter, in accordance with the bidding procedures, Cain continued to actively market the Assets. Cain notified 90 parties of the sale process, directly sent the parties the bidding procedures approved by the bankruptcy court, and represented Cain's availability to assist in the bidding process. Thereafter, sixteen of those parties signaled ongoing interest by their requests for continued access to the data room containing information about the Assets.

Notwithstanding the time, energy, and resources dedicated to this process, SGM submitted the only qualified bid for St. Francis, St. Vincent, and Seton. *Again, and importantly, SGM has agreed to accept, in full or in large part, the majority of the 2015 Conditions imposed by the AG in its approval of the BlueMountain Transaction for the remainder of the term applicable to Verity.* SGM has not agreed to accept those 2015 Conditions in their entirety due to its need for flexibility to turn the Hospitals around financially and to modify or eliminate services that are not financially feasible to retain and/or not necessary to serve the community. The Bankruptcy Court entered orders (i) approving the APA, schedules and exhibits thereto, and (ii) authorizing the sale to SGM under section 363 of the Bankruptcy Code.

### **III. If the Attorney General's Office Adopts the Conditions Proposed by JD Healthcare, SGM Will Not Acquire the Hospitals.**

Verity and SGM engaged in extensive discussions and negotiations about the 2015 Conditions, with Schedule 8.6 developed as a result of compromises and concessions made by the parties regarding what conditions SGM committed to accept, while ensuring it had the flexibility and opportunity to turn the failing healthcare system around. Pursuant to Section 8.6 of the APA, SGM negotiated the requirement to close on the Transaction only if the conditions imposed by the AG are "substantially consistent" with the conditions set forth in Schedule 8.6. As outlined in greater detail below, the Recommended Conditions are not substantially





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consistent with the conditions enumerated in Schedule 8.6 in a number of significant ways and, if adopted by the AG, will result in this Transaction failing. For the avoidance of any doubt, if the AG adopts and imposes any condition on this Transaction that is not consistent with Schedule 8.6, any such condition should be considered by the AG's office as a "deal breaker."

We highlight below some of the material ways in which the conditions proposed by the Expert diverge from Schedule 8.6.

#### **A. The "term" of the Condition**

In Schedule 8.6, there are a number of conditions that SGM accepted "for a term which coincides with the remaining term applicable to [the] condition" for the specific Hospital, as set forth in the 2015 Conditions. While SGM agreed to essentially stand in Verity's shoes and to honor the remaining term of the Prior Conditions, it was unwilling to commit to these 2015 Conditions for a more extended period, as these conditions were a key factor contributing to the financial demise of the Hospitals and any requirement to honor these commitments for longer would inhibit SGM's ability to make operational changes necessary to turn the Hospitals around. SGM makes its point in its letter to you when it stated "the conditions agreed to in Schedule 8.6 reflect the appropriate and needed approach in support of efforts to address the significant, long standing operational, economic and physical plant challenges facing these Hospitals, many of which were noted in the Impact Statements."

It is worth noting that in at least some cases (and specifically for Seton), JD Healthcare has recommended that certain conditions be applied to SGM "for the remainder of the term" or in some cases for a period of time that is even shorter than the term remaining on the 2015 Conditions. The AG should apply this same standard to all of the conditions required of SGM (*i.e.*, not longer than the remaining term).

As outlined in greater detail below, if the AG does not allow SGM to honor its conditions for a term that runs concurrent with the term that currently applies to Verity, there is a significant risk that the Hospitals will close. This will result in the loss of critical community-based health care services, jobs, recoveries for creditors, and the loss of over \$9 million annually in charity care and over \$3,300,000 annually in community benefits currently provided by these Hospitals.

The closure of the Hospitals would be a tremendous and completely avoidable loss. By imposing conditions for a period of time that runs concurrent with the 2015 Conditions, the AG would help to ensure that the Transaction closes and the Hospitals remain open, potentially for much longer, once under new ownership, shed from burdensome historic liabilities and challenges and on more solid financial grounds. This will give SGM the time it needs to further evaluate the opportunities and challenges for these Hospitals and to determine what changes are appropriate to ensure their long-term viability and the best and most productive services for the Hospitals going forward. SGM can, at its election, and if financially prudent, continue to honor





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the 2015 Conditions and maintain the beds, services, and offerings beyond this term, but requiring it to do so will terminate this Transaction and result in the loss of all services before the 2015 Conditions have even lapsed.

## **B. Cancer Care**

In its Recommended Conditions, JD Healthcare suggests that the AG require SGM to maintain cancer care at the Hospitals, including radiation therapy at St. Francis and St. Vincent, and inpatient oncology, interventional radiology, radiation therapy, and infusion service at Seton. This condition is a clear deal breaker for SGM.

As a threshold matter, it is important to note that none of the Hospitals offer a comprehensive oncology service today. *See* Enclosed Declaration of Tirso del Junco, Jr. M.D., Verity Health System of California, Inc. Chief Medical Officer. St. Francis, St. Vincent and Seton do not currently provide surgical oncology services. While Seton historically had a more robust oncology service line, two of the medical oncologists previously practicing at the Hospital retired and have not been replaced, which has resulted in a further decline in oncology services, including a significant decline in infusion services.

Importantly, demand for oncology services has been steadily on the decline at each Hospital. The reasons for this decline are a function of changing market conditions and are not a mystery. By its own account, the Expert found that St. Francis' cancer care volume decreased from fiscal year 2017 through fiscal year 2019. There are at least three other community hospitals offering cancer care to the same community of patients served by St. Francis. There has also been a decrease in oncology volume at St. Vincent over the last three years, with at least four other community hospitals and/or academic medical centers providing cancer care services to the same community of patients served by St. Vincent. JD Healthcare notes that cancer is the leading cause of death in Los Angeles. While this is very unfortunate and may well be true, the Expert has not suggested that this is the result of a lack of sufficient providers of oncology services or that the provision of cancer care services at St. Vincent and St. Francis is important in fighting this epidemic.

We cannot look at the provision of oncology services in a vacuum. Oncology is a very expensive service line. *See* Enclosed Declaration of Anita Chou, Verity Health System of California, Inc. Chief Financial Officer In FY 2018, St. Vincent provided 9,435 cancer treatments for a loss of \$995,000. We would anticipate SGM losing an additional \$547,000 as a result of its inability to access drug pricing under the federal 340B Drug Discount Program ("340B pricing"),<sup>3</sup> which would result in a projected net loss of approximately \$1.5 million annual in the oncology service line. In FY 2018, Seton provided 8,429 in oncology treatments

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<sup>3</sup> The 340B Drug Discount Program is a US federal government program created in 1992 that requires drug manufacturers to provide outpatient drugs to non-profit health care organizations at significantly reduced prices. As a for-profit enterprise, SGM is not eligible for 340B pricing.





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for a net loss of \$3.8 million. SGM would have lost an additional \$3 million as a result of its inability to access 340B pricing, with approximately \$2.6 million attributable to higher oncology drug costs. It is not financially feasible to expect Seton, once owned by SGM, to operate an oncology program with diminishing volume and need at a loss of nearly \$7 million per year, especially when the Hospital is already operating at an annual loss of \$60 million. In FY 2018, St. Francis provided 15,556 oncology treatments for a total operating cost of \$11.6 million. This service line generated a net income of \$1.8 million. St. Francis will incur a loss of \$262,000 under SGM ownership in light of its inability to access 340B drugs. Some portion of this would translate into additional costs for the St. Francis oncology program.

St. Vincent and Seton already sustain overwhelming losses each year. While St. Francis is operating at a modest profit, it has significant cash flow challenges and may not be financially successful if it had to stand on its own without the support of the system. Given these challenges, every dollar committed and lost impacts the ongoing operations and viability of the Hospitals. SGM recognized from the inception that maintaining oncology services without access to 340B pricing would negatively impact its ability to operate the Hospitals. While access to cancer care is critical, the Expert found sufficient alternative providers. Despite there being available cancer care providers in each of the Hospitals' communities, the Expert recommended requiring the Hospitals' admittedly partial cancer programs continue. The AG should not adopt these Recommended Conditions, which would require SGM to maintain an expensive, diminishing service line when there are alternative service providers in the Hospital communities.

### **C. Charity Care**

SGM has committed to provide annual charity care funds equal to or greater than \$430,384 for patients at St. Vincent, \$8,000,000 for patients at St. Francis, and \$935,405 for patients at Seton, for a term that coincides with the remaining term of the 2015 Conditions. This translates to a commitment of approximately \$9,400,000 annually to support necessary medical services for patients in need of care. Any additional charity care requirements above these amounts are a deal breaker for SGM, as it would hinder the long term sustainability of the Hospitals' services.

We appreciate JD Healthcare's recognition that health reform and the Affordable Care Act ("ACA") have changed the need for charity care. We agree with JD Healthcare's suggestion that the AG should adjust the required commitment to charity care based on available data from time periods after the implementation of the ACA. However, a three-year lookback period is too long in light of the significant year-over-year changes in the need for charity care. Instead, the AG should look at the actual charity care provided in the past year by St. Francis, St. Vincent and Seton as a more appropriate barometer for the level of charity care that should be offered by the Hospitals prospectively. SGM has committed to a significant minimum amount of charity care in Schedule 8.6 and the AG should accept this commitment.





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SGM has agreed to administer the charity care funds under its existing financial assistance policy applicable across SGM's hospital system. In order to operate an efficient system, SGM will need to have one set of policies, procedures, and patient financial assistance applications. The Expert has recommended that SGM be required to operate under Verity's policy. SGM should be permitted to organize its administration of the charity care funds, consistent with its other hospitals, and in compliance with applicable state and federal law, without being required to continue Verity's specific policy.

#### **D. Community Benefit**

SGM has committed to provide annual community benefit services equal to or greater than \$1,076,459 for the communities served by St. Vincent, \$1,439,854 for the communities served by St. Francis, and \$848,434 for the communities served by Seton, for a term that coincides with the remaining term of the Prior Conditions. Any additional community benefit program requirements above these amounts are a deal breaker for SGM, as it would hinder the long-term sustainability of the Hospitals' services. Further, SGM must be afforded the flexibility to determine how best to serve the community and which programs to provide on behalf of each Hospital.<sup>4</sup>

#### **E. Capital Commitment**

As of June 30, 2019, Verity expended approximately \$172 million of the \$180 million in capital commitments required as part of the 2015 Conditions applicable to Verity's six hospitals, leaving approximately \$8 million unexpended by Verity. SGM has agreed to pay the previously required, but unexpended Verity capital commitment applicable to the three Hospitals it is acquiring. In order to determine SGM's share of the unexpended \$8 million, we considered the Santa Clara County and SGM asset purchase agreements to arrive at the proxy value of the Verity hospitals of \$845,000,000, comprised of \$235,000,000 for O'Connor Hospital and Saint Louise Regional Hospital, and \$610,000,000 for St. Francis, St. Vincent, and Seton. Based on these figures, SGM is acquiring approximately 72% of the Verity hospital assets. As such, SGM's portion of the outstanding capital commitment as of June 30, 2019, is approximately \$5.8 million.

Provided that Verity does not expend any additional capital expenditures through the closing of the pending APA, then SGM would honor and commit to expend \$5.8 million in capital commitments among St. Francis, St. Vincent, and Seton. If the remaining amount of the original capital commitment pursuant to the 2015 Conditions left unexpended through the closing of the APA is less than the above number, SGM would honor and commit to spend seventy-two percent (72%) of such lesser amount in capital commitments. We understand SGM

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<sup>4</sup> Please note that although St. Francis Career College was referenced in the Expert's recommendations, American Career College bought St. Francis Career College in 2013 and has since closed the Lynwood Campus in 2019.





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would want to maintain the flexibility to determine how best to apportion these required expenditures among the Hospitals based on their individual needs and their operational priorities and to have the opportunity to expend such amounts over five (5) years following the closing pursuant to the APA.

#### **F. Economic Impact of the Expert Proposed Conditions Generally**

While the Impact Statements provide a significant amount of information about the Transaction, the Hospital operations and challenges, and the communities they serve, it lacks (i) any of the economic impact the 2015 Conditions have had on the Hospitals or that the Recommended Conditions would have on SGM, and (ii) any cost-benefit analysis of the conditions recommended by the Expert. Verity and SGM agree that many of the services provided by the Hospitals are essential to the communities they serve and that is why SGM has agreed to adopt many of the 2015 Conditions. The Impact Statements fail to consider and discuss the extent to which the economic impact of the proposed conditions guarantees a failed SGM transaction. In its letter to you, SGM states: “the conditions recommended in the Impact Statements are materially inconsistent with the conditions [...] set forth in Schedule 8.6 to the APA.” It goes on to say that “SGM would not accept the conditions proposed in the Impact Statements.”

If the AG adopts the Recommended Conditions, based on the historical conditions, operations and needs and not the present reality, this will result in requirements for the Hospitals to maintain programs that not only lose a significant amount of money on an annual basis but that are also unnecessarily duplicative of other services (sometimes more comprehensive) already offered at other hospitals in the area. This will also result in SGM walking away from this Transaction.

As further discussed below, a failed SGM Transaction would mean closure for all the Hospitals resulting in the loss of access to medical care for hundreds of thousands of community members and patients, put thousands of employees out of work, and deny any financial recovery for former employees with pension rights, as well as other stakeholders.

By way of example, the Recommended Conditions require that SGM maintain transplant services at St. Vincent, including its newly developed liver transplant program, for at least five years from the Closing Date. St. Vincent established its liver transplant program earlier in 2019, performing a total of 10 liver transplants to date. At present, this program is not receiving any reimbursement as it is still going through the initial certification process. The liver transplant program places a significant financial burden on the Hospital. A third-party liver program expert consulting company has produced feasibility and performance projections for the St. Vincent program and anticipates that it will lose \$21 million over 5 years, or somewhere in excess of 15% of the total value of St. Vincent. Liver transplant services were not a required service under the 2015 Conditions and SGM should not be required to maintain liver transplant services at St. Vincent as part of this Transaction.





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Additionally, the Recommended Conditions require SGM to contract with LA Care for St. Francis, and St. Vincent. Verity is currently involved in litigation with LA Care to recover approximately \$15.2 million in underpaid and/or unpaid claims.<sup>5</sup> See St. Vincent Medical Center v. Local Initiative Health Authority for Los Angeles County dba L.A. Care Health Plan, Case No. 19-01002 at kccllc.net/verity. Requiring SGM to contract with LA Care is unreasonable in light of LA Care's inability to adequately ensure timely and full payment at market rates for services. When both parties can freely negotiate a new contract with needed assurances of payment at market rates, the community benefits. This is not possible if SGM is mandated to contract with LA Care regardless of the contract terms offered by LA Care or LA Care's performance or non-performance under the contract.

These are just a few examples of how the Recommended Conditions fail to take in to account the economic consequences of the suggestions and the impact these would have on hospital viability and prudent operations.

**IV. If the AG Imposes the Conditions Recommended by its Expert, and the Debtors are Unsuccessful in their Efforts to Cut Off the Conditions under Section 363 of the Bankruptcy Code, the SGM Sale Will Terminate and St. Vincent and Seton Will Close.**

**A. The Debtors and Their Stakeholders Will Suffer Immediate Irreparable Harm if the SGM Sale Does Not Close.**

The aftermath of a failed SGM sale is the prompt closure of St. Vincent and Seton in light of their unsustainable operational losses, the absence of an interested viable purchaser that would continue operations as acute care hospitals, and the almost certain lack of financing to continue their operations. While St. Francis would attempt a private sale in the bankruptcy case, the Debtors foresee significant challenges notwithstanding the fact that its financial performance may be stronger during parts of the year than the other Hospitals. Indeed, excluding QAF, since it is often difficult to rely on from a working capital perspective due to its sporadic payment pattern, St. Francis would need to borrow greater than \$35 million from the Verity Hospital System throughout the year to manage large working capital fluctuations. The administrative expenses and risks associated with continuing the bankruptcy cases to attempt to identify a new buyer other than SGM, further threaten the Debtors' ability to finance and sell the Hospitals as going concerns and related recoveries to constituents. These threats are borne directly by the communities served by the Hospitals, their patients, employees, and other critical stakeholders, and are material considerations with which to assess the proposed SGM sale.

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<sup>5</sup> To add specific examples, one large category of claims at issue involves services that were authorized by LA Care through delegated vendors but that LA Care denied payment because it had no way to track the delegated vendors' authorization numbers. As a result, LA Care required timely filed electronic claims to be resubmitted in paper. Another example is that LA Care has improperly administered payments under "stop loss" provisions – denying payment to St. Francis, in particular, for services to some of the most needy patients.





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1. St. Vincent and Seton Will Likely Close.

St. Vincent and Seton are likely to close promptly after the SGM transaction fails for two significant reasons tied to their ongoing financial underperformance: (i) the Debtors cannot sustain the operational losses incurred by St. Vincent and Seton without the prospect of a potential purchaser, and (ii) the Debtors must conserve resources to underwrite a sale of St. Francis. St. Vincent and Seton (including both the Daly City and Coastsides campuses) have combined operating losses greater than \$105 million in the 10 months since filing bankruptcy.

The Expert acknowledges that “no other offers were received by the Bankruptcy Court to purchase and operate” St. Vincent and Seton. *See* St. Vincent Report at 86; Seton Report at 87. This finding is consistent with the results of the Debtors’ extensive marketing efforts. As outlined in greater detail above, beginning in July 2018, the Debtors engaged Cain to identify potential buyers of some or all of the Debtors’ Hospitals. Cain contacted over 181 strategic and financial buyers and received 11 indications of interest. None of these indications proposed purchasing and operating St. Vincent or Seton individually. The Debtors cannot sustain incurring ongoing operational losses to maintain the going-concern value of St. Vincent and Seton without the realistic prospect of a purchaser.

These closures would begin almost immediately. Because the failure of the SGM sale puts the recovery of secured creditors at risk, it is almost certain that the secured creditors would object to continued use of their cash collateral to subsidize the losses at St. Vincent and Seton. While the Debtors may be able to obtain an order authorizing the use of cash collateral over their objection, that use would be limited to the amount necessary to avoid harm to patients. Based on the experience of Debtors’ counsel, St. Vincent and Seton would first seek court approval to close their emergency departments and close the Hospitals to new patients. Given the average length of stay for hospital inpatients, we would expect all acute care patients to be discharged within a week. We would expect St. Vincent to be closed in less than one month.

Closure of Seton would be much slower than St. Vincent, given the more involved process of the skilled nursing and sub-acute resident populations at both the Daly City and Coastsides campuses, and would cost tens of millions of dollars to effectuate. We would immediately seek the assistance of the California Department of Public Health, the Center for Medicare and Medicaid Services, the Department of Health Care Services, Santa Clara and San Mateo Counties and other key governmental and non-governmental stake holders to find appropriate placements for the approximately 180 long term and subacute residents at Seton. However, the post-acute care delivery system in Northern California does not have the excess capacity to accept these residents. *See* Enclosed Declaration of Maya Altman, CEO for the Health Plan of San Mateo. We would anticipate many of these residents being displaced across the state and outside of the state in order to find appropriate and available beds and resources. The transfer trauma risk attendant to the closure of Seton’s nursing facility would be significant with patients needing to be transferred, in many cases, hundreds of miles away from their communities, families and support networks.





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Thereafter, the Debtors would most likely attempt a private sale of St. Vincent and Seton after they are closed. After their extensive but ultimately unsuccessful marketing efforts, the Debtors believe that the most likely outcome is a sale to a real estate or similar purchaser without an interest in continuing or reopening the facilities as acute care hospitals, and without the need for Attorney General review. *See In re Gardens Reg'l Hosp. & Med. Ctr., Inc.*, 567 B.R. 820, 826-829 (Bankr. C.D. Cal. 2017) (Robles, J.) (holding that sale of a closed not for profit hospital is not subject to Attorney General review).

2. St. Francis Will Attempt a Private Sale at a Depressed Value with Significant Financial Obstacles and Creditor Scrutiny.

In the event the SGM transaction fails due to the imposition of conditions making continued operations economically unfeasible, the Debtors will turn their efforts to fund a renewed sale process for St. Francis, their only potentially profitable going-concern asset. A St. Francis sale process would face stiff headwinds and present significant liquidity demands, which would be further exacerbated if the Debtors are continuing to incur operating losses associated with St. Vincent and Seton. The Expert cites interviewees who “expressed that if this [SGM] transaction was not finalized, the Hospital would likely be acquired by another organization due to its history of financial success.” *See* St. Francis Report at 85. However, this supposition does not account for the expenses and uncertainties associated with a single-facility sale.

St. Francis realizes substantial economic benefits from its integration in the Verity Health System that would be stripped in a single-facility sale. First, St. Francis cannot sustain itself solely on cash flow from operations. The primary receivables attributable to St. Francis operations—reimbursements and related supplemental payments on account of the Hospital Quality Assurance Fee program—are paid periodically during the year and substantially after the service period to which they relate. As stated previously, excluding QAF, St. Francis must borrow greater than \$35 million from the Verity Hospital System throughout the year in order to manage its large working capital fluctuations. Historically, St. Francis has leveraged financing arrangements entered into by the Verity Health System. The obligated parties under those financing arrangements historically included VHS, O'Connor Hospital, Saint Louise Regional Hospital, Seton, St. Vincent, and St. Francis. St. Francis cannot achieve stable financial operations without access to credit historically supplied on a joint and several basis to the Verity Health System.

St. Francis benefits from the consolidated administrative functions and unified technology of the Verity Health System, which St. Francis would need to arrange for and purchase individually in anticipation of a single-facility sale. The total burden of the cost of the underlying IT systems and licensing agreements for the system, at a cost of more than \$40 million per year, would likely be the burden of St. Francis alone. In addition, St. Francis would bear a significant portion of the current annual overhead costs of over \$100 million that no longer could be spread across the other Hospitals. These two factors will put significant strain





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on the cash flow of the remaining Debtors and would ultimately make completing an extremely quick private sale of St. Francis critical to maintaining any value for the estate.

A private sale is more expedient, but, in the absence of a renewed, robust sale process, the Debtors expect the sale would yield a purchase price hundreds of millions of dollars lower than the SGM Transaction and would receive objections from constituents who would request a new marketing process. Based on the Debtors' experience through the extensive pre-bankruptcy and post-filing marketing efforts, the Debtors are very aware of (i) the difficulty in identifying a purchaser that is both interested in, and capable of, closing on such a transaction, and (ii) the large amount of time and money it takes to sustain ongoing operating losses while working with a prospective buyer through the complex sale process. In these circumstances, the Expert's comment, without support, that there would be "other buyers" if the SGM Transaction failed is at best unsupported and a gross oversimplification of what would be an involved, complicated process. Even if a new deal process were successful and yielded a willing buyer capable of closing, it is highly uncertain whether the Debtors could fund the ongoing operating capital necessary to continue to operate St. Francis while the sale worked its way through the rigorous bankruptcy, AG, and regulatory approval process.

The Debtors' creditors are also likely to object to a fire sale of St. Francis given the already small recoveries available if the SGM sale is successful. A private sale is likely to leave only a partial recovery for secured creditors and, as discussed below, no recovery for other critical stakeholders. These secured creditors and stakeholders are likely to carefully scrutinize such a transaction and demand a longer auction process in lieu of a private sale. Each of these likely demands from secured creditors, other stakeholders, and the Attorney General would expose St. Francis to further financial deterioration arising from the increased administrative and professional costs associated with a lengthy sale process as well as further losses from operations.

It should be noted that even if there are good sales prospects, Verity will likely have no choice but to close St. Francis pending a sale, putting the hospital license in suspense and closing all beds and service lines. This would require a prompt shut-down of St. Francis, including the closure of its emergency room and trauma center as well as its psychiatric unit. While a buyer could apply to have the St. Francis hospital license resurrected and taken out of suspense, this is not without consequence. As a Hospital that relies heavily on government reimbursement and QAF to survive, in taking the license out of suspense, a St. Francis buyer would need to apply for new Medicare and Medi-Cal provider agreements, enduring a period during which the hospital is open but not yet certified. In addition, St. Francis would not be eligible for QAF during the period of time when it is closed, which would also impact its QAF fees and payments upon reopening. All of this would likely have a negative impact on the value of St. Francis as a freestanding hospital as well as its timeline for reopening its emergency department and certain non-essential services.





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## **B. A Renewed Sale Process Will Materially Delay the Bankruptcy Cases.**

The Debtors have administered and financed their bankruptcy cases and plan of liquidation assuming that the cases would conclude shortly after the SGM sale. If SGM does not consummate the sale, then the Debtors will incur additional, unexpected administrative expenses associated with continued operations as they pursue new sales and closures. These expenses—unanticipated by the Debtors and their lenders—will increasingly burden the Debtors’ ability to fund their operations.

While difficult to predict, the Debtors anticipate that a single-facility private sale of St. Francis will take approximately five to six months to close. The bankruptcy court process, assuming that (a) a buyer could be located, and (b) the Debtors would seek a private sale, would last approximately six to eight weeks and involve soliciting potential purchasers, drafting and negotiating an asset purchase agreement and sale motion, and holding a sale hearing on three weeks’ notice to interested parties. The balance of time is allocated to the 90 to 135-day Attorney General review process. This assumes that the private sale of St. Francis would not require a more belabored auction process in bankruptcy court; however, as noted above, creditors disappointed with partial or no recovery on their claims may convince the court that an auction process will result in a higher sale price.

The Debtors anticipate that the private sales of St. Vincent and Seton would take substantially less time to close if the facilities are not operating as acute care hospitals. The Debtors estimate that sales of St. Vincent and Seton could close in no less than two months on the most favorable timeline and for substantially less consideration. This assumes an expedited disposition of the facilities’ patient populations, which we anticipate will be especially challenging for Seton’s long-term patient populations at both the Daly City and Coastsides campuses.

There is significant risk in the Debtors’ ability to fund an additional six-month sale process. These alternative sale timelines, through abbreviated, nevertheless require the Debtors to incur significant administrative expenses. As discussed, the Debtors incur cash flow losses of \$450,000 every day. The Debtors have obtained \$185 million of debtor in possession financing to cover these operational and administrative expenses during their bankruptcy cases because their stakeholders were satisfied that there was a high likelihood of consummating significant asset sales; this matures September 7, 2019. In fact, the financing terms are subject to strict case milestones and short-term budgets based upon consummating sales of the Hospitals by specific dates. *See* Docket No. 309-2 (DIP Credit Agreement, § 7.1 at 63) (the Debtors’ financial covenants include limits on budget variances during the bankruptcy cases); *see id.* (DIP Credit Agreement, § 9.1(q) at 72-76) (providing for defaults if Debtors fail to meet case deadlines including sale deadlines). Without the prospect of an imminent asset sale that would, at a minimum, cover the costs of financing, the Debtors’ ability to obtain financing is a significant risk. The Debtors’ access to cash collateral and proceeds of the O’Connor Hospital and Saint Louise Regional Hospital sale are likewise subject to the liens and limitations of the Debtors’





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secured creditors. The Debtors' ability to fund their operations becomes increasingly dubious as the bankruptcy cases continue without resolution.

**C. Patients, Employees, Vendors, Community Members, and Other Essential Stakeholders Bear Directly the Ramifications of a Failed SGM Transaction.**

The Attorney General should not ignore the significant economic ramifications of a failed SGM sale because of the negative healthcare impacts on patients and community members. If the SGM sale does not close, patients and community members will lose access to healthcare facilities. Extending the timeline to a sale by six months will also jeopardize the ability to finance the remaining hospital. Furthermore, the degradation in value realized from the asset sales will directly affect key stakeholder recoveries.

1. The Impact on Community Members and Patients

Failure to consummate the SGM sale likely results in the closure of St. Vincent and Seton and risks closure of St. Francis. The Expert recognizes the unique role the Hospitals play in their communities. Although the Debtors challenge the specifics of the proposed conditions, it is indisputable that these facilities provide access to essential healthcare services in their communities. Faced with the possibility of losing these facilities in their entirety, rote application of historical conditions must yield to the pragmatics of economics and demonstrable community need.

St. Francis is a critical safety-net provider of health care services, serving a large number of uninsured and underinsured patients. It is located in a medically underserved area and operates the only trauma center in the service area. It also provides critical acute inpatient psychiatric services as well as a mobile crisis evaluation team.

St. Vincent is the oldest hospital in Los Angeles, providing critical emergency room and other specialized services to the community it serves. In addition to serving almost 180 skilled nursing and subacute residents, Seton also operates a geriatric-psych service line and the only emergency department on the Peninsula in the 55-mile stretch between Santa Cruz and Daly City.

In addition to the possibility of losing these Hospitals, the communities would also lose the charity care and community benefits they offer. This would be a tragic and unnecessary loss.

2. The Impact on Vendors

It is the vendors that have supported the Hospitals during the pendency of the bankruptcy cases, allowing the Hospitals to stay open and to continue providing services in the ordinary course. Under the SGM purchase agreement, these vendors will receive payment in full for their





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support of Verity during its bankruptcy and a failed sale to SGM could put those payments at risk.

In addition, there are thousands of vendors whose contracts will be assumed by SGM pursuant to the sale. As a consequence, these vendors will be paid for their pre-petition claims an estimated total recovery of more than \$50 million. For those vendors whose contracts are not being assumed by SGM, the sale will still provide millions of dollars of recoveries. In total, the failed sale to SGM would cause these vendors to lose tens of millions of dollars in recoveries. Further, there would be a loss of future services by these vendors that would provide the go-forward services to the operating hospitals.

### 3. The Impact on Employees

St. Francis, St. Vincent, and Seton have approximately 4,950 employees. SGM has committed to retain “substantially all” employees of the Debtors, as set forth in the APA. *See* Docket No, 2305-1 (SGM APA, § 5.3(a) at 27). Similarly, SGM has committed to participate in good faith negotiations of new collective bargaining agreements with the unions. *See id.* (SGM APA, § 4.7 at 25). The SGM sale presents the Debtors’ stakeholders with the best possible alternative, and the failure of the SGM transaction will likely result in losing healthcare access for vulnerable populations as well as the loss of employment for thousands of employees.

## V. Conclusion.

For all of the reasons outlined above, the AG should not adopt the Recommended Conditions. This would result in the certain failure of the SGM Transaction and the likely closure of St. Vincent, Seton, and perhaps St. Francis. This would be a devastating loss to the communities the Hospitals serve, to their patients, employees, vendors, creditors, and more. This would entail the unnecessary loss of historic, meaningful, community hospitals with robust histories, dedicated to providing charity care and community benefits, especially when as here, there is a ready buyer in SGM who has agreed to continue to operate the Hospitals and to abide by the vast majority of the 2015 Conditions for the period of time they apply to Verity. We urge you to tailor the conditions imposed on this Transaction to align with the Purchaser Approved Conditions in Schedule 8.6, providing SGM with the flexibility to close on the Transaction and turn the Hospitals around so they can continue to provide meaningful health care services, community benefits, and jobs to the communities they serve.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard G. Adcock'.

---

Richard G. Adcock, CEO



**DECLARATION OF RICHARD G. ADCOCK**

I, Richard G. Adcock, declare that I have personal knowledge of the facts set forth in this declaration, and I would competently testify to them under oath if called as a witness.

1. I am, and have been since January 2018, the Chief Executive Officer of Verity Health System of California, Inc. ("VHS"). Prior thereto, I served as VHS's Chief Operating Officer since August 2017.

2. I have extensive senior-level experience in the nonprofit healthcare arena, especially in the areas of healthcare delivery, hospital acute care services, health plan management, product management, acquisitions, integrations, population health management, budgeting, disease management and medical devices. I have meaningful experience in both the technology and healthcare industries in the areas of product development, business development, mergers and acquisitions, marketing, financing, strategic and tactical planning, human resources, and engineering.

3. Prior to VHS, from 2014 until 2017, I served as Executive Vice President and Chief Innovation Officer of Sanford Health, a large integrated health system headquartered in the Dakotas dedicated to health and healing. In this role, I was responsible for leading Sanford Health's growth and innovation, in addition to direct operational oversight of the following related entities: Sanford Research, Sanford Health Plan; Sanford Foundation (a philanthropic fundraising foundation); Sanford Frontiers (a commercial and real estate company); Profile by Sanford (a scientific weight loss program); and Sanford World Clinic (which operates clinics in multiple countries).

4. From 2012 to 2017, I served as the President of Sanford Frontiers and had the responsibility of starting a new entity within Sanford Health focused on innovative ventures. From 2008 to 2012, I served as Executive Vice President of Sanford Clinic. I was responsible both for (i) working directly with the President of the Clinic to the lead team of Vice Presidents in all aspects of management, and (ii) Sanford World Clinics operations, including the design, opening and operation of several global clinics. From



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1 2006 to 2008, I served as the Vice President of Sanford Clinic and was responsible for  
2 leading strategic, operational and financial aspects within Sanford Clinic. From 2004 to  
3 2006, I served as Director of Clinical Operations at Sanford Children's Specialty Clinic  
4 and led the Pediatric Subspecialty Physician program and the clinical practice through all  
5 facets of the operation.

6 5. Prior to Sanford Health, I served as the Director of Engineering and Six  
7 Sigma Master Black Belt at GE Medical Systems, and before that served as the Vice  
8 President of Research and Development and the Co-Owner/Founder of Micro Medical  
9 Systems. I have a bachelor of science in business administration and a masters of  
10 business administration in healthcare management.

11 6. I have reviewed the conditions proposed (the "Recommended Conditions")  
12 by JD Healthcare, Inc. ("JD Healthcare" or "Expert") to the California Attorney General  
13 (the "Attorney General") in the Health Care Impact Statements (the "Reports"), analyzing  
14 the proposed sale of St. Francis Medical Center ("St. Francis"), St. Vincent Medical  
15 Center (St. Vincent"), and Seton Medical Center, including its Daly City and Coastsides  
16 Campuses ("Seton") (collectively, the "Hospitals"), to Strategic Global Management, Inc.  
17 and its affiliated entities ("SGM"), as reflected in that certain Asset Purchase Agreement  
18 (the "APA").

19 7. Upon review of the Recommended Conditions, I urge the Attorney General  
20 not to issue the Recommended Conditions, and, instead, to impose the conditions to which  
21 SGM has agreed to in Schedule 8.6 to the APA.

22 8. As explained below in detail, the Attorney General should not impose the  
23 Recommended Conditions because they do not take into consideration the negative  
24 economic impact of the Recommended Conditions nor the negative economic impact of  
25 the previously imposed conditions on the Hospitals (the "2015 Conditions").

26 9. The Attorney General should exercise his oversight responsibilities and  
27 discretion to impose conditions that consider the economic impact to the Hospitals.

28 10. My extensive experience in healthcare has helped me understand and



1 navigate the complex problems threatening the Hospitals.

2 11. Two competing issues were immediately apparent upon my appointment as  
3 CEO: the Hospitals are (i) critically important to the communities they serve, but (ii) are  
4 damaged financially as a result of cumulative decisions made in the last two decades.

5 12. After overseeing the operations and financial performance of the Hospitals, I  
6 concluded that the only feasible path to maintain Hospital operations was to initiate a  
7 bankruptcy process that would allow the transfer of the Hospitals to more financially  
8 stable operators, reduce existing liabilities, and commence a process in cooperation with  
9 the Attorney General to ensure the continued viability of these important community  
10 assets.

11 13. While SGM has the ability to keep these Hospitals open and help them to  
12 prosper, the Attorney General's role in that process cannot be understated.

13 14. Specifically, to fix the problems that presently threaten the Hospitals  
14 continued viability, the Attorney General must consider the pragmatic realities of the  
15 Hospitals' operations.

16 15. The Hospitals require operational flexibility to address the fast-paced  
17 changes in the healthcare market. I will use a specific example to illustrate my point.  
18 One of the 2015 Conditions requires that St. Francis maintains a fixed number of beds for  
19 pediatric patients. However, and by way of example, children in the St. Francis service  
20 area often go to the nearby children's hospital for treatment (e.g., Miller Children's,  
21 Children's Hospital of Los Angeles, and Women's Hospital). Consequently, St. Francis  
22 does not utilize many of the beds it is required to maintain pursuant to the condition.  
23 This results in unnecessary operating costs without attendant increases in revenue and,  
24 more importantly, prevents St. Francis from instead applying its resources to address the  
25 demonstrated needs of the community. In addition, these pediatric beds are needed as  
26 general adult inpatient beds. Put simply, 2015 Conditions do not reflect the needs of the  
27 market place. This is one of many examples that is repeated across service lines affected  
28 by the 2015 Conditions.



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1           16. The payor contracts present another example of the negative impact of the  
2 2015 conditions on the Hospitals. In my experience, I have never seen a set of conditions  
3 that obligate the Hospitals, as providers, to accept a particular payor's contract no matter  
4 how disadvantageous the terms and conditions. The Attorney General's mandated  
5 requirement to remain in an economically damaging relationship obliterates the Hospitals'  
6 ability to negotiate appropriate terms, including reimbursement consistent with market  
7 conditions. The Hospital payor contracts are below-market as a result of many years of  
8 poor payor contract negotiations coupled with the 2015 Conditions. Stated differently,  
9 through the imposition of the conditions, the Attorney General transfers negotiating  
10 leverage to the payors and leaves the Hospitals severally disadvantaged. While the  
11 Attorney General certainly may not have intended that result at the time the 2015  
12 Conditions were imposed, the 2015 Conditions had that impact and accelerated and  
13 contributed to the threats facing the Hospitals today.

14           17. While the impact reports provide a significant amount of information  
15 related to the Hospital's background and the SGM transaction, the reports are lacking (i)  
16 any analysis of the economic impact the 2015 Conditions have had on the Hospitals, and  
17 (ii) any cost benefit analysis of the Recommended Conditions.

18           18. Without regard to the economic and community realities, certain  
19 Recommended Conditions force the Hospitals to maintain programs that not only suffer  
20 significant losses an annual basis, but are unnecessary because the same services (and in  
21 some instances, more comprehensive services) are already provided at other Hospitals in  
22 the area.

23           19. The Attorney General's consideration of the economic impact of the  
24 Recommended Conditions is critical. As a Hospital operator, I know the 2015 Conditions  
25 were too burdensome and hampered the Hospitals ability to prosper, as discussed above.  
26 Verity, its employees, tens of thousands of vendors and other parties have made tireless  
27 efforts during the sale process to ensure high quality continued patient care and to take the  
28 necessary steps that would allow the Hospitals to be sold to a new operator that could



1 successfully operate the Hospitals. The Bankruptcy Court has now approved the sale to  
2 SGM, which paves the way for these Hospitals and the communities they serve to  
3 continue the Hospitals' mission of quality patient care.

4 20. The alternative to an SGM sale is, most likely, the closure of SVMC and  
5 Seton in light of their unsustainable operating losses, the absence of an interested viable  
6 purchaser that would continue operations as acute care hospitals, and the almost certain  
7 lack of financing to sustain their operations.

8 21. While SFMC would most likely attempt a private sale in the bankruptcy  
9 cases, I foresee significant challenges. SFMC's financial performance may be stronger  
10 during parts of the year than the other Hospitals; however, SFMC relies significantly on  
11 the Verity Hospital System to borrow an excess of \$35 million throughout the year to  
12 achieve its financial success and has not demonstrated an ability to independently manage  
13 large working capital fluctuations. The administrative expenses and risks associated with  
14 continuing the cases to attempt to identify a new buyer other than SGM, further threaten  
15 the Debtors' ability to finance and sell the Hospitals as going concerns and related  
16 recoveries to constituents. These threats are borne directly by the communities served by  
17 the Hospitals, their patients, employees, and other critical stakeholders, and are material  
18 considerations with which to assess the proposed SGM sale.

19 22. The Reports recognize the unique role the Hospitals play in their  
20 communities. Although I disagree with the specifics of the Recommended Conditions, I  
21 believe it is indisputable that the Hospitals provide access to essential healthcare services  
22 in their communities. Faced with the possibility of losing the Hospitals in their entirety,  
23 rote application of the 2015 Conditions should yield to the pragmatics of economics and  
24 demonstrable patient care and community need.

25 23. If the SGM transaction does not close, the Debtors, employees, pension  
26 holders, other stakeholders, and community members, would be exposed to significant  
27 and unrecoverable health care and economic loss.

28 24. Among the stakeholders which will be harmed by a failed SGM sale are the



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1 vendors that have supported the Hospitals by providing credit terms throughout these  
2 cases. Under the SGM sale, these creditors will receive payment for their support of the  
3 Hospitals during the sale process. A failed sale to SGM would put that at risk. In  
4 addition, there are thousands of vendors whose contracts will likely be assumed by SGM  
5 in the sale. Consequently, these vendors will be paid for their pre-petition claims, an  
6 estimated total recovery for these vendors of \$50 million. Even those vendors whose  
7 contracts are not assumed by SGM are still expected to receive millions of dollars of  
8 recoveries. In total, the failed sale to SGM would cost these vendors tens of millions of  
9 dollars in recoveries. Further, there would be a loss of future income for services  
10 provided to the operating Hospitals on a go-forward basis.

11 25. The Hospitals have approximately 4,900 employees. SGM has committed  
12 to retain “substantially all” employees of the Debtors, as set forth in the APA.

13 26. The SGM sale presents the Debtors’ stakeholders with the best possible  
14 alternative, and the failure of the SGM transaction will likely result in a loss of healthcare  
15 access for vulnerable populations, as well as jobs of thousands of employees.

16 27. Based on the foregoing, I request the Attorney General carefully consider  
17 the foregoing and not impose conditions that would threaten to close the Hospitals or  
18 otherwise unwind stakeholders’ heroic efforts to save these Hospitals.

19 I declare under penalty of perjury under the laws of the United States that the  
20 foregoing is true and correct.

21 Executed this 23rd day of August, 2019, in Santa Monica, California.

22  
23  
24  
25  
26  
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28  


Richard G. Adcock



**DECLARATION OF ANITA CHOU**

I, Anita Chou, declare, that if called as a witness, I would and could testify as follows based on my own personal knowledge.

1. I am the Chief Financial Officer (“CFO”) of Verity Health System of California, Inc. (“VHS”). I became the Debtors’ acting CFO on August 20, 2018, and on August 29, 2018, the board of directors appointed me as the CFO. Prior to my appointment as acting CFO, I served as the VHS SVP Hospital Finance, with oversight responsibilities over all of Verity Health System hospitals’ CFOs from February 1, 2018 until August 19, 2018, and as the St. Vincent Medical Center CFO from March 2016 to February 2018. Prior to VHS, I spent three years at Prospect Medical Holdings from March 2013 to March 2016 in various senior level corporate finance positions including Hospital System CFO, ten years as the controller for three different hospital and hospital systems (*e.g.*, Saint John’s Health Center & Affiliates, Valley Presbyterian Hospital, and USC Kenneth Norris Jr. Cancer Hospital), and three years as a Financial Market Analyst for El Camino Hospital. I received my Masters in Health Administration from the University of Southern California in 2005, and my Bachelor of Science from University of California, San Diego in 1998.

2. Debtor VHS, a California non-profit public benefit corporation, is the sole corporate member of the five debtor California non-profit public benefit corporations that operated six acute care hospitals (the “Hospitals”), including St. Francis Medical Center (“SFMC”), St. Vincent Medical Center (“SVMC”) and Seton Medical Center, which includes its Daly City and Coastsides Campuses (“Seton”). Seton operates under one consolidated general acute care hospital license. VHS, the Hospitals and their affiliated entities operated as a non-profit healthcare system in the State of California.

3. The statements herein are based upon my personal knowledge of the facts and information gathered by me in my capacity as CFO for VHS.

4. I have reviewed the Health Care Impact Statements (the “Reports”), analyzing the proposed sale of SFMC, SVMC and Seton to Strategic Global Management, Inc., and its affiliated entities (“SGM”), as reflected in that certain Asset Purchase Agreement (the “APA”).



1           5.       The report on SFMC, at pages 92-96, the report on SVMC, at pages 87-90, and the  
2 report on Seton, at pages 88-92, set forth JD's recommended conditions (the "Recommended  
3 Conditions") for the transactions to the California Attorney General (the "Attorney General"). I  
4 urge the Attorney General not to issue the proposed conditions and, instead, to impose the  
5 conditions to which SGM has agreed in Schedule 8.6 to the APA.

6           6.       The Recommended Conditions for SFMC, SVMC and Seton that deviate from  
7 Schedule 8.6 attached to the APA are "deal breakers" and should not be imposed by the Attorney  
8 General.

9       **A.    St. Francis**

10          7.       The Recommended Conditions for SFMC include a requirement that, for at least 10  
11 years from the closing date, SFMC maintain cancer services. The current cost to maintain cancer  
12 treatment at SFMC exceeds \$11 million annually, which includes the financial advantages that  
13 permit SFMC, as a non-profit hospital, to use the 340B program. The 340B Drug Discount Program  
14 is a U.S. federal government program that requires drug manufacturers to provide outpatient drugs  
15 to eligible health care organizations and covered entities at significantly reduced prices. SGM will  
16 operate SFMC as a for-profit enterprise, and, therefore, the 340B program will no longer be  
17 available, increasing the cost of pharmaceuticals, and, therefore, the cancer program, by \$262,000  
18 per year.

19          8.       The Recommended Conditions include a requirement that, for at least 10 years from  
20 the closing date, SFMC maintain Wound Care Services. The Wound Care Clinic operated at a  
21 \$385,000 net loss in 2018 and is expected to continue to operate at a loss.

22          9.       The Recommended Conditions include a requirement that, for at least 10 years from  
23 the closing date, SFMC maintain its participation in the Medi-Cal Managed Care Program,  
24 continuing its contracts with LA Care Health Plan and Health Net Community Solutions. With  
25 Managed Medi-Cal rates that are significantly below market, such a restriction will continue to  
26 impose a financial burden upon SFMC as well as hinder its ability to negotiate appropriate payor  
27 rates. These contracts have not been renegotiated in the last 5 years in part due to the imposition of  
28 the conditions.



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**B. St. Vincent**

10. The Recommended Conditions for SVMC include a requirement that, for at least 5 years from the closing date, SVMC maintain cancer services. The cancer treatment program at SVMC operated at a net loss in 2018 of \$995,000. And, because SGM will operate SVMC as a for profit enterprise, SGM cannot utilize the benefit of the 340B program which will impose additional cost for pharmaceuticals by \$547,000 per year, exacerbating existing operating losses at the facility of over \$65 million annually. With the loss of the 340B program, cancer care at SVMC will operate at a projected increased net loss of approximately \$1.5 million per year.

11. The Recommended Conditions include a requirement that, for 5 years after the closing date, SVMC will continue to provide liver transplant service. The liver transplant program at SVMC started in calendar year 2019. In fact, performance projections prepared by a third-party expert consultant in transplant programs show a 5-year net loss of \$21 million for SVMC. Worse, currently SVMC is not receiving reimbursement for liver transplants because SVMC is still in process of being certified to perform these transplants. Finally, SGM will have to negotiate reimbursement rates with third party payors going forward which may not cover the cost of the surgeries.

12. The Recommended Conditions include a requirement that for 5 years from the closing date, SVMC shall maintain its participation in the Medi-Cal Managed Care program, including continuing contracts with LA Care Health Plan and Health Net Community Solutions, Inc. Just as in the case with SFMC, with Managed Medi-Cal rates that are significantly below market, such a restriction will continue to impose a financial burden upon SVMC as well as hinder its ability to negotiate appropriate payor rates. These contracts have not been renegotiated in more than 5 years in part due to the imposition of the conditions.

**C. Seton and Seton Coastsides**

13. The Recommended Conditions include a requirement that for 6 years Seton continue to offer cancer services at its Daly City Campus. The cancer services at Seton operated at a net loss of \$3.8 million in 2018. The loss of the 340B program will increase costs by \$3 million, of which \$2.6 million is attributable to the loss of infusion therapy services. It is not financially



1 feasible to operate a cancer program at a continuing loss of nearly \$7 million per year for a facility  
2 that is currently operating at a loss of \$60 million annually.

3 I declare under penalty of perjury that, to the best of my knowledge and after reasonable  
4 inquiry, the foregoing is true and correct.

5 Executed this 23rd day of August, 2019, in El Segundo, California.

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8 Anita Chou  
9 Chief Financial Officer  
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DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



**DECLARATION OF TIRSO DEL JUNCO, JR., M.D.**

I, Tirso del Junco, Jr., M.D., declare that if called as a witness, I would and could competently testify thereto, of my own personal knowledge as follows.

1. I am currently the Chief Medical Officer for Verity Health System of California, Inc. ("VHS"). I am licensed and authorized to practice medicine in the State of California. I have been with VHS since its beginning in December 2015. I have also served as VHS's Associate Chief Medical Officer and as St. Vincent Medical Center's Chief Medical Officer. Prior to joining VHS, I held several positions at Mission Community Hospital in Panorama City, including associate chief medical officer.

2. Debtor VHS, a California non-profit public benefit corporation, is the sole corporate member of the five debtor California non-profit public benefit corporations that operated six acute care hospitals (the "Hospitals"), including St. Francis Medical Center ("SFMC"), St. Vincent Medical Center ("SVMC") and Seton Medical Center, which includes its Daly City and Coastsides Campuses ("Seton"). Seton operates under one consolidated general acute care hospital license. VHS, the Hospitals and their affiliated entities operated as a non-profit health care system in the State of California.

3. The statements herein are based upon my personal knowledge of the facts and information gathered by me in my capacity the Chief Medical Officer for VHS.

4. I have read the Health Care Impact Statements (the "Reports") prepared by JD Healthcare ("JD") analyzing the proposed sale of SFMC, SVMC and Seton to Strategic Global Management, Inc., and its affiliated entities ("SGM").

5. The report on SFMC, at pages 92-96, the report on SVMC, at pages 87-90, and the report on Seton and Seton Coastsides, at pages 88-92, set forth JD's recommended conditions (the "Recommended Conditions") for the transactions to the California Attorney General (the "Attorney General").

6. The Recommended Conditions for SFMC, SVMC and Seton that deviate from Schedule 8.6 attached to the certain Asset Purchase Agreement are "deal breakers" and should not be adopted by the Attorney General.



**A. St. Francis Medical Center**

7. The Recommended Conditions for SFMC include a requirement that, for at least 10 years from the closing date, SFMC maintain cancer services, including radiation oncology. First, SFMC currently does not have a full complement of cancer services to offer its patients. In fact, SFMC offers *only* radiation oncology, and does not provide infusion chemotherapy and does not have a formal surgical oncology program; SFMC patients who need these services go to other hospitals. All three of those cancer services are currently being provided to patients within the area by Long Beach Memorial, Downy PIH, Torrance Memorial Medical Center and Lakewood Community Hospital. In other words, other hospitals within the area offer a full array of cancer services that SFMC does not offer, and those hospitals can thoroughly meet the needs for such services in the area. SFMC, as a non-profit hospital, receives the benefit of the 340B program. The 340B Drug Discount Program is a U.S. federal government program that requires drug manufacturers to provide outpatient drugs to eligible health care organizations and covered entities at significantly reduced prices. SGM will operate SFMC as a for-profit hospital, and, therefore, the 340B program will no longer be available, thereby increasing the cost of supplies.

8. The Recommended Conditions include a requirement that, for at least 10 years from the closing date, SFMC maintain wound care services. The report fails to note that the wound care clinic was re-licensed as a multi-specialty clinic in 2019 (for gastrointestinal services and general surgery, among other specialties); requiring SFMC to continue to provide wound care in the multi-specialty clinic would prevent SFMC from providing in the same clinic at the same time—multi-specialty services to meet community needs. In addition, the report fails to note that the hyperbaric chamber that was utilized in connection with such wound care services was removed by the vendor in 2018. Other hospitals in the area provide wound care services for patients, including Long Beach Memorial, Torrance Memorial and Downey PIH.

**B. St. Vincent Medical Center**

9. The Recommended Conditions include a requirement that, for at least 5 years from the closing date, SVMC maintain cancer services, including radiation oncology. As is the case with SFMC, SVMC does *not* have a full complement of cancer services to offer its patients; SVMC does



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1 not provide infusion or infusion chemotherapy, and does not have a formal surgical oncology  
2 program. SVMC patients who require those services are required to go to other hospitals. All four  
3 of those services are currently being provided at California Hospital, Good Samaritan, White  
4 Memorial, Hollywood Presbyterian and the Norris Cancer Center at USC Keck. In other words,  
5 other hospitals within the area offer a full array of services that SVMC does not offer, thoroughly  
6 meeting the need for such services in the area. As is the case with SFMC, the 340B program, which  
7 permits SVMC as a non-profit hospital, to obtain cancer supplies, principally pharmaceuticals, from  
8 vendors at discounted pricing, cannot continue at SVMC because SGM will operate SVMC as a  
9 for-profit hospital. The inability to utilize the financial advantages of the 340B program will have  
10 a material impact, increasing costs to provide cancer care.

11 10. As to both SFMC and SVMC, there are three facilities designated as National  
12 Cancer Institutes within the Los Angeles area, including the Norris Cancer Center at Keck USC  
13 Medical Center, City of Hope and UCLA Medical Center. Those facilities provide superior cancer  
14 treatment to their patients. All three are within 25 miles of SFMC and SVMC.

15 11. The Recommended Conditions for SVMC include a requirement that, for 5 years  
16 after the closing date, SVMC continue to provide liver transplants. The liver transplant program at  
17 SVMC only started in 2019. The reality is that the community has 5 neighboring liver transplant  
18 centers, which provide the same transplant services as SVMC. The cost to maintain the services is  
19 high, best demonstrated by the fact that in regards to the 10 liver transplants surgeries performed  
20 so far in 2019, patients have stayed an average of 35 days, which is 15 days over the geometric  
21 mean length of stay ("GMLOS"), which is a benchmark to enable comparison of length of stay  
22 versus severity of illness, set forth by Medicare. Worse, at the present time, SVMC is not receiving  
23 reimbursements because it is awaiting Medicare review of the program for certification.

24 **C. Seton Medical Center and Seton Coastside**


25 12. The Recommended Conditions requiring Seton to provide cancer services at its Daly  
26 City Campus should not be required as a condition for approval of the sale by the Attorney General.

27 13. More specifically, the Recommended Conditions include a requirement that for 6  
28 years from the closing date, Seton shall maintain cancer services at its Daly City Campus, including



1 oncology services, radiation therapy and infusion services. Seton provides radiation oncology and  
2 infusion therapy, but does not have a formal surgical oncology program. Accordingly, just as is  
3 the case with SFMC and SVMC, Seton does not have the full complement of cancer services to  
4 offer its patients. Seton patients who need the full array of services, that includes surgical oncology,  
5 go to other hospitals. A full array of cancer services are currently being provided to patients within  
6 the area, at UCSF and Stanford, and at Mills Peninsula which is located within ten miles of Seton.  
7 Just as is the case with SFMC and SVMC, other hospitals within the area offer a full array of cancer  
8 services, thoroughly meeting the community's needs for such services. Finally, just as is the case  
9 with SFMC and SVMC, the 340B program cannot continue in a for-profit hospital as proposed by  
10 SGM for Seton. Accordingly, the cost for Seton to provide cancer care without the 340B program  
11 will dramatically increase.

12 I declare under penalty of perjury under the laws of the United State that the foregoing is  
13 true and correct. Executed this 23rd day of August, 2019, in Los Angeles, California.

14   
15 \_\_\_\_\_  
16 Tirso del Junco, Jr., M.D.



DECLARATION OF MAYA ALTMAN

I, Maya Altman, declare that I have personal knowledge of the facts set forth in this declaration and I would competently testify to them under oath if called as a witness.

1. I am the CEO for the Health Plan of San Mateo. My office is located at 801 Gateway Blvd., South San Francisco, California.

2. The Health Plan of San Mateo (HPSM) is a County Organized Health System (COHS) that contracts with the State of California to operate the Medi-Cal program in San Mateo County. HPSM is the single Medi-Cal plan in this county. HPSM contracts with providers in San Mateo County as well as nearby counties to provide health services, including long term care and skilled nursing care, for its members. Seton Medical Center and Seton Coastsides both currently contract with HPSM. HPSM has approximately 140,000 members; nearly all of them are enrolled in Medi-Cal or dually eligible for both Medicare and Medi-Cal.

3. I have been the CEO of HPSM since 2005. Prior to this position, I was the Director of Finance and Administration for the San Mateo County Health Department. I started with San Mateo County Health in 1994 and worked in various capacities before assuming responsibility for finance and administration.

4. I received a Master's Degree in Public Policy from the University of California at Berkeley, and a Bachelor of Arts degree from Bryn Mawr College.

5. Seton Medical Center and Seton Coastsides offer services to HPSM members that are unavailable or minimally available from other providers. For example, Seton Medical Center operates the only subacute unit in San Mateo County, a 44 bed unit fully occupied with nearly all Medi-Cal beneficiaries. Were Seton Medical Center to close, these ventilator dependent patients would have to be moved to facilities at a great distance from their families.

6. Seton Medical Center and Seton Coastsides operate a combined total of 155 skilled nursing facility beds. HPSM is gravely concerned about the erosion of SNF resources in San Mateo County and the Bay Area for people who are publicly insured

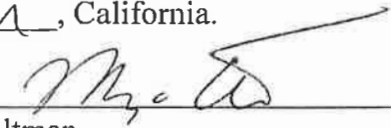


1 through Medi-Cal and Medicare. This is a national trend but is especially problematic in  
2 San Mateo County where the population is aging faster than the rest of California. The  
3 county's population of residents over the age of 65 is projected to increase by 57% from  
4 91,447 in 2015 to 160,366 in 2030. San Mateo County's In Home Support Services  
5 (IHSS) Medi-Cal population is already 26% over the age of 85 compared to 15% in the  
6 rest of California. San Mateo County has already lost 264 licensed SNF beds since 2009,  
7 making it extremely difficult to place Medi-Cal enrollees who need this level of care in  
8 nursing facilities.

9 7. Were Seton Medical Center and Seton Coastside to close, Medi-Cal  
10 beneficiaries needing skilled nursing facilities would have to be placed in facilities far  
11 away, most likely outside of the Bay Area and at a great distance from their families.

12  
13 I declare under penalty of perjury under the laws of the United States that the  
14 foregoing is true and correct.

15 Executed this 21<sup>st</sup> day of August, 2019, in South San Francisco, California.

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18 Maya Altman  
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# EXHIBIT G

EXHIBIT G Page 1 of 10  
Case 5:50-qb-01001-EB Doc 23-1 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT G



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Attorneys for Strategic Global Management, Inc.

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION**

In re  
  
VERITY HEALTH SYSTEM OF  
  
CALIFORNIA, INC., *et al.*,  
  
Debtors and Debtors in Possession.

- ☒ Affects All Debtors  
☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital Foundation  
☐ Affects St. Francis Medical Center of Lynwood Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures – San Jose ASC, LLC

Debtors and Debtors in Possession.

LEAD CASE NO.: 2:18-bk-20151-ER

CHAPTER: 11  
JOINTLY ADMINISTERED WITH:

CASE NO.: 2:18-bk-20162-ER  
CASE NO.: 2:18-bk-20163-ER  
CASE NO.: 2:18-bk-20164-ER  
CASE NO.: 2:18-bk-20165-ER  
CASE NO.: 2:18-bk-20167-ER  
CASE NO.: 2:18-bk-20168-ER  
CASE NO.: 2:18-bk-20169-ER  
CASE NO.: 2:18-bk-20171-ER  
CASE NO.: 2:18-bk-20172-ER  
CASE NO.: 2:18-bk-20173-ER  
CASE NO.: 2:18-bk-20175-ER  
CASE NO.: 2:18-bk-20176-ER  
CASE NO.: 2:18-bk-20178-ER  
CASE NO.: 2:18-bk-20179-ER  
CASE NO.: 2:18-bk-20180-ER  
CASE NO.: 2:18-bk-20181-ER

**STATEMENT OF STRATEGIC GLOBAL  
MANAGEMENT, INC. IN SUPPORT OF  
“DEBTORS’ EMERGENCY MOTION FOR  
THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER  
AUTHORIZING THE SALE TO  
STRATEGIC GLOBAL MANAGEMENT,  
INC; (II) FINDING THAT THE SALE IS  
FREE AND CLEAR OF CONDITIONS  
MATERIALLY DIFFERENT THAN  
THOSE APPROVED BY THE COURT . . .”**

Hearing:

Date: October 15, 2019

Time: 10:00 a.m.

Place: Courtroom 1568

255 East Temple Street  
Los Angeles, CA 90012





Strategic Global Management, Inc. (“SGM”) submits its statement in support of the “Debtor’s Emergency Motion For Entry Of An Order: (I) Enforcing The Order Authorizing The Sale To Strategic Global Management, Inc; (II) Finding That The Sale Is Free And Clear Of Conditions Materially Different Than Those Approved By The Court; (III) Finding That The Attorney General Abused His Discretion In Imposing Conditions On That Sale; And (IV) Granting Related Relief” [Doc. No. 3188] (the “Motion”) filed by Verity Health Systems of California, Inc., *et al.* (the “Debtors” or “Verity,” and together with SGM, the “APA Parties”), and respectfully represents as follows:

I.

**STATEMENT IN SUPPORT OF MOTION**

1. After careful review of the additional conditions (the “Additional Conditions”) imposed by the California Attorney General (the “Attorney General”) on the sale (the “Sale”) of St. Vincent Medical Center, St. Vincent Dialysis Center, St. Francis Medical Center, and Seton Medical Center (including its Seton Medical Center Coastside campus) (collectively, the “SGM Hospitals”), SGM has determined that:

- (1) the Additional Conditions are materially different from, and inconsistent with the “bargained for” negotiated conditions (the “Negotiated Conditions”) agreed upon by the APA Parties, as set forth in Schedule 8.6 of the asset purchase agreement (the “APA”);
- (2) the Additional Conditions are unacceptable to SGM; and
- (3) SGM will not close the Sale unless the Debtors timely obtain an order from the Court finding that the Additional Conditions are “interests in property” that can be sold free and clear pursuant to Section 363(f) of the Bankruptcy Code, as described more fully in Section 8.6 of the APA (the “Free and Clear Order”).

2. The AG’s decision to impose the Additional Conditions (the “Decision”) – despite the AG being previously informed that SGM would not close the Sale if any additional material, or more onerous conditions are imposed to the Negotiated Conditions – now entitles SGM to “terminate the [APA] and receive the return of its Good Faith Deposit” if the Debtors determine not to seek, or cannot timely (*i.e.*, within 60 days of the Decision) an order from this Court



1 finding “that the Additional Conditions are an ‘interest in property’ for purposes of 11 U.S.C. §  
2 363(f), and that the assets can be sold free and clear of the Additional Conditions without the  
3 imposition of any other conditions, which would adversely affect the Purchaser.” *See* (APA §  
4 8.6) (“Attorney General Provisions”).

5 3. As described in the “*Declaration of Peter Baronoff*” filed on September 30, 2019,  
6 the contents of which are incorporated herein by this reference, the issue regarding the  
7 prospective conditions that might be imposed by the Attorney General (the “AG Conditions  
8 Issue”) was one of the most negotiated issues, and important subjects to SGM.

9 4. Specifically, over the course of several months from November 2018 to February  
10 2019, SGM discussed with the Debtors’ representatives the possible acquisition of the SGM  
11 Hospitals. During these discussions, there were innumerable issues that the APA Parties  
12 confronted, discussed, negotiated, and ultimately resolved when a final agreement on the form  
13 and terms of the APA was reached.

14 5. One of the most important, and intensely negotiated, subjects during these  
15 discussions involved the AG Conditions Issue. SGM was aware from its previous attempt to  
16 acquire another hospital in the Gardens Regional Hospital Chapter 11 case before this court, and  
17 from other bankruptcy cases in which it was involved that its acquisition of the SGM Hospitals  
18 would undergo an approval process by the Attorney General and recognized the importance of  
19 negotiating a provision in the APA that would protect it from the possibility that the Attorney  
20 General would impose onerous conditions on the Sale, which would be unacceptably burdensome  
21 to it from a financial standpoint or otherwise. As a result, the APA Parties spent an enormous  
22 amount of time negotiating the provisions of what became Section 8.6 (and Schedule 8.6  
23 referenced therein) of the APA.

24 6. Section 8.6 of the APA was designed to create a process by which the APA Parties  
25 could address potential problems created by the imposition of Additional Conditions, which were  
26 not acceptable to SGM. In essence, the APA Parties agreed that if the Attorney General imposed  
27 unacceptable Additional Conditions, SGM would not be obligated to close the Sale unless the  
28 Debtors timely obtained a Free and Clear Order from the Court. The “Additional Conditions”



referred to in Section 8.6 of the APA were those conditions which, individually or in the aggregate, imposed on SGM \$5 million or more of costs beyond the cost of the conditions which SGM had agreed to accept, as set forth in Schedule 8.6 to the APA.

7. Here, the Additional Conditions are materially different from, and inconsistent with the Negotiated Conditions set forth in Schedule 8.6 to the APA. SGM has advised the Debtors that it will not close the Sale unless the Debtors timely obtain a Free and Clear Order from the Court, and otherwise comply with section 8.6 and all other conditions to closing.

8. SGM reserves any and all arguments and rights that it may have pertaining to the Sale, APA, and ability to terminate the APA (including, but not limited to, termination of the APA if the Free and Clear Order does not timely become “a final, non-appealable order,” as defined in the APA).

## II.

### CONCLUSION

For the foregoing reasons, SGM respectfully requests that the Court grant the Motion, and grant such other and further relief as is just and appropriate.

Dated: October 10, 2019

LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.

By: /s/ Gary E. Klausner  
Gary E. Klausner  
Jeffrey S. Kwong  
Counsel for Strategic Global Management, Inc.



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067.

A true and correct copy of the foregoing document entitled **STATEMENT OF STRATEGIC GLOBAL MANAGEMENT, INC. IN SUPPORT OF "DEBTORS' EMERGENCY MOTION FOR THE ENTRY OF AN ORDER: (I) ENFORCING THE ORDER AUTHORIZING THE SALE TO STRATEGIC GLOBAL MANAGEMENT, INC; (II) FINDING THAT THE SALE IS FREE AND CLEAR OF CONDITIONS MATERIALLY DIFFERENT THAN THOSE APPROVED BY THE COURT . . ."** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **October 10, 2019**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Alexandra Achamallah aachamallah@milbank.com, rliubicic@milbank.com
- Melinda Alonzo ml7829@att.com
- Robert N Amkraut ramkraut@foxrothschild.com
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**2. SERVED BY UNITED STATES MAIL:** On **October 10, 2019**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **October 10, 2019**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

**Served via Attorney Service**

The Honorable Ernest M. Robles  
United States Bankruptcy Court  
Edward R. Roybal Federal Building  
255 E. Temple Street, Suite 1560  
Los Angeles, CA 90012

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

**October 10, 2019**

Lisa Masse

/s/ Lisa Masse

Date

Type Name

Signature



# EXHIBIT H

EXHIBIT H Page 1 of 52  
Case 5:50-cv-01001-EB Doc 23-8 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT H



FILED & ENTERED

OCT 23 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors in Possession.,

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**MEMORANDUM OF DECISION GRANTING  
DEBTORS' EMERGENCY MOTION TO ENFORCE  
THE SALE ORDER [DOC. NO. 3188]**

Date: October 15, 2019

Time: 10:00 a.m.

Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012



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Before the Court is the Debtors' motion to sell four not-for-profit hospitals free and clear of regulatory conditions which the California Attorney General claims authority to impose under Cal. Corp. Code § 5914. For the reasons set forth below, the Court finds that § 363 of the Bankruptcy Code authorizes a sale free and clear of the conditions which the Attorney General contends he is authorized to impose.

## I. Facts

On August 31, 2018 (the "Petition Date"), Verity Health Systems of California ("VHS") and certain of its subsidiaries (collectively, the "Debtors") filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Debtors' cases are being jointly administered.

As of the Petition Date, the Debtors operated six acute care hospitals in the state of California. On December 27, 2018, the Court authorized the Debtors to sell two of their hospitals—O'Connor Hospital and Saint Louise Regional Hospital—to Santa Clara County (the "Santa Clara Sale").<sup>1</sup> The Santa Clara Sale closed on February 28, 2019.

On February 19, 2019, the Court entered an order establishing bidding procedures (the "Bidding Procedures Order") for the auction of the Debtors' four remaining hospitals—St. Francis Medical Center ("St. Francis"), St. Vincent Medical Center (including St. Vincent Dialysis Center) ("St. Vincent"), Seton Medical Center ("Seton"), and Seton Medical Center Coastside ("Seton Coastside") (collectively, the "Hospitals"). Under the Bidding Procedures Order, Strategic Global Management ("SGM") was designated as the stalking horse bidder. SGM's bid for all four of the Hospitals was \$610 million.

The Hospitals were extensively marketed by the Debtors' investment banker, Cain Brothers, a division of KeyBank Capital Markets, Inc. ("Cain Brothers"). Cain Brothers notified ninety parties of the auction process. Sixteen of these parties requested continued access to a data room containing information about the Hospitals.

Notwithstanding Cain Brothers' thorough marketing efforts, the Debtors did not receive any qualified bids for all of the Hospitals. The Debtors received one bid to purchase only St. Vincent and one bid to purchase only St. Francis. After consulting with the Official Committee of Unsecured Creditors (the "Committee") and the largest secured creditors, the Debtors determined not to conduct an auction. On May 2, 2019, the Court entered an order finding that SGM was the winning bidder and approving the sale to SGM (the "SGM Sale").

In 2015, prior to the commencement of these cases, the Debtors' predecessor sought authorization from the California Attorney General (the "Attorney General"), pursuant to Cal. Corp. Code § 5914, to implement a *System Restructuring and Support Agreement* (the "Restructuring Agreement"). The Attorney General approved the Restructuring Agreement, subject to various conditions (the "2015 Conditions"). Among other things, the 2015 Conditions required capital expenditures to make the Hospitals seismically compliant, and required the Hospitals to maintain specified levels of emergency services, intensive care services, cardiac services, and various other services.

Cal. Corp. Code § 5914 requires a non-profit entity operating a health facility to obtain approval from the Attorney General when selling a material amount of its assets to a for-profit entity. Pursuant to Cal. Corp. Code § 5914, the Debtors submitted the SGM Sale to the Attorney General for review.

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<sup>1</sup> For a description of the Santa Clara Sale, see *In re Verity Health Sys. of California, Inc.*, 598 B.R. 283 (Bankr. C.D. Cal. 2018) ("*Verity I*").



The Asset Purchase Agreement under which SGM agreed to purchase the Hospitals (the “APA”) provided that SGM would close the sale so long as any conditions imposed by the Attorney General under the review process set forth in Cal. Corp. Code § 5914 were substantially consistent with conditions that SGM had agreed to accept (the “Approved Conditions”).<sup>2</sup> In the event that the Attorney General sought to impose conditions materially different from the Approved Conditions (the “Additional Conditions”), the APA provided that the Debtors would have an opportunity to seek a determination from the Court that the Hospitals could be sold free and clear of the Additional Conditions under § 363(f) of the Bankruptcy Code. Under the APA, Additional Conditions imposing upon SGM costs of \$5 million or more are conclusively deemed to be materially different from the Approved Conditions. Further, if the Debtors fail to obtain a final, non-appealable order authorizing the sale free and clear of the Additional Conditions, SGM is not obligated to close on the sale and is entitled to a refund of its good faith deposit.

On September 25, 2019, the Attorney General consented to the SGM Sale, subject to various conditions (the “2019 Conditions”). The 2019 Conditions are materially different from the Approved Conditions that SGM had agreed to accept. In particular, two of the 2019 Conditions impose an additional financial burden upon SGM of approximately \$305 million. First, the 2019 Conditions require that SGM continue to operate St. Vincent as a licensed general acute care hospital through December 2024. SGM had agreed to maintain St. Vincent’s general acute care license only through December 2020. SGM estimates that continuing to operate St. Vincent as a general acute care hospital for an additional four years would cost approximately \$285 million. Second, the 2019 Conditions require St. Francis to provide annual charity care in an amount of \$12,793,435 for six fiscal years. The required charity care amount is approximately \$6.4 million more than the charity care that St. Francis provided in fiscal year 2019. The charity care requirement imposes an additional incremental cost of approximately \$20 million.

SGM will not close the sale absent an order finding that the Hospitals can be sold free and clear of the Additional Conditions pursuant to § 363(f). If the SGM Sale does not close, the most likely outcome will be the closure of St. Vincent, Seton, and Seton Coastside. The Debtors would be required to close these three Hospitals to conserve resources to continue to operate St. Francis, the most solvent of the Hospitals, during the time it would take to obtain approval of a sale of St. Francis. The Debtors cannot continue to sustain operational losses of approximately \$450,000 per day without the prospect of a prompt sale. There is no back-up bidder to purchase the Hospitals if the SGM Sale does not close.

The Debtors are facing very significant liquidity constraints. Recently, the California Department of Health Care Services (the “DHCS”) began withholding certain Medi-Cal fee-for-service payments owed to the Debtors, for the purposing of recovering alleged Medi-Cal overpayments. As of the beginning of October 2019, DHCS had withheld approximately \$4.5 million. The Debtors do not have the ability to borrow under any debtor-in-possession financing facility. At this time, the Debtors’ cases are being financed by a consensual cash collateral stipulation executed between the Debtors and the principal secured creditors (the “Cash Collateral Stipulation”). Termination of the APA constitutes an event of default under the Cash Collateral Stipulation. It is unclear whether the Debtors would be able to obtain alternative financing. Further, the Debtors must begin the expensive process of closing the Hospitals while

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<sup>2</sup> The Approved Conditions are set forth in Schedule 8.6 of the APA.



they still possess a significant cash buffer.<sup>3</sup> In short, the Debtors' prediction that failure of the SGM Sale would necessitate the closure of St. Vincent, Seton, and Seton Coastsides is not a bluff.

The Attorney General asserts that imposition of the 2019 Conditions will not result in the closure of St. Vincent, Seton, or Seton Coastsides. The Attorney General points to a declaration from Kenneth Sim, M.D. (the "Sim Decl."), the Chairman of Allied Physicians of California, A Professional Medical Corporation ("Allied"). According to the Attorney General, the Sim Decl. shows that Allied is prepared to acquire Seton and Seton Coastsides and operate both Hospitals in accordance with the 2019 Conditions.

Contrary to the Attorney General's characterization, the Sim Decl. provides no certainty that a sale of Seton and Seton Coastsides will occur. The Sim Decl. states only that "Allied remains interested in purchasing Seton ...." Sim Decl. at ¶ 5. The Court further notes that Allied did not timely submit a qualified bid for Seton. At this late stage in the proceedings, Allied's vague statement that it is "interested" in purchasing Seton and Seton Coastsides does nothing to dissuade the Court from its conclusion that absent consummation of the SGM Sale, Seton and Seton Coastsides will most likely close.

The Attorney General also points to a bid for the Hospitals submitted by Prime Healthcare ("Prime"). The Attorney General overlooks the Prime did not submit a qualified bid. Among other things, Prime failed to submit the mandatory good faith deposit. In fact, Prime itself recognized that its "bid will not be formally considered at auction" and was submitted only "for reference."<sup>4</sup> Further, Prime stated that it did not want to serve as a back-up bidder.<sup>5</sup> In short, Prime's offer to purchase the Hospitals is just as illusory as Allied's.

Finally, the Attorney General points to an offer by AHMC Healthcare, Inc. ("AHMC Healthcare") to purchase St. Francis. The Attorney General is correct that AHMC submitted a qualified bid to purchase St. Francis. However, even assuming that AHMC would follow through on its prior bid to purchase St. Francis, that still would not prevent the closure of St. Vincent, Seton, and Seton Coastsides. As discussed above, the Debtors lack sufficient cash to continue operating all four Hospitals during the time it would take for a sale of St. Francis to close. The Debtors would be required to close St. Vincent, Seton, and Seton Coastsides to conserve the cash necessary to operate St. Francis during the sale process.

It is against this backdrop that the Debtors move for authorization to sell the Hospitals free and clear of the Additional Conditions, pursuant to § 363(f). The Debtors argue that the Additional Conditions constitute an "interest in property" within the meaning of § 363(f), and that a sale free and clear of the 2019 Conditions may be authorized under § 363(f)(1), (4), or (5), for the following reasons:

- Pursuant to § 363(f)(1), the Hospitals may be sold under applicable nonbankruptcy law, because under California law, the purchaser of assets does not assume successor liability.
- Pursuant to § 363(f)(4), the validity of the Additional Conditions is subject to a *bona fide* dispute, because the Attorney General abused his discretion in imposing the Additional Conditions.

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<sup>3</sup> For a description of the difficulties associated with closing a much smaller hospital, see *In re Gardens Reg'l Hosp. & Med. Ctr., Inc.*, 567 B.R. 820, 829 (Bankr. C.D. Cal. 2017), *appeal dismissed*, No. 2:16-BK-17463-ER, 2018 WL 1229989 (C.D. Cal. Jan. 19, 2018).

<sup>4</sup> April 3, 2019 E-mail from Prime to the Debtors [Doc. No. 3333, Ex. 6].

<sup>5</sup> *Id.*



- Pursuant to § 363(f)(5), the Attorney General could be compelled to accept a money satisfaction of certain of the Additional Conditions, such as the condition that SGM provide specified levels of charitable care.

The Debtors assert that imposition of the Additional Conditions violates § 525, which prohibits government entities from discriminating against debtors who have failed to pay dischargeable debts when issuing licenses. According to the Debtors, the Additional Conditions constitute an attempt by the Attorney General to collect a dischargeable debt. The Debtors' theory is that Attorney General's refusal to approve the SGM Sale absent imposition of the Additional Conditions amounts to the discriminatory denial of licensure in contravention of § 525.

Finally, the Debtors request that the Court issue a writ of mandate compelling the Attorney General to approve the SGM Sale without imposition of the Additional Conditions, pursuant to Cal. Civ. Proc. Code § 1085 or § 1094.5. The Debtors assert that a writ of mandate is justified because the Attorney General abused his discretion by imposing the Additional Conditions.

The Committee supports the Motion. The Committee argues that prompt closing of the SGM Sale is the best means of insuring a distribution to unsecured creditors.

The Attorney General opposes the Motion. He disputes the Debtors' contention that the Hospitals may be sold under applicable nonbankruptcy law, or that a bona fide dispute exists as to the Attorney General's authority to impose the Additional Conditions. The Attorney General denies that he abused his discretion in imposing the Additional Conditions. He notes that he considered an extensive record in arriving at the Additional Conditions, and states that the Debtors' dislike of the Additional Conditions does not mean that imposing the conditions was an abuse of discretion.

Service Employees International Union, United Healthcare Workers-West ("SEIU-UHW"), which represents approximately 1,303 employees at St. Vincent and St. Francis, opposes the Motion. SEIU-UHW contends that the Additional Conditions are economically feasible for SGM.

The United Nurses Association of California/Union of Health Care Professional ("UNAC"), which represents approximately 900 registered nurses at St. Francis, urges SGM, the Attorney General, and the Debtors to explore prospects for a consensual resolution with respect to the Additional Conditions.

## II. Discussion

Section 363(d)(1) authorizes non-profit entities, such as the Debtors, to sell estate assets only if the sale is "in accordance with nonbankruptcy law applicable to the transfer of property by" a non-profit entity. Section 541(f) similarly provides that property held by debtors that are § 501(c)(3) corporations under the Internal Revenue Code may be transferred, but "only under the same conditions as would apply if the debtor had not filed a case under this title." Section 363(b) authorizes the Debtors to sell estate property out of the ordinary course of business, subject to court approval. The Debtors must articulate a business justification for the sale. *In re Walter*, 83 B.R. 14, 19–20 (9th Cir. BAP 1988). Whether the articulated business justification is sufficient "depends on the case," in view of "all salient factors pertaining to the proceeding." *Id.* at 19–20. Section 363(f) provides that a sale of estate property may be "free and clear of any interest in such property of an entity other than the estate," provided that certain conditions are satisfied.



**A. The Additional Conditions are an “Interest in Property” Within the Meaning of § 363(f)**

As this Court has previously explained:

The Bankruptcy Code does not define the phrase “interest in ... property” for purposes of § 363(f). The Third Circuit has held that the phrase “interest in ... property” is “intended to refer to obligations that are connected to, or arise from, the property being sold.” *Folger Adam Sec., Inc. v. DeMatteis/MacGregor JV*, 209 F.3d 252, 259 (3d Cir. 2000). That conclusion is echoed by *Collier on Bankruptcy*, which observes a trend in caselaw “in favor of a broader definition [of the phrase] that encompasses other obligations that may flow from ownership of the property.” 3 Alan N. Resnick & Henry J. Sommer, *Collier on Bankruptcy* ¶ 363.06[1] (16th ed. 2017).

Courts have held that interests in property include monetary obligations arising from the ownership of property, even when those obligations are imposed by statute. For example, in *Mass. Dep’t of Unemployment Assistance v. OPK Biotech, LLC (In re PBBPC, Inc.)*, 484 B.R. 860 (1st Cir. BAP 2013), the court held that taxes assessed by Massachusetts under its unemployment insurance statutes constituted an “interest in ... property.” The taxes were computed based on the Debtor’s “experience rating,” which was determined by the number of employees it had terminated in the past. *Id.* at 862. Because the Debtor had terminated most of its employees prior to selling its assets, its experiencing rating, and corresponding unemployment insurance tax liabilities, were very high. *Id.* The *PBBPC* court held that the experience rating was an interest in property that could be cut off under § 363(f). *Id.* at 869–70. Similarly, in *United Mine Workers of Am. Combined Benefit Fund v. Leckie Smokeless Coal Co. (In re Leckie Smokeless Coal Co.)*, 99 F.3d 573, 581, the court held that monetary obligations imposed by the Coal Industry Retiree Health Benefit Act of 1992 constituted an “interest in ... property” within the meaning of § 363(f).

*In re Gardens Reg’l Hosp. & Med. Ctr., Inc.*, 567 B.R. 820, 825–26 (Bankr. C.D. Cal. 2017), appeal dismissed, No. 2:16-BK-17463-ER, 2018 WL 1229989 (C.D. Cal. Jan. 19, 2018) (“*Gardens P*”).

The Additional Conditions are an “interest in property” within the meaning of § 363(f). First, the Additional Conditions are monetary obligations arising from the ownership of property. Similar to the “experience rating” at issue in *PBBPC, Inc.*, the Additional Conditions were calculated based upon the Hospitals’ prior operating history. Among other things, the Additional Conditions require that SGM cause the Hospitals to provide specified levels of healthcare services. The required service levels have been set based upon the Hospitals’ historical operations. For example, the Additional Conditions require that St. Francis “maintain and provide 24-hour emergency and trauma medical services at no less than current licensure and designation with the same types and/or levels of services ....”<sup>6</sup> St. Francis is required to maintain cardiac services, critical care services, neonatal intensive services, women’s health services, cancer services, pediatric services, orthopedic and rehabilitation services, wound care services, behavioral health services, and perinatal services, all at “current licensures, types, and/or levels

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<sup>6</sup> St. Francis Conditions at § IV [Doc. No. 3188, Ex. B].



of services.”<sup>7</sup> St. Vincent, Seton, and Seton Coastsides are also required to maintain various healthcare services at current levels.<sup>8</sup>

Second, the Attorney General’s statutory authority to impose the Additional Conditions arises from the Debtors’ operation of the Hospitals as non-profit entities. Had the Debtors not operated the Hospitals in this manner, there could be no contention that the SGM Sale is subject to the Attorney General’s review pursuant to Cal. Corp. Code § 5914. In this sense as well, the Additional Conditions “arise from the property being sold,” *In re Trans World Airlines, Inc.*, 322 F.3d 283, 290 (3d Cir. 2003), and therefore qualify as an “interest in ... property” within the meaning of § 363(f).

Third, the Attorney General is barred by the law of the case doctrine from asserting that the Additional Conditions are not an “interest in ... property.” “Under the ‘law of the case’ doctrine, a court is ordinarily precluded from reexamining an issue previously decided by the same court, or a higher court, in the same case.” *Richardson v. United States*, 841 F.2d 993, 996 (9th Cir.), *amended*, 860 F.2d 357 (9th Cir. 1988). “For the doctrine to apply, the issue in question must have been ‘decided explicitly or by necessary implication in [the] previous disposition.’” *United States v. Lummi Indian Tribe*, 235 F.3d 443, 452 (9th Cir. 2000).

In connection with the Santa Clara Sale, the Court addressed the exact issue presented here—whether conditions that the Attorney General sought to impose upon the sale constituted an “interest in ... property” for purposes of § 363(f).<sup>9</sup> The Attorney General litigated the issue, and the Court overruled the Attorney General’s arguments.<sup>10</sup> The Attorney General voluntarily dismissed his appeal of the order finding that the conditions he sought to impose were an “interest in ... property.” The law of the case doctrine bars relitigation of the issue.

The doctrine of issue preclusion is a further bar to any attempt by the Attorney General to contest the Additional Conditions’ status as an “interest in ... property.” As explained by the Supreme Court, issue preclusion forecloses “‘successive litigation of an issue of fact or law actually litigated and resolved in a valid court determination essential to the prior judgment,’ even if the issue recurs in the context of a different claim.” *Taylor v. Sturgell*, 553 U.S. 880, 892, 128 S. Ct. 2161, 2171, 171 L. Ed. 2d 155 (2008) (internal citations omitted). The doctrine protects “against ‘the expense and vexation attending multiple lawsuits, conserve[s] judicial resources, and foster[s] reliance on judicial action by minimizing the possibility of inconsistent decisions.’” *Id.* Issue preclusion applies if “(1) the issue at stake was identical in both proceedings; (2) the issue was actually litigated and decided in the prior proceedings; (3) there was a full and fair opportunity to litigate the issue; and (4) the issue was necessary to decide the merits.” *Howard v. City of Coos Bay*, 871 F.3d 1032, 1041 (9th Cir. 2017).

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<sup>7</sup> *Id.* at § VI.

<sup>8</sup> See St. Vincent Conditions at § VI (setting forth a list of healthcare services that St. Vincent must maintain at current levels); see also Seton and Seton Coastsides Conditions at § VI (same).

<sup>9</sup> See *Verity I*, 598 B.R. at 293 (“The Conditions [imposed by the Attorney General] are an ‘interest in property’ within the meaning of § 363(f). The Conditions provide that any owner of the Hospitals must furnish specified levels of emergency services, intensive care services, cardiac services, and various other services. The required service levels were derived based upon the historical experience of the prior operator. As such, the Conditions are monetary obligations arising from the ownership of property.”).

<sup>10</sup> See generally *Verity I*.



The Attorney General has litigated the issue presented here, both in connection with the Santa Clara Sale and in connection with a sale in *Gardens I* (the “Gardens Sale”). Just as he did in the Santa Clara Sale, the Attorney General claimed in the Gardens Sale the regulatory authority to impose conditions. The Court found that the Attorney General’s claim to regulatory authority was an “interest in ... property” for purposes of § 363(f). *Gardens I*, 567 B.R. at 826. The Attorney General is precluded from relitigating the issue of whether his claimed authority to impose conditions on the SGM Sale is an “interest in ... property.”

**B. The Debtors May Sell the Hospitals Free and Clear of the Additional Conditions Pursuant to § 363(f)(1)**

Sale of the Hospitals may be free and clear of the Additional Conditions only upon satisfaction of one or more of the five disjunctive sub-factors set forth in § 363(f). Under § 363(f)(1), a sale free and clear may be approved if permitted by applicable nonbankruptcy law.

Applicable nonbankruptcy law permits a sale free and clear for two reasons. First, the Attorney General’s attempt to impose the Additional Conditions upon SGM is equivalent to an attempt to impose successor liability upon SGM. California law does not authorize the imposition of successor liability upon SGM. Second, even if the Attorney General were authorized to impose successor liability under California law, the Attorney General abused his discretion in imposing the Additional Conditions, meaning that the Additional Conditions must be set aside.

**1. California Law Does Not Authorize the Attorney General to Impose Successor Liability Upon SGM**

*i. The Additional Conditions Qualify as Successor Liability*

The Attorney General’s attempt to impose the Additional Conditions upon SGM qualifies as an attempt to impose successor liability upon SGM. The reason is that the Additional Conditions impose upon SGM many of the same obligations imposed upon the Debtors by the 2015 Conditions. By attempting to enforce the Additional Conditions, the Attorney General is attempting to enforce the obligations imposed by the 2015 Conditions against SGM.

It is true that the 2015 Conditions are not identical to the Additional Conditions. Some medical services required under the 2015 Conditions are no longer required under the Additional Conditions. And unlike the 2015 Conditions, the Additional Conditions do not impose obligations to fund pension plans. But for the most part the Additional Conditions reinstate obligations imposed by the 2015 Conditions. For example, both the 2015 Conditions and the Additional Conditions require that St. Francis maintain cardiac services, including designation as a STEMI Receiving Center; critical care services, including a minimum of 36 intensive care unit beds; neonatal intensive care services, including a minimum of 29 neonatal intensive care beds; women’s health services, including women’s imaging services; cancer services, including radiation oncology; orthopedic and rehabilitation services; and wound care services. The Additional Conditions do not reinstate St. Francis’ obligation to maintain advanced certification as a Primary Stroke Center, and the Additional Conditions reduce St. Francis’ pediatric services obligation from 14 beds to 5 beds.

The 2015 Conditions required St. Francis to maintain the specified healthcare services for ten years from the date of the closing of the Restructuring Agreement. The Additional Conditions



require that the specified services be maintained for ten years from the date of the closing of the APA. That is, the Additional Conditions extend the term of the 2015 Conditions by approximately six years.

Considered within the overall scope of the obligations imposed, the differences between the 2015 Conditions and the Additional Conditions are comparatively inconsequential. The Attorney General relies upon these minor differences in support of his argument that the Additional Conditions do not impose successor liability. Such reliance is misplaced. The Additional Conditions still qualify as successor liability even though they are not exactly identical to the 2015 Conditions. Nor does the extension in the term of the reinstituted obligations remove the Additional Conditions from the category of successor liability.

The Attorney General argues that the Additional Conditions do not impose successor liability because they are SGM's own obligations, going forward from the date of the sale. According to the Attorney General, the Additional Conditions are based upon healthcare impact reports prepared for each Hospital. The Attorney General asserts that it is not surprising that the Additional Conditions resemble the 2015 Conditions, which are only four years old and relate to the same Hospitals and communities. Citing *In re General Motors Corp.*, 407 B.R. 463, 508 (Bankr. S.D.N.Y. 2009), the Attorney General analogizes the Additional Conditions to the environmental remediation liabilities that would remain the obligation of a purchaser of contaminated real estate.

These arguments are not persuasive. In *General Motors*, the environmental remediation obligations were not successor liability because any entity purchasing contaminated property would have an obligation to comply with environmental law:

Under section 363(f), there could be no successor liability imposed on the purchaser for the [seller's] ... monetary obligations related to cleanup costs, or any other obligations that were obligations of the seller. But the purchaser would have to comply with its environmental responsibilities starting with the day it got the property, and if the property required remediation as of that time, any such remediation would be the buyer's responsibility .... Those same principles will be applied here. Any Old GM properties to be transferred will be transferred free and clear of successor liability, but New GM will be liable from the day it gets any such properties for its environmental responsibilities going forward.

*In re Gen. Motors Corp.*, 407 B.R. 463, 508 (Bankr. S.D.N.Y. 2009).

There is a key difference between the contaminated property at issue in *General Motors* and the Hospitals at issue here. Any entity that purchased the contaminated property at issue in *General Motors* would have been required to comply with environmental regulations going forward. A purchaser's duty to comply with environmental regulations would not vary based upon the identity of the purchaser or the identity of the seller. Here, by contrast, whether a purchaser is obligated to comply with Attorney General conditions can vary, depending upon either the identity of the purchaser or the identity of the seller. There is no general obligation imposed upon an entity that purchases a hospital in the State of California to operate that hospital in accordance with conditions asserted by the Attorney General. The Attorney General's regulatory authority applies only to non-profit hospitals, and only to certain types of sale transactions. Had the Hospitals been sold to a public entity, such as the County of Los Angeles, the Attorney General could not have reviewed the sale. See *Verity I*, 598 B.R. at 294 (holding



that Cal. Corp. Code § 5914 did not apply where non-profit hospitals were sold to a public entity). Had the Hospitals been operated by a for-profit entity, the Attorney General could not have reviewed the sale. *See* Cal. Corp. Code § 5914(a) (requiring only nonprofit corporations to submit the sale of assets to Attorney General review).

Because the obligation to comply with the Additional Conditions is contingent upon the identity of the purchaser and the identity of the seller, the conditions cannot fairly be characterized as the purchaser's obligation to comply with applicable law on a going-forward basis. The Attorney General can claim authority to impose the Additional Conditions upon purchaser SGM only because the Debtors operated the Hospitals as non-profit entities. Since the Attorney General's alleged authority to impose the Additional Conditions derives from the manner in which the sellers operated the Hospitals, the Additional Conditions are appropriately characterized as successor liability.

*ii. Successor Liability Cannot Be Imposed Under California Law*

Under California law, the general rule is “that where a corporation purchases, or otherwise acquires by transfer, the assets of another corporation, the acquiring corporation does not assume the selling corporation's debts and liabilities.” *Fisher v. Allis-Chalmers Corp. Prod. Liab. Tr.*, 95 Cal. App. 4th 1182, 1188, 116 Cal. Rptr. 2d 310, 315 (2002). The general rule does not apply if “(1) there is an express or implied agreement of assumption, (2) the transaction amounts to a consolidation or merger of the two corporations, (3) the purchasing corporation is a mere continuation of the seller, or (4) the transfer of assets to the purchaser is for the fraudulent purpose of escaping liability for the seller's debts.” *Id.*

None of the exceptions to the general rule are present here. First, SGM has not agreed to assume the Additional Conditions, either expressly or by implication. Second, the SGM Sale is not a consolidation or merger of the Debtors and SGM. A sale transaction is a consolidation or merger of two corporations “where one corporation takes all of another's assets without providing any consideration that could be made available to meet claims of the other's creditors or where the consideration consists wholly of shares of the purchaser's stock which are promptly distributed to the seller's shareholders in conjunction with the seller's liquidation.” *Ray v. Alad Corp.*, 19 Cal. 3d 22, 28, 560 P.2d 3 (1977) (internal citations omitted). Neither factor applies. SGM is paying for the Hospitals in cash (not stock),<sup>11</sup> and that cash will be distributed to the Debtors' creditors through a plan of liquidation. Third, SGM is not a mere continuation of the Debtors. A purchaser is a mere continuation of a seller if there is inadequate consideration for the purchaser or if one or more persons are officers, directors, or stockholders of both corporations. *Id.* Consideration for the SGM Sale is adequate and no officers or directors of the Debtors are officers or directors of SGM.<sup>12</sup> Fourth, the Debtors are not selling the Hospitals for the purpose of escaping liabilities for their debts. In fact, the opposite is true—the objective of the SGM Sale is to generate proceeds to pay the Debtors' debts, to the extent possible. In sum, successor liability cannot be imposed on SGM under California common law.

Successor liability cannot be imposed under Cal. Corp. Code §§ 5914–5919. Cal. Corp. Code § 5914 authorizes the Attorney General to review transactions in which a non-profit healthcare

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<sup>11</sup> *See* APA at § 1.1(a)(i) [Doc. No. 2305, Part 1].

<sup>12</sup> As nonprofit public benefit corporations, the Debtors do not have stockholders.



facility seeks to transfer a material amount of its assets to a for-profit entity, and provides in relevant part:

Any nonprofit corporation that is defined in Section 5046 and operates or controls a health facility, as defined in Section 1250 of the Health and Safety Code, or operates or controls a facility that provides similar health care, regardless of whether it is currently operating or providing health care services or has a suspended license, shall be required to provide written notice to, and to obtain the written consent of, the Attorney General prior to entering into any agreement or transaction to do either of the following:

(A) Sell, transfer, lease, exchange, option, convey, or otherwise dispose of, its assets to a for-profit corporation or entity or to a mutual benefit corporation or entity when a material amount of the assets of the nonprofit corporation are involved in the agreement or transaction.

Cal. Corp. Code § 5914(a)(1) (West).

The “Attorney General shall have discretion to consent to, give conditional consent to, or not consent to” the transaction. Cal. Corp. Code § 5917.

Nothing within the statute authorizes the Attorney General to impose successor liability upon SGM, the for-profit entity that purchased the healthcare assets from the non-profit Debtors. Under the statute, the Attorney General is authorized to review transactions entered into by a “nonprofit corporation that ... operates or controls a health facility,” Cal. Corp. Code § 5914(a)(1), and to “consent to, give conditional consent to, or not consent to” any such transactions, Cal. Corp. Code § 5917. These provisions do not grant the Attorney General authority to impose going-forward obligations on the assets that are the subject of the transaction. That is, the statute does not provide that the healthcare assets themselves are subject to regulation by the Attorney General. Rather, it is the non-profit status of the entity operating the healthcare assets that triggers the Attorney General’s regulatory authority. Upon transfer of the healthcare assets from the non-profit entity to the for-profit entity, the Attorney General’s regulatory authority over the assets terminates.

The issue of the Attorney General’s authority to impose successor liability arose in the case of *La Paloma Generating Co.*, No. 16-12700, 2017 WL 5197116 (Bankr. D. Del. Nov. 9, 2017). In *La Paloma*, the debtor operated a power plant subject to a cap-and-trade emissions regulation. The regulation required “Covered Entities”—defined as entities engaging in operations that generated emissions—to surrender “Compliance Instruments” equal to the amount of emissions generated at specified times. At issue was whether a power plant could be sold “free and clear of, and without the purchaser assuming, any obligation to surrender compliance instruments under the California Cap-and-Trade Program for emissions generated by the Debtors and/or their facility during the period before the transfer of the assets.” *Id.* at \*2. The court found that “[u]nder the Regulation, only entities—and not assets—are Covered Entities” subject to the obligation to surrender Compliance Instruments. *Id.* at \*5. As a result, the court found, the debtors could sell the power plant free and clear of the surrender obligations, pursuant to § 363(f)(1). *Id.* at \*8. The court reasoned that the regulation did not impose successor liability on the purchaser, because it imposed liability only on “Covered Entities,” and the purchaser would not become a Covered Entity until after it acquired the power plant. *Id.* at \*7–\*8. The regulation, the court held, was limited to Covered Entities, and could not be used to “impugn liability on the purchaser of ... the Covered Entity’s assets.” *Id.* at \*8.



With respect to the imposition of successor liability, the statute at issue here operates in the same manner as the regulation examined in *La Paloma*. Similar to the regulation in *La Paloma*, Cal. Corp. Code § 5914–5919 permits the imposition of liability upon the Hospitals only because they are operated by a non-profit corporation. That is, independent of the fact that they are operated by a non-profit entity, nothing within Cal. Corp. Code § 5914–5919 authorizes the Attorney General to impose liabilities upon the Hospitals. Further, the Attorney General’s regulatory authority under the statute does not extend to for-profit entities. As was the case in *La Paloma*, Cal. Corp. Code § 5914–5919 does not authorized the Attorney General to impose liability upon the for-profit purchaser of the Hospitals.

The Attorney General argues that the statute’s implementing regulations authorize the imposition of successor liability. Specifically, the Attorney General points to Cal. Code Regs. Tit. 11, § 999.5, which provides in relevant part:

It is the policy of the Attorney General, in consenting to an agreement or transaction involving a general acute care hospital, to require for a period of at least five years the continuation at the hospital of existing levels of essential healthcare services, including but not limited to emergency room services. The Attorney General shall retain complete discretion to determine whether this policy shall be applied in any specific transaction under review.

Cal. Code Regs. tit. 11, § 999.5.

Significantly, the statute’s implementing regulations do not differentiate between Cal. Corp. Code §§ 5914–5919, which codifies the Attorney General’s authority to review transfers between a non-profit and a for-profit entity, and Cal. Corp. Code §§ 5920–5925, which codifies the Attorney General’s authority to review transfers between a non-profit entity and a different non-profit entity. Where assets are transferred between two different non-profit entities, the structure of the statute clearly provides the Attorney General the authority to impose successor liability.

The Court construes Cal. Code Regs. Tit. 11, § 999.5 as implementing Cal. Corp. Code §§ 5920–5925, not as implementing Cal. Corp. Code §§ 5914–5919. Cal. Corp. Code §§ 5920–5925 does authorize the imposition of successor liability, whereas Cal. Corp. Code §§ 5914–5919 does not. This construction is appropriate because it harmonizes the language of the regulation with the language of the statute, while still giving full effect to every part of the regulation. *See Butts v. Bd. of Trustees of California State Univ.*, 225 Cal. App. 4th 825, 835, 170 Cal. Rptr. 3d 604, 612 (2014) (“The rules of statutory construction also govern our interpretation of regulations promulgated by administrative agencies. We give the regulatory language its plain, commonsense meaning. If possible, we must accord meaning to every word and phrase in the regulation, and we must read regulations as a whole so that all of the parts are given effect.”).

Because the Attorney General’s authority to review the sale arises under Cal. Corp. Code §§ 5914–5919, the Attorney General cannot rely upon Cal. Code Regs. tit. 11, § 999.5, which implements Cal. Corp. Code §§ 5920–5925, as the basis for imposing successor liability upon SGM.

2. Even if California Law Allowed the Attorney General to Impose Successor Liability Upon SGM, the Attorney General Abused his Discretion in Imposing the Additional Conditions



As set forth below, the Court finds that the Attorney General's decision to impose the Additional Conditions is subject to judicial review by administrative mandate under California law. This Court is empowered to conduct such judicial review pursuant to § 1221(e) of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 ("BAPCPA"), which provides:

Nothing in this section shall be construed to require the court in which a case under chapter 11 of title 11, United States Code, is pending to remand or refer any proceeding, issue, or controversy to any other court or to require the approval of any other court for the transfer of property.

Pub. L. No. 109-8, § 1221(e) (2005).<sup>13</sup> See also *In re HHH Choices Health Plan, LLC*, 554 B.R. 697, 700 (Bankr. S.D.N.Y. 2016) (construing New York state law to determine the appropriate disposition of a non-profit debtor's assets).

Upon review of the Attorney General's decision, the Court finds that the imposition of the Additional Conditions constituted an abuse of discretion, for the reasons explained below. Therefore, the Additional Conditions must be set aside, which means that the Debtors are authorized to sell the Hospitals free and clear of the Additional Conditions under applicable nonbankruptcy law.

*i. The Attorney General's Imposition of the Additional Conditions is Subject to Judicial Review by Administrative Mandate*

Cal. Civ. Proc. Code § 1094.5 provides for judicial review by administrative mandate of decisions made by agencies or officers of the State of California. A writ of mandate may be issued if the agency or officer making the decision engaged in a "prejudicial abuse of discretion." Cal. Civ. Proc. Code § 1094.5(b). An "abuse of discretion is established if ... the order or decision is not supported by the findings, or the findings are not supported by the evidence." *Id.*

The Attorney General contends that administrative mandamus review is not available because the Additional Conditions were not issued subsequent to "a proceeding in which by law a hearing is required to be given, evidence is required to be taken, and discretion in the determination of facts is vested in the inferior tribunal." Cal. Civ. Proc. Code § 1094.5(a). The Attorney General acknowledges that he conducted "public meetings ... to hear comments from interested parties" as required by Cal. Corp. Code § 5922. However, the Attorney General asserts that such public meetings were not "hearings" within the meaning of Cal. Civ. Proc. Code § 1094.5(a), because public comments were not presented under oath and no effort was made to determine the accuracy of the information offered by members of the public. The Attorney General's position is that the Debtors are entitled only to traditional mandamus review under Cal. Civ. Proc. Code § 1085.

"Quasi-legislative acts are ordinarily reviewed by traditional mandate, and quasi-judicial acts are reviewed by administrative mandate. 'Generally speaking, a legislative action is the formulation of a rule to be applied to all future cases, while an adjudicatory act involves the actual application of such a rule to a specific set of existing facts.'" *Friends of the Old Trees v. Dep't of Forestry & Fire Prot.*, 52 Cal. App. 4th 1383, 1389, 61 Cal. Rptr. 2d 297, 303 (1997) (internal citation omitted).

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<sup>13</sup> This provision of BAPCPA does not appear in the Bankruptcy Code itself.



The Court is not persuaded by the Attorney General's contention that administrative mandamus review is unavailable to the Debtors. In reviewing the SGM Sale, the Attorney General hired JD Healthcare, Inc. to prepare expert reports containing information on how the SGM Sale would affect the availability of healthcare services in the regions served by the Hospitals. The JD Healthcare expert reports contained recommendations regarding the conditions that the Attorney General should impose on the SGM Sale. Upon receiving the expert reports, the Attorney General asked the Debtors to respond to the conditions recommended by JD Healthcare. The Attorney General conducted public meetings, all of which were transcribed, at which members of the public commented on the SGM Sale. "[P]urely documentary proceedings can satisfy the hearing requirement of Code of Civil Procedure § 1094.5, so long as the agency is required by law to accept and consider evidence from interested parties before making its decision." *Friends of the Old Trees*, 52 Cal. App. 4th at 1391–92. A "trial-type hearing" is not necessary. *Id.* at 1392.

The Attorney General's review involved "the actual application of ... a rule to a specific set of existing facts." *Friends*, 52 Cal. App. 4th at 1389. The Attorney General received evidence from JD Healthcare, heard comments from members of the public, and elected to impose the Additional Conditions after considering all the evidence collected during the review process. The Attorney General's review of the SGM Sale was a quasi-judicial act subject to review by administrative mandate.

The Attorney General next asserts that administrative mandamus review is unavailable because the Debtors have failed to produce the complete administrative record supporting the Attorney General's decision. This contention is without merit. For purposes of administrative mandamus review, a partial record is sufficient if it "accurately represent[s] the administrative proceedings, provide[s] the reviewing court with an understanding of what occurred below, and enable[s] that court to undertake an independent judicial review of the administrative decision." *Elizabeth D. v. Zolin*, 21 Cal. App. 4th 347, 349, 25 Cal. Rptr. 2d 852 (1993). The record before the Court consists of the expert reports prepared by JD Healthcare, partial transcripts of public meetings conducted by the Attorney General, and various letters submitted by stakeholders. The record on file provides the Court with an understanding of reasons for the Attorney General's decision.

There are two tests for judicial review by administrative mandate. "The 'independent judgment' rule applies when the decision of an administrative agency will substantially affect a fundamental vested right." *Mann v. Dep't of Motor Vehicles*, 76 Cal. App. 4th 312, 320, 90 Cal. Rptr. 2d 277, 283 (1999). Under the "independent judgment" rule, the Court must "begin its review with a presumption of the correctness of administrative findings, and then, after affording the respect due to these findings, exercise independent judgment in making its own findings." *Fukuda v. City of Angels*, 20 Cal. 4th 805, 819, 977 P.2d 693, 701 (1999). "[T]he presumption provides the trial court with a starting point for review but it is only a presumption, and may be overcome. Because the trial court ultimately must exercise its own independent judgment, that court is free to substitute its own findings after first giving due respect to the agency's findings." *Id.*

"The 'substantial evidence' rule applies when the administrative decision neither involves nor substantially affects a vested right. The trial court must then review the entire administrative record to determine whether the findings are supported by substantial evidence and whether the agency committed any errors of law ...." *Mann*, 76 Cal. App. 4th 312, 320, 90 Cal. Rptr. 2d 277, 283 (1999).



To determine whether an administrative decision affects a fundamental vested right, the Court examines “whether the affected right is deemed to be of sufficient significance to preclude its extinction or abridgement by a body lacking *judicial* power.” *Interstate Brands v. Unemployment Ins. Appeals Bd.*, 26 Cal. 3d 770, 779, 608 P.2d 707, 713 (1980) (emphasis in original). An administrative decision that would have the effect of shutting down a business affects a fundamental vested right. *See, e.g., The Termo Co. v. Luther*, 169 Cal. App. 4th 394, 407–08, 86 Cal. Rptr. 3d 687, 697 (2008) (“The implementation of the Order and Decision would have the effect not only of shutting down a business that has been in existence for 20 years or more, but also of terminating the right to produce oil—an extraordinarily valuable resource, especially in the current economic era.... Certainly, a fundamental vested right is at issue.”); *Goat Hill Tavern v. City of Costa Mesa*, 6 Cal. App. 4th 1519, 1529, 8 Cal. Rptr. 2d 385, 391 (1992) (holding that “the right to continue operating an established business in which [the owner] has made a substantial investment” is a fundamental vested right).

Imposition of the Additional Conditions will precipitate the collapse of the SGM Sale and require the Debtors to close three of the four Hospitals. The Debtors’ rights to preserve the Hospitals’ operations, by means of a sale to SGM, is a fundamental vested right that is abrogated by the Attorney General’s attempt to impose the Additional Conditions. Consequently, the Court reviews the Attorney General’s decision under the independent judgment test.

*ii. In Imposing the Additional Conditions, the Attorney General Abused His Discretion*

Under certain circumstances, the sale of a not-for-profit healthcare facility is subject to review by the Attorney General. Cal. Corp. Code § 5914. The Legislature enacted Cal. Corp. Code § 5914 to ensure that the public was not deprived of the benefits of charitable health facilities as a result of the transfer of those facilities’ assets to for-profit entities. In enacting § 5914, the Legislature found:

Charitable, nonprofit health facilities have a substantial and beneficial effect on the provision of health care to the people of California, providing as part of their charitable mission uncompensated care to uninsured low-income families and under-compensated care to the poor, elderly, and disabled.

Transfers of the assets of nonprofit, charitable health facilities to the for-profit sector, such as by sale, joint venture, or other sharing of assets, directly affect the charitable use of those assets and may affect the availability of community health care services....

It is in the best interests of the public to ensure that the public interest is fully protected whenever the assets of a charitable nonprofit health facility are transferred out of the charitable trust and to a for-profit or mutual benefit entity.

1996 Cal. Legis. Serv. Ch. 1105 (A.B. 3101) (West).

The Attorney General has “discretion to consent to, give conditional consent to, or not consent to” the sale of a healthcare facility. Cal. Corp. Code § 5917. In exercising that discretion, the Attorney General “shall consider any factors that the Attorney General deems relevant,” including but not limited to whether any of the following apply:

- a) The terms and conditions of the agreement or transaction are fair and reasonable to the nonprofit corporation.
- b) The agreement or transaction will result in inurement to any private person or entity.



- c) Any agreement or transaction that is subject to this article is at fair market value. In this regard, “fair market value” means the most likely price that the assets being sold would bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and in their own best interest, and a reasonable time being allowed for exposure in the open market.
- d) The market value has been manipulated by the actions of the parties in a manner that causes the value of the assets to decrease.
- e) The proposed use of the proceeds from the agreement or transaction is consistent with the charitable trust on which the assets are held by the health facility or by the affiliated nonprofit health system.
- f) The agreement or transaction involves or constitutes any breach of trust.
- g) The Attorney General has been provided, pursuant to Section 5250, with sufficient information and data by the nonprofit corporation to evaluate adequately the agreement or transaction or the effects thereof on the public.
- h) The agreement or transaction may create a significant effect on the availability or accessibility of health care services to the affected community.
- i) The proposed agreement or transaction is in the public interest.
- j) The agreement or transaction may create a significant effect on the availability and accessibility of cultural interests provided by the facility in the affected community.

Cal. Corp. Code § 5917 (West).

Nothing in the record indicates that SGM’s bid was other than for fair market value (factor (c)). The Hospitals were thoroughly marketed by Cain Brothers. SGM was the only bidder interested in purchasing the Hospitals. The Court must presume that a bid submitted after extensive marketing reflects the Hospital’s fair market value. *See Bank of Am. Nat. Tr. & Sav. Ass’n v. 203 N. LaSalle St. P’ship*, 526 U.S. 434, 457, 119 S. Ct. 1411, 1423, 143 L. Ed. 2d 607 (1999) (stating that “the best way to determine value is exposure to a market”).

There is no indication that SGM, or any other party, took any actions to decrease the value of the Hospitals (factor (d)). In view of the extensive marketing, the terms of the sale are fair and reasonable to the Debtors (factor (a)). There is no evidence that any of the parties involved in the SGM sale have engaged in any conduct that would amount to a breach of trust (factor (f)), or that the SGM Sale will inure to the benefit of any private person or entity (factor (b)). Nor has there been any suggestion that the Debtors failed to provide the Attorney General with sufficient information to evaluate the SGM Sale (factor (g)). Factor (e) does not apply, because the proceeds of the SGM Sale are fully encumbered by the claims of creditors, leaving no remaining equity that could be devoted to charitable purposes.

The remaining factors are (1) the effect of the SGM Sale on the accessibility of healthcare services (factor (h)) and cultural interests (factor (j)) in the affected communities and (2) whether the SGM Sale is in the public interest (factor (i)). Applying the independent judgment standard of review, the Court finds that in electing to impose the Additional Conditions, the Attorney General abused his discretion with respect to these factors.

By letter dated August 23, 2019 (the “August Letter”), the Debtors advised the Attorney General that if the Additional Conditions were imposed, SGM would not complete the sale and the most likely outcome would be the closure of St. Vincent, Seton, and Seton Coastside. The August Letter advised the Attorney General that SGM had submitted the only offer for the Hospitals, and that the “Debtors cannot sustain incurring ongoing operational losses to maintain



the going-concern value of St. Vincent and Seton without the realistic prospect of a purchaser.”<sup>14</sup> The Debtors stated that upon the failure of the SGM Sale, they would be required to begin the process of closing St. Vincent, Seton, and Seton Coastsides “almost immediately.”<sup>15</sup>

Having overseen the Debtors’ bankruptcy cases since their inception, the Court has become intimately familiar with the Debtors’ operational and cash flow situation. As discussed above, the Debtors’ statements regarding the necessity of closing certain of the Hospitals upon the failure of the SGM Sale are not an idle threat.

Imposition of the Additional Conditions will dramatically reduce the availability of healthcare services by causing the closure of three of the four Hospitals. In addition to the loss of healthcare services, closure of the Hospitals will destroy approximately 2900 jobs. Closure of the Hospitals will require the relocation of many patients suffering from critical conditions. None of this is in the public interest.<sup>16</sup>

The Court understands that the Additional Conditions were imposed with the laudable objective of increasing the amount of healthcare services provided by the Hospitals. The Court can only assume that the Attorney General does not believe the representation that imposition of the Additional Conditions will result in a collapse of the SGM Sale. Unfortunately, the dire economic circumstances in which the Debtors now find themselves leaves the Court with no doubt that if the SGM Sale is not completed, three of the Hospitals will almost certainly close.

Because the Additional Conditions will reduce health care services by resulting in the closure of three of the Hospitals, imposition of the Additional Conditions was an abuse of the Attorney General’s discretion.

Outside of bankruptcy, the finding that the Attorney General abused his discretion would result in the entry of a judgment commanding the issuance of a peremptory writ of mandate, followed by the issuance of the writ. The writ would command the Attorney General to set aside the 2019 Conditions, and would further command the Attorney General to exercise his discretion with respect to the review of the SGM Sale in a lawful manner. *See, e.g., California Hosp. Assn. v. Maxwell-Jolly*, 188 Cal. App. 4th 559, 570, 115 Cal. Rptr. 3d 572, 581 (2010), *as modified on denial of reh’g* (Sept. 16, 2010).

BAPCPA § 1221(e) compels a different result inside bankruptcy. Section 1221(e) provides that the Court is not required “to remand or refer any proceeding, issue, or controversy to any other court or to require the approval of any other court for the transfer of property.” In *In re HHH Choices Health Plan*, the Bankruptcy Court relied upon BAPCPA § 1221(e) to conclude that it had the authority to interpret a New York law governing the transfer of the assets of a non-profit entity. The court observed that “[i]n the case of an insolvent not-for-profit corporation, section 511 of the New York Not-For-Profit Corporation Law ordinarily, would require the approval of the New York State Supreme Court for a transfer of assets.” *HHH Choices Health Plan*, 554 B.R. at 700. The court rejected arguments advanced by certain of the parties “that the

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<sup>14</sup> August Letter at 14.

<sup>15</sup> *Id.*

<sup>16</sup> SEIU-UHW contends that it is economically feasible for SGM to operate the Hospitals while complying with the Additional Conditions. The record does not support SEIU-UHW’s contention. SGM was the only bidder willing to purchase the Hospitals and has stated unequivocally that it will not complete its purchase if the Additional Conditions are imposed. These facts show that the Additional Conditions render operation of the Hospitals economically infeasible.



ordinary state court procedures must still be followed” with respect to the transfer of the assets. *Id.* Instead, the court held that substantive state law requirements remained applicable, but that it was the Bankruptcy Court that had authority to apply those requirements. *Id.*

Pursuant to BAPCPA § 1221(e), and consistent with the ruling in *HHH Choices Health Plan*, the Court is not required to issue a judgment and writ commanding the Attorney General to set aside the 2019 Conditions, and is not required to remand these proceedings to allow the Attorney General to conduct a further review of the SGM Sale in light of the Court’s finding that the Attorney General abused his discretion. Instead, the Court is empowered to apply Cal. Corp. Code § 5914, and to determine the conditions under which the Debtors may sell the Hospitals to SGM.

Under the circumstances presented here, the only way that closure of three of the four Hospitals can be avoided is if a sale not subject to the Additional Conditions is approved. A decision by the Attorney General to not consent to the sale, or a decision to consent to the sale subject to conditions other than the Approved Conditions, would constitute an abuse of discretion. That is because SGM, the only entity willing to purchase and continue to operate the Hospitals, will do so only if it is permitted to operate the Hospitals in a manner consistent with the Approved Conditions.

In reaching this conclusion, the Court is not limiting or controlling the discretion vested in the Attorney General, in contravention of Cal. Code Civ. Proc. § 1094.5(f). The Hospitals have been financially distressed for years. A \$100 million capital infusion made in connection with the 2015 Restructuring Agreement failed to stabilize the Hospitals’ operations. A further capital infusion of \$148 million in 2017 failed to restore the Hospitals to financial health. This demonstrates that it was not possible to successfully operate the Hospitals subject to the 2015 Conditions. It should come as no surprise that no buyer exists that is willing to purchase and operate the Hospitals if operations are constrained by Additional Conditions that are substantially similar to the 2015 Conditions. The Attorney General’s continued attempts to impose conditions rendering sustainable operation of the Hospitals impossible amounts to an abuse of discretion.

The Attorney General contends that SGM, by refusing to purchase and operate the Hospitals subject to conditions other than the Approved Conditions, is attempting to divest the Attorney General of his regulatory authority by forcing him to accede to a transaction on SGM’s terms. This argument ignores the financial and operational realities facing the Hospitals. SGM’s refusal to accept the Additional Conditions is not an attempt to blackmail the Attorney General into approving the sale. Such refusal is instead dictated by economic reality.

*iii. Even if the Attorney General’s Decision is Subject to Traditional Mandamus Review Under Cal. Civ. Proc. Code § 1085, Imposition of the Additional Conditions Was an Abuse of Discretion*

Even if the Attorney General’s review of the sale transaction is a quasi-legislative decision, subject to traditional mandamus review under Cal. Civ. Proc. Code § 1085, the decision to impose the Additional Conditions was an abuse of discretion.

Under Cal. Civ. Proc. Code § 1085, a traditional mandate “may issue to correct the exercise of discretionary legislative power, *but only* if the action taken is so palpably unreasonable and arbitrary as to show an abuse of discretion as a matter of law.” *Carrancho v. California Air Res. Bd.*, 111 Cal. App. 4th 1255, 1265, 4 Cal. Rptr. 3d 536, 545 (2003) (emphasis in original). In reviewing quasi-legislative decisions, the “authority of the court is limited to determining



whether the decision of the agency was arbitrary, capricious, entirely lacking in evidentiary support, or unlawfully or procedurally unfair.” *Fullerton Joint Union High Sch. Dist. v. State Bd. of Educ.*, 32 Cal. 3d 779, 786, 654 P.2d 168, 172 (1982). The Court must ensure that the agency or officer making the decision “has adequately considered all relevant factors, and has demonstrated a rational connection between those factors, the choice made, and the purposes of the enabling statute.” *W. States Petroleum Assn. v. Superior Court*, 9 Cal. 4th 559, 577, 888 P.2d 1268, 1277 (1995). Traditional mandamus review of a quasi-legislative decision is therefore more deferential than administrative mandamus review of a quasi-judicial decision under the independent judgment standard.

Even applying this more deferential standard of review, the Court finds that the decision to impose the Additional Conditions was an abuse of discretion, and that a proper exercise of discretion required the Attorney General to consent to the sale subject only to the Approved Conditions. Preservation of access to healthcare is one of the factors the Attorney General must consider in reviewing the transaction. *See* Cal. Corp. Code § 5917(h) (requiring the Attorney General to consider whether the “agreement or transaction may create a significant effect on the availability or accessibility of health care services to the affected community”). At the hearing, the Attorney General stated that he imposed the Additional Conditions in furtherance of § 5917(h)’s objective of preserving healthcare access.<sup>17</sup> The effect of the Additional Conditions will be the closure of three of the four Hospitals, which will significantly reduce access to healthcare. There is no “rational connection” between the purpose of the Additional Conditions (preserving healthcare access) and the actual results of the conditions (a severe reduction in healthcare access). *See W. States Petroleum Ass’n*, 888 P.2d at 1277. With respect to three of the four Hospitals, the Attorney General’s decision will destroy the very charitable assets that he is charged with protecting.

In sum, regardless of whether the Debtors are entitled to review of the Attorney General’s decision under traditional mandamus or administrative mandamus, the Attorney General’s decision to impose the Additional Conditions was an abuse of discretion. In the unique circumstances of this case, the Attorney General was required to consent to the SGM Sale without imposing the Additional Conditions. As a result, sale of the Hospitals to SGM free and clear of the Additional Conditions is authorized under applicable nonbankruptcy law. The Court approves the SGM Sale, free and clear of the Additional Conditions, pursuant to § 363(f)(1).

### **C. The Debtors May Sell the Hospitals Free and Clear of the Additional Conditions Pursuant to § 363(f)(4)**

Under § 363(f)(4), the Hospitals may be sold free and clear of the Additional Conditions provided the Additional Conditions are “in bona fide dispute ...” A bona fide dispute exists if “there is an objective basis for either a factual or legal dispute as to the validity” of the interest at

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<sup>17</sup> Specifically, counsel for the Attorney General explained that in imposing the conditions, the Attorney General “is weighing the impact on the affected community, and making a determination as to what would be the best outcome for this community in order to ensure that it is not being adversely impacted, and not inappropriately losing access to these nonprofit hospitals ....” Hearing Transcript [Doc. No. 3416] at 24. Counsel further stated that the Attorney General’s “obligation is ... to do what’s needed to preserve access to healthcare, in particular for disadvantaged populations, which is clearly what we’re dealing with here.” *Id.* at 12.



issue. *In re Octagon Roofing*, 123 B.R. 583, 590 (Bankr. N.D. Ill. 1991). The court “court need not determine the probable outcome of the dispute, but merely whether one exists.” *Id.*

The Debtors dispute the Attorney General’s authority to impose the Additional Conditions, on the grounds that the (1) Additional Conditions attempt to impose successor liability in a manner not authorized under California law and that (2) the Attorney General abused his discretion in issuing the Additional Conditions. As discussed above, the Debtors have shown that the Attorney General cannot impose the Additional Conditions for both of these reasons. The Debtors have easily satisfied §363(f)(4), which does not require the Debtors to show that they will prevail upon the dispute—only that a dispute exists.

A bona fide dispute exists for yet another reason. The Debtors have shown that by imposing the Additional Conditions, the Attorney General violated § 525.

Section 525 provides in relevant part:

[A] governmental unit may not deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, deny employment to, terminate the employment of, or discriminate with respect to employment against, a person that is or has been a debtor under this title ... or another person with whom such ... debtor has been associated, solely because such ... debtor is or has been a debtor under this title ... or has not paid a debt that is dischargeable in the case under this title ....

In *In re Aurora Gas, LLC*, the court held that the State of Alaska violated § 525 by refusing to approve the debtor’s sale of oil and gas leases unless the purchaser posted a bond of \$6 million to pay for the cost of plugging abandoned wells that the purchaser was not acquiring. *In re Aurora Gas, LLC*, No. A16-00130-GS, 2017 WL 4325560 (Bankr. D. Alaska Sept. 26, 2017). The court held that by conditioning approval of the sale upon the posting of a bond, the State was attempting to collect upon the debtor’s obligation to pay for the costs of plugging the abandoned wells. Imposition of such a condition, the court found, constituted impermissible discrimination against the debtor and its affiliate, the purchaser of the gas leases, in violation of § 525.

The facts of this case are strikingly similar. Here, the Attorney General has conditioned approval of the SGM Sale upon SGM assuming the obligation to operate the Hospitals in accordance with conditions similar to the 2015 Conditions that are an obligation of the Debtors. As discussed, the Additional Conditions require that SGM maintain and operate the Hospitals at current licensure and service levels. The Additional Conditions amount to an attempt by the Attorney General to enforce the obligations imposed by the 2015 Conditions. The 2015 Conditions are liabilities that are dischargeable in bankruptcy. By conditioning the transfer of the Hospitals upon the assumption of the Additional Conditions, which impose obligations equal to or in excess of the 2015 Conditions, the Attorney General is impermissibly discriminating against the Debtors in violation of § 525.

The fact that the Additional Conditions can be characterized as a regulatory obligation does not change the analysis. Regulatory obligations such as the Additional Conditions qualify as a “debt” under the Bankruptcy Code’s broad definition of the term:

Under the Bankruptcy Code, “debt” means “liability on a claim,” 11 U.S.C. § 101(12), and “claim,” in turn, includes any “right to payment,” § 101(5)(A). We have said that “[c]laim” has “the broadest available definition,” *Johnson v. Home State Bank*, 501 U.S.



78, 83, 111 S.Ct. 2150, 115 L.Ed.2d 66 (1991), and have held that the “plain meaning of a ‘right to payment’ is nothing more nor less than an enforceable obligation, regardless of the objectives the State seeks to serve in imposing the obligation,” *Pennsylvania Dept. of Public Welfare v. Davenport*, 495 U.S. 552, 559, 110 S.Ct. 2126 (1990). See also *Ohio v. Kovacs*, 469 U.S. 274, 105 S.Ct. 705, 83 L.Ed.2d 649 (1985). In short, a debt is a debt, even when the obligation to pay it is also a regulatory condition.

*F.C.C. v. NextWave Pers. Commc'ns Inc.*, 537 U.S. 293, 302–03, 123 S. Ct. 832, 839, 154 L. Ed. 2d 863 (2003).

**D. The Debtors May Sell the Hospitals Free and Clear of Certain of the Additional Conditions Pursuant to § 363(f)(5)**

Under § 363(f)(5), property may be sold free and clear of an interest, if the entity holding the interest “could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.”

An interest “that can be reduced to a specific monetary value” falls within the scope of § 363(f)(5). *In re Trans World Airlines, Inc.*, 322 F.3d 283, 291 (3d Cir. 2003); see also *In re Vista Marketing Grp. Ltd.*, 557 B.R. 630, 635 (Bankr. N.D. Ill. 2016) (“[O]ne would be hard-pressed to present a clearer example of a situation where the interest-holder could be compelled to accept a money satisfaction of its interest under subsection (f)(5) than the calculable monetary obligation asserted by the District in its surcharge bill and disconnection notice.”).

Among the Additional Conditions are requirements that each of the Hospitals provide specified levels of charity care and community benefit services. The Additional Conditions allow any shortfalls in charity care or community benefit services to be satisfied through deficiency payments to tax-exempt entities within the Hospitals’ service area. The charity care and community benefit obligations can easily be reduced to a specific monetary value. The Debtors may sell the Hospitals free and clear of these obligations pursuant to § 363(f)(5).

**E. Section 363(d)(1) Does Not Bar the Sale**

As noted, § 363(d)(1) provides that non-profit entities, such as the Debtors, may sell estate assets only if the sale is “in accordance with nonbankruptcy law applicable to the transfer of property by” a non-profit entity.

For the reasons discussed in Section II.B., above, the Debtors are authorized to sell the Hospitals, free and clear of the Additional Conditions, under applicable nonbankruptcy law.

Even if the Debtors were not authorized to sell the Hospitals free and clear under applicable nonbankruptcy law, § 363(d)(1) does not limit the Debtors’ ability to sell the Hospitals free and clear of the Additional Conditions under § 363(f)(4) or (5).<sup>18</sup> Basic principles of statutory construction dictate this result. “Statutory construction ... is a holistic endeavor.” *United Sav. Ass’n of Texas v. Timbers of Inwood Forest Assocs., Ltd.*, 484 U.S. 365, 371, 108 S. Ct. 626, 630, 98 L. Ed. 2d 740 (1988). The Court must look “to the provisions of the whole law, and to its object and policy.” *John Hancock Mut. Life Ins. Co. v. Harris Tr. & Sav. Bank*, 510 U.S. 86, 94–

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<sup>18</sup> Under § 363(f)(4), the Debtors are authorized to sell the Hospitals free and clear of all of the Additional Conditions. See Section II.C., above. Under § 363(f)(5), the Debtors are authorized to sell the Hospitals free and clear of the charity care and community benefit obligations. See Section II.D., above.



95, 114 S. Ct. 517, 523, 126 L. Ed. 2d 524 (1993). Absent a “clear intention otherwise,” specific provisions addressing an issue apply instead of more generalized provisions covering the same issue. *Morton v. Mancari*, 417 U.S. 535, 550–51, 94 S. Ct. 2474, 2483, 41 L. Ed. 2d 290 (1974). This rule applies “regardless of the priority of enactment” of the provisions. *Id.*

Section 363(f) sets forth specific circumstances under which assets may be sold free and clear. Section 363(f) is not limited by a non-profit debtor’s general obligation under § 363(d)(1) to comply with nonbankruptcy law. The general requirement set forth in § 363(d)(1) makes no reference to § 363(f), which more specifically delineates the circumstances in which assets may be sold free and clear. Without a “clear intention otherwise,” *Morton*, 417 U.S. at 550–51, the general requirement of § 363(d)(1) does not repeal the specifics of free and clear sales under § 363(f), even though § 363(d)(1) was enacted subsequent to § 363(f).

#### **F. Section 541(f) Does Not Bar the Sale**

Section 541(f) provides:

Notwithstanding any other provision of this title, property that is held by a debtor that is a corporation described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code may be transferred to an entity that is not such a corporation, but only under the same conditions as would apply if the debtor had not filed a case under this title.

The Attorney General asserts that § 541(f)’s initial clause, “[n]otwithstanding any other provision of this title,” is broad enough to trump § 363(f). According to the Attorney General, § 541(f) requires that the SGM Sale comply with applicable California law. As a result, the Attorney General argues, the SGM Sale can occur only if SGM agrees to accept all of the 2019 Conditions, including the Additional Conditions.

The language of § 541(f) is similar, but not identical to, the language of § 363(d)(1). Section 363(d)(1) requires that non-profit entities transfer property “in accordance with nonbankruptcy law applicable to the transfer of property by” the non-profit entity; § 541(f) requires that such transfers occur “only under the same conditions as would apply if the debtor had not filed a case under this title.”

“[W]here Congress includes particular language in one section of a statute but omits it in another section of the same Act, it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion.” *Russello v. United States*, 464 U.S. 16, 23, 104 S. Ct. 296, 300, 78 L. Ed. 2d 17 (1983). Therefore, the Court cannot assume that § 541(f) has the same meaning as § 363(f). That is, § 541(f) cannot mean that the Debtors are required to transfer property “in accordance with nonbankruptcy law applicable to the transfer of [such] property,” since that is the language used in § 363(d)(1).

There is no legislative history to guide the Court in construing the phrase “under the same conditions” in § 541(f). Nor has the Court been able to locate any cases interpreting this section. In the absence of legislative history, phrases are construed in accordance with their “ordinary or natural meaning.” *F.D.I.C. v. Meyer*, 510 U.S. 471, 476, 114 S. Ct. 996, 1001, 127 L. Ed. 2d 308 (1994). According to *Roget’s 21st Century Thesaurus* (3d ed. 2013), a synonymous phrase for “under the same conditions” is “in these circumstances.”

Here, the Debtors have complied with § 541(f)’s mandate. That is, “[n]otwithstanding any other provisions” of the Bankruptcy Code, they have sought to transfer the Hospitals in the same



manner as the transfer would have occurred under applicable nonbankruptcy law. The Debtors submitted the transfer to the review of the Attorney General, paid for the expert healthcare impact statements required under the statute, and waited for 135 days for the Attorney General to review the transaction. The transfer has been subject to the same conditions that would have applied had the Debtors not sought bankruptcy protection.

Even if the Attorney General were correct that § 541(f) had the same meaning as § 363(d)(1), the Debtors would still be able to sell the Hospitals free and clear of the Additional Conditions, pursuant to § 363(f)(1), (4), and (5). Contrary to the Attorney General's contention, the "notwithstanding" clause does not mean that § 541(f) trumps § 363(f). The Ninth Circuit has held:

In examining specific statutes, we have not, however, always accorded universal effect to the "notwithstanding" language, standing alone. *See Or. Natural Res. Council v. Thomas*, 92 F.3d 792, 796 (9th Cir.1996) ("We have repeatedly held that the phrase 'notwithstanding any other law' is not always construed literally." (citing *E.P. Paup Co. v. Dir., Office of Workers Comp. Programs*, 999 F.2d 1341, 1348 (9th Cir.1993); *Kee Leasing Co. v. McGahan (In re The Glacier Bay)*, 944 F.2d 577, 582 (9th Cir.1991); *Golden Nugget, Inc. v. Am. Stock Exch., Inc.*, 828 F.2d 586, 588–89 (9th Cir.1987) (per curium))). Instead, we have determined the reach of each such "notwithstanding" clause by taking into account the whole of the statutory context in which it appears.

*United States v. Novak*, 476 F.3d 1041, 1046 (9th Cir. 2007).

Relying upon the "common-sense principle of statutory construction that sections of a statute generally should be read to give effect, if possible, to every clause," the Ninth Circuit has held that a "notwithstanding" provision should not be given its broadest possible interpretation if doing so would render other statutory provisions ineffectual. *Oregon Nat. Res. Council v. Thomas*, 92 F.3d 792, 797 (9th Cir. 1996).

According the "notwithstanding" clause the broad construction advocated by the Attorney General would render § 363(f) of the Bankruptcy Code ineffectual with respect to non-profit debtors. Section 541(f) was added to the Bankruptcy Code by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, Pub. L. No. 109-8, § 1221(e) ("BAPCPA"). BAPCPA made no changes to § 363(f). The Court cannot find that Congress intended § 541(f) to trump § 363(f) with respect to non-profit debtors.

#### **G. The Court Certifies a Direct Appeal of its Decision to the Ninth Circuit Court of Appeals**

Title 28 U.S.C. § 158(d)(2) provides that the Bankruptcy Court, acting on its motion, may certify a direct appeal of an order to the Court of Appeals if the order "involves a matter of public importance" or if an immediate appeal of the order will "materially advance the progress of the case or proceeding."

Certification is warranted here. The interplay between the sale provisions of the Bankruptcy Code and the authority of the Attorney General to regulate the sale of assets subject to a charitable trust is a matter of public importance. The issue has previously arisen in *Gardens I* and *Verity I*, and will continue to arise in future cases.

A direct appeal will materially advance the progress of the case. Closing of the SGM Sale is the lynchpin of the Debtors' plan of reorganization. However, under the APA, SGM is not



obligated to close the sale unless the Debtors obtain a final, non-appealable order authorizing a sale free and clear. The Debtors are facing severe liquidity constraints and cannot afford to continue to operate the Hospitals for much longer. A direct appeal will facilitate resolution of this case by providing certainty regarding the permissibility of a sale free and clear far sooner than would otherwise be possible. If the Court's order is upheld, SGM can proceed to close the sale. If not, the Debtors can commence shutting down St. Vincent, Seton, and Seton Coastside.

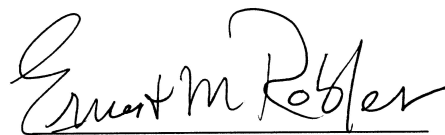
### III. Conclusion

Based upon the foregoing, the Court finds that the Debtors may sell the Hospitals to SGM, free and clear of the Additional Conditions. The sale may proceed under applicable nonbankruptcy law pursuant to § 363(f)(1) because (1) the Additional Conditions qualify as successor liability that may not be imposed against SGM under California law and because (2) the Attorney General abused his discretion in attempting to impose the Additional Conditions, which therefore must be set aside. A bona dispute as to the Attorney General's authority to impose the Additional Conditions exists under § 363(f)(4), because the Debtors (1) have shown that the Additional Conditions are not authorized under California law and that (2) the attempted imposition of the Additional Conditions violates § 525. Pursuant to §363(f)(5), the sale is free and clear of the charity care and community benefit obligations, which can be reduced to a monetary valuation.

The Court will prepare and enter an order certifying this matter for a direct appeal to the Ninth Circuit. The Debtors shall submit an order granting the Motion within seven days of the issuance of this Memorandum of Decision.

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Date: October 23, 2019



Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT I

EXHIBIT I Page 1 of 8  
Case 5:50-cv-01001-EB Doc 23-8 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT I



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**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

☒ Affects All Debtors

☐ Affects Verity Health System of  
California, Inc.

☐ Affects O'Connor Hospital

☐ Affects Saint Louise Regional Hospital

☐ Affects St. Francis Medical Center

☐ Affects St. Vincent Medical Center

☐ Affects Seton Medical Center

☐ Affects O'Connor Hospital Foundation

☐ Affects Saint Louise Regional Hospital  
Foundation

☐ Affects St. Francis Medical Center of  
Lynwood Foundation

☐ Affects St. Vincent Foundation

☐ Affects St. Vincent Dialysis Center, Inc.

☐ Affects Seton Medical Center Foundation

☐ Affects Verity Business Services

☐ Affects Verity Medical Foundation

☐ Affects Verity Holdings, LLC

☐ Affects De Paul Ventures, LLC

☐ Affects De Paul Ventures - San Jose  
Dialysis, LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly administered with:

Case No. 2:18-bk-20162-ER;

Case No. 2:18-bk-20163-ER;

Case No. 2:18-bk-20164-ER;

Case No. 2:18-bk-20165-ER;

Case No. 2:18-bk-20167-ER;

Case No. 2:18-bk-20168-ER;

Case No. 2:18-bk-20169-ER;

Case No. 2:18-bk-20171-ER;

Case No. 2:18-bk-20172-ER;

Case No. 2:18-bk-20173-ER;

Case No. 2:18-bk-20175-ER;

Case No. 2:18-bk-20176- ER;

Case No. 2:18-bk-20178-ER;

Case No. 2:18-bk-20179-ER;

Case No. 2:18-bk-20180-ER;

Case No. 2:18-bk-20181-ER;

Chapter 11 Cases

Hon. Ernest M. Robles

**NOTICE REGARDING PROPOSED ORDER  
RESOLVING DEBTORS' EMERGENCY  
MOTION FOR THE ENTRY OF AN ORDER  
ENFORCING THE SALE ORDER AND  
REQUESTING RELATED RELIEF**

**[RELATED DOCKET NOS. 3188, 3446, 3572]**

**Hearing:**

Date: October 15, 2019

Time: 10:00 a.m. (Pacific Time)

Place: 255 East Temple Street, Courtroom 1568  
Los Angeles, California 90012



1820151191111000000000003



Verity Health System of California, Inc. and the above-referenced affiliated debtors, the debtors and debtors in possession in the above-captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), hereby file this notice regarding the proposed order (the “Proposed Order”), attached as Exhibit “A,” granting the *Debtors’ Emergency Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding That the Sale Is Free and Clear of Conditions Materially Different Than Those Approved by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing Conditions on the Sale; and (IV) Granting Related Relief* [Docket No. 3188] (the “Motion”) and the related stipulation [Docket No. 3572] (the “Stipulation”) and order thereon, lodged by the Debtors concurrently herewith.

#### **GENERAL BACKGROUND**

On September 30, 2019, the Debtors filed the *Debtors’ Emergency Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding That the Sale Is Free and Clear of Conditions Materially Different Than Those Approved by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing Conditions on the Sale; and (IV) Granting Related Relief* [Docket No. 3188] (the “Motion”). On October 23, 2019, the Court entered the *Memorandum of Decision Granting Debtors’ Emergency Motion to Enforce the Sale Order* [Doc. No. 3188] (the “Memorandum Decision”). The Memorandum Decision sets forth the Court’s findings and conclusions concerning the Motion, grants the relief requested in the Motion, and requires that the Debtors submit an order granting the Motion. *See* Mem. Dec. at 24.

#### **PROPOSED ORDER GRANTING MOTION**

The Debtors and the California Attorney General (the “Attorney General”) have reached a consensual resolution, on the terms set forth in the Stipulation and the Proposed Order. Entry of the Proposed Order, and of the order approving the Stipulation, will result in, among other things: granting of the Motion; vacation and withdrawal of the Memorandum Decision; the Attorney General’s agreement not to appeal from the Proposed Order; and, in the Debtors’ view,



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(213) 623-9300

1 satisfaction of section 8.6 of that certain asset purchase agreement [Docket No. 2305-1] between  
2 the Debtors and Strategic Global Management, Inc. (respectively the “SGM APA” and “SGM”).

3 The reasons for entering into the Stipulation with the Attorney General, and seeking entry  
4 of the Proposed Order, are compelling: closing of the sale to SGM will be expedited (a critical  
5 consideration, given the Debtors’ liquidity issues, including ongoing operational losses of  
6 approximately \$450,000 per day); and the time, expense, and uncertainty, associated with an  
7 appeal by the Attorney General of any order granting the Motion, will be avoided.

8 The Debtors and the Attorney General have worked diligently over the past 10 days to  
9 satisfy SGM’s concerns and thus obtain its joinder in the Stipulation, but have been unable to do  
10 so. Therefore, after careful consideration by the Debtors and their constituents, the Debtors  
11 respectfully request that the Court enter both (a) the Proposed Order and (b) the order approving  
12 the Stipulation, as agreed to by the Debtors and the Attorney General.

13 **EXPEDITED ENTRY OF PROPOSED ORDER**

14 The entry of the Proposed Order, and the order granting the Stipulation, on an expedited  
15 basis is necessary and appropriate given (i) the Debtors’ liquidity issues [*see, e.g.*, Docket No.  
16 3238 (Adcock Decl. ¶ 6)], (ii) the December 31, 2019 deadlines and milestones in the SGM APA  
17 and cash collateral agreement [*see*, SGM APA § 9.1(3); Docket No. 2968 (Cash Collateral Mot. at  
18 24)], and (iii) that it will further the closing of the SGM sale (*see* SGM APA § 8.6). Accordingly,  
19 the Debtors respectfully request entry of the Proposed Order, and the order granting the  
20 Stipulation, on an expedited basis.

21 Dated: November 8, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON  
NICHOLAS A. KOFFROTH

24 By /s/ Tania M. Moyron  
Tania M. Moyron

26 Attorneys for the Chapter 11 Debtors and  
Debtors In Possession



Exhibit A

**Proposed Order**



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LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

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Tel: (213) 623-9300 / Fax: (213) 623-9924  
  
Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtor and Debtor In  
Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of Lynwood  
Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
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Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**ORDER GRANTING "DEBTORS' EMERGENCY  
MOTION FOR THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER AUTHORIZING THE  
SALE TO STRATEGIC GLOBAL MANAGEMENT,  
INC.; (II) FINDING THAT THE SALE IS FREE  
AND CLEAR OF CONDITIONS MATERIALLY  
DIFFERENT THAN THOSE APPROVED BY THE  
COURT; (III) FINDING THAT THE ATTORNEY  
GENERAL ABUSED HIS DISCRETION IN  
IMPOSING CONDITIONS ON THAT SALE; AND  
(IV) GRANTING RELATED RELIEF" [DOC. 3188]**

Hearing Date and Time:

Date: October 15, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA



The Court, having considered the motion [Docket No. 3188] (the “Motion”)<sup>1</sup> filed by Verity Health System of California, Inc. and the above-referenced affiliated debtors and debtors in possession in the above captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), the response [Docket No. 3333] of the California Attorney General (the “Attorney General”), the statement [Docket No. 3356] filed by Strategic Global Management, Inc. (collectively with its affiliates, “SGM”), the reply [Docket No. 3382] filed by the Debtors, the stipulation [Docket No. 3572] by and among the Debtors and the Attorney General, and good cause appearing,

**HEREBY ORDERS AS FOLLOWS:**

1. The Motion is GRANTED.
2. The Court’s memorandum decision [Docket No. 3446] is hereby vacated and withdrawn.
3. Solely and exclusively for purposes of the APA (as defined below) and the Motion, the Additional Conditions (as defined in section 8.6 of that certain asset purchase agreement [Docket No. 2305-1] (the “APA”)) are an “interest in property” for purposes of 11 U.S.C. § 363(f), and the Assets (as defined in the APA) can be sold free and clear of the Additional Conditions without the imposition of any other conditions which would adversely affect the Purchaser (as defined in the APA).
4. This Court shall retain exclusive jurisdiction to adjudicate any disputes or controversies regarding the interpretation or enforcement of this Order. Notwithstanding the preceding sentence, nothing contained in this Order shall prohibit or limit the authority of the Attorney General to enforce, in the California state courts and pursuant to section 5926 of the California Corporations Code, the Purchaser Approved Conditions set forth on Schedule 8.6 to the APA.

///

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///

<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.



5. The Attorney General waives any right to appeal this Order.

**IT IS SO ORDERED.**

###

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# EXHIBIT J

EXHIBIT J of 8  
Case 5:50-cv-01001-EB Doc 21-10 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT J



DENTONS US LLP  
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Tel: (213) 623-9300 / Fax: (213) 623-9924  
Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
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- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose ASC, LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER  
Jointly Administered With:

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CASE NO.: 2:18-bk-20163-ER  
CASE NO.: 2:18-bk-20164-ER  
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CASE NO.: 2:18-bk-20179-ER  
CASE NO.: 2:18-bk-20180-ER  
CASE NO.: 2:18-bk-20181-ER

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**STIPULATION RESOLVING "DEBTORS"  
EMERGENCY MOTION FOR THE ENTRY OF AN  
ORDER: (I) ENFORCING THE ORDER  
AUTHORIZING THE SALE TO STRATEGIC GLOBAL  
MANAGEMENT, INC.; (II) FINDING THAT THE SALE  
IS FREE AND CLEAR OF CONDITIONS  
MATERIALLY DIFFERENT THAN THOSE  
APPROVED BY THE COURT; (III) FINDING THAT  
THE ATTORNEY GENERAL ABUSED HIS  
DISCRETION IN IMPOSING CONDITIONS ON THAT  
SALE; AND (IV) GRANTING RELATED RELIEF"**  
[DOCKET NO. 3188]

Hearing Date and Time:

Date: October 15, 2019

Time: 10:00 a.m. (Pacific Time)

Place: 255 E. Temple St., Courtroom 1568  
Los Angeles, CA 90012





DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

1 This stipulation is entered into by and between Verity Health System of California, Inc. and  
2 the above-referenced affiliated debtors and debtors in possession in the above-captioned chapter 11  
3 bankruptcy cases (collectively, the “Debtors”) and the California Attorney General (the “Attorney  
4 General” and, together with the Debtors, the “Parties”), with respect to the following:

5 A. On September 30, 2019, the Debtors filed the *Debtors’ Emergency Motion for the*  
6 *Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management,*  
7 *Inc.; (II) Finding That the Sale Is Free and Clear of Conditions Materially Different Than Those*  
8 *Approved by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing*  
9 *the Conditions on That Sale; and (IV) Granting Related Relief* [Docket No. 3188] (the “Motion”).<sup>1</sup>

10 B. On October 9, 2019, the Attorney General filed the *Opposition of California*  
11 *Attorney General to “Debtors’ Emergency Motion for the Entry of an Order: (I) Enforcing the*  
12 *Order Authorizing the Sale to Strategic Global Management, Inc; (II) Finding That the Sale Is Free*  
13 *and Clear of Conditions Materially Different Than Those Approved by the Court; (III) Finding*  
14 *That the Attorney General Abused His Discretion in Imposing Conditions on That Sale; and (IV)*  
15 *Granting Related Relief”* [Doc. 3188] [Docket No. 3333] (the “Attorney General Opposition”).

16 C. On October 10, 2019, Strategic Global Management, Inc. (“SGM”) filed the  
17 *Statement of Strategic Global Management, Inc. in Support of “Debtors’ Emergency Motion for*  
18 *the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global*  
19 *Management, Inc; (II) Finding That the Sale Is Free and Clear of Conditions Materially Different*  
20 *Than Those Approved by the Court . . . .”* [Docket No. 3356] (the “SGM Statement”).

21 D. On October 14, 2019, the Debtors filed the *Debtors’ Reply to California Attorney*  
22 *General’s Opposition to Debtors’ Motion for the Entry of an Order Enforcing the Order*  
23 *Authorizing the Sale to Strategic Global Management, Inc.* [Docket No. 3382] (the “Reply”).

24 E. On October 15, 2019, at 10:00 a.m. (Pacific Time), the Court held a hearing on the  
25 Motion (the “Hearing”). Appearances were as set forth on the record of the Hearing.

26 F. On October 23, 2019, the Court filed its *Memorandum of Decision Granting*  
27

28 <sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.



Debtors' Emergency Motion to Enforce Sale Order [Doc. No. 3188] [Docket No. 3446] (the  
"Memorandum Decision").

**STIPULATION**

NOW, THEREFORE, all of the Parties to this Stipulation hereby conditionally stipulate and  
agree as follows:

1. The Motion shall be granted by entry of the proposed order, attached hereto as  
Exhibit "A", entitled *Order Granting "Debtors' Emergency Motion For The Entry Of An Order:  
(I) Enforcing The Order Authorizing The Sale To Strategic Global Management, Inc.; (II) Finding  
That The Sale Is Free And Clear Of Conditions Materially Different Than Those Approved By The  
Court; (III) Finding That The Attorney General Abused His Discretion In Imposing Conditions On  
That Sale; And (IV) Granting Related Relief"* [Docket No. 3188] (the "Order").

2. The Attorney General does not agree or concede that the Additional Conditions (as  
defined in the Order) are an "interest in property" for purposes of 11 U.S.C. § 363(f), but  
acknowledges that the Court so held in the Memorandum Decision (which is to be vacated and  
withdrawn pursuant to the Order) and that, solely and exclusively for purposes of the APA (as  
defined in the Order) and the Motion, the Order so states.

3. This Stipulation shall be binding and effective upon, but only upon, entry of the  
Order in the proposed form attached hereto.

Dated: November 8, 2019

DENTONS US LLP

By: /s/ Tania M. Moyron

Tania M. Moyron

Counsel to the Debtors and Debtors in Possession

Dated: November 8, 2019

CALIFORNIA DEPARTMENT OF JUSTICE

By: \_\_\_\_\_

David K. Eldan

Counsel to Xavier Becerra, Attorney General of the  
State of California







**Exhibit A**

**Proposed Order**



DENTONS US LLP  
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LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

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Los Angeles, California 90017-5704  
Tel: (213) 623-9300 / Fax: (213) 623-9924  
  
Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtor and Debtor In  
Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
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Foundation
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- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
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Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
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Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**ORDER GRANTING "DEBTORS' EMERGENCY  
MOTION FOR THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER AUTHORIZING THE  
SALE TO STRATEGIC GLOBAL MANAGEMENT,  
INC.; (II) FINDING THAT THE SALE IS FREE  
AND CLEAR OF CONDITIONS MATERIALLY  
DIFFERENT THAN THOSE APPROVED BY THE  
COURT; (III) FINDING THAT THE ATTORNEY  
GENERAL ABUSED HIS DISCRETION IN  
IMPOSING CONDITIONS ON THAT SALE; AND  
(IV) GRANTING RELATED RELIEF" [DOC. 3188]**

Hearing Date and Time:

Date: October 15, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA



The Court, having considered the motion [Docket No. 3188] (the “Motion”)<sup>1</sup> filed by Verity Health System of California, Inc. and the above-referenced affiliated debtors and debtors in possession in the above captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), the response [Docket No. 3333] of the California Attorney General (the “Attorney General”), the statement [Docket No. 3356] filed by Strategic Global Management, Inc. (collectively with its affiliates, “SGM”), the reply [Docket No. 3382] filed by the Debtors, the stipulation [Docket No. \_\_\_\_] by and among the Debtors and the Attorney General, and good cause appearing,

**HEREBY ORDERS AS FOLLOWS:**

1. The Motion is GRANTED.
2. The Court’s memorandum decision [Docket No. 3446] is hereby vacated and withdrawn.
3. Solely and exclusively for purposes of the APA (as defined below) and the Motion, the Additional Conditions (as defined in section 8.6 of that certain asset purchase agreement [Docket No. 2305-1] (the “APA”)) are an “interest in property” for purposes of 11 U.S.C. § 363(f), and the Assets (as defined in the APA) can be sold free and clear of the Additional Conditions without the imposition of any other conditions which would adversely affect the Purchaser (as defined in the APA).
4. This Court shall retain exclusive jurisdiction to adjudicate any disputes or controversies regarding the interpretation or enforcement of this Order. Notwithstanding the preceding sentence, nothing contained in this Order shall prohibit or limit the authority of the Attorney General to enforce, in the California state courts and pursuant to section 5926 of the California Corporations Code, the Purchaser Approved Conditions set forth on Schedule 8.6 to the APA.

///

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.



1           5.       The Attorney General waives any right to appeal this Order.

2  
3           **IT IS SO ORDERED.**

4                               ###

DENTONS US LLP  
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LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



# EXHIBIT K

EXHIBIT K Page 1 of 2  
Case 5:50-gb-01001-EB Doc 23-11 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT K



Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address  Samuel R. Maizel (SBN 189301) samuel.maizel@dentons.com Tania M. Moyron (SBN 235736) tania.moyron@dentons.com DENTONS US LLP 601 South Figueroa Street, Suite 2500 Los Angeles, California 90017 Telephone: (213) 623-9300 Facsimile: (213) 623-9924  <input type="checkbox"/> Individual appearing without an attorney <input checked="" type="checkbox"/> Attorney for: Debtors and Debtors In Possession	FOR COURT USE ONLY
<b>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION</b>	
In re: VERITY HEALTH SYSTEM OF CALIFORNIA, INC., et al.,  Debtors and Debtors In Possession.  <input checked="" type="checkbox"/> Affects All Debtors  <input type="checkbox"/> Affects Verity Health System of California, Inc. <input type="checkbox"/> Affects O'Connor Hospital <input type="checkbox"/> Affects Saint Louise Regional Hospital <input type="checkbox"/> Affects St. Francis Medical Center <input type="checkbox"/> Affects St. Vincent Medical Center <input type="checkbox"/> Affects Seton Medical Center <input type="checkbox"/> Affects O'Connor Hospital Foundation <input type="checkbox"/> Affects Saint Louise Regional Hospital Foundation <input type="checkbox"/> Affects St. Francis Medical Center of Lynwood Foundation <input type="checkbox"/> Affects St. Vincent Foundation <input type="checkbox"/> Affects St. Vincent Dialysis Center, Inc. <input type="checkbox"/> Affects Seton Medical Center Foundation <input type="checkbox"/> Affects Verity Business Services <input type="checkbox"/> Affects Verity Medical Foundation <input type="checkbox"/> Affects Verity Holdings, LLC <input type="checkbox"/> Affects De Paul Ventures, LLC <input type="checkbox"/> Affects De Paul Ventures - San Jose Dialysis, LLC Liquidation Corporation, a California corporation,  Debtor(s)	CASE NO.: 2:18-bk-20151-ER; Jointly administered with: Case No. 2:18-bk-20162-ER Case No. 2:18-bk-20163-ER Case No. 2:18-bk-20164-ER Case No. 2:18-bk-20165-ER Case No. 2:18-bk-20167-ER Case No. 2:18-bk-20168-ER Case No. 2:18-bk-20169-ER Case No. 2:18-bk-20171-ER Case No. 2:18-bk-20172-ER Case No. 2:18-bk-20173-ER Case No. 2:18-bk-20175-ER Case No. 2:18-bk-20176-ER Case No. 2:18-bk-20178-ER Case No. 2:18-bk-20179-ER Case No. 2:18-bk-20180-ER Case No. 2:18-bk-20181-ER  CHAPTER: 11  <b>NOTICE OF LODGMENT OF ORDER IN BANKRUPTCY CASE RE: (title of motion<sup>1</sup>):</b> <u>Enforcement Motion [Docket No. 3188]</u>

PLEASE TAKE NOTE that the order titled Order Granting "Debtors' Emergency Motion For The Entry Of An Order: (I) Enforcing The Order Authorizing The Sale To Strategic Global Management, Inc.; (II) Finding That The Sale Is Free And Clear Of Conditions Materially Different Than Those Approved By The Court; (III) Finding That The Attorney General Abused His Discretion In Imposing Conditions On That Sale; And (IV) Granting Related Relief" [Doc. 3188] was lodged on (date) 11/08/19 and is attached. This order relates to the motion which is docket number 3188.

<sup>1</sup> Please abbreviate if title cannot fit into text field.



DENTONS US LLP  
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Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtor and Debtor In  
Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of Lynwood  
Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
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Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**ORDER GRANTING "DEBTORS' EMERGENCY  
MOTION FOR THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER AUTHORIZING THE  
SALE TO STRATEGIC GLOBAL MANAGEMENT,  
INC.; (II) FINDING THAT THE SALE IS FREE  
AND CLEAR OF CONDITIONS MATERIALLY  
DIFFERENT THAN THOSE APPROVED BY THE  
COURT; (III) FINDING THAT THE ATTORNEY  
GENERAL ABUSED HIS DISCRETION IN  
IMPOSING CONDITIONS ON THAT SALE; AND  
(IV) GRANTING RELATED RELIEF" [DOC. 3188]**

Hearing Date and Time:

Date: October 15, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA



The Court, having considered the motion [Docket No. 3188] (the “Motion”)<sup>1</sup> filed by Verity Health System of California, Inc. and the above-referenced affiliated debtors and debtors in possession in the above captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), the response [Docket No. 3333] of the California Attorney General (the “Attorney General”), the statement [Docket No. 3356] filed by Strategic Global Management, Inc. (collectively with its affiliates, “SGM”), the reply [Docket No. 3382] filed by the Debtors, the stipulation [Docket No. 3572] by and among the Debtors and the Attorney General, and good cause appearing,

**HEREBY ORDERS AS FOLLOWS:**

1. The Motion is GRANTED.
2. The Court’s memorandum decision [Docket No. 3446] is hereby vacated and withdrawn.
3. Solely and exclusively for purposes of the APA (as defined below) and the Motion, the Additional Conditions (as defined in section 8.6 of that certain asset purchase agreement [Docket No. 2305-1] (the “APA”)) are an “interest in property” for purposes of 11 U.S.C. § 363(f), and the Assets (as defined in the APA) can be sold free and clear of the Additional Conditions without the imposition of any other conditions which would adversely affect the Purchaser (as defined in the APA).
4. This Court shall retain exclusive jurisdiction to adjudicate any disputes or controversies regarding the interpretation or enforcement of this Order. Notwithstanding the preceding sentence, nothing contained in this Order shall prohibit or limit the authority of the Attorney General to enforce, in the California state courts and pursuant to section 5926 of the California Corporations Code, the Purchaser Approved Conditions set forth on Schedule 8.6 to the APA.

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.



5. The Attorney General waives any right to appeal this Order.

**IT IS SO ORDERED.**

###

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# EXHIBIT L

EXHIBIT L Page 1 of 1  
Case 5:50-gb-01001-EB Doc 23-15 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT L



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**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION**

In re  
  
VERITY HEALTH SYSTEM OF  
  
CALIFORNIA, INC., *et al.*,  
  
Debtors and Debtors in Possession.

- ☒ Affects All Debtors  
☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
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☐ Affects De Paul Ventures – San Jose ASC, LLC

Debtors and Debtors in Possession.

LEAD CASE NO.: 2:18-bk-20151-ER

CHAPTER: 11  
JOINTLY ADMINISTERED WITH:

CASE NO.: 2:18-bk-20162-ER  
CASE NO.: 2:18-bk-20163-ER  
CASE NO.: 2:18-bk-20164-ER  
CASE NO.: 2:18-bk-20165-ER  
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CASE NO.: 2:18-bk-20179-ER  
CASE NO.: 2:18-bk-20180-ER  
CASE NO.: 2:18-bk-20181-ER

**OBJECTION TO ORDER GRANTING  
“DEBTOR’S EMERGENCY MOTION  
FOR THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER  
AUTHORIZING THE SALE TO  
STRATEGIC GLOBAL MANAGEMENT,  
INC.; (II) FINDING THAT THE SALE IS  
FREE AND CLEAR OF CONDITIONS  
MATERIALLY DIFFERENT THAN  
THOSE APPROVED BY THE COURT;  
(III) FINDING THAT THE ATTORNEY  
GENERAL ABUSED HIS DISCRETION  
IN IMPOSING CONDITIONS ON THAT  
SALE; AND (IV) GRANTING RELATED  
RELIEF” (DOC. 3188)**





Strategic Global Management, Inc. (“SGM”) submits the following Objection to the “Order Granting Debtor’s Emergency Motion For The Entry Of An Order: (I) Enforcing The Order Authorizing The Sale To Strategic Global Management, Inc.; (II) Finding That The Sale Is Free And Clear Of Conditions Materially Different Than Those Approved By The Court; (III) Finding That The Attorney General Abused His Discretion In Imposing Conditions On That Sale; And (IV) Granting Related Relief” [Doc. 3574] submitted by Verity Health System of California, Inc. and related and affiliated Debtors.

## I.

### INTRODUCTION

An enormous amount of time and expense has been incurred in the efforts of the Debtors, SGM, and other parties in interest, to reach an agreement for SGM’s purchase of 4 hospitals for a price of over \$600 Million, which will pave the way for confirmation of the Debtors’ Plan of Reorganization, and the continued operation of the hospitals, employment of thousands of people, and support of the communities they serve. Fundamental to that process has been the need to resolve the issue of whether and to what extent SGM would be obligated to perform or abide by conditions which the California Attorney General (“AG”) might attempt to impose as part of his approval process. In recognition of the history in other cases of the AG’s imposition of conditions that have had the effect of causing transaction to fail and hospitals to close, SGM bargained for protection such that it would not have to close this transaction if the conditions imposed by the AG were materially different (“Additional Conditions”) from that which SGM had agreed to accept. The provisions of the APA addressing this subject matter are contained in section 8.6.

The AG issued his Decision on September 25, 2019, in which the AG imposed Additional Conditions for his approval of the sale to SGM. The Debtors, with SGM’s support, filed its “Emergency Motion For The Entry Of An Order: (I) Enforcing The Order Authorizing The Sale To Strategic Global Management, Inc.; (II) Finding That The Sale Is Free And Clear Of Conditions Materially Different Than Those Approved By The Court; (III) Finding That The Attorney General Abused His Discretion In Imposing Conditions On That Sale; And (IV)



1 Granting Related Relief” [Doc. 3188] requesting a determination, among other things, that the  
2 sale to SGM was free and clear of such Additional Conditions. Following the conclusion of the  
3 hearing on the Emergency Motion, this court filed its Memorandum Decision on October 23,  
4 2019 [Doc. 3446] in which it granted the Emergency Motion and, recognizing the importance (if  
5 not ground breaking nature) of its ruling, the Court certified its ruling for a direct appeal to the  
6 U.S. Court of Appeals for the Ninth Circuit.

7 The AG has agreed to waive its right to appeal in exchange for the Court’s vacation of its  
8 Memorandum Decision and entry of a form of order to which it consents. That proposed order  
9 [Doc. 3574] attached as Exhibit A hereto (herein, the “AG Order”), is not acceptable to  
10 SGM. While SGM remains fully committed to the transaction, fundamental to SGM’s rights as a  
11 purchaser is the protection to which it is entitled under APA section 8.6 in the form of a clearly  
12 and unambiguously written order which forecloses, to the extent possible, any disputes or  
13 controversies as to SGM’s protection from such Additional Conditions, its right not to comply  
14 with, perform or adhere to any of the Additional Conditions, and SGM’s ability to come to this  
15 court if there are future disputes or controversies over the interpretation or enforcement of such  
16 order. Rather than accomplish that end, the AG Order is muddled, obtuse, grammatically  
17 ambiguous, and, if entered, will not provide SGM the clear and unequivocal protection to which it  
18 is entitled and which SGM believes the court intended it to have. Fortunately, these deficiencies  
19 can be corrected, with no prejudice to the AG or to the Debtors.

20 Under the unique circumstances of this case including: (1) the removal from the record of  
21 the Court’s Memorandum Decision, which thoroughly and comprehensively set forth the bases  
22 for the Court’s ruling in granting the Motion, and (2) the profoundly important consequence of  
23 the Court’s order on SGM’s future relationship with the AG for many years, in a transaction in  
24 which SGM will be paying over \$600 Million, SGM is entitled to have a clearly-written,  
25 unequivocal and unambiguous order that addresses the following subject matters which were not  
26 fully and clearly provided for in the AG Order: (1) a definition of “Additional Conditions,” (2) a  
27 clear statement as to what the “free and clear” terminology means as to the “Additional  
28 Conditions,” and (3) a clear and unambiguous statement regarding this Court’s jurisdiction to



1 resolve disputes or controversies over the Order.

2 All of SGM's concerns over the AG Order can be fixed very simply and effectively by the  
3 alternative order forth on Exhibit B hereto (the "SGM Order"). The use of the SGM Order, in  
4 lieu of the AG Order, while providing necessary protection to SGM, will have no prejudicial  
5 impact whatsoever on the AG or the Debtors. While SGM recognizes that one of the AG's goals,  
6 in waiving its appeal and having the Court vacate its Memorandum Decision, is to limit, as much  
7 as possible, a public record regarding this Court's significant decision concerning the  
8 unenforceability of the Additional Conditions, the AG's goal of limiting the "collateral damage"  
9 from this Court's ruling must give way to SGM's entitlement to a clearly stated, unambiguous  
10 order which will avoid, or limit to the maximum extent, confusion and controversy over exactly  
11 what this Court has decided.

12 Unfortunately, the AG's effort to avoid the precedential effect of this Court's ruling has  
13 created an unnecessarily ambiguous order which may actually result in litigation between the AG  
14 and SGM. The AG's verbatim extraction of specific language from § 8.6, while superficially  
15 appealing, is grammatically unartful. Whether by design to obscure the outcome of the Court's  
16 ruling or simply poor draftsmanship, the end result is an order that does not do justice to, or fairly  
17 reflects, this Court's ruling and leaves SGM open to litigation.

## 18 II.

### 19 **THE CHANGES NECESSARY TO PROTECT THE INTEREST OF SGM,** 20 **CAN BE MADE WITHOUT ANY PREJUDICE TO THE AG**

21 SGM's proposed alternative order, at Paragraph 2, which is the paragraph that addresses  
22 the "free and clear" provision of the order, states as follows:

23 The Debtors' transfer to SGM of the Debtors' assets (the  
24 "SGM Sale") pursuant to that certain Asset Purchase  
25 Agreement [Docket No. 2305-1] (the "SGM APA") is free  
26 and clear of, and shall not be subject to or conditioned upon  
27 SGM's performance of, compliance with, or adherence to,  
28 any and all Additional Conditions (as defined in the SGM  
APA and in the Motion), pursuant to Bankruptcy Code §  
363(b), (f1), and (f5) and otherwise is provided in the Sale  
Order."



1 The foregoing language is entirely consistent with the Debtor's Motion, this Court's  
2 Memorandum Decision and, most importantly, expressly states what "free and clear" means, i.e.  
3 that SGM is not required to perform, comply with or adhere to the Additional Conditions.  
4 Because the concept of a "free and clear" sale as applied to regulatory conditions is, to say the  
5 least, unusual, SGM believes that it is critical that the Order contain language, which clarifies that  
6 a sale free and clear of conditions means that SGM will not have to comply with them.  
7 Otherwise, there could be some doubt, and later a dispute, about exactly what the term "free and  
8 clear" means as applied to regulatory conditions. The whole purpose of the SGM's negotiation of  
9 its rights under § 8.6, and of the Debtor's Emergency Motion to satisfy its obligation under § 8.6,  
10 was to establish that SGM would not have to comply with the AG Conditions. There is no  
11 legitimate reason why the AG should refuse to have such language included in the Order – unless  
12 the AG desires to leave the Order ambiguous enough either to be able to "spin it" or to create a  
13 basis for controversy.

14 The problem with the AG's language, especially in comparison to that proposed by SGM,  
15 are several fold. First, the prefatory words "Solely and exclusively for the purposes of the APA"  
16 are unnecessary, not requested by the Debtor or SGM in the Motion, and are ambiguous. The  
17 transfer of the Debtor's assets free and clear of the Additional Conditions needs to be clearly and  
18 unambiguously stated. What does "Solely and exclusively for purpose of the APA" mean? If the  
19 AG wants language to the effect that this Order does not apply to some other transaction over  
20 which the AG has approval authority, then the Order can provide such language.

21 The AG Order contains the additional verbiage addressing the critical issue of the sale  
22 being free and clear of the Additional Conditions in an awkward and imprecise manner:

23 Solely and exclusively for purposes of the APA . . . the  
24 Additional Conditions . . . are an "interest in property" for  
25 purposes of 11 U.S.C. § 363(f) and the assets (as defined in  
26 the APA) *can be* sold free and clear of the Additional  
27 Conditions . . . (Emphasis added.)

27 The use of the words "can be sold" does not expressively state that they "are being  
28 transferred" free and clear. While the AG has adopted verbiage from § 8.6 of the APA, word for



word, those words do not translate clearly into a court order. There is no particular reason why the Order should use the phrase “can be sold” as opposed to “are being transferred” which is consistent with the Sale Order and is exactly what this Court decided when it granted the Emergency Motion.

Finally, this Court made no ruling as to the AG’s enforcement rights (and no such ruling was requested) and this Court should retain exclusive jurisdiction to resolve any disputes or controversies concerning its Order. The AG Order, after acknowledging the Bankruptcy Court’s exclusive jurisdiction, goes on to say:

“Notwithstanding the preceding sentence, nothing contained in this Order shall prohibit or limit the authority of the Attorney General to enforce, in the state courts and pursuant to section 5926 of the California Corporations Code, the Purchaser Approved Conditions set forth in Schedule 8.6 to the SGM APA.”

First, there is no basis, either in the Emergency Motion, the AG’s Opposition or the Memorandum Decision, for this Court to be ruling on the AG’s enforcement right, one way or the other, except with respect to the Additional Conditions. Second, the words “Notwithstanding the preceding sentence” obviously are meant to supersede the prior sentence and, since the prior sentence provided for the Bankruptcy Court’s “exclusive jurisdiction” over disputes pertaining to the Order, the AG Order would effectively trump that provision which or, at least create a “forum war” over future disputes. In light of the fact that a dispute could involve whether the AG is improperly attempting to enforce an “Additional Condition”, there should be no question that any such dispute should be heard in this Court, since it is this Court that has created the barrier against such enforcement.

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Based on the foregoing, SGM respectfully requests that the Court enter the SGM Order.<sup>1</sup>

Dated: November 11, 2019

LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.

By: /s/ Gary E. Klausner  
Gary E. Klausner  
Counsel for Strategic Global Management, Inc.

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<sup>1</sup> SGM reserves all of its rights under the APA including, without limitation, as provided for in section 8.6



**EXHIBIT “A”**



<p>Attorney or Party Name, Address, Telephone &amp; FAX Nos., State Bar No. &amp; Email Address</p> <p>Samuel R. Maizel (SBN 189301)  samuel.maizel@dentons.com  Tania M. Moyron (SBN 235736)  tania.moyron@dentons.com  DENTONS US LLP  601 South Figueroa Street, Suite 2500  Los Angeles, California 90017  Telephone: (213) 623-9300  Facsimile: (213) 623-9924</p> <p><input type="checkbox"/> Individual appearing without an attorney  <input checked="" type="checkbox"/> Attorney for: Debtors and Debtors In Possession</p>	<p>FOR COURT USE ONLY</p>
<p><b>UNITED STATES BANKRUPTCY COURT</b>  <b>CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION</b></p>	
<p>In re:  <b>VERITY HEALTH SYSTEM OF CALIFORNIA, INC., et al.,</b>    Debtors and Debtors In Possession.</p> <hr/> <p><input checked="" type="checkbox"/> Affects All Debtors</p> <p><input type="checkbox"/> Affects Verity Health System of California, Inc.  <input type="checkbox"/> Affects O'Connor Hospital  <input type="checkbox"/> Affects Saint Louise Regional Hospital  <input type="checkbox"/> Affects St. Francis Medical Center  <input type="checkbox"/> Affects St. Vincent Medical Center  <input type="checkbox"/> Affects Seton Medical Center  <input type="checkbox"/> Affects O'Connor Hospital Foundation  <input type="checkbox"/> Affects Saint Louise Regional Hospital Foundation  <input type="checkbox"/> Affects St. Francis Medical Center of Lynwood Foundation  <input type="checkbox"/> Affects St. Vincent Foundation  <input type="checkbox"/> Affects St. Vincent Dialysis Center, Inc.  <input type="checkbox"/> Affects Seton Medical Center Foundation  <input type="checkbox"/> Affects Verity Business Services  <input type="checkbox"/> Affects Verity Medical Foundation  <input type="checkbox"/> Affects Verity Holdings, LLC  <input type="checkbox"/> Affects De Paul Ventures, LLC  <input type="checkbox"/> Affects De Paul Ventures - San Jose Dialysis, LLC  Liquidation Corporation, a California corporation,</p> <p style="text-align: right;">Debtor(s)</p>	<p>CASE NO.: 2:18-bk-20151-ER; Jointly administered with:  Case No. 2:18-bk-20162-ER  Case No. 2:18-bk-20163-ER  Case No. 2:18-bk-20164-ER  Case No. 2:18-bk-20165-ER  Case No. 2:18-bk-20167-ER  Case No. 2:18-bk-20168-ER  Case No. 2:18-bk-20169-ER  Case No. 2:18-bk-20171-ER  Case No. 2:18-bk-20172-ER  Case No. 2:18-bk-20173-ER  Case No. 2:18-bk-20175-ER  Case No. 2:18-bk-20176-ER  Case No. 2:18-bk-20178-ER  Case No. 2:18-bk-20179-ER  Case No. 2:18-bk-20180-ER  Case No. 2:18-bk-20181-ER</p> <p>CHAPTER: 11</p>
<p><b>NOTICE OF LODGMENT OF ORDER IN BANKRUPTCY CASE RE: <i>(title of motion<sup>1</sup>)</i>:</b>  <u>Enforcement Motion [Docket No. 3188]</u></p>	

PLEASE TAKE NOTE that the order titled Order Granting "Debtors' Emergency Motion For The Entry Of An Order: (I) Enforcing The Order Authorizing The Sale To Strategic Global Management, Inc.; (II) Finding That The Sale Is Free And Clear Of Conditions Materially Different Than Those Approved By The Court; (III) Finding That The Attorney General Abused His Discretion In Imposing Conditions On That Sale; And (IV) Granting Related Relief" [Doc. 3188] was lodged on (date) 11/08/19 and is attached. This order relates to the motion which is docket number 3188.

<sup>1</sup> Please abbreviate if title cannot fit into text field.



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Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

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Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**ORDER GRANTING "DEBTORS' EMERGENCY  
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GENERAL ABUSED HIS DISCRETION IN  
IMPOSING CONDITIONS ON THAT SALE; AND  
(IV) GRANTING RELATED RELIEF" [DOC. 3188]**

Hearing Date and Time:

Date: October 15, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA



The Court, having considered the motion [Docket No. 3188] (the “Motion”)<sup>1</sup> filed by Verity Health System of California, Inc. and the above-referenced affiliated debtors and debtors in possession in the above captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), the response [Docket No. 3333] of the California Attorney General (the “Attorney General”), the statement [Docket No. 3356] filed by Strategic Global Management, Inc. (collectively with its affiliates, “SGM”), the reply [Docket No. 3382] filed by the Debtors, the stipulation [Docket No. 3572] by and among the Debtors and the Attorney General, and good cause appearing,

**HEREBY ORDERS AS FOLLOWS:**

1. The Motion is GRANTED.
2. The Court’s memorandum decision [Docket No. 3446] is hereby vacated and withdrawn.
3. Solely and exclusively for purposes of the APA (as defined below) and the Motion, the Additional Conditions (as defined in section 8.6 of that certain asset purchase agreement [Docket No. 2305-1] (the “APA”)) are an “interest in property” for purposes of 11 U.S.C. § 363(f), and the Assets (as defined in the APA) can be sold free and clear of the Additional Conditions without the imposition of any other conditions which would adversely affect the Purchaser (as defined in the APA).
4. This Court shall retain exclusive jurisdiction to adjudicate any disputes or controversies regarding the interpretation or enforcement of this Order. Notwithstanding the preceding sentence, nothing contained in this Order shall prohibit or limit the authority of the Attorney General to enforce, in the California state courts and pursuant to section 5926 of the California Corporations Code, the Purchaser Approved Conditions set forth on Schedule 8.6 to the APA.

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.



5. The Attorney General waives any right to appeal this Order.

**IT IS SO ORDERED.**

###

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**EXHIBIT “B”**



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Attorneys for Strategic Global Management, Inc.

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtor and Debtor In  
Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of Lynwood  
Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**ORDER GRANTING DEBTORS' EMERGENCY  
MOTION FOR THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER AUTHORIZING THE  
SALE TO STRATEGIC GLOBAL  
MANAGEMENT, INC.; (II) FINDING THAT THE  
SALE IS FREE AND CLEAR OF CONDITIONS  
MATERIALLY DIFFERENT THAN THOSE  
APPROVED BY THE COURT; (III) FINDING  
THAT THE ATTORNEY GENERAL ABUSED  
HIS DISCRETION IN IMPOSING CONDITIONS  
ON THAT SALE; AND (IV) GRANTING  
RELATED RELIEF" (DOC.3188)**

Hearing:

Date: October 15, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA



The Court, having considered the motion [Docket No. 3188] (the “Motion”)<sup>1</sup> filed by Verity Health System of California, Inc. and the above-referenced affiliated debtors and debtors in possession in the above captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), the response [Docket No. 3333] of the California Attorney General (the “Attorney General”), the statement [Docket No. 3356] filed by Strategic Global Management, Inc. (collectively with its affiliates, “SGM”), the reply [Docket No. 3382] filed by the Debtors, the stipulation [Docket No. 3572] by and among the Debtors and the Attorney General, and good cause appearing,

**HEREBY ORDERS AS FOLLOWS:**

1. The Motion is GRANTED.
2. The Debtors’ transfer to SGM of the Debtors’ assets (the “SGM Sale”) pursuant to that certain asset purchase agreement [Docket No. 2305-1] (the “SGM APA”) is free and clear of, and shall not be subject to or conditioned upon SGM’s performance of, compliance with, or adherence to, any and all Additional Conditions (as defined in the SGM APA and in the Motion), pursuant to Bankruptcy Code §§ 363(b), (f)(1), (f)(4), and (f)(5) and otherwise as provided in the Sale Order.
3. This Court shall retain exclusive jurisdiction to adjudicate any disputes or controversies regarding the interpretation or enforcement of this Order.
4. The Court’s memorandum decision [Docket No. 3446] is hereby vacated and withdrawn.
5. The Attorney General waives any right to appeal this Order.

**IT IS SO ORDERED.**

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067.

A true and correct copy of the foregoing document entitled **OBJECTION TO ORDER GRANTING "DEBTOR'S EMERGENCY MOTION FOR THE ENTRY OF AN ORDER: (I) ENFORCING THE ORDER AUTHORIZING THE SALE TO STRATEGIC GLOBAL MANAGEMENT, INC.; (II) FINDING THAT THE SALE IS FREE AND CLEAR OF CONDITION MATERIALLY DIFFERENT THAN THOSE APPROVED BY THE COURT; (III) FINDING THAT THE ATTORNEY GENERAL ABUSED HIS DISCRETION IN IMPOSING CONDITIONS ON THAT SALE; AND (IV) GRANTING RELATED RELIEF"** (DOC. 3188) will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **November 11, 2019**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

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22 **2. SERVED BY UNITED STATES MAIL:** On **November 11, 2019**, I served the following persons and/or  
23 entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true  
24 and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and  
25 addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be  
26 completed no later than 24 hours after the document is filed.

27 ☐ Service information continued on attached page

28 **3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR**  
29 **EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR,  
30 on **November 11, 2019**, I served the following persons and/or entities by personal delivery, overnight  
31 mail service, or (for those who consented in writing to such service method), by facsimile transmission  
32 and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or  
33 overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

34 **Served via Attorney Service**

35 The Honorable Ernest M. Robles  
36 United States Bankruptcy Court  
37 Edward R. Roybal Federal Building  
38 255 E. Temple Street, Suite 1560  
39 Los Angeles, CA 90012

40 I declare under penalty of perjury under the laws of the United States of America that the foregoing is  
41 true and correct.

42 November 11, 2019	Stephanie Reichert	/s/ Stephanie Reichert
43 <i>Date</i>	<i>Type Name</i>	<i>Signature</i>



# EXHIBIT M

EXHIBIT M Page 1 of 3  
Case 5:50-cv-01001-EB Doc 23-13 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT M



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<p align="center"><b>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION</b></p>	
<p>In re:</p> <p><b>VERITY HEALTH SYSTEM OF CALIFORNIA, INC., et al.,</b></p> <p align="center">Debtor and Debtor In Possession.</p> <hr/> <p><input checked="" type="checkbox"/> Affects All Debtors</p> <p><input type="checkbox"/> Affects Verity Health System of California, Inc.  <input type="checkbox"/> Affects O'Connor Hospital  <input type="checkbox"/> Affects Saint Louise Regional Hospital  <input type="checkbox"/> Affects St. Francis Medical Center  <input type="checkbox"/> Affects St. Vincent Medical Center  <input type="checkbox"/> Affects Seton Medical Center  <input type="checkbox"/> Affects O'Connor Hospital Foundation  <input type="checkbox"/> Affects Saint Louise Regional Hospital Foundation  <input type="checkbox"/> Affects St. Francis Medical Center of Lynwood Foundation  <input type="checkbox"/> Affects St. Vincent Foundation  <input type="checkbox"/> Affects St. Vincent Dialysis Center, Inc.  <input type="checkbox"/> Affects Seton Medical Center Foundation  <input type="checkbox"/> Affects Verity Business Services  <input type="checkbox"/> Affects Verity Medical Foundation  <input type="checkbox"/> Affects Verity Holdings, LLC  <input type="checkbox"/> Affects De Paul Ventures, LLC  <input type="checkbox"/> Affects De Paul Ventures - San Jose Dialysis, LLC</p> <p align="center">Debtors and Debtors In Possession.</p>	<p>Lead Case No. 2:18-bk-20151-ER</p> <p>Jointly Administered With:  Case No. 2:18-bk-20162-ER  Case No. 2:18-bk-20163-ER  Case No. 2:18-bk-20164-ER  Case No. 2:18-bk-20165-ER  Case No. 2:18-bk-20167-ER  Case No. 2:18-bk-20168-ER  Case No. 2:18-bk-20169-ER  Case No. 2:18-bk-20171-ER  Case No. 2:18-bk-20172-ER  Case No. 2:18-bk-20173-ER  Case No. 2:18-bk-20175-ER  Case No. 2:18-bk-20176-ER  Case No. 2:18-bk-20178-ER  Case No. 2:18-bk-20179-ER  Case No. 2:18-bk-20180-ER  Case No. 2:18-bk-20181-ER</p> <p>Chapter 11 Cases</p> <p><b>NOTICE OF LODGMENT OF ORDER RE: DEBTORS' EMERGENCY MOTION FOR THE ENTRY OF AN ORDER: (I) ENFORCING THE ORDER AUTHORIZING THE SALE TO STRATEGIC GLOBAL MANAGEMENT, INC.; (II) FINDING THAT THE SALE IS FREE AND CLEAR OF CONDITIONS MATERIALLY DIFFERENT THAN THOSE APPROVED BY THE COURT; (III) FINDING THAT THE ATTORNEY GENERAL ABUSED HIS DISCRETION IN IMPOSING CONDITIONS ON THAT SALE; AND (IV) GRANTING RELATED RELIEF (DOC.3188)</b></p>

PLEASE TAKE NOTE that the order titled **ORDER GRANTING DEBTORS' EMERGENCY MOTION FOR THE ENTRY OF AN ORDER: (I) ENFORCING THE ORDER AUTHORIZING THE SALE TO STRATEGIC GLOBAL MANAGEMENT, INC.; (II) FINDING THAT THE SALE IS FREE AND CLEAR OF CONDITIONS MATERIALLY DIFFERENT THAN THOSE APPROVED BY THE COURT; (III) FINDING THAT THE ATTORNEY GENERAL ABUSED HIS DISCRETION IN IMPOSING CONDITIONS ON THAT SALE; AND (IV) GRANTING RELATED RELIEF (DOC.3188)** was lodged on November 11, 2019 and is attached. This order relates to the motion which is docket number 3188.





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**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtor and Debtor In  
Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of Lynwood  
Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
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Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**ORDER GRANTING DEBTORS' EMERGENCY  
MOTION FOR THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER AUTHORIZING THE  
SALE TO STRATEGIC GLOBAL  
MANAGEMENT, INC.; (II) FINDING THAT THE  
SALE IS FREE AND CLEAR OF CONDITIONS  
MATERIALLY DIFFERENT THAN THOSE  
APPROVED BY THE COURT; (III) FINDING  
THAT THE ATTORNEY GENERAL ABUSED  
HIS DISCRETION IN IMPOSING CONDITIONS  
ON THAT SALE; AND (IV) GRANTING  
RELATED RELIEF" (DOC.3188)**

Hearing:

Date: October 15, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA



1 The Court, having considered the motion [Docket No. 3188] (the “Motion”)<sup>1</sup> filed by  
2 Verity Health System of California, Inc. and the above-referenced affiliated debtors and debtors  
3 in possession in the above captioned chapter 11 bankruptcy cases (collectively, the “Debtors”),  
4 the response [Docket No. 3333] of the California Attorney General (the “Attorney General”), the  
5 statement [Docket No. 3356] filed by Strategic Global Management, Inc. (collectively with its  
6 affiliates, “SGM”), the reply [Docket No. 3382] filed by the Debtors, the stipulation [Docket No.  
7 3572] by and among the Debtors and the Attorney General, and good cause appearing,

8 **HEREBY ORDERS AS FOLLOWS:**

- 9 1. The Motion is GRANTED.
- 10 2. The Debtors’ transfer to SGM of the Debtors’ assets (the “SGM Sale”) pursuant to  
11 that certain asset purchase agreement [Docket No. 2305-1] (the “SGM APA”) is free and clear of,  
12 and shall not be subject to or conditioned upon SGM’s performance of, compliance with, or  
13 adherence to, any and all Additional Conditions (as defined in the SGM APA and in the Motion),  
14 pursuant to Bankruptcy Code §§ 363(b), (f)(1), (f)(4), and (f)(5) and otherwise as provided in the  
15 Sale Order.
- 16 3. This Court shall retain exclusive jurisdiction to adjudicate any disputes or  
17 controversies regarding the interpretation or enforcement of this Order.
- 18 4. The Court’s memorandum decision [Docket No. 3446] is hereby vacated and  
19 withdrawn.
- 20 5. The Attorney General waives any right to appeal this Order.

21  
22 **IT IS SO ORDERED.**

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067.

A true and correct copy of the foregoing document entitled **NOTICE OF LODGMENT OF ORDER GRANTING "DEBTOR'S EMERGENCY MOTION FOR THE ENTRY OF AN ORDER: (I) ENFORCING THE ORDER AUTHORIZING THE SALE TO STRATEGIC GLOBAL MANAGEMENT, INC.; (II) FINDING THAT THE SALE IS FREE AND CLEAR OF CONDITION MATERIALLY DIFFERENT THAN THOSE APPROVED BY THE COURT; (III) FINDING THAT THE ATTORNEY GENERAL ABUSED HIS DISCRETION IN IMPOSING CONDITIONS ON THAT SALE; AND (IV) GRANTING RELATED RELIEF" (DOC. 3188)** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **November 11, 2019**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

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- Sharon Z. Weiss sharon.weiss@bclplaw.com, raul.morales@bclplaw.com
- Adam G Wentland awentland@tocounsel.com, lkwon@tocounsel.com
- Latonia Williams lwilliams@goodwin.com, bankruptcy@goodwin.com
- Michael S Winsten mike@winsten.com
- Jeffrey C Wisler jwisler@connollygallagher.com, dperkins@connollygallagher.com
- Neal L Wolf nwolf@hansonbridgett.com, calendarclerk@hansonbridgett.com, lchappell@hansonbridgett.com
- Hatty K Yip hatty.yip@usdoj.gov
- Andrew J Ziaja aziaja@leonardcarder.com, sgroff@leonardcarder.com; msimons@leonardcarder.com; lbadar@leonardcarder.com
- Rose Zimmerman rzimmerman@dalycity.org

**2. SERVED BY UNITED STATES MAIL:** On **November 11, 2019**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **November 11, 2019**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

**Served via Attorney Service**

The Honorable Ernest M. Robles  
United States Bankruptcy Court  
Edward R. Roybal Federal Building  
255 E. Temple Street, Suite 1560  
Los Angeles, CA 90012

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

November 11, 2019

Stephanie Reichert

/s/ Stephanie Reichert

Date

Type Name

Signature



# EXHIBIT N

EXHIBIT N Page 1 of 1  
Case 5:50-cv-01001-EB Doc 23-1 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT N



SAMUEL R. MAIZEL (Bar No. 189301)  
samuel.maizel@dentons.com  
TANIA M. MOYRON (Bar No. 235736)  
tania.moyron@dentons.com  
NICHOLAS A. KOFFROTH (Bar No. 287854)  
nicholas.koffroth@dentons.com  
DENTONS US LLP  
601 South Figueroa Street, Suite 2500  
Los Angeles, California 90017-5704  
Tel: (213) 623-9300 / Fax: (213) 623-9924  
  
Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

FILED & ENTERED

NOV 14 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtor and Debtor In  
Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of Lynwood  
Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases

Hon. Judge Ernest M. Robles

**ORDER GRANTING "DEBTORS' EMERGENCY  
MOTION FOR THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER AUTHORIZING THE  
SALE TO STRATEGIC GLOBAL MANAGEMENT,  
INC.; (II) FINDING THAT THE SALE IS FREE  
AND CLEAR OF CONDITIONS MATERIALLY  
DIFFERENT THAN THOSE APPROVED BY THE  
COURT; (III) FINDING THAT THE ATTORNEY  
GENERAL ABUSED HIS DISCRETION IN  
IMPOSING CONDITIONS ON THAT SALE; AND  
(IV) GRANTING RELATED RELIEF" [DOC. 3188]**

Hearing Date and Time:

Date: October 15, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



182015119111400000000009



The Court, having considered the motion [Docket No. 3188] (the “Motion”)<sup>1</sup> filed by Verity Health System of California, Inc. and the above-referenced affiliated debtors and debtors in possession in the above captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), the response [Docket No. 3333] of the California Attorney General (the “Attorney General”), the statement [Docket No. 3356] filed by Strategic Global Management, Inc. (collectively with its affiliates, “SGM”), the reply [Docket No. 3382] filed by the Debtors, the stipulation [Docket No. 3572] by and among the Debtors and the Attorney General, and good cause appearing,

**HEREBY ORDERS AS FOLLOWS:**

1. The Motion is GRANTED.
2. The Court’s memorandum decision [Docket No. 3446] is hereby vacated and withdrawn.
3. Solely and exclusively for purposes of the APA (as defined below) and the Motion, the Additional Conditions (as defined in section 8.6 of that certain asset purchase agreement [Docket No. 2305-1] (the “APA”)) are an “interest in property” for purposes of 11 U.S.C. § 363(f). The Assets (as defined in the APA) are being sold free and clear of the Additional Conditions without the imposition of any other conditions which would adversely affect the Purchaser (as defined in the APA).
4. This Court shall retain exclusive jurisdiction to adjudicate any disputes or controversies regarding the interpretation or enforcement of this Order. Notwithstanding the preceding sentence, nothing contained in this Order shall prohibit or limit the authority of the Attorney General to enforce, in the California state courts and pursuant to section 5926 of the California Corporations Code, the Purchaser Approved Conditions set forth on Schedule 8.6 to the APA.

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.

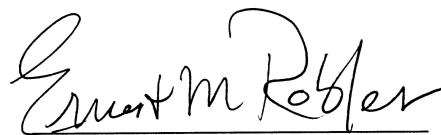


1           5.       The Attorney General waives any right to appeal this Order.

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3           **IT IS SO ORDERED.**

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24       Date: November 14, 2019



Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT O

Case 5:50-gb-01001-EB Doc 23-12 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc  
Exhibit O Page 1 of 3

# EXHIBIT O



SAMUEL R. MAIZEL (Bar No. 189301)  
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TANIA M. MOYRON (Bar No. 235736)  
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DENTONS US LLP  
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Los Angeles, California 90017-5704  
Tel: (213) 623-9300 / Fax: (213) 623-9924

Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

FILED & ENTERED

NOV 22 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

Lead Case No. 18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Hon. Ernest M. Robles

**ORDER APPROVING STIPULATION RE:  
ASSUMPTION AND ASSIGNMENT OF  
MEDICARE PROVIDER AGREEMENTS TO  
STRATEGIC GLOBAL MANAGEMENT, INC.**

**[RELATED DOCKET NOS. 2306; 3677]**

☒ Affects All Debtors

- ☐ Affects Verity Health System of  
California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of  
Lynwood Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose ASC,  
LLC

Debtors and Debtors In Possession.

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300





The Court, having reviewed the *Stipulation Re: Assumption And Assignment Of Medicare Provider Agreements to Strategic Global Management, Inc.* (the “Stipulation”), filed as Docket No. 3677, entered between Verity Health System of California, Inc., St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, and Seton Medical Center, on the one hand, and the Secretary of the U.S. Department of Health and Human Services on behalf of the Centers for Medicare & Medicaid Services, on the other, and good cause appearing,

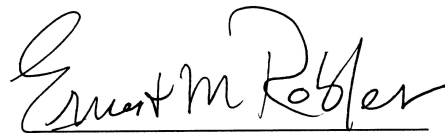
HEREBY ORDERS AS FOLLOWS:

- A. The Stipulation and the terms therein are approved.
- B. This Court shall retain jurisdiction to hear and resolve any disputes arising under the Stipulation.
- C. The hearing regarding transfer of the Debtors’ Medicare Provider Agreements, currently scheduled for November 25, 2019, at 10:00 a.m., is VACATED.

IT IS SO ORDERED.

###

Date: November 22, 2019



Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT P

EXHIBIT P Page 1 of 15  
Case 5:50-cv-01001-EB Doc 23-1e Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT P



Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address  GARY E. KLAUSNER (SBN 69055) LEVENE, NEALE, BENDER, YOO & BRILL L.L.P. 10250 Constellation Boulevard, Suite 1700 Los Angeles, CA 90067 Telephone: (310) 229-1234 Facsimile: (310) 229-1244 Email L gek@lnbyb.com  <input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Strategic Global Management, Inc.	FOR COURT USE ONLY
<b>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION</b>	
In re:  Verity Health System of California, Inc., et al.,  <div style="text-align: right;">Debtor(s).</div>	CASE NO.: 2:18-bk-20151-ER  ADVERSARY NO.: (if applicable)  CHAPTER: 11
<div style="text-align: right;">Plaintiff(s) (if applicable).</div>  vs.  <div style="text-align: right;">Defendant(s) (if applicable).</div>	<b>NOTICE OF APPEAL AND STATEMENT OF ELECTION</b>

**Part 1: Identify the appellant(s)**

1. Name(s) of appellant(s): Strategic Global Management, Inc.

2. Position of appellant(s) in the adversary proceeding or bankruptcy case that is the subject of this appeal:

For appeals in an adversary proceeding.

- ☐ Plaintiff  
☐ Defendant  
☒ Other (describe):

For appeals in a bankruptcy case and not in an adversary proceeding.

- ☐ Debtor  
☐ Creditor  
☐ Trustee  
☒ Other (describe): Party in Interest and proposed buyer in Section 363 sale





**Part 2: Identify the subject of this appeal**

1. Describe the judgment, order, or decree appealed from:  
Order Granting "Debtors' Emergency Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding that the Sale Is Free and Clear of Conditions Materially Different than Those Approved by the Court; (III) Finding that..." [Dkt. No. 3611]
2. The date the judgment, order, or decree was entered: 11/14/2019  
See Exhibit A attached hereto.

**Part 3: Identify the other parties to the appeal**

List the names of all parties to the judgment, order, or decree appealed from and the names, addresses, and telephone numbers of their attorneys (*attach additional pages if necessary*):

1. Party: Verity Health System of California, Inc.  
Attorney:  
Samuel R. Maizel; Tania M. Moyron; and Nicholas A Koffroth  
Dentons US LLP  
601 South Figueroa Street, Suite 2500  
Los Angeles, CA 90017  
Tel: 213-623-9300
2. Party: California Department of Health Care Services  
Attorney:  
Xavier Becerra; Jennifer M. Kim; Kenneth K. Wang  
Attorney General of California  
300 South Spring Street, Suite 1702  
Los Angeles, CA 90013  
Tel: 213-897-2805

**Part 4: Optional election to have appeal heard by District Court (applicable only in certain districts)**

If a Bankruptcy Appellate Panel is available in this judicial district, the Bankruptcy Appellate Panel will hear this appeal unless, pursuant to 28 U.S.C. § 158(c)(1), a party elects to have the appeal heard by the United States District Court. If an appellant filing this notice wishes to have the appeal heard by the United States District Court, check below. Do not check the box if the appellant wishes the Bankruptcy Appellate Panel to hear the appeal.

- ☐ Appellant(s) elect to have the appeal heard by the United States District Court rather than by the Bankruptcy Appellate Panel.

**Part 5: Sign below**

/s/ Gary E. Klausner Date: 11/29/2019  
Signature of attorney for appellant(s) (or appellant(s)  
if not represented by an attorney)

Fee waiver notice: If appellant is a child support creditor or its representative and appellant has filed the form specified in § 304(g) of the Bankruptcy Reform Act of 1994, no fee is required.

**[Note to inmate filers:** If you are an inmate filer in an institution and you seek the timing benefit of Fed. R. Bankr. P. 8002(c)(1), complete Director's Form 4170 (Declaration of Inmate Filing) and file that declaration along with the Notice of Appeal.]



# EXHIBIT A



SAMUEL R. MAIZEL (Bar No. 189301)  
samuel.maizel@dentons.com  
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tania.moyron@dentons.com  
NICHOLAS A. KOFFROTH (Bar No. 287854)  
nicholas.koffroth@dentons.com  
DENTONS US LLP  
601 South Figueroa Street, Suite 2500  
Los Angeles, California 90017-5704  
Tel: (213) 623-9300 / Fax: (213) 623-9924  
  
Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

FILED & ENTERED

NOV 14 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtor and Debtor In  
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- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
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☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

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Case No. 2:18-bk-20162-ER  
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Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases

Hon. Judge Ernest M. Robles

**ORDER GRANTING "DEBTORS' EMERGENCY  
MOTION FOR THE ENTRY OF AN ORDER: (I)  
ENFORCING THE ORDER AUTHORIZING THE  
SALE TO STRATEGIC GLOBAL MANAGEMENT,  
INC.; (II) FINDING THAT THE SALE IS FREE  
AND CLEAR OF CONDITIONS MATERIALLY  
DIFFERENT THAN THOSE APPROVED BY THE  
COURT; (III) FINDING THAT THE ATTORNEY  
GENERAL ABUSED HIS DISCRETION IN  
IMPOSING CONDITIONS ON THAT SALE; AND  
(IV) GRANTING RELATED RELIEF" [DOC. 3188]**

Hearing Date and Time:

Date: October 15, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



182015119111400000000009



The Court, having considered the motion [Docket No. 3188] (the “Motion”)<sup>1</sup> filed by Verity Health System of California, Inc. and the above-referenced affiliated debtors and debtors in possession in the above captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), the response [Docket No. 3333] of the California Attorney General (the “Attorney General”), the statement [Docket No. 3356] filed by Strategic Global Management, Inc. (collectively with its affiliates, “SGM”), the reply [Docket No. 3382] filed by the Debtors, the stipulation [Docket No. 3572] by and among the Debtors and the Attorney General, and good cause appearing,

**HEREBY ORDERS AS FOLLOWS:**

1. The Motion is GRANTED.
2. The Court’s memorandum decision [Docket No. 3446] is hereby vacated and withdrawn.
3. Solely and exclusively for purposes of the APA (as defined below) and the Motion, the Additional Conditions (as defined in section 8.6 of that certain asset purchase agreement [Docket No. 2305-1] (the “APA”)) are an “interest in property” for purposes of 11 U.S.C. § 363(f). The Assets (as defined in the APA) are being sold free and clear of the Additional Conditions without the imposition of any other conditions which would adversely affect the Purchaser (as defined in the APA).
4. This Court shall retain exclusive jurisdiction to adjudicate any disputes or controversies regarding the interpretation or enforcement of this Order. Notwithstanding the preceding sentence, nothing contained in this Order shall prohibit or limit the authority of the Attorney General to enforce, in the California state courts and pursuant to section 5926 of the California Corporations Code, the Purchaser Approved Conditions set forth on Schedule 8.6 to the APA.

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.

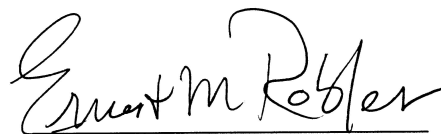


1           5.       The Attorney General waives any right to appeal this Order.

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3           **IT IS SO ORDERED.**

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24       Date: November 14, 2019

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26                               Ernest M. Robles  
27                               United States Bankruptcy Judge  
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DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067.

A true and correct copy of the foregoing document entitled: **NOTICE OF APPEAL AND STATEMENT OF ELECTION** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **November 29, 2019**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Alexandra Achamallah aachamallah@milbank.com, rliubicic@milbank.com
- Melinda Alonzo ml7829@att.com
- Robert N Amkraut ramkraut@foxrothschild.com
- Kyra E Andrassy kandrassy@swelawfirm.com,  
lgarrett@swelawfirm.com;gcruz@swelawfirm.com;jchung@swelawfirm.com
- Simon Aron saron@wrslawyers.com
- Lauren T Attard lattard@bakerlaw.com, agrosso@bakerlaw.com
- Allison R Axenrod allison@claimsrecoveryllc.com
- Keith Patrick Banner kbanner@greenbergglusker.com,  
sharper@greenbergglusker.com;calendar@greenbergglusker.com
- Cristina E Bautista cristina.bautista@kattenlaw.com, ecf.lax.docket@kattenlaw.com
- James Cornell Behrens jbehrens@milbank.com,  
ggray@milbank.com;mshinderman@milbank.com;dodonnell@milbank.com;jbrewster@milbank.com;JWeber@milbank.com
- Ron Bender rb@lnbyb.com
- Bruce Bennett bbennett@jonesday.com
- Peter J Benvenuti pbenvenuti@kellerbenvenuti.com, pbenven74@yahoo.com
- Leslie A Berkoff lberkoff@moritthock.com, hmay@moritthock.com
- Steven M Berman sberman@slk-law.com
- Stephen F Biegenzahn efile@sfblaw.com
- Karl E Block kblock@loeb.com,  
jvazquez@loeb.com;ladoocket@loeb.com;kblock@ecf.courtdrive.com
- Dustin P Branch branchd@ballardspahr.com,  
carolod@ballardspahr.com;hubenb@ballardspahr.com
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wyones@swsslw.com;mbreslauer@ecf.courtdrive.com;wyones@ecf.courtdrive.com
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- Barry A Chatz barry.chatz@saul.com, jurate.medziak@saul.com
- Shirley Cho scho@pszjlaw.com
- Shawn M Christianson cmcintire@buchalter.com, schristianson@buchalter.com
- Louis J. Cisz lcisz@nixonpeabody.com, jzic@nixonpeabody.com
- Leslie A Cohen leslie@lesliecohenlaw.com,  
jaime@lesliecohenlaw.com;olivia@lesliecohenlaw.com
- Marcus Colabianchi mcolabianchi@duanemorris.com
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**2. SERVED BY UNITED STATES MAIL:** On December 2, 2019 served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows.

The Honorable Ernest M. Robles  
United States Bankruptcy Court  
255 E. Temple Street, Suite 1560  
Los Angeles, CA 90012

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **November 29, 2019**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

<b>November 29, 2019</b>	Jeffrey Kwong	/s/ Jeffrey Kwong
<i>Date</i>	<i>Type Name</i>	<i>Signature</i>



# EXHIBIT Q

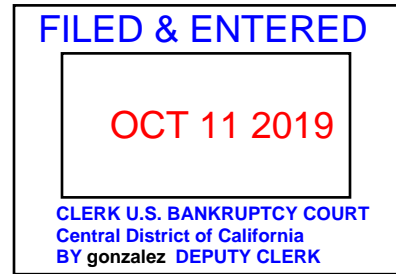
EXHIBIT Q Page 1 of 1  
Case 5:50-gb-01001-EB Doc 21-11 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT Q



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**CHANGES MADE BY COURT**

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF CALIFORNIA,  
INC., *et al.*,

Debtor and Debtor In  
Possession.

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases

Hon. Judge Ernest M. Robles

**ORDER AUTHORIZING DEBTORS TO  
SELL MEDI-CAL PROVIDER  
AGREEMENTS, FREE AND CLEAR OF  
INTERESTS ASSERTED BY THE  
CALIFORNIA DEPARTMENT OF  
HEALTH CARE SERVICES, PURSUANT  
TO §§ 363(b) and (f)(5)**

Hearing:

Date: September 25, 2019  
Time: 10:00 a.m. (Pacific Time)  
Location: Courtroom 1568  
255 E. Temple Street  
Los Angeles, CA

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
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On January 17, 2019, Verity Health System Of California, Inc. and the above-referenced affiliated debtors, the debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Notice of Motion and Motion for the Entry of (I) an Order (i) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders; (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections; (3) Approving Form of Notice to be Provided to Interested Parties; (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder; and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* [Docket No. 1279] (the “Sale Motion”). In the Sale Motion, the Debtors sought an order granting, among other things, authority to sell certain property free and clear of claims, interests, and encumbrances, pursuant to §§ 363(b) and (f) of title 11 of the United States Code (the “Bankruptcy Code”),<sup>1</sup> to Strategic Global Management, Inc. (“SGM”).

On March 22, 2019, the California Department of Health Care Services (“DHCS”) filed *Creditor California Department of Health Care Services’s Objection to Notice of Counterparties to Executory Contracts and Unexpired Leases of the Debtors That May Be Assumed and Assigned* [Docket No. 1879] (the “Initial DHCS Objection”). In the Initial DHCS Objection, the DHCS argued that the California Medical Assistance Program (“Medi-Cal”) Provider Agreements between the Debtors and DHCS (the “Provider Agreements”) could not be sold to SGM free and clear of claims, interests, and encumbrances.

On April 10, 2019, the Debtors filed the *Debtors’ Memorandum in Support of Entry of an Order: (A) Authorizing the Sale of Property Free and Clear of all Claims, Liens and Encumbrances; (B) Authorizing the Assumption and Assignment of Designated Executory Contracts and Unexpired Leases; and (C) Granting Related Relief* [Doc. No. 2115] (the “Sale Brief”) in support of the Sale Motion.

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<sup>1</sup> Unless otherwise noted, all references to “§” and “section” herein are to sections of the Bankruptcy Code; all references to “Bankruptcy Rules” are to provisions of the Federal Rules of Bankruptcy Practice; all references to “LBR” are to provisions of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California.



On April 17, 2019, the Court held a hearing on the Sale Motion. On May 2, 2019, the Court entered the *Order (A) Authorizing the Sale of Certain of the Debtors' Assets to Strategic Global Asset Management, Inc. Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (B) Approving the Assumption and Assignment of an Unexpired Lease Related Thereto; and (C) Granting Related Relief* [Docket No. 2306] (the "Sale Order"). Pursuant to the Sale Order, the Court granted the Sale Motion and continued the hearing the Initial DHCS Objection to determine whether the Sale Order effectuated a transfer of the Provider Agreements free and clear of claims, interests, and encumbrances. *See* Sale Order, ¶ 31 at 24-25. Further, the Court provided that "[n]othing in this Sale Order shall apply to Medi-Cal Provider Agreements until and unless there is a Court order approving a settlement between the Debtors and DHCS or a Court order resolving the DHCS's objections." *Id.* The Court set the continued hearing on June 5, 2019, at 4:10:00 a.m. (Pacific Time), which was ultimately continued to September 25, 2019, at 10:00 a.m. (Pacific Time) (the "Hearing"), by stipulation between the Debtors and DHCS. *See id.*; *see also* Docket Nos. 2278, 2377, 2606, 2686, 2856, 2928.

On September 11, 2019, the DHCS filed *Creditor California Department of Health Care Services's Supplemental Objection to (1) Debtors' Motion for Entry of an Order Authorizing the Sale of Property Free and Clear of All Claims, Liens, and Encumbrances; (2) Approving Form of Asset Purchase Agreement* [Docket No. 3043] (together with the Initial DHCS Objection, the "DHCS Objections").

On September 18, 2019, the Debtors filed the *Debtors' Reply to California Department of Health Care Services Objection to Debtors' Sale of Assets to Strategic Global Management* [Docket No. 3095] (the "Debtors' Reply"). On the same date, the Official Committee of Unsecured Creditors filed the *Official Committee of Unsecured Creditors' Reply to Creditor California Department of Health Care Services's Supplemental Objection to Sale* [Docket No. 3093] (the "Committee's Reply").

On September 25, 2019, at 10:00 a.m. (Pacific Time), the Court held the Hearing. Appearances were as set forth on the record of the Hearing.



On September 26, 2019, the Court filed its *Memorandum of Decision Authorizing Debtors to Sell Medi-Cal Provider Agreements, Free and Clear of Interests Asserted by the California Department of Health Care Services, Pursuant to § 363(f)(5)* [Docket No. 3146] (the “Memorandum Decision”), which is fully incorporated herein by this reference.

The Court, having considered the Sale Motion and the Sale Brief, the DHCS Objections, the Debtors’ Reply, the Committees’ Reply, **and the DHCS’ objection to the Debtors’ proposed form of order memorializing the relief granted in the Memorandum Decision [Docket No. 3330];** having considered the statements, arguments, and representations of counsel, as set forth on the record of the Hearing; incorporating herein by this reference the findings of fact and conclusions of law set forth in the Sale Order; and for the reasons set forth in the Memorandum Decision, which are fully incorporated herein by this reference,

**HEREBY ORDERS AS FOLLOWS:**

1. The Debtors are authorized to transfer the Provider Agreements to SGM, free and clear of claims, interests, and encumbrances pursuant to §§ 363(b) and (f)(5) and the Sale Order.
2. The DHCS Objections are overruled in their entirety.
3. The stay provided pursuant to Bankruptcy Rule 6004(h) is waived with respect to this Order and the Memorandum Decision.
4. DHCS shall not adjust, offset, **or lien or recoup** any payments owing to SGM and other SGM affiliates (collectively, “SGM Buyers”) which are assigned any rights in connection with the transfer of the Medi-Cal Provider Agreements for St. Francis Medical Center Provider Agreement No. 148769215; the St. Vincent Medical Center Provider Agreement No. 1124004304; the Seton Medical Center Provider Agreement No. 1154428688; and the St. Vincent Dialysis Center Provider Agreement No. CDC70030F, and all other Provider Agreements for any of the aforesaid Hospitals or Dialysis Center and the SGM acquisition of the Hospitals and St. Vincent Dialysis Center (collectively, the “Assets”) pursuant to the Sale Motion (“SGM Sale”) after the transfer of the Assets (the “Transfer Effective Date”), or make any claims against any of the SGM Buyers or any of their assets, including, without limitation, any assets acquired by any of the SGM Buyers pursuant to the SGM Sale, for any obligations, liabilities, claims or other interests against the



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Debtors related to periods on or before the Transfer Effective Date (“Pre-Transfer Effective Date Liabilities”) including without limitation for Pre-Transfer Effective Date Liabilities under or related to (a) the Medi-Cal Program, and (b) without prejudice to the rights of the Debtors or the SGM Buyers as provided for in the Asset Purchase Agreement [Docket No. 2305-1] by and among the Debtors and SGM, the Hospital Quality Assurance Fees Program, California Welfare & Institutions Code, § 14169.52(a) et. seq. or similar or successor statutes (“HQAF Program”); **provided, however, that nothing in this paragraph shall be construed to limit whatever rights DHCS may or may not have to withhold, under principles of equitable recoupment, payments owed by DHCS to the Debtors and/or the SGM Buyers, for the purpose of recovering alleged Pre-Transfer Effective Date Liabilities under or related to the Medi-Cal Program and/or HQAF Program.<sup>2</sup>** None of the SGM Buyers shall be required to execute the Successor Liability Form, or otherwise assume or accept responsibility, for or with respect to any Pre-Transfer Effective Date Liabilities, in conjunction with the completion of the SGM Sale and to effectuate the assignment or other transfer of any Medi-Cal Provider Agreements to the SGM Buyers in connection with the SGM Sale, or otherwise as a condition or requirement for any of the SGM Buyers to participate in the Medi-Cal Program or the HQAF Program; **provided, however, that nothing in this paragraph shall be construed to limit whatever rights DHCS may or may not have to withhold, under principles of equitable recoupment, payments owed by DHCS to the Debtors and/or the SGM Buyers, for the purpose of recovering alleged Pre-Transfer Effective Date Liabilities under or related to the Medi-Cal Program and/or HQAF Program.<sup>3</sup>**

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<sup>2</sup> The Memorandum Decision did not determine whether DHCS’ recoupment rights against SGM (if any) are extinguished by the transfer of the Provider Agreements free and clear of claims, interests, and encumbrances. *See* Memorandum Decision at 10 (“The Debtors request that the order on the Motion state that DHCS’ recoupment rights against SGM, if any, must be first exercised against payments due to the Debtors from Medi-Cal, then against funds held by the Debtors generated by past interim Medi-Cal payments, and then against any sale proceeds generated by the sale of the Provider Agreement. The issue of the applicability of recoupment subsequent to the sale of the Provider Agreements free and clear of claims and interests has not been sufficiently briefed. The Court declines to decide the issue at present, without prejudice to the ability of interested parties to raise the issue by way of motion.”).

<sup>3</sup> *See* footnote 2, above.



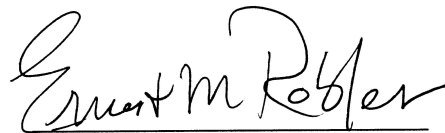
1 **IT IS SO ORDERED.**

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Date: October 11, 2019



Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT R

Exhibit B Page 1 of 53  
Case 5:50-gb-01001-EB Doc 23-18 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT R



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Attorneys the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT**

**CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re  
VERITY HEALTH SYSTEM OF CALIFORNIA,  
INC., *et al.*,  
Debtors and Debtors In Possession.

- ☐ Affects All Debtors
- ☒ Affects Verity Health System of California, Inc.  
☒ Affects O'Connor Hospital  
☒ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital Foundation  
☐ Affects St. Francis Medical Center of Lynwood  
Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects DePaul Ventures, LLC  
☐ Affects DePaul Ventures - San Jose Dialysis, LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered with:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases

Judge: Hon. Ernest M. Robles

**STIPULATION RE: ASSUMPTION AND  
ASSIGNMENT OF MEDI-CAL PROVIDER  
AGREEMENTS TO STRATEGIC GLOBAL  
MANAGEMENT, INC.**

**[RELATED TO DOCKET NO. 2306]**

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## SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”) is entered into by and among Verity Health System of California, Inc. (“Verity”), St. Francis Medical Center, a California nonprofit public benefit corporation (“SFMC”), St. Vincent Medical Center, a California nonprofit public benefit corporation (“SVMC”), St. Vincent Dialysis Center, a California nonprofit public benefit corporation, Seton Medical Center, a California nonprofit public benefit corporation (“SMC”, collectively with SFMC and SVMC, the “Hospital Debtors”, and the Hospital Debtors collectively with Verity, the “Debtors”), and the California Department of Health Care Services on its behalf and on behalf of the State of California (the “Department,” and collectively with the Debtors, the “Parties”).

## RECITALS

Whereas, the Debtors own and operate those certain general acute care hospitals known as St. Francis Medical Center, St. Vincent Medical Center (including St. Vincent Dialysis Center) and Seton Medical Center (including its Seton Medical Center Coastside campus) (collectively, the “Hospitals”) and related assets.

Whereas, Medicaid is a cooperative federal-state program that authorizes the United States Government to provide funds to participating states to administer medical assistance to individuals whose income and resources are insufficient to meet the costs of necessary medical services. The program operates by authorizing the federal Centers for Medicare and Medicaid Services (“CMS”) to pay a percentage of the costs a state incurs for patient care. As a condition of receiving federal funds, the state complies with certain federal requirements. California participates in Medicaid through the California Medical Assistance Program (“Medi-Cal”), and has designated the Department as the agency responsible for its administration.

Whereas, the Hospitals have Medi-Cal provider agreements (“Medi-Cal Provider Agreements”) with the Department which enable them to receive Medi-Cal payments for services provided to Medi-Cal beneficiaries. The SFMC Provider Agreement is assigned no. 148769215;



1 the SVMC Provider Agreement is assigned no. 1124004304; and the SMC Provider Agreement is  
2 assigned no. 1154428688.

3 Whereas, on August 31, 2018 (the “Petition Date”), the Debtors filed voluntary petitions  
4 for relief, thereby commencing their bankruptcy cases (the “Bankruptcy Cases”), jointly  
5 administered under Bankruptcy Case No. 2:18-bk-20151-ER, under chapter 11 of title 11 of the  
6 United States Code (the “Bankruptcy Code”)<sup>1</sup> in the United States Bankruptcy Court for the  
7 Central District of California, Los Angeles Division (the “Bankruptcy Court”).

8 Whereas, as described in the *Declaration of Richard Adcock in Support of Emergency*  
9 *First-Day Motions* (the “Adcock Declaration”) [Docket No. 8], filed on August 31, 2018, the  
10 Debtors have struggled financially to survive for decades, and currently sustain operational cash  
11 flow losses of approximately \$175 million annually. The Debtors estimate that (a) secured claims  
12 in these Bankruptcy Cases total more than \$602 million (including claims of various prepetition  
13 secured creditors and monies owed for debtor-in-possession (“DIP”) financing obtained after the  
14 Petition Date), and (b) the total of scheduled and filed unsecured claims, including pension  
15 claims, may exceed \$1.500 billion.

16 Whereas, the Debtors have an signed and Bankruptcy Court approved Asset Purchase  
17 Agreement and an order [Docket No. 2306] approving the sale of the Hospitals at a price of  
18 approximately \$610 million, plus payment of “cure” costs associated with certain assumed leases  
19 and/or assumed contracts, pursuant to § 363 (the “SGM Sale”) to Strategic Global Management,  
20 Inc. and/or one or more of its affiliated entities, including the affiliates of SGM who will operate  
21 the Hospitals (the “SGM Operating Affiliates”; with the Hospital Operating Affiliates, Strategic  
22 Global Management, Inc. and other Strategic Global Management, Inc. affiliates which are  
23 assigned any rights in connection with the SGM Sale being referred to herein collectively as  
24 “SGM”).

25 Whereas, on February 19, 2019, the Bankruptcy Court entered its *Order (1) Approving*  
26 *Form Of Asset Purchase Agreement For Stalking Horse Bidder And For Prospective*

27 \_\_\_\_\_  
28 <sup>1</sup> All references to “sections” or “§” herein are to sections of the Bankruptcy Code, unless  
otherwise noted.



1 *Overbidders, (2) Approving Auction Sale Format, Bidding Procedures And Stalking Horse Bid*  
2 *Protections, (3) Approving Form Of Notice To Be Provided To Interested Parties, (4) Scheduling*  
3 *A Court Hearing To Consider Approval Of The Sale To The Highest Bidder, And (5) Approving*  
4 *Procedures Related To The Assumption Of Certain Executory Contracts And Unexpired Leases;*  
5 *And (II) An Order (A) Authorizing The Sale Of Property Free And Clear Of All Claims, Liens*  
6 *And Encumbrances [Docket No. 1572] the (“Bidding Procedures Order”).*

7       Whereas, on March 5, 2019, the Debtors filed a *Notice of Counterparties to Executory*  
8 *Contracts and Unexpired Leases of the Debtors That May Be Assumed and Assigned* [Docket No.  
9 1704].

10       Whereas, on January 25, 2019, the Department filed its *Creditor California Department of*  
11 *Health Care Services’s Objection To: (1) Debtors’ Motion for the Entry of an Order Authorizing*  
12 *the Sale of Property Free and Clear of All Claims, Liens, and Encumbrances; (2) Approving*  
13 *Form of Asset Purchase Agreement* [Docket No. 1353] which asserted that the Debtor had to  
14 transfer the Medi-Cal Provider Agreements as executory contracts pursuant to § 365 (the  
15 “DHCS Objection”). In the DHCS Objection, the Department asserted, among other things, that  
16 it was owed the following amounts in connection with the Hospitals, as of January 23, 2019: (a)  
17 St. Francis Medical Center - liability arising from the Hospital Quality Assurance Fees Program  
18 (“HQA Fee”), California Welfare & Institutions Code, § 14169.52(a) et. seq., in the amount of  
19 \$40,647,765.00; (b) St. Vincent Medical Center (including St. Vincent Dialysis Center) - HQAF  
20 liability in the amount of \$27,164,168.86; and (c) Seton Medical Center (including its Seton  
21 Medical Center Coastsides campus) – HQA Fee liabilities in the amount of \$31,967,260.98. In the  
22 DHCS Objection, the Department did not reflect any obligations owed to it related to the Medi-  
23 Cal fee-for-service payments in connection with the Hospitals.

24       Whereas, on March 22, 2019, the Department filed its *Creditor California Department of*  
25 *Health Care Services’s Objection To Notice of Counterparties to Executory Contracts and*  
26 *Unexpired Leases of the Debtors That May Be Assumed and Assigned* [Docket No. 1879] which,  
27 among other things, asserted that the Debtor had to transfer the Medi-Cal Provider Agreements as  
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1 executory contracts pursuant to § 365. In the DHCS March 22, 2019 Objection, the Department  
2 asserted it was owed the following amounts in connection with the Hospitals, as of March 15,  
3 2019: (a) St. Francis Medical Center – HQA Fee liability ee, and Medi-Cal Provider  
4 Agreementsin the amount of \$30,381,769.53; (b) St. Vincent Medical Center (including St.  
5 Vincent Dialysis Center) – HQA Fee liability in the amount of \$21,427,707.82; and (c) Seton  
6 Medical Center (including its Seton Medical Center Coastsides campus) – HQA Fee liabilities in  
7 the amount of \$28,160,469.45. In the DHCS Objection, the Department did not reflect any  
8 obligations owed to it related to the Medi-Cal fee-for-service payments in connection with the  
9 Hospitals. However, the Department asserted in its Objection that the Debtors and/or the buyer  
10 (through joint and several liability) must reimburse the Department for any Medi-Cal fee-for-  
11 service overpayments and pay other debts owed to the Department.

12 Whereas, on March 29, 2019, the Department filed the following proofs of claim in the  
13 Bankruptcy Cases: (a) against SVMC, assigned Claim No. 62-1, asserting that it is owed  
14 \$5,287,280.73, based solely on the unpaid prepetition HQA Fees; (b) against SFMC, assigned  
15 Claim No. 134-1, asserting that it is owed \$7,302,038.67, based solely on the unpaid prepetition  
16 HQA Fees; and (c) against SMC, assigned Claim No. 66-1, asserting that it is owed \$  
17 17,090,035.65, based solely on the unpaid prepetition HQA Fees.

18 Whereas, on May 2, 2019, the Bankruptcy Court entered the *Order (A) Authorizing The*  
19 *Sale Of Certain Of The Debtors' Assets To Strategic Global Management, Inc. Free And Clear Of*  
20 *Liens, Claims, Encumbrances, And Other Interests; (B) Approving The Assumption And*  
21 *Assignment Of An Unexpired Lease Related Thereto; And (C) Granting Related Relief* [Docket  
22 No. 2306] (the “Sale Order”), approving a sale of the Debtors’ remaining Hospitals (St. Francis  
23 Medical Center, St. Vincent Medical Center including the St. Vincent Dialysis Center, and Seton  
24 Medical Center, including Seton Medical Center Coastsides Campus) to Strategic Global  
25 Management, Inc. ( i.e. the SGM Sale). The Sale Order continued the hearing on the DHCS  
26 Objection, and reserved judgment on issues related to the transfer of the Medi-Cal provider  
27 agreements (i.e., whether the Medi-Cal provider agreement would be transferred as a statutory  
28



1 license or an executory contract) pending resolution of that issue. *Id.*

2       Whereas, on September 11, 2019, the Department filed its *Creditor California*  
3 *Department of Health Care Services's Supplemental Objection To (1) Debtors' Motion for the*  
4 *Entry of an Order Authorizing the Sale of Property Free and Clear of All Claims, Liens, and*  
5 *Encumbrances; (2) Approving Form of Asset Purchase Agreement* [Docket No. 3043] which,  
6 among things, asserted that the Debtor had to transfer the Medi-Cal Provider Agreements as  
7 executory contracts pursuant to § 365. In the DHCS September 11, 2019 Objection, the  
8 Department asserted it was owed the following amounts in connection with the Hospitals, as of  
9 September 6, 2019: (a) St. Francis Medical Center – HQA Fee liability arising from the HQA Fee  
10 Program, California Welfare & Institutions Code, § 14169.52(a) et. seq., and Medi-Cal Provider  
11 Agreements in the amount of \$3,835,489.67; (b) St. Vincent Medical Center (including St.  
12 Vincent Dialysis Center) – HQA Fee liability in the amount of \$6,565,679.74; and (c) Seton  
13 Medical Center (including its Seton Medical Center Coastsides campus) – HQA Fee liabilities in  
14 the amount of \$16,927,759.87. In addition, in the DHCS September 11, 2019 Objection, the  
15 Department claimed the following fee-for-service overpayments: (a) \$24,254,503.36 in fee-for-  
16 service overpayments to St. Francis Medical Center for fiscal year July 1, 2016, through June 30,  
17 2017, (b) \$4,205.25 for fee-for-service overpayments to Seton Medical Center for fiscal year July  
18 1, 2016 through June 30, 2017, and (c) \$662,327.67 in overpayments to St. Francis Medical  
19 Center for supplemental reimbursements under the Supplemental Reimbursement for  
20 Construction Renovation Reimbursement Program. The September 11, 2019 supplemental  
21 objection asserted that (i) the Debtors had to transfer the Medi-Cal Provider Agreements as  
22 executory contracts pursuant to § 365; (ii) the Debtors had to pay all outstanding HQA Fee; (iii)  
23 the Debtors or SGM would have to reimburse DHCS for any outstanding obligations between the  
24 Debtors and DHCS; and (iv) the Debtors would have to escrow \$70 million for 36 months for any  
25 potential overpayment which DHCS might subsequently discover, and SGM would have to  
26 assume liability for the excess amount if \$70 million proved insufficient.

27       Whereas, on September 26, 2019, the Court entered its Memorandum Opinion [Docket  
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1 No. 3146] (the “Memorandum Opinion”) which expressly held that the provider agreements are  
2 not contracts, and therefore section 365 does not apply, and that the “Provider Agreements may  
3 be sold free and clear of the liabilities which DHCS contends attach to the Provider Agreements.  
4 This includes the alleged liabilities for approximately \$30 million in unpaid HQA Fees and \$25  
5 million in Medi-Cal overpayments.”

6 Whereas, on October 11, 2019 the Bankruptcy Court entered an order [Docket No. 3372]  
7 (the “Medi-Cal Transfer Order”), which provides “DHCS shall not adjust, offset, lien or recoup  
8 any payments owing to SGM and other SGM affiliates (collectively, “SGM Buyers”) which are  
9 assigned any rights in connection with the transfer of the Medi-Cal Provider Agreements ... and  
10 the SGM acquisition of the Hospitals and St. Vincent Dialysis Center (collectively, the “Assets”)  
11 pursuant to the Sale Motion (“SGM Sale”) after the transfer of the Assets (the “Transfer Effective  
12 Date”), or make any claims against any of the SGM Buyers or any of their assets, including,  
13 without limitation, any assets acquired by any of the SGM Buyers pursuant to the SGM Sale, for  
14 any obligations, liabilities, claims or other interests against the Debtors related to periods on or  
15 before the Transfer Effective Date (“Pre-Transfer Effective Date Liabilities”) including without  
16 limitation for Pre-Transfer Effective Date Liabilities under or related to (a) the Medi-Cal  
17 Program, and (b) without prejudice to the rights of the Debtors or the SGM Buyers as provided  
18 for in the Asset Purchase Agreement [Docket No. 2305-1] by and among the Debtors and SGM,  
19 the Hospital Quality Assurance Fees Program, California Welfare & Institutions Code, §  
20 14169.52(a) et. seq. or similar or successor statutes (“HQA Fee Program”); provided however,  
21 that nothing in this paragraph shall be construed to limit whatever rights DHCS may or may not  
22 have to withhold, under principles of equitable recoupment, payments owed by DHCS to the  
23 Debtors and/or the SGM Buyers, for the purpose of recovering alleged Pre-Transfer Effective  
24 Date Liabilities under or related to the Medi-Cal program and/or HQA Fee Program. None of the  
25 SGM Buyers shall be required to execute the Successor Liability Form, or otherwise assume or  
26 accept responsibility, for or with respect to any Pre-Transfer Effective Date Liabilities, in  
27 conjunction with the completion of the SGM Sale and to effectuate the assignment or other  
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1 transfer of any Medi-Cal Provider Agreements to the SGM Buyers in connection with the SGM  
2 Sale, or otherwise as a condition or requirement for any of the SGM Buyers to participate in the  
3 Medi-Cal Program or the HQA Fee Program, provided, however, that nothing in this paragraph  
4 shall be construed to limit whatever rights DHCS may or may not have to withhold, under  
5 principles of equitable recoupment, payments owed by DHCS to the Debtors and/or the SGM  
6 Buyers, for the purpose of recovering alleged Pre-Transfer Effective Date Liabilities under or  
7 related to the Medi-Cal program and/or HQA Fee Program.”

8       Whereas, the Department asserts that, in the aggregate, it is owed \$23,290,200.27 by  
9 Seton Medical Center and St. Vincent (as of September 24, 2019) and \$13,528,354.37 by St.  
10 Francis (as of September 24, 2019), all solely related to unpaid HQA Fees. Whereas, the Debtors  
11 assert that all HQA Fees have been paid or will be paid in the ordinary course of business during  
12 the Bankruptcy Cases and no amounts are presently due and owing to the Department.

13       Whereas, according to the Debtors' calculations, they currently have no outstanding  
14 financial obligations to the Department for fee-for-service or supplemental overpayments  
15 pursuant to the Medi-Cal Provider Agreements. However, the Debtors are aware that the  
16 Department alleges the following obligations: (a) alleged obligations related to recent audit of  
17 fiscal year 2016-2017 fee-for-service payments related to SFMC, and (b) alleged overpayment  
18 findings by the Department with respect to the Medi-Cal electronic health records (“EHR”)  
19 incentive payments of \$209,373 to SFMC and \$18,107 to SMC. With regard to the former,  
20 Verity received audit findings alleging overpayments of \$25,176,471 for SFMC for the fiscal  
21 period ending June 30, 2017, but believes these amounts to be grossly overinflated and an  
22 unlawful overreach by the Department’s auditors. With regard to the latter, these amounts are  
23 purportedly associated with an audit of the Hospitals’ first year of participating in the Medi-Cal  
24 EHR program (2011) and the Debtors strongly dispute these findings.

25       Whereas, any outstanding financial obligations of the Hospital Debtors to the Department  
26 for unpaid quality assurance fees or other fees owing under HQA Fee program relating to the  
27 Hospitals that existed prior to the Medi-Cal Transfer Effective Date are referred to herein as the  
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1 “HQA Fee Claims” and any financial obligations of the Hospital Debtors related to overpayment  
2 amounts owed with respect to fee-for-service or supplemental payments pursuant to the Medi-  
3 Cal Provider Agreements relating to the Hospitals (other than the HQA Fee Claims), including  
4 without limitation overpayments that have been asserted by the Department or its fiscal  
5 intermediary by sending a written communication that is received by the Hospitals prior to the  
6 Medi-Cal Transfer Effective Date and overpayments which would be asserted after such date and  
7 arise from cost report settlements and other reconciliations of payments for services rendered or  
8 periods of time prior to the Medi-Cal Transfer Effective Date, are referred to herein as the “Medi-  
9 Cal Claims.” For purposes of this Stipulation, the effective date of the transfer of the Hospitals’  
10 Medi-Cal Provider Agreements to the SGM Operating Entities is the “Medi-Cal Transfer  
11 Effective Date,” even if the agreement concerning such assignment and assumption is made as of  
12 the Closing.

13 Whereas, pursuant to Code of Federal Regulations, title 42, section 438.6(c)(1)(iii), CMS  
14 has authorized the Department to require each applicable Medi-Cal managed care plan to make  
15 Hospital directed payments to qualified network providers that provide eligible hospital services  
16 for the periods covering July 1, 2017, through June 30, 2019. Pursuant to that approval, based on  
17 an analysis of actual network utilization, the Department will determine a uniform dollar add-on  
18 increment for purposes of the Hospital directed payments to be made to qualified network private  
19 hospitals for eligible services rendered during the approval period. Once the Department has  
20 determined the uniform dollar add-on increment and obtained associated federal approvals, if  
21 necessary, it “will direct [Medi-Cal managed care plans] to make enhanced payments for  
22 contracted services utilized within the class of private hospitals.”

23 Whereas, consistent with CMS’ approval of the private hospital directed payment program  
24 and of Hospital pass-through payments pursuant to 42 C.F.R. §438.6(d), the Department has  
25 agreed that the applicable Medi-Cal managed care plans serving Los Angeles County and San  
26 Mateo County (collectively, the “Plans”) should make the federally approved Medi-Cal managed  
27 care supplemental payments associated with dates of service on or prior to the Medi-Cal Transfer  
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1 Effective Date to the Hospital Debtors, which are eligible in connection with the Hospitals based  
2 on their status as the private operators of the Hospitals for dates of service on or prior to the  
3 Medi-Cal Transfer Effective Date.

4 Whereas, upon the SGM Sale of the Hospitals and effective as of Closing, the Hospital  
5 Debtors and the SGM Operating Entities may enter into an Interim Management Agreement for  
6 each of the Hospitals (collectively, the “IMAs”), if such SGM Operating Entities are unable to  
7 obtain their own requisite general acute care hospital licenses issued by the California Department  
8 of Public Health (“CDPH”) and pharmacy permits issued by the California State Board of  
9 Pharmacy (“BOP”) (collectively the “New Licenses”) for the respective Hospital by Closing,  
10 pursuant to which each SGM Operating Entity will manage the respective Hospital until it obtains  
11 the New Licenses. The date by which all requisite New Licenses are issued for the Hospitals,  
12 whether at Closing or thereafter, is referred to as the “Licensure Date.” For purposes of this  
13 Stipulation, the Licensure Date shall also constitute the effective date of the transfer of the  
14 Hospitals’ Medi-Cal Provider Agreements to the SGM Operating Entities (the “Medi-Cal  
15 Transfer Effective Date”), even if the agreement concerning such assignment and assumption is  
16 made as of the Closing.

17 Whereas, if the Hospital Debtors and the SGM Operating Entities enter into the IMAs, the  
18 Hospital Debtors will maintain a possessory interest in the Hospitals and Hospitals’ premises  
19 pursuant to a Leaseback Agreement effective as of Closing, and continuing until the Transfer  
20 Effective Date.

21 Whereas, SGM Operating Entities will makes offers of employment, effective as of  
22 Closing, to substantially all of the Hospitals’ employees and, if the Hospital Debtors and the  
23 SGM Operating Entities enter into IMAs, then the SGM Operating Entities may, for the term of  
24 the IMAs, lease back to the Hospitals, as needed, any employees necessary to satisfy the  
25 applicable regulatory requirements.

26 Whereas, if the Hospital Debtors and SGM Operating Entities enter into the Leaseback  
27 Agreement and IMAs, the term of such agreements will run from the Closing until the date  
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1 immediately preceding Licensure Date (the “IMA Term”), at which time the Pharmacy Assets  
2 will transfer to the SGM Operating Entities and the SGM Operating Entities will operate the  
3 Hospitals pursuant to the New Licenses.

4 Whereas, SGM is willing to have the SGM Operating Entities acquire the Medi-Cal  
5 Provider Agreements as of the Licensure Date, but in doing so SGM is unwilling to incur any  
6 exposure for liability under the Medi-Cal Provider Agreements, or otherwise for any Medi-Cal  
7 Claims, HQA Fee Claims, or False Claims, for goods and services provided, and otherwise for  
8 actions or related to periods, prior to the Medi-Cal Transfer Effective Date, or to otherwise  
9 assume any obligations or liabilities of the Debtors other than those expressly provided for in the  
10 Purchase Agreement related to the SGM Sale.

11 Whereas, the Debtors and SGM expected the SGM Sale of the Hospitals to close on or  
12 about December 5, 2019 (the “Closing”).

13 Whereas, on November 22, 2019, the Debtors and the Department reached an agreement  
14 in principle concerning the foregoing.

15 Whereas, this Agreement will go in to effect immediately after Closing, and will be  
16 effective as of the effective date of the Closing (“Effective Date”).

17 **NOW, THEREFORE**, pursuant to the agreements reached in connection therewith, and  
18 in consideration of the mutual covenants, agreements and promises set forth herein, and for other  
19 good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged,  
20 the Parties, intending to be legally bound as provided for herein, hereby agree as follows.

21 **1. Definitions.**

22 **1.1** “Hospital Quality Assurance Fee” or “HQA Fee” program shall mean the program  
23 established by article 5.230 of chapter 7 of part 3 of division 9 of the Welfare and Institutions  
24 Code.

25 **1.2** “Medi-Cal managed care supplemental payments” shall mean the payments made  
26 by Medi-Cal managed care plans pursuant to their contracts with the Department and in  
27  
28



1 accordance with Welfare and Institutions Code section 14169.57 that are either “Hospital directed  
2 payments” or “Hospital pass-through payments.”

3 **1.3** “Hospital directed payments” means the Medi-Cal managed care supplemental  
4 payments approved by CMS pursuant to Code of Federal Regulations, title 42, section 438.6(c).

5 **1.4** “Hospital pass-through payments” means the Medi-Cal managed care  
6 supplemental payments approved by CMS pursuant to Code of Federal Regulations, title 42,  
7 section 438.6(d).

8 **2. The Agreement.**

9  
10 **2.1** The Debtors agree that the Debtors will (a) transfer the Medi-Cal Provider  
11 Agreements to SGM pursuant to § 365, with the effective date of such transfer being on the Medi-  
12 Cal Transfer Effective Date; (b) pay to the Department any unpaid HQA Fees, for Phases V and  
13 VI of the HQA Fee Program that are due and owing as of the Medi-Cal Transfer Effective Date;  
14 (c), as the “cure” required by § 365, allow the Department to recoup up to Ten Million Dollars  
15 (\$10,000,000.00) (the “Allowed Offset Amount”) from payments otherwise owed to the Debtors  
16 for fee-for-service medical care provided by the Debtors to Medi-Cal beneficiaries, provided,  
17 however, that if the Department has offset more than the Allowed Offset Amount, any amounts in  
18 excess will reduce, dollar for dollar, the Debtors’ obligation to pay, as set forth in subsection  
19 2.1(d) below; and (d) allow the Department an allowed administrative expense claim pursuant to  
20 § 503(b)(1)(A) in the amount of Thirty Million Dollars (\$30,000,000.00) (the “Medi-Cal  
21 Settlement Amount”) payable pursuant to the following schedule: (i) Five Million Dollars  
22 (\$5,000,000.00) upon Bankruptcy Court approval of this Settlement Agreement, but in no event  
23 prior to the Effective Date; (ii) Fifteen Million Dollars (\$15,000,000.00) upon the Debtors receipt  
24 of the funds currently escrowed pursuant to the sale of assets to Santa Clara County which is  
25 expected to be released in or about March 2020; and (iii) Ten Million Dollars (\$10,000,000.00) to  
26 be paid from funds paid to the Debtors pursuant to the Hospital Quality Assurance Fee program  
27 and related to O’Connor Hospital and Saint Louise Regional Hospital which is expected to be  
28 received by the Debtors on or before June 2021, to satisfy any and all Medi-Cal Claims, which



1 payment will be the Department's sole remedy for all such Medi-Claims arising for the period  
2 prior to the Medi-Cal Transfer Effective Date. For the avoidance of doubt, the Allowed Offset  
3 Amount and the Medi-Cal Settlement Amount are the cure amounts to be paid pursuant to § 365  
4 for Medi-Cal Claims and constitute the sole remedies available to the Department for the  
5 recovery of Medi-Cal Claims. The Department cannot otherwise seek payment from or recourse  
6 against SGM or against any asset of SGM, including without limitation, any assets acquired by  
7 SGM from the Debtors, for Medi-Cal Claims or HQA Fee Claims and any other liabilities that  
8 were due and owing before the Medi-Cal Transfer Effective Date.

9 **2.2** The Parties agree to jointly request that the Bankruptcy Court vacate the  
10 Memorandum Opinion and the Medi-Cal Transfer Order.

11 **2.3** The covenants of the Parties herein, including without limitation the preceding  
12 agreements by the Debtors and the Department related to the Medi-Cal Settlement Amount, shall  
13 be effective as of the Effective Date, provided that the Bankruptcy Court has approved this  
14 Agreement and the Closing has occurred.

15 **2.4** The Department agrees that it will provide the Debtors and SGM, not later than  
16 five (5) business days prior to the Medi-Cal Transfer Effective Date, a closing Medi-Cal payment  
17 demand ("Medi-Cal Payment Demand") which sets forth the amount, if any, of Phases V and VI  
18 HQA Fees that are due and owing as of the Medi-Cal Transfer Effective Date by the Debtors  
19 pursuant to subsection 2.1(b) above in this paragraph. The Debtors shall pay to the Department  
20 the amount reflected in the Medi-Cal Payment Demand as applicable, on or before the Medi-Cal  
21 Transfer Effective Date, and upon such payment all HQA Fees that were due and owing before  
22 the Medi-Cal Transfer Effective Date shall be deemed to have been fully paid, in full satisfaction  
23 of Debtors' payment obligations pursuant subsection 2.1(b) of this Agreement. For the avoidance  
24 of any doubt, the Department shall look solely to Debtors for the payment of all outstanding  
25 Phases V and VI HQA Fees that are due and owing as of the Medi-Cal Transfer Effective Date.

26 **2.5** The Department agrees that the Debtors' commitment to (a) allow the Allowed  
27 Offset Amount, and (b) pay the HQA Fees and Medi-Cal Settlement Amount referenced above  
28



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1 shall constitute a “cure” under § 365, and any otherwise applicable law, statute or regulation, of  
2 all outstanding financial defaults arising under or in connection with the Medi-Cal Provider  
3 Agreements and the services provided and requests for payment made thereunder through the  
4 Medi-Cal Transfer Effective Date; provided, however, that SGM shall succeed to the quality  
5 history associated with the relevant Provider Agreement assigned and shall be treated, for  
6 purposes of survey and certification issues, as if it is the relevant owner and no change of  
7 ownership occurred. For the avoidance of doubt, once the Medi-Cal Provider Agreements are  
8 assigned to SGM (i.e. on the Medi-Cal Transfer Effective Date), the Department is authorized to  
9 adjust all payments to SGM to account for the liabilities and any overpayments and  
10 underpayments relating to services performed by SGM after the Medi-Cal Transfer Effective  
11 Date and for HQA Fees that become due and owing after the Medi-Cal Transfer Effective Date.  
12 Notwithstanding the foregoing or any other term in this Agreement, under no circumstances shall  
13 the Department adjust, offset, or recoup any payments owing to SGM (including without  
14 limitation the SGM Operating Entities) after the Medi-Cal Transfer Effective Date, or make any  
15 claims against SGM (including without limitation the SGM Operating Entities) or any of their  
16 assets, including, without limitation, any assets acquired by SGM from the Debtors, for any  
17 Medi-Cal Claims and for any HQA Fee obligations that are due and owing before the Medi-Cal  
18 Transfer Effective Date. SGM and its Operating Entities will not be liable for any Medi-Cal  
19 Claims and for any HQA Fee obligations that are due and owing before the Medi-Cal Transfer  
20 Effective Date. Provided the SGM Operating Entities file Provider Enrollment Applications  
21 and/or the equivalent forms necessary to effectuate a facility change of ownership for Medi-Cal  
22 purposes, the Department further agrees that SGM shall not be required to execute the Successor  
23 Liability Form or Financial Reponsibility Agreement for Medi-Cal Claims and HQA Fees that  
24 were due and owing before the Medi-Cal Transfer Effective Date in conjunction with the  
25 completion of the SGM Sale and to effectuate the assignment of the Medi-Cal Provider  
26 Agreements to the SGM Operating Entities, and that the SGM Operating Entities shall  
27 nonetheless be permitted to continue to bill for goods and services provided by the Hospitals  
28



covered by Medi-Cal Provider Agreements through the IMA Term, and thereafter until the SGM Operating Entities' enrollment in the Medi-Cal program are confirmed.

**2.6** Prior to the Medi-Cal Transfer Effective Date, all fee-for-service supplemental payments made under the HQA Fee Program will be paid by the Department to the Hospital Debtors at a designated account when due, without regard to the status of its respective license at the time of the payment. After the Effective Date, all fee-for- service supplemental payments made under the HQA Fee program will be paid to the SGM Operating Entities at the accounts designated by the SGM Operating Entities, as long as the SGM Operating Entities file Provider Enrollment Applications with the Department and/or the equivalent forms necessary to effectuate a facility change of ownership for Medi-Cal purposes. However, the supplemental payments will be paid only after the Debtors paid any and all HQA Fees for Phases V & VI that were due and owing before the Medi-Cal Transfer Effective Date. The supplemental payments to be paid to the Debtors will be deducted dollar-for-dollar for any HQA Fee balance that was due and owing before the Medi-Cal Transfer Effective Date, provided however that no such deductions may be made against payments due and owing to SGM after the Medi-Cal Transfer Effective Date.

**2.7** The Department expects the applicable Medi-Cal managed care plans, including those serving Los Angeles County and San Mateo County, to make applicable Medi-Cal managed care supplemental payments, which may include hospital directed payments and hospital pass-through payments, to the Hospital Debtors for dates of service from January 1, 2017 to the Effective Date for which they are eligible in connection with the Hospitals. The Department expects the applicable Medi-Cal managed care plans, including thoseserving Los Angeles County and San Mateo County, to make authorized Medi-Cal managed care supplemental payments, which may include Hospital directed payments and Hospital pass-through payments, to the SGM Operating Entities (which will be on behalf of the Hospital Debtors during the IMA Term if applicable) for dates of service on or after the Effective Date for which they are eligible in connection with the Hospitals.



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1           **2.8**     The Department further agrees that the payments to be made pursuant to Section  
2     2.1 above are in full satisfaction, discharge and release of any and all claims against the Debtors,  
3     and the Hospitals or SGM arising under or related to (a) the Medi-Cal Program, including without  
4     limitation all Medi-Cal Claims and the HQA Fee claims, and (b) the California False Claims Act,  
5     and related statutes, in each case for all for goods or services, and otherwise for actions or related  
6     to periods, on or before the Medi-Cal Transfer Effective Date , whether such claims are known or  
7     unknown, liquidated, or contingent (the “Settlement Release”). The Department further agrees  
8     that, in consideration for the commitment by Debtors to make the payments pursuant to Sections  
9     2.1 and 2.4, and the Department’s resulting rights in relation thereto, the Settlement Release  
10    applies to, and is for the benefit of, SGM (including without limitation the SGM Operating  
11    Entities) without condition and whether or not the Debtors timely make such payments.

12           **2.9**     During the Bankruptcy Cases, and on and prior to the Medi-Cal Transfer Effective  
13    Date, the Department agrees to continue to pay the Hospital Debtors for Medi-Cal services by the  
14    Hospitals in accordance with federally approved State plan methodologies and customary trade  
15    terms, and the Hospital Debtors agree to continue to provide care to Medi-Cal beneficiaries at the  
16    Hospitals in accordance with the Medi-Cal Provider Agreements, and all applicable federal and  
17    state laws and regulations.

18           **2.10**    All avoidance actions and other causes of action arising under Chapter 5 of the  
19    Bankruptcy Code, including, but not limited to, claims or causes of action pursuant to §§ 547 and  
20    548, that could be asserted by the Hospitals are waived by the Debtors, their bankruptcy estates,  
21    any and all successors, chapter 7 trustees, and any post-confirmation creditor litigation trust.

22           **2.11**    Debtors will waive and withdraw their appeal of the findings of the Department’s  
23    audit of SFMC’s cost report for fiscal year period July 1, 2016, through June 30, 2017. In  
24    addition, Debtors will waive any and all of its potential or existing rights to appeal the existing or  
25    potential audit findings and resulting Medi-Cal overpayment liabilities.



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1           **2.12** Notwithstanding anything to the contrary in this Agreement, if the Debtors or the  
2 Department are in breach of this Agreement, the respective party's sole remedy shall be the right  
3 to seek to specifically enforce this agreement, including without limitation the Department's right  
4 to seek the payments required pursuant to Section 2. No breaches by any Party shall give rise to a  
5 right to terminate this Agreement by the other Parties, which termination rights are hereby waived  
6 by the Parties to the fullest extent legally permissible. Notwithstanding the preceding or any  
7 other term herein to the contrary, the rights, benefits, waivers and releases in favor of, or for the  
8 benefit of, SGM provided herein shall in any case remain in full force and effect notwithstanding  
9 any breach by the Debtors.

10           **2.13** Nothing in this Agreement shall affect any obligations of the Department, or the  
11 rights of the SGM Operating Entities, with respect to the processing of the assignment of the  
12 Medi-Cal Provider Agreements and/or enrollment of the SGM Operating Entities in the Medi-Cal  
13 Program for the Hospitals, and the Hospitals' continued participation in the HQA Fee Program.

14           **2.14** The Bankruptcy Court has jurisdiction over any dispute arising from or relating to  
15 this Agreement.

16           **2.15** Nothing contained in this Agreement is intended or shall be deemed to release,  
17 waive or otherwise impair any claims of the Department or its successors or assigns, against: (1)  
18 any insurance carrier of the Debtors; and (2) any person or entity released by any of the Parties to  
19 the extent they are acting in any capacity other than in connection to their business dealings with  
20 the Debtors. In addition, and for avoidance of doubt, nothing in this Agreement releases any  
21 person or entity not identified or described in this Agreement as being a person or entity receiving  
22 a release. SGM and its affiliates are entitled to the full benefit of all of the releases and other  
23 terms contained in this Agreement without restriction, condition or limitation.

24 ///



1     **3. Miscellaneous Provisions.**

2             **3.1**     The Parties executing this Agreement do so without admitting any fault or liability  
3 whatsoever. No term or condition of this Agreement is intended to be or shall be deemed or  
4 construed as an expression of fault or liability.

5             **3.2**     This Agreement contains the entirety of the agreement reached among the Parties  
6 pertaining to the subject matter set forth herein. This Agreement supersedes all prior and  
7 contemporaneous oral and written agreements and discussions between or among the Parties  
8 except as set forth herein. This Agreement, or any provision hereof, may not be waived, amended  
9 or revoked, or the ongoing obligations of any Party terminated, except by a further writing signed  
10 by all such Parties and the County.

11            **3.3**     This Agreement is the product of negotiation by and among the Parties, executed  
12 voluntarily and without duress or undue influence on the part of or on behalf of any Party hereto.  
13 Each of the Parties acknowledges that it has had the opportunity to be represented by its own  
14 independent counsel in connection with this Agreement and the transactions contemplated by or  
15 referred to in this Agreement. Hence, in any construction to be made of this thereof, the same  
16 shall not be construed against any Party.

17            **3.4**     This Agreement may be executed in any number of counterparts, a complete set of  
18 which shall constitute a duly executed original, and fax or electronic signatures shall be treated as  
19 originals for all purposes irrespective of any jurisdiction's best evidence rule.

20            **3.5**     The failure or delay on the part of any Party to enforce or exercise at any time any  
21 of the provisions, rights or remedies in this Agreement shall in no way be construed to be a  
22 waiver thereof, nor in any way to affect the validity of this Agreement or any part hereof, or the  
23 right of such Party to thereafter enforce each and every such provision, right or remedy. No  
24 waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent  
25 breach.

26            **3.6**     Each Party shall pay its own attorneys' fees, costs and expenses in connection with  
27 the preparation, negotiation and execution of this Agreement. However, in the event of any beach  
28



1 or default of any of the terms and provisions of this Agreement or any disputes regarding  
2 interpretation or enforcement of this Agreement, the prevailing Party shall be entitled to recover  
3 its reasonable attorneys' fees and costs, in addition to any other award.

4 **3.7** This Agreement shall be construed, performed, and enforced in accordance with,  
5 and governed by, the laws of the State of California (without giving effect to the principles of  
6 conflicts of laws thereof), except to the extent that the laws of such State are superseded by the  
7 Bankruptcy Code or other applicable federal law.

8 **3.8** Subject to obtaining approval from the Bankruptcy Court as set forth below, each  
9 Party hereto hereby represents and warrants to the other Parties that the undersigned  
10 representative of such Party has authority to execute this Agreement and to bind such Party to the  
11 terms hereof. Without limiting the preceding, the Department represents that the undersigned  
12 representative of the Department is executing this Agreement for both the Department and the  
13 State of California and has the authority to do so, and to bind both the Department and the State  
14 of California to this Agreement. Each Party represents and warrants to the other Parties that this  
15 Agreement is fully enforceable by the other Parties (including, as applicable, by SGM as an  
16 express beneficiary of this Agreement) against such Party without the requirement of any consent,  
17 agreement or other action of any other party, agency or entity.

18 **3.9** Each of the Parties hereto acknowledges that no other Party, nor any agent nor any  
19 attorney of any other Party has made any promise, representation or warranty whatsoever, express  
20 or implied, not contained herein or therein concerning the subject matter hereof to induce said  
21 Party to execute or authorize the execution of this Agreement, and each of the Parties hereto  
22 further acknowledges that said Party has not executed or authorized the execution of this  
23 Agreement in reliance upon any such promise, representation or warranty not contained herein or  
24 therein.

25 **3.10** The Department hereby represents that it is unaware of any pending litigation,  
26 investigations or claims by any other parties against or related to the Hospital Debtors and  
27 Hospitals under the federal False Claims Act, the California False Claims Act or similar statutes.  
28







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1 Date Signed: December \_\_, 2019

Saint Vincent Medical Center

2  
3 By: \_\_\_\_\_

4 Name:

5 Title:

6 Date Signed: December \_\_, 2019

Seton Medical Center

7 By: \_\_\_\_\_

8 Name:

9 Title:

10 Date Signed: December 9, 2019

California Department of Health Care Services

11 By: Richard F. Frazier

12 Name:

13 Title: Acting Director, D4CS

14  
15 ///



1 APPROVED AS TO FORM AND CONTENT:

2 DENTONS US LLP  
3 SAMUEL R. MAIZEL  
4 JOHN A. MOE, II  
5 TANIA MOYRON

6 By: 

7 Counsel for the Debtors

8 OFFICE OF THE ATTORNEY GENERAL OF THE STATE OF CALIFORNIA  
9 KENNETH K. WANG

10 By: 

11 Counsel for the Department

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# EXHIBIT S

EXHIBIT S Page 1 of 3  
Case 5:50-cv-01001-EB Doc 23-10 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT S



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Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

FILED & ENTERED

DEC 09 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

CHANGES MADE BY COURT

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In  
Possession.

☒ Affects All Debtors

☐ Affects Verity Health System of  
California, Inc.

☐ Affects O'Connor Hospital

☐ Affects Saint Louise Regional Hospital

☐ Affects St. Francis Medical Center

☐ Affects St. Vincent Medical Center

☐ Affects Seton Medical Center

☐ Affects O'Connor Hospital Foundation

☐ Affects Saint Louise Regional Hospital  
Foundation

☐ Affects St. Francis Medical Center of  
Lynwood Foundation

☐ Affects St. Vincent Foundation

☐ Affects St. Vincent Dialysis Center, Inc.

☐ Affects Seton Medical Center Foundation

☐ Affects Verity Business Services

☐ Affects Verity Medical Foundation

☐ Affects Verity Holdings, LLC

☐ Affects De Paul Ventures, LLC

☐ Affects De Paul Ventures - San Jose  
ASC, LLC

Debtors and Debtors In  
Possession.

Lead Case No. 18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER

Case No. 2:18-bk-20163-ER

Case No. 2:18-bk-20164-ER

Case No. 2:18-bk-20165-ER

Case No. 2:18-bk-20167-ER

Case No. 2:18-bk-20168-ER

Case No. 2:18-bk-20169-ER

Case No. 2:18-bk-20171-ER

Case No. 2:18-bk-20172-ER

Case No. 2:18-bk-20173-ER

Case No. 2:18-bk-20175-ER

Case No. 2:18-bk-20176-ER

Case No. 2:18-bk-20178-ER

Case No. 2:18-bk-20179-ER

Case No. 2:18-bk-20180-ER

Case No. 2:18-bk-20181-ER

Hon. Ernest M. Robles

**ORDER APPROVING STIPULATION RE:  
ASSUMPTION AND ASSIGNMENT OF MEDI-  
CAL PROVIDER AGREEMENTS TO  
STRATEGIC GLOBAL MANAGEMENT, INC.**

**[RELATED DOCKET NOS. 2306, 3786]**

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The Court, having reviewed the *Stipulation Re: Assumption And Assignment Of Medi-Cal Provider Agreements to Strategic Global Management, Inc.* (the “Stipulation”), filed as Docket No. 3786, entered into by and among Verity Health System of California, Inc., St. Francis Medical Center, a California nonprofit public benefit corporation, St. Vincent Medical Center, a California nonprofit public benefit corporation, St. Vincent Dialysis Center, a California nonprofit public benefit corporation, and Seton Medical Center, a California nonprofit public benefit corporation, on the one hand, and the California Department of Health Care Services on its behalf and on behalf of the State of California, on the other hand, and good cause appearing,

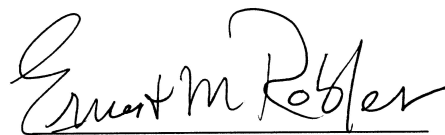
HEREBY ORDERS AS FOLLOWS:

- A. The Stipulation and the terms therein are approved.
- B. This Court shall retain jurisdiction to hear and resolve any disputes arising under the Stipulation.
- C. ~~This Court will vacate its~~ The Memorandum of Decision (Docket No. 3146) and *Order Authorizing Debtors to Sell Medi-Cal Provider Agreements, Free and Clear of Interests Asserted by the California Department of Health Care Services, Pursuant to 11 U.S.C. §§ 363(b) and (f)(5)* (Docket No. 3372) **are hereby VACATED.**

IT IS SO ORDERED.

###

Date: December 9, 2019



Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT T

EXHIBIT T Page 1 of 10  
Case 5:50-cv-01001-EB Doc 21-50 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT T



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Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re  
VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,  
Debtors and Debtors In Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Center Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose ASC, LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER  
Jointly Administered With:

CASE NO.: 2:18-bk-20162-ER  
CASE NO.: 2:18-bk-20163-ER  
CASE NO.: 2:18-bk-20164-ER  
CASE NO.: 2:18-bk-20165-ER  
CASE NO.: 2:18-bk-20167-ER  
CASE NO.: 2:18-bk-20168-ER  
CASE NO.: 2:18-bk-20169-ER  
CASE NO.: 2:18-bk-20171-ER  
CASE NO.: 2:18-bk-20172-ER  
CASE NO.: 2:18-bk-20173-ER  
CASE NO.: 2:18-bk-20175-ER  
CASE NO.: 2:18-bk-20176-ER  
CASE NO.: 2:18-bk-20178-ER  
CASE NO.: 2:18-bk-20179-ER  
CASE NO.: 2:18-bk-20180-ER  
CASE NO.: 2:18-bk-20181-ER

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**MOTION TO (A) CONTINUE HEARING ON MOTION OF THE DEBTORS FOR AN ORDER APPROVING: (I) PROPOSED DISCLOSURE STATEMENT; (II) SOLICITATION AND VOTING PROCEDURES; (III) NOTICE AND OBJECTION PROCEDURES FOR CONFIRMATION OF DEBTORS' PLAN, AND (IV) GRANTING RELATED RELIEF; (B) CONTINUE THE REPLY DEADLINE WITH RESPECT TO DISCLOSURE STATEMENT OBJECTIONS, AND (C) USE THE NOVEMBER 20, 2019, 10:00 A.M. HEARING DATE FOR A STATUS CONFERENCE ON THIS MATTER; DECLARATION OF RICHARD G. ADCOCK IN SUPPORT THEREOF**

**[RELATES TO DOCKET NOS. 2994, 2995, 3120, 3193, 3260, 3389, 3594]**

Proposed Status Conference Date and Time:

Date: November 20, 2019

Time: 10:00 a.m. (Pacific Time)

Place: 255 E. Temple St., Courtroom 1568  
Los Angeles, CA 90012





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LOS ANGELES, CALIFORNIA 90017-5704  
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Verity Health System of California, Inc. (“VHS”) and the affiliated debtors, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 bankruptcy cases (the “Cases”), respectfully request (the “Motion”) that the Court (A) approve a continuance of the hearing on the *Motion of the Debtors for an Order Approving: (I) Proposed Disclosure Statement; (II) Solicitation and Voting Procedures; (III) Notice and Objection Procedures for Confirmation of Debtors’ Plan; and (IV) Granting Related Relief* [Docket No. 2995] (the “Disclosure Statement Motion”) to a date to be set by the Court at the Status Conference (defined below), (B) reschedule the deadline to file replies to objections to the Disclosure Statement Motion at the Status Conference, and (C) to use November 20, 2019, 10:00 a.m., as a status conference (the “Status Conference”). In support of the Motion, the Debtors submit the attached *Declaration of Richard G. Adcock* (the “Adcock Declaration”) and, respectfully state as follows:

I.

**INTRODUCTION**

Currently, the hearing on the Debtors’ Disclosure Statement is scheduled to occur on November 20, 2019, with replies with respect to pending objections due today, November 15, 2019. This morning, the CEO of Strategic Global Management, Inc. (“SGM”) informed the CEO of the Debtors that SGM will be sending the Debtors formal correspondence material to the sale transaction (the “SGM Sale”). See Declaration of Richard G. Adcock attached hereto (“Adcock Declaration”). As of the filing of this Motion, the Debtors have not received any formal correspondence.

The Debtors’ plan of liquidation is contingent on the close of the sale to SGM. Given the potential significance of SGM’s communications, the Debtors request that the Court enter an Order granting the following relief (collectively, the “Proposed Relief”): (A) reschedule the November 20, 2019 Hearing on the Disclosure Statement to a date to be set by the Court at the Status Conference; (B) reschedule the deadline to file replies to objections to the Disclosure Statement Motion at the Status Conference; and (C) maintain November 20, 2019, 10:00 a.m., as a status conference on this matter. The Debtors are informed that the Official Committee of



Unsecured Creditors and the Debtors' secured lenders support the Proposed Relief requested in this Motion.

As the Court is aware from the recent continuances and hearings in these Cases, the Debtors continued their confirmation timeline to achieve finality as to certain conditions issued by the California Attorney General (the "Attorney General") and Enforcement Motion (defined below). The Debtors were hopeful that the Court's order [Docket No. 3611] and the agreement from the Attorney General not to appeal that order would achieve that long-sought finality and move these Cases to confirmation. However, the Debtors in good faith cannot move forward with the Plan until the Debtors receive further information with respect to SGM. Given the foregoing, the Proposed Relief is necessary and appropriate.

## II.

### JURISDICTION AND VENUE

This Court has jurisdiction over this Motion under 28 U.S.C. § 157(b)(2)(A) and (L). Venue of these proceedings and this Motion is proper pursuant to 28 U.S.C. § 1409. The statutory predicate for this Motion is 11 U.S.C. § 105<sup>1</sup> and LBR 9013-1(m).

## III.

### BACKGROUND FACTS

#### **A. General Background**

1. On August 31, 2018, ("Petition Date"), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the "Cases"). By entry of an order, the Cases are currently being jointly administered before the Bankruptcy Court. [Docket No. 17]. Since the commencement of their Cases, the Debtors have been operating their businesses as debtors in possession pursuant to §§ 1107 and 1108.

#### **B. The Plan and Disclosure Statement**

2. On September 3, 2019, the Debtors filed the *Debtors' Chapter 11 Plan of*

<sup>1</sup> All references to "§" herein are to sections of the United States Bankruptcy Code, 11 U.S.C. § 101 *et. seq.*; "LBR" references the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California.



1 *Liquidation (Dated September 3, 2019)* [Docket No. 2993] (the “Plan”) and related *Disclosure*  
2 *Statement Describing Debtors’ Chapter 11 Plan of Liquidation (Dated September 3, 2019)*  
3 [Docket No. 2994] (the “Disclosure Statement”).

4 3. On September 4, 2019, the Debtors filed the Disclosure Statement Motion. In the  
5 Disclosure Statement Motion, the Debtors seek approval of (i) the Disclosure Statement,  
6 (ii) proposed solicitation and voting procedures, (iii) proposed notice and objection procedures for  
7 confirmation of the Plan, and (iv) related relief. The Debtors also requested [Docket No. 2996]  
8 an order setting a hearing and briefing schedule on shortened notice.

9 4. On September 4, 2019, the Court entered an *Order Setting Hearing On Motion for*  
10 *Approval of Disclosure Statement for October 2, 2019, at 10:00 a.m.* [Docket No. 2998] (the  
11 “Disclosure Statement Scheduling Order”). The Disclosure Statement Scheduling Order set a  
12 hearing on the Disclosure Statement Motion for October 2, 2019 at 10:00 a.m., and provided that  
13 any oppositions to the Disclosure Statement Motion must be filed not later than September 18,  
14 2019. *See* Scheduling Order at 2.

15 5. On September 18, 2019, certain parties in interest filed responses and oppositions  
16 to the Disclosure Statement Motion. *See* Docket Nos. 3079, 3084, 3086, 3087, 3089, 3090, 3092,  
17 3094. Further, the Debtors have continued the opposition deadline by stipulation as they continue  
18 negotiations with certain other parties with respect to the Disclosure Statement Motion and  
19 Disclosure Statement. *See* Docket Nos. 3076, 3077, 3082, 3098, 3119, 3122, 3126, 3195.

20 **C. The Emergency Motion and SGM Sale**

21 6. On May 2, 2019, the Court entered an order [Docket No. 2306] (the “Sale Order”)  
22 approving the SGM APA. <sup>EXHIBIT 1 to SGM APA</sup> On September 25, 2019, the Attorney  
23 General conditionally approved the SGM Sale subject to certain conditions (the “2019  
24 Conditions”). Certain of the 2019 Conditions (the “Additional Conditions”) were materially  
25 different than those to which SGM agreed under the Schedule 8.6 to the SGM APA.

26 7. On September 30, 2019, the Debtors filed the motion [Docket No. 3188] (the  
27 “Enforcement Motion”) for entry of an order finding (i) that the Debtors could sell their assets  
28 pursuant to the SGM Sale free and clear of the Additional Conditions, or, alternatively, (ii) that



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the Attorney General abused his discretion when imposing the Additional Conditions. As discussed in greater detail in the Enforcement Motion, the Additional Conditions recently issued by the Attorney General threatened the SGM Sale, and could have triggered SGM's termination rights under the APA unless the Debtors obtained the relief requested by the Enforcement Motion. *See* SGM APA, § 8.6.

8. On October 1, 2019, the Court entered the *Order Setting Hearing on Emergency Motion for the Entry of an Order Enforcing the Order Authorizing the Sale to Strategic Global Management for October 15, 2019, at 10:00 a.m.* [Docket No. 3193] (the "Scheduling Order"), which scheduled a hearing on the Enforcement Motion on October 15, 2019, at 10:00 a.m. (Pacific Time)—the same date and time as the hearing on the Disclosure Statement Motion. *See* Scheduling Order at 2.

9. On October 23, 2019, the Court entered the *Memorandum of Decision Granting Debtors' Emergency Motion to Enforce the Sale Order* [Doc. No. 3188] (the "Memorandum Decision"). The Memorandum Decision granted the Enforcement Motion and further provided that the Court will enter an order certifying the matter for direct appeal to the Ninth Circuit. *See* Mem. Dec. at 24. The Court requested that the Debtors submit an order on the Enforcement Motion consistent with the Memorandum Decision not later than October 30, 2019. *See id.* On November 14, 2019, after holding an emergency hearing on the proposed form of order, the Court entered the order granting the Enforcement Motion [Docket No. 3611] (the "Enforcement Order").

**D. Continuance of Hearing on Disclosure Statement Motion**

10. The Debtors have filed four motions [Docket No. 3103, 3238, 3384, 3502] to continue the hearing on the Disclosure Statement Motion, which were granted by the Court [Docket No. 3120, 3260, 3389, 3506]. The order on the Debtors' fourth continuance motion set the Debtors' reply deadline as November 13, 2019 (the "Reply Deadline"), and scheduled a continued hearing on the Motion for November 20, 2019, at 10:00 a.m. (Pacific Time) (the "Hearing"). The Debtors requested [Docket No. 3589] a further extension of the Reply Deadline to November 15, 2019, which the Court approved by order [Docket No. 3594] entered November



1 12, 2019.

2 **E. Facts Relevant to the Motion**

3 11. On October 10, 2019, SGM filed the *Statement of Strategic Global Management,*  
4 *Inc. in Support of “Debtors’ Emergency Motion for the Entry of an Order: (I) Enforcing the*  
5 *Order Authorizing the Sale to Strategic Global Management, Inc.’ (II) Finding that the Sale is*  
6 *Free and Clear of Conditions Materially Different Than Those Approved by the Court . . .”*  
7 [Docket No. 3356] (the “SGM Statement”). In the SGM Statement, SGM indicated that “it will  
8 not close the Sale unless the Debtors timely obtain a Free and Clear order from the Court.” SGM  
9 Statement at 4. The SGM APA further provides that such order must be final and non-  
10 appealable, that is, an order “which has been affirmed or the appeal of which has been dismissed  
11 by any appellate court and for which the relevant appeal period has expired (other than any right  
12 of appeal to the U.S. Supreme Court).” *See* SGM APA § 8.6. The Court entered the Enforcement  
13 Order on November 14, 2019. The two parties that objected to the Enforcement Motion have  
14 agreed not to appeal the Enforcement Order.

15 12. On this morning of November 15, 2019, the CEO of SGM informed the CEO of  
16 the Debtors of SGM’s intent to send the Debtors formal correspondence material to the SGM  
17 Sale. *See* Adcock Declaration, ¶ 4. As of the filing of this Motion, the Debtors have not received  
18 any such correspondence. *See id.*

19 13. Given the foregoing, the Debtors anticipate that the Proposed Relief is necessary.  
20 *See* Adcock Declaration, ¶ 5. Without a continuance, the outcome also could result in further  
21 amendments to the Disclosure Statement and Plan if the Debtors are required to file papers by the  
22 current November 15, 2019 deadline. *See id.* Given their limited resources, the Debtors seek to  
23 avoid the unnecessary expenses associated with multiple amendments to their Disclosure  
24 Statement and Plan. *See id.* Accordingly, the Debtors respectfully request the Proposed Relief.

25 **IV.**

26 **ARGUMENT**

27 LBR 9013-1(m)(1) governs motions for continuance and sets forth various general  
28 requirements. The Motion satisfies the requirements of the LBRs because it is filed more than



three days prior to the Hearing, sets forth the reasons for the proposed continuance in detail, and is supported by the Adcock Declaration. *See* LBR 9013-1(m)(1).

The Debtors require a continuance of the hearing on the Disclosure Statement Motion for the reasons discussed above. A continuance of the Hearing will serve the best interests of the estates and creditors because it will ensure that the Debtors avoid the expense of unnecessary amendments to their Plan and Disclosure Statement. In light of the benefit to the Debtors' Cases, the Debtors respectfully request that the Court continue the Hearing on the Disclosure Statement Motion from November 20, 2019, at 10:00 a.m., to a date to be set by the Court at the Status Conference (the "Continued Hearing Date"). In accordance with the LBR 9013-1(m)(4), the Continued Hearing Date will automatically extend the reply deadline unless otherwise ordered by the Court at the Status Conference.

V.

**CONCLUSION**

In light of the foregoing, the Debtors respectfully request that this Court enter an Order (i) granting this Motion, (ii) continuing the hearing on the Disclosure Statement Motion to a date to be set by the Court at the Status Conference, (iii) rescheduling the deadline to file replies in support of the Disclosure Statement Motion to a date set by the Court at the Status Conference; (iv) maintaining November 20, 2019, 10:00 a.m. as a Status Conference on this matter, and (v) granting such other relief as the Court deems just and proper under the circumstances.

Dated: November 15, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON  
NICHOLAS A. KOFFROTH

By /s/ Tania M. Moyron  
Tania M. Moyron  
Attorneys for Verity Health Systems of  
California, Inc., *et al.*



**DECLARATION OF RICHARD G. ADCOCK**

I, Richard G. Adcock, submit this Declaration in support of the *Motion to (A) Continue Hearing on Motion of the Debtors for an Order Approving: (I) Proposed Disclosure Statement, (II) Solicitation and Voting Procedures, (III) Notice and Objection Procedures for Confirmation of Debtors' Plan, and (IV) Granting Related Relief; (B) Continue the Reply Deadline with Respect to Disclosure Statement Objections; and (C) Use the November 20, 2019, 10:00 a.m. Hearing Date for a Status Conference on This Matter* (the "Motion"),<sup>1</sup> and hereby state as follows:

1. I am, and have been since January 2018, the Chief Executive Officer of Verity Health System of California, Inc. ("VHS"). Prior thereto, I served as VHS's Chief Operating Officer since August 2017.

2. I have extensive senior-level experience in the nonprofit healthcare arena, especially in the areas of healthcare delivery, hospital acute care services, health plan management, budgeting, disease management, and medical devices. I have meaningful experience in both the technology and healthcare industries in the areas of product development, business development, mergers and acquisitions, marketing, financing, strategic and tactical planning, human resources, and engineering.

3. I have personal knowledge of the facts stated in this declaration, except as to those stated on information and believe, and, as to those, I am informed and believe them to be true. If called as a witness, I could and would competently testify to the matters stated herein.

4. On this morning of November 15, 2019, the CEO of SGM informed me of SGM's intent to send the Debtors formal correspondence material to the SGM Sale. As of the filing of this Motion, the Debtors have not received any such correspondence.

5. Given the foregoing, the Debtors anticipate that the Proposed Relief is necessary. Without a continuance, the outcome also could result in further amendments to the Disclosure Statement and Plan if the Debtors are required to file papers by the current November 15, 2019

<sup>1</sup> Capitalized terms not otherwise defined in this Declaration have the definitions set forth in the Motion.



1 deadline. Given their limited resources, the Debtors seek to avoid the unnecessary expenses  
2 associated with multiple amendments to their Disclosure Statement and Plan. Accordingly, the  
3 Debtors respectfully request the Proposed Relief.

4 6. In my declaration filed in support of the second motion to continue the hearing on  
5 the Disclosure Statement Motion, I addressed the Debtors liquidity, including daily cash losses  
6 and accelerating negative cash flow. Given their limited resources, the Debtors seek to avoid the  
7 unnecessary expenses associated with multiple amendments to their Disclosure Statement and  
8 Plan.

9 I declare under penalty of perjury of the laws of the United States of America that the  
10 foregoing is true and correct.

11 Executed this 15th day of November, 2019, in Los Angeles, California.



12  
13  
14 Richard G. Adcock

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22 EXHIBIT 1 Page 10 of 10

Case 2:18-bk-20151-ER Doc 3621 Filed 11/15/19 Entered 11/15/19 14:56:48 Desc



# EXHIBIT U

EXHIBIT U Page 1 of 35  
Case 5:50-cv-01001-EB Doc 21-57 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT U



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Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re,

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

- ☒ Affects All Debtors
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital  
Foundation
- ☐ Affects St. Francis Medical Center of Lynwood  
Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly administered with:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases

Hon. Judge Ernest M. Robles

**NOTICE OF HEARING AND MOTION OF THE  
DEBTORS FOR AN ORDER APPROVING: (I)  
PROPOSED DISCLOSURE STATEMENT; (II)  
SOLICITATION AND VOTING PROCEDURES; (III)  
NOTICE AND OBJECTION PROCEDURES FOR  
CONFIRMATION OF DEBTORS' PLAN; AND (IV)  
GRANTING RELATED RELIEF; MEMORANDUM  
OF POINTS AND AUTHORITIES IN SUPPORT  
THEREOF**

Hearing Date and Time:

Date: [Application for OST filed concurrently herewith]

Place: Courtroom 1568

255 E. Temple Street

Los



1820151190904000000000004



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1           **PLEASE TAKE NOTICE** that at the above referenced date, time and location, before the  
2 Honorable Ernest M. Robles, United States Bankruptcy Judge, in Courtroom 1568 located at 255  
3 E. Temple Street, Los Angeles, California 90012, or as soon thereafter as the Court may hear the  
4 matter, Verity Health System of California, Inc. (“VHS”) and the affiliated debtors, the debtors  
5 and debtors in possession in the above-captioned chapter 11 bankruptcy cases (each a “Debtor”  
6 and, collectively, the “Debtors”), shall hold a hearing on the *Motion of the Debtors for an Order*  
7 *Approving: (I) Proposed Disclosure Statement; (II) Solicitation And Voting Procedures; (III)*  
8 *Notice And Objection Procedures for Confirmation Of Debtors’ Plan; And (IV) Granting Related*  
9 *Relief* (the “Motion”). The Debtors filed the *Debtors Chapter 11 Plan of Liquidation (Dated*  
10 *September 3, 2019)* (the “Plan”) and related disclosure statement (the “Disclosure Statement”)  
11 concurrently herewith.  
12

13           **PLEASE TAKE FURTHER NOTICE** that the Motion is based upon this Notice, the  
14 accompanying Memorandum of Points and Authorities, the *Declaration of Richard G. Adcock In*  
15 *Support of Emergency First-Day Motions* [Docket No. 8], the record in these cases and all other  
16 matters of which this Court may take judicial notice pursuant to Rule 201 of the Federal Rules of  
17 Evidence, the arguments of counsel to be made at the hearing, and all other admissible evidence  
18 properly brought before the Court at or before the hearing on this Motion, if any.  
19

20           **PLEASE TAKE FURTHER NOTICE** that any party may review and obtain a copy of  
21 the proposed Plan and Disclosure Statement, by downloading same from the website  
22 <https://www.kccllc.net/verityhealth> or by contacting and requesting a copy from: Kurtzman  
23 Carson Consultants LLC (“KCC”), the Debtors’ Solicitation Agent (the “Solicitation Agent”) by  
24 sending a written request via standard overnight or hand delivery to: Verity Ballot Processing  
25 Center, c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245. Additionally,  
26 copies of the Disclosure Statement and Plan are on file with the Office of the Clerk of the  
27  
28



1 Bankruptcy Court for review during normal business hours and are also available on the Debtors'  
2 KCC website at <https://www.kccllc.net/verityhealth>. A copy may also be obtained by e-mail  
3 request to: [Verityinfo@kccllc.com](mailto:Verityinfo@kccllc.com).

4 **PLEASE TAKE FURTHER NOTICE** any party opposing or responding to the Motion  
5 must file and serve the response ("Response"), pursuant to Local Bankruptcy Rule 9013-1(f), on  
6 the moving party and the United States Trustee. A Response must be a complete written statement  
7 of all reasons in opposition thereto or in support, declarations and copies of all evidence on which  
8 the responding party intends to rely, and any responding memorandum of points and authorities.

9  
10 **PLEASE TAKE FURTHER NOTICE** that, concurrently herewith, the Debtors are filing  
11 an application under Local Bankruptcy Rule 9075-1(b) for this Motion to be heard on shortened-  
12 notice on October 2, 2019 at 10:00 a.m. (Pacific Time) (the "Application"). After the Application  
13 is ruled on, the Debtors will provide notice of Response and reply deadlines to the Motion. In the  
14 Application, the Debtors request that the Court set a Response deadline of September 18, 2019,  
15 and set a reply deadline of September 25, 2019.

16  
17 **PLEASE TAKE FURTHER NOTICE** that, pursuant to Local Bankruptcy Rule 9013-  
18 1(h), the failure to file and serve a timely objection to the Motion may be deemed by the Court to  
19 be consent to the relief requested herein.

20 Dated: September 3, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON  
NICHOLAS A. KOFFROTH

21  
22  
23  
24 By /s/ Tania Moyron  
Tania Moyron

25  
26 Attorneys for Verity Health Systems  
of California, Inc., *et al.*



## TABLE OF CONTENTS

		Page
1		
2		
3	TABLE OF AUTHORITIES .....	Error! Bookmark not defined.
4	I. INTRODUCTION .....	1
5	II. JURISDICTION, VENUE, AND REQUESTED RELIEF .....	1
6	III. BACKGROUND.....	2
7	A. General Background.....	2
8	B. Events Leadings to the Bankruptcy Cases. ....	3
9	C. Appointment of Committee.....	4
10	IV. DISCLOSURE STATEMENT AND PLAN .....	4
11	V. ARGUMENT .....	6
12	A. The Disclosure Requirements of the Bankruptcy Code .....	6
13	B. The Proposed Disclosure Statement Meets the Applicable Standards.....	8
14	VI. ESTABLISHING PROCEDURES FOR SOLICITATION OF THE PLAN .....	10
15	A. Approval of Form and Manner of Solicitation Package. ....	10
16	B. Approval of Form and Manner of Confirmation Hearing Notice .....	12
17	C. Establishment of Voting Record Date and Approving of Procedures for Distribution of Solicitation Packages. ....	13
18	D. Approval of Forms of Ballot .....	15
19	E. Establishment of Deadline for Receipt of Ballots .....	15
20	F. Approval of Procedures for Vote Tabulation.....	16
21	G. Establishment of Deadline and Procedures for Filing Objections to the Confirmation of the Plan. ....	22
22	H. Establishing Procedures for the Confirmation Hearing .....	23
23	I. Establishing Procedures for the Filing of Objections to the Confirmation of the Plan. ....	24
24	VII. CONCLUSION.....	25
25		
26		
27		
28		

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# **TABLE OF AUTHORITIES**

**Page(s)**

## **Cases**

*In re Arnold,*

471 B.R. 578 (Bankr. C.D. Cal. 2012).....6

*In re Art & Architecture Books of the 21st Century,*

No. 2:13-bk-14135-RK, 2016 WL 1118743 (Bankr. C.D. Cal. Mar. 18, 2016).....6

*In re Brothby,*

303 B.R. 177 (B.A.P. 9th Cir. 2003).....7

*In re Cal. Fidelity, Inc.,*

198 B.R. 567 (B.A.P. 9th Cir. 1996).....6

*In re Dakota Rail Inc.,*

104 B.R. 138 (Bankr. D. Minn. 1989).....7

*In re Diversified Inv'rs Fund XVII,*

91 B.R. 559 (Bankr. C.D. Cal. 1988).....7

*In re Egan,*

33 B.R. 672 (Bankr. N.D. Ill. 1983).....7

*Kirk v. Texaco, Inc.,*

82 B.R. 678 (S.D.N.Y. 1988).....7

*Menard-Sanford v. Mabey (In re A.H. Robins Co., Inc.),*

880 F.2d 694 (4th Cir. 1989).....7

*In re Oxford Homes, Inc.,*

204 B.R. 264 (Bankr. D. Me. 1997).....7

*In re PC Liquidation Corp.,*

383 B.R. 856 (E.D.N.Y. 2008).....7

*Tex. Extrusion Corp. v. Lockheed Corp. (In re Tex. Extrusion Corp.),*

844 F.2d 1142 (5th Cir. 1988).....7

*In re Zenith Elec. Corp.,*

241 B.R. 92 (Bankr. D. Del. 1999) .....7

## **Statutes and Rules**

11 U.S.C. § 101(5) .....18

11 U.S.C. § 105 .....2

11 U.S.C. § 327 .....2



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1	11 U.S.C. § 328 .....	2
2	11 U.S.C. § 502 .....	19
3	11 U.S.C. § 1107 .....	2
4	11 U.S.C. § 1108 .....	2
5	11 U.S.C. § 1125 .....	2, 6, 10, 11
6	11 U.S.C. § 1125(a).....	1, 5, 6, 7
7	11 U.S.C. § 1126 .....	2, 12, 13, 16, 19
8	11 U.S.C. § 1129(a).....	21, 22
9	28 U.S.C. § 157 .....	1
10	28 U.S.C. § 1334 .....	1
11	28 U.S.C. § 1408 .....	1
12	28 U.S.C. § 1409 .....	1
13	<b>Other Authorities</b>	
14	Fed. R. Bankr. P. 2002 .....	14, 15, 23
15	Fed. R. Bankr. P. 3016(c).....	8
16	Fed. R. Bankr. P. 3017(c).....	15, 22
17	Fed. R. Bankr. P. 3017(d).....	<i>passim</i>
18	Fed. R. Bankr. P. 3018 .....	18, 19
19	Fed. R. Bankr. P. 3018(a).....	13, 16, 17, 19
20	Fed. R. Bankr. P. 3020(b).....	24
21	Local Bankruptcy Rules 2002-1 .....	2
22	Local Bankruptcy Rule 3018-1 .....	2, 22
23	<b>Other Authorities</b>	
24	H.R. Rep. No. 595, at 408-09, 95th Cong. (1st Sess. 1977).....	7
25		
26		
27		
28		



**MEMORANDUM OF POINTS AND AUTHORITIES**

**I.**

**INTRODUCTION**

Verity Health System of California, Inc. (“VHS”) and the affiliated debtors, the debtors and debtors in possession in the above-captioned chapter 11 bankruptcy cases (each a “Debtor” and, collectively, the “Debtors”), request (the “Motion”) approval of (i) the *Disclosure Statement Describing Debtors’ Chapter 11 Plan Of Liquidation (Dated September 3, 2019)* (the “Disclosure Statement”)<sup>1</sup> filed concurrently herewith, (ii) the solicitation and voting procedures proposed herein, (iii) the proposed notice and objection procedures for confirmation of the *Debtors’ Chapter 11 Plan of Liquidation (Dated September 3, 2019)* (the “Plan”) filed concurrently herewith, and (iv) granting related relief as set forth more fully herein. In support of the Motion, the Debtors refer to the *Declaration of Richard G. Adcock In Support of Emergency First-Day Motions* [Docket No. 8] (the “First-Day Declaration”). Concurrently herewith, the Debtors have filed an application for an order setting the hearing on this Motion on shortened notice. The Debtors respectfully submit that Disclosure Statement contains “adequate information,” as that phrase is defined in § 1125(a)(1)<sup>2</sup>, and, thus, request the Court grant the Motion.

**II.**

**JURISDICTION, VENUE, AND REQUESTED RELIEF**

The Bankruptcy Court has jurisdiction pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding under 28 U.S.C. § 157(b)(2).

1. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

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<sup>1</sup> Capitalized terms not otherwise defined herein have the same definitions set forth in the Disclosure Statement.

<sup>2</sup> Unless specified otherwise, all chapter and section references are to the Bankruptcy Code, 11 U.S.C. §§ 101-1532, and all “Bankruptcy Rule” references are to the Federal Rules of Bankruptcy Procedure, Rules 1001-9037. All “Local Bankruptcy Rule” references are to the Local Bankruptcy Rules for the United States Bankruptcy Court for the Central District of California.



2. The statutory predicates for the relief sought herein are §§ 105, 327, 328, 1125, and 1126; Bankruptcy Rules 2002, 2014, 3016, 3017, 3018, and 3020; and Local Bankruptcy Rules 2002-1 and 3018-1.

### III.

#### **BACKGROUND**

##### **A. General Background.**

3. On August 31, 2018 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under the Bankruptcy Code (the “Cases”). The Cases are jointly administered before the Bankruptcy Court. *See* Docket No. 17. Since the Petition Date, the Debtors have been operating their businesses as debtors in possession pursuant to §§ 1107 and 1108.

4. Debtor VHS, a California nonprofit public benefit corporation, is the sole corporate member of the following five Debtor California nonprofit public benefit corporations that, on the Petition Date, operated six acute care hospitals: O’Connor Hospital (“OCH”), Saint Louise Regional Hospital (“SLRH”), St. Francis Medical Center (“SFMC”), St. Vincent Medical Center (“SVMC”), Seton Medical Center (“SMC”), and Seton Medical Center Coastsides (“Seton Coastsides” and, together with OCH, SLRH, SFMC, and SVMC, the “Hospitals”). SMC and Seton Coastsides (collectively, “Seton”) operated under one consolidated acute care hospital license.

5. VHS, the Hospitals, and their affiliated entities (collectively, “Verity Health System”) have operated as a nonprofit health care system, with approximately 1,680 inpatient beds, six active emergency rooms, a trauma center, eleven medical office buildings, and a host of medical specialties, including tertiary and quaternary care. *See* First-Day Decl., at 4, ¶ 12. The scope of the services provided by the Verity Health System are exemplified by the fact that in 2017, the Hospitals provided medical services to over 50,000 inpatients and approximately 480,000 outpatients. *Id.*, at 4, ¶ 12.

6. Additional background facts on the Debtors, including an overview of the Debtors’ business, historical operations, capital structure, employment plans, prior restructuring efforts and liquidity issues that led to these chapter 11 Cases are contained in the First-Day Declaration. Below is an abbreviated description of major historical events that preceded the chapter 11 filing.



**B. Events Leadings to the Bankruptcy Cases.**

7. Between 1995 and 2015, the Hospitals incurred substantial operating losses. During that time period, Daughters of Charity of St. Vincent de Paul, Province of the West (the “Daughters of Charity”) and the Daughters of Charity Health System (“DCHS”) attempted to find a solution which would resolve the operating losses, either through a sale of some or all of the hospitals or a merger with a more financially sound partner. These efforts were not successful, and the health system’s losses continued to mount.

8. In 2015, DCHS marketed the health system for sale and focused on offers that maintained the system as a whole, including the assumption of all existing obligations. In July 2015, the DCHS Board of Directors selected BlueMountain Capital Management LLC (“BlueMountain”), a private investment firm, to recapitalize its operations and transition leadership of the health system to the new Verity Health System (the “BlueMountain Transaction”). In connection with the BlueMountain Transaction, BlueMountain agreed to make a capital infusion of \$100 million, arrange loans for another \$160 million to the system, and manage operations, with an option to buy the health system at a future time. In addition, the parties entered into a System Restructuring and Support Agreement (the “Restructuring Agreement”). DCHS’ name was changed to VHS, and Integrity Healthcare, LLC (“Integrity”) was formed to carry out the management services under a new management agreement.

9. On December 3, 2015, the California Attorney General (the “Attorney General”) approved the BlueMountain Transaction, subject to certain conditions. The Attorney General conditions were imposed for periods ranging from 5 to 15 years, and included, *inter alia*, limits on transfers of control; maintenance of specific health services and specific bed counts; required participation in Medicare and Medi-Cal programs; and required levels of charity care.

10. Under the Restructuring Agreement, VHS, OCH, SLRH, SFMC, SVMC, and Seton, were converted from religious corporations to public benefit corporations.

11. Despite BlueMountain’s infusion of cash and retention of various consultants and experts to assist in improving cash flow and operations, the health system continued to incur losses.



1           12. In July 2017, NantWorks, LLC acquired a controlling stake in Integrity, and  
2 brought in a new CEO, CFO, and COO. NantWorks also loaned another \$148 million to the  
3 Debtors.

4           13. Despite the infusion of capital and new management, losses continued to mount to  
5 approximately \$175 million annually on a cash flow basis. It soon became apparent that the  
6 problems facing the Verity Health System were too large to solve without a formal, court-  
7 supervised restructuring,

8           14. Accordingly, the Debtors commenced these Cases with the objective of protecting  
9 the original legacy of the Daughters of Charity to the maximum extent possible. The Debtors  
10 pursued a strategy to retire debt incurred over the past 18 years so the Hospital facilities and work  
11 force can continue their critical operations under new ownership and leadership without the  
12 accumulated crisis of the past.

13 **C. Appointment of Committee.**

14           15. On September 17, 2018, the Office of the United States Trustee appointed an  
15 Official Committee of Unsecured Creditors in the Debtors' Cases. [Docket No. 197].

16 **IV.**

17 **DISCLOSURE STATEMENT AND PLAN**

18           Concurrently herewith, the Debtors filed the proposed Plan and related Disclosure  
19 Statement. The Debtors worked diligently with their advisors to prepare the Plan, which  
20 maximizes value for the estates for the benefit of creditors. The Debtors concluded, after a careful  
21 analysis of the Debtors' complex corporate and financial structure, that a single plan of liquidation  
22 contemplating the "deemed" substantive consolidation of all Debtors—rather than seventeen  
23 separate plans—will maximize value and avoid unnecessary costs and potential litigation. Thus,  
24 as more fully described in the Disclosure Statement, the Plan provides for the "deemed"  
25 substantive consolidation of the Debtors solely for purposes of implementation of the Plan and  
26 distributions to creditors otherwise in accordance with the Bankruptcy Code's distribution and  
27 classification provisions. The Disclosure Statement describes further facts and legal bases that  
28 support substantive consolidation.



As set forth in the Disclosure Statement, the net proceeds of the SCC Sale and the SGM Sale will be the primary source of funding for distributions under the Plan. The Debtors also anticipate other sources of recovery, including, but not limited to, recovery of certain receivables and fees after the Effective Date and the net proceeds of Causes of Action, including Avoidance Actions, to be pursued by the Liquidating Trust.

The Debtors propose the following key dates in connection with the approval of the Disclosure Statement and confirmation of the Plan:<sup>3</sup>

Event Date/Deadline	Event Date/Deadline
Disclosure Statement Objection Deadline	September 18, 2019
Deadline to File Reply to Disclosure Statement Objections	September 25, 2019
Disclosure Statement Hearing	October 2, 2019 at 10:00 a.m. (Pacific Time)
Solicitation Commencement Deadline	Five (5) business days after entry of order approving the Disclosure Statement
Voting Record Date	October 2, 2019
Deadline to Object or to File a Motion to Estimate Claims for Voting Purposes	October 31, 2019
Voting Objection Deadline	October 31, 2019
Voting Deadline	November 7, 2019 at 4:00 p.m. (Pacific Time)
Confirmation Objection Deadline	November 7, 2019
Deadline to File Tabulation Report, Memorandum of Law in Support of Confirmation, Proposed Confirmation Order and Response to Objections to the Confirmation	November 14, 2019
Confirmation Hearing	November 21, 2019 at 10:00 a.m. (Pacific Time)

The Debtors respectfully request entry of an order: (i) approving the Disclosure Statement as containing “adequate information,” as that term is defined in § 1125(a)(1); (ii) establishing procedures for solicitation and tabulation of votes to accept or reject the Plan, including (a) approving the form and manner of the solicitation packages, (b) approving the form and manner of notice of the hearing to confirm the Plan, (c) establishing a voting record date and approving

<sup>3</sup> The Debtors filed an application for an order setting the hearing on this Motion on shortened notice contemporaneously herewith. The dates set forth herein are subject to the Court’s ruling on the Debtors’ application and the Court’s availability with respect to the proposed confirmation schedule.



1 procedures for distributing the solicitation packages, (d) approving the forms of ballots, (e)  
2 establishing the deadline for the receipt of ballots, and (f) approving procedures for tabulating  
3 acceptances and rejections of the Plan; (iii) establishing procedures with respect to, and the  
4 deadline for filing objections to, the confirmation of the Plan; and (iv) granting related relief.

5  
6 **V.**

7 **ARGUMENT**

8 **A. The Disclosure Requirements of the Bankruptcy Code**

9 Pursuant to § 1125, a plan proponent must provide holders of impaired claims with  
10 “adequate information” regarding a proposed chapter 11 plan. In that regard, § 1125(a)(1)  
11 provides in pertinent part that:

12 “adequate information” means information of a kind, and in sufficient detail, as far  
13 as is reasonably practicable in light of the nature and history of the debtor and the  
14 condition of the debtor’s books and records, including a discussion of the potential  
15 material Federal tax consequences of the plan to the debtor, any successor to the  
16 debtor, and a hypothetical investor typical of the holders of claims or interests in the  
17 case, that would enable such a hypothetical investor of the relevant class to make an  
18 informed judgment about the plan . . . .

19 11 U.S.C. § 1125(a)(1). Thus, a disclosure statement must as a whole, provide information that is  
20 reasonably designed to permit an informed judgment by impaired creditors or equity or other  
21 interest holders entitled to vote on a plan. *See In re Cal. Fidelity, Inc.*, 198 B.R. 567, 571 (B.A.P.  
22 9th Cir. 1996) (“At a minimum, § 1125(b) seeks to guarantee that a creditor receives adequate  
23 information about the plan before the creditor is asked for a vote.”); *In re Art & Architecture*  
24 *Books of the 21st Century*, No. 2:13-bk-14135-RK, 2016 WL 1118743, at \*14 (Bankr. C.D. Cal.  
25 Mar. 18, 2016) (“The primary purpose of a disclosure statement is to give creditors and interest  
26 holders the information they need to decide whether to accept the plan.”) (citing *Captain Blythers,*  
27 *Inc. v. Thompson (In re Captain Blythers, Inc.)*, 311 B.R. 530, 537 (B.A.P. 9th Cir. 2004)); *In re*  
28 *Arnold*, 471 B.R. 578, 584-85 (Bankr. C.D. Cal. 2012).

29 In examining the adequacy of the information contained in a disclosure statement, the  
30 Bankruptcy Court has broad discretion. *See Art & Architecture Books of the 21st Century*, 2016  
31 WL 1118743, at \*14 (“Bankruptcy judges have broad discretion in reviewing disclosure



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statements and what constitutes adequate information and any particular instance will develop on a case-by-case basis.”); *In re Brothby*, 303 B.R. 177, 193 (B.A.P. 9th Cir. 2003) (same); *Kirk v. Texaco, Inc.*, 82 B.R. 678, 682 (S.D.N.Y. 1988) (“The legislative history could hardly be more clear in granting broad discretion to bankruptcy judges under § 1125(a)”; *Menard-Sanford v. Mabey (In re A.H. Robins Co., Inc.)*, 880 F.2d 694, 696 (4th Cir. 1989); *Tex. Extrusion Corp. v. Lockheed Corp. (In re Tex. Extrusion Corp.)*, 844 F.2d 1142, 1157 (5th Cir. 1988); *see also In re Oxford Homes, Inc.*, 204 B.R. 264, 269 (Bankr. D. Me. 1997) (Congress intentionally drew vague contours of what constitutes adequate information so that bankruptcy courts may exercise discretion to tailor them to each case’s particular circumstances); *In re Dakota Rail Inc.*, 104 B.R. 138, 143 (Bankr. D. Minn. 1989) (a bankruptcy court has “wide discretion to determine . . . whether a disclosure statement contains adequate information, without burdensome, unnecessary, and cumbersome detail”).

Accordingly, the determination of whether a disclosure statement contains adequate information is to be made on a case-by-case basis, focusing on the unique facts and circumstances of each case. *See In re Diversified Inv’rs Fund XVII*, 91 B.R. 559, 561 (Bankr. C.D. Cal. 1988) (“According to the legislative history, the parameters of what constitutes adequate information are intended to be flexible.”); *see also In re PC Liquidation Corp.*, 383 B.R. 856 at 866 (E.D.N.Y. 2008); *In re Tex. Extrusion Corp.*, 844 F.2d 1142, 1157 (5th Cir. 1988) (“The determination is largely within the discretion of the bankruptcy court.”); *In re Egan*, 33 B.R. 672, 674-75 (Bankr. N.D. Ill. 1983). This discretion provides flexibility and facilitates the effective reorganization of the different types of chapter 11 debtors by accommodating the varying circumstances accompanying chapter 11 cases. *See H.R. REP. NO. 595*, at 408-09, 95th Cong. (1st Sess. 1977).

The determination of whether adequate information has been provided should take account of expertise and resources, including outside advisors and relevant information already possessed or publicly available, of the hypothetical investor of each class of claims or interests from which classes the acceptance or rejection of the Plan is solicited after the commencement of the cases. *See In re Zenith Elec. Corp.*, 241 B.R. 92, 99-100 (Bankr. D. Del. 1999).



**B. The Proposed Disclosure Statement Meets the Applicable Standards.**

The Disclosure Statement provides “adequate information” to allow holders of Claims in the Voting Classes (as defined below) to make an informed decision about whether to vote to accept or reject the Plan. Specifically, the Disclosure Statement contains a number of categories of information that courts consider “adequate information,” including:

- (i) An overview of the Plan (*see* Disclosure Statement, Section V);
- (ii) The corporate structure and indebtedness of the Debtors (*see id.*, Sections II.C., III);
- (iii) The operation of the Debtors’ business (*see id.*, Sections II, III);
- (iv) Key events leading to the commencement of the Chapter 11 Cases (*see id.*, Section III);
- (v) Significant events that occurred during the Chapter 11 Cases (*see id.*, Section IV);
- (vi) Information regarding Litigation (*see* Section IV);
- (vii) Financial information that would be relevant to determinations of whether to accept or reject the Plan (*see id.*, Section V);
- (viii) Tax consequences of the Plan (*see id.*, Sections IX, X);
- (ix) Risk factors affecting the Plan and the Debtors (*see id.*, Section XIII);
- (x) Requirements for confirmation of the Plan (*see id.*, Section XII);
- (xi) A liquidation analysis under chapter 7 of the Bankruptcy Code (*see id.*, Section XII at K); and
- (xii) Description of Plan Releases (*see id.*, Section VIII).

The Disclosure Statement also provides adequate notice of the release, exculpation, and injunction provisions in the Plan. Pursuant to Bankruptcy Rule 3016(c), “[i]f a plan provides for an injunction against conduct not otherwise enjoined under the Code, the plan and disclosure statement [must] describe in specific and conspicuous language all acts to be enjoined and identify the entities that would be subject to the injunction.” Fed. R. Bankr. P. 3016(c). The Disclosure Statement provides a detailed description of releases and exculpations to be provided under the Plan. *See* Disclosure Statement, § VIII.B., C., D.



1 Furthermore, the Disclosure Statement provides an analysis of the alternatives to  
2 confirmation and consummation of the Plan. *See id.*, § X.II.K. (setting forth the Debtors’  
3 liquidation analysis). Accordingly, the Debtors recommend that holders of claims eligible to vote  
4 on the Plan vote to accept the Plan because it is the most efficient and effective means to provide  
5 remaining recoveries to holders of claims against the Debtors’ estates.

6 The Disclosure Statement also contains a detailed description of means of implementation,  
7 which includes the “deemed” substantive consolidation of the Debtors and the applicable factors  
8 and legal basis. The Disclosure Statements sets forth adequate information concerning (i) the  
9 legal requirements to establish deemed substantive consolidation, and (ii) the factual bases  
10 supporting the Debtors’ request for deemed substantive consolidation. It also provides notice that  
11 the Disclosure Statement and Plan shall be deemed a motion requesting that the Bankruptcy Court  
12 approve the deemed substantive consolidation contemplated by the Plan at the Confirmation  
13 Hearing, unless otherwise separately scheduled. *See* Disclosure Statement, Section XIV.

14 Specifically, the Disclosure Statement sets forth the effect of deemed substantive  
15 consolidation and the facts of the cases that satisfy the standard for deemed substantive  
16 consolidation in the Ninth Circuit. The facts relevant to the Ninth Circuit analysis and identified  
17 in the Disclosure Statement include: (i) the impact of the conditions imposed by the Attorney  
18 General and the extent to which the conditions required that the Debtors act as a single economic  
19 unit; (ii) the manner in which the Debtors booked significant transfers on their general account  
20 ledgers between entities and the effect the claims will have on recoveries among the unsecured  
21 creditors of each Debtor; (iii) the issues raised by reconciliation of claims and the allocation of  
22 liabilities among the Debtors; (iv) the Debtors’ lending and business relationships with the  
23 creditors and the extent to which the Debtors dealt with creditors as a single enterprise; and  
24 (v) facts reflecting the extent to which the proposed deemed substantive consolidation is  
25 administratively convenient and benefits creditors. Accordingly, the Disclosure Statement  
26 contains the pertinent information necessary for holders of impaired claims to make an informed  
27 decision about whether to vote to accept or reject the Plan, including, among other things,



1 information regarding the effect and basis for the Debtors' request for deemed substantive  
2 consolidation.

3 The Debtors respectfully submit that the Disclosure Statement complies with all aspects of  
4 § 1125. The Debtors will demonstrate at the hearing to approve the Disclosure Statement that the  
5 Disclosure Statement addresses the information set forth above in a manner that provides holders  
6 of impaired unsecured claims that are entitled to vote to accept or reject the Plan with adequate  
7 information within the meaning of § 1125 and should therefore be approved.

8 **VI.**

9 **ESTABLISHING PROCEDURES FOR SOLICITATION OF THE PLAN**

10 **A. Approval of Form and Manner of Solicitation Package.**

11 Bankruptcy Rule 3017(d) sets forth the materials that must be provided to holders of  
12 claims for the purpose of soliciting their votes and providing adequate notice of the hearing on  
13 confirmation of a plan of reorganization:

14 Upon approval of a disclosure statement,—except to the extent that the court orders  
15 otherwise with respect to one or more unimpaired classes of creditors or equity  
16 security holders—the debtor in possession, trustee, proponent of the plan, or clerk  
as the court orders shall mail to all creditors and equity security holders, and in a  
chapter 11 reorganization case shall transmit to the United States trustee:

- 17 (1) the plan or a court-approved summary of the plan;  
18 (2) the disclosure statement approved by the court;  
19 (3) notice of the time within which acceptances and rejections of the  
20 plan may be filed; and  
21 (4) any other information as the court may direct, including any court  
22 opinion approving the disclosure statement or a court-approved  
23 summary of the opinion.

24 In addition, notice of the time fixed for filing objections and the hearing on  
25 confirmation shall be mailed to all creditors and equity security holders in  
26 accordance with Rule 2002(b), and a form of ballot conforming to the appropriate  
Official Form shall be mailed to creditors and equity security holders entitled to  
vote on the plan . . . .

27 Fed. R. Bankr. P. 3017(d).  
28



1 As further discussed below, if the Bankruptcy Court approves the Disclosure Statement as  
2 containing adequate information pursuant to § 1125, the Debtors propose to distribute by First  
3 Class Mail to holders of claims in the classes entitled to vote on the Plan (the “Voting Classes”)<sup>4</sup>  
4 the Confirmation Hearing Notice (as defined below), as well as a package containing solicitation  
5 materials (the “Solicitation Package”) including:

- 6 a) the Bankruptcy Court’s Order approving the Disclosure Statement (the  
7 “Disclosure Statement Order”), excluding the exhibits attached thereto;
- 8 b) the applicable ballot (a “Ballot”), the proposed forms of which will be filed  
9 with the Court as a supplement to this Motion, together with a pre-paid, pre-  
10 addressed return envelope and, either paper copies of or electronic copies in  
11 “pdf” format on a CD-ROM or USB flash drive containing the Disclosure  
12 Statement (with the Plan and other exhibits attached thereto); and
- 13 c) any supplemental documents filed with the Bankruptcy Court and such  
14 other materials as the Bankruptcy Court may direct, including any letters in  
15 support of the Plan.

16 The Debtors submit that such materials and manner of service satisfy the requirements of  
17 Bankruptcy Rule 3017(d).

18 Kurtzman Carson Consultants LLC (“KCC”) will serve as the Debtors’ Solicitation Agent  
19 (the “Solicitation Agent”) and provide access to Solicitation Packages, among other things.  
20 Solicitation Packages (except for Ballots) will be available (i) for download at  
21 <https://www.kccllc.net/verityhealth>, (ii) by email request to [verityinfo@kccllc.com](mailto:verityinfo@kccllc.com), (iii) by written  
22 request via standard overnight or hand delivery to: Verity Ballot Processing Center, c/o KCC, 222

23 <sup>4</sup> The Voting Classes consist of Class 2 (Secured 2005 Revenue Bond Claims), Class 3 (Secured  
24 2015 Notes Claims), Class 4 (Secured Series 2017 Revenue Note Claims), Class 5 (Secured MOB  
25 I Financing Claims), Class 6 (Secured MOB II Financing Claims), Class 7 (Secured Mechanics  
26 Lien Claims), Class 8 (PBGC Claims), Class 9 (RPHE Claims), Class 10 (General Unsecured  
27 Claims), Class 11 (Convenience Claims), Class 12 (Insured Claims), and Class 13 (2016 Data  
28 Breach Claims). Class 14 (Subordinated General Unsecured Claims) and Class 15 (Interests) are  
deemed to reject the Plan, and, therefore, not entitled to vote. Similarly, Class 1A (Other Priority  
Claims) and Class 1B (Secured PACE Tax Financing Claims) are deemed not impaired, and,  
therefore, deemed to accept the Plan and not entitled to vote.



1 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245, and (iv) on the Bankruptcy Court's  
2 website.<sup>5</sup>

3 **B. Approval of Form and Manner of Confirmation Hearing Notice**

4 Upon approval of the Disclosure Statement pursuant Disclosure Statement Order, the  
5 Debtors will serve or cause to be served the following documents on the following parties, as  
6 applicable: (i) a written notice to the Voting Classes (the "Confirmation Hearing Notice") of  
7 (a) the Bankruptcy Court's approval of the Disclosure Statement, (b) the deadline for voting on the  
8 Plan, (c) the time, date, and place for the hearing to consider confirmation of the Plan, and (d) the  
9 deadline and procedures for filing objections to the confirmation of the Plan, together with the  
10 Solicitation Package; (ii) a written notice to the non-voting accepting classes (the "Notice of Non-  
11 Voting Accepting Status and Confirmation Hearing") that sets forth such parties' Plan treatment, a  
12 summary of the Plan's release, injunction, and exculpation provisions, and certain information  
13 regarding the hearing to consider confirmation of the Plan and related deadlines; and (iii) a written  
14 notice to the non-voting rejecting classes (the "Notice of Non-Voting Rejecting Status and  
15 Confirmation Hearing") that sets forth such parties' Plan treatment, a summary of the Plan's  
16 release, injunction, and exculpation provisions, and certain information regarding the hearing to  
17 consider confirmation of the Plan and related deadlines. The relevant notices will be served on the  
18 appropriate parties by First Class Mail. The Debtors will file the proposed form of notices prior to  
19 the hearing on this Motion.

20 Consistent with § 1126(f) and Bankruptcy Rule 3017(d), the Debtors propose to send the  
21 Notice of Non-Voting Accepting Status and Confirmation Hearing to holders of Administrative  
22 Claims, Professional Claims, Statutory Fees, Priority Tax Claims, Administrative DIP Lender  
23 Claims, Other Priority Claims, and Secured PACE Tax Financing Claims (the  
24 "Unclassified/Unimpaired Claimholders"), which classes are unclassified or deemed to accept the  
25 Plan,.

26 \_\_\_\_\_  
27 <sup>5</sup> <http://www.cacb.uscourts.gov/> (a PACER login and password are required to access documents  
28 on the Bankruptcy Court's website).



1 Consistent with § 1126(g) and Bankruptcy Rule 3017(d), the Debtors proposed to send the  
2 Notice of Non-Voting Rejecting Status and Confirmation Hearing to holders of Subordinated  
3 General Unsecured Claims and Interests, which classes are deemed to reject the Plan.

4 The Debtors submit that such notices satisfy the requirements of the Bankruptcy Code and  
5 Bankruptcy Rule 3017(d). Accordingly, the Debtors request that the Bankruptcy Court determine  
6 that the Debtors are not required to distribute copies of the Plan, Disclosure Statement, or  
7 Disclosure Statement Order to any of the Unclassified/Unimpaired Claimholders, holders of  
8 Subordinated General Unsecured Claims, or Interest holders, unless otherwise requested in writing  
9 or by the terms of the Disclosure Statement Order.

10 **C. Establishment of Voting Record Date and Approving of Procedures for Distribution**  
11 **of Solicitation Packages.**

12 Bankruptcy Rule 3017(d) provides that, for the purposes of soliciting votes in connection  
13 with the confirmation of a bankruptcy plan, “creditors and equity security holders shall include  
14 holders of stock, bonds, debentures, notes and other securities of record on the date the order  
15 approving the disclosure statement is entered or another date fixed by the court, for cause, after  
16 notice and a hearing.” Fed R. Bankr. P. 3017(d). Bankruptcy Rule 3018(a) contains a similar  
17 provision regarding determination of the record date for voting purposes.

18 The Debtors request that the Bankruptcy Court establish October 2, 2019, as the record  
19 date (the “Voting Record Date”), for purposes of determining the claimholders that are entitled to  
20 vote (subject to the voting procedures set forth below) on the Plan or, in the case of non-voting  
21 classes, for purposes of determining the claimholders to receive certain Plan-related materials.  
22 The Debtors expect that they will be able to commence distribution of (i) the Confirmation  
23 Hearing Notice and Solicitation Package to the Voting Classes and (ii) the Notice of Non-Voting  
24 Accepting Status and Confirmation Hearing and/or Notice of Non-Voting Rejecting Status and  
25 Confirmation Hearing to parties-in-interest outside of the Voting Classes, as applicable, as set  
26 forth herein, within five (5) business days after the date of entry of the Disclosure Statement  
27 Order, or as soon as reasonably practicable thereafter (the “Solicitation Commencement Date”).  
28



1 In the case of Class 2 (Secured 2005 Revenue Bond Claims), certain brokerage firms and  
2 banks or their agents (collectively, the “Nominees”) hold Class 2 claims rather than the individual  
3 holders themselves (collectively, the “Beneficial Holders”). To ensure proper tabulation of votes  
4 for all Secured 2005 Revenue Bond Claims, the Debtors will deliver Solicitation Packages to  
5 holders of record as of the Voting Record Date, including Nominees, as reflected on security  
6 position reports provided by The Depository Trust Company (“DTC”). Additionally, the Debtors  
7 will distribute “Master Ballots” and “Beneficial Holder Ballots” to Nominees under separate cover  
8 from the Solicitation Packages delivered to all other holders of record. The Beneficial Holder  
9 Ballots will instruct each Beneficial Holder voting on the Plan through a Nominee to return the  
10 Beneficial Holder Ballot to the appropriate Nominee in sufficient time for such Nominee to timely  
11 cast votes to accept or reject the Plan on behalf of the Beneficial Holders, or otherwise follow the  
12 directions of the Nominee. The Nominee will complete and return a Master Ballot, which the  
13 Debtors will tabulate for purposes of determining votes for Class 2.

14 The Debtors shall cause to be distributed electronically the Disclosure Statement Order  
15 (excluding exhibits thereto), the Confirmation Hearing Notice, the Disclosure Statement (together  
16 with the Plan and other exhibits attached thereto), and such other materials as the Bankruptcy  
17 Court may direct (excluding a Ballot) to, among other parties (to the extent such parties did not  
18 otherwise receive the Solicitation Package):

- 19 a) the U.S. Trustee;
- 20 b) the Internal Revenue Service;
- 21 c) the California Attorney General; and
- 22 d) all persons and entities that have filed a request for service of filings in the  
23 Debtors’ Cases pursuant to Bankruptcy Rule 2002.

24 The Debtors anticipate that some of the notices served in the Debtors’ Cases, including  
25 notices of the hearing to approve the Disclosure Statement and notices of the commencement of  
26 the Debtors’ Cases, have been or may be returned, including because certain notice parties have  
27 foreign addresses. The Debtors believe that it would be costly and inefficient to distribute the  
28 Solicitation Package to the same addresses to which undeliverable notices were previously



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1 distributed. Therefore, the Debtors seek the Bankruptcy Court's approval for a departure from the  
2 strict notice rule, excusing the Debtors from distributing Solicitation Packages to those entities  
3 listed at such addresses if the Debtors are not provided with updated addresses for such entities  
4 before the Solicitation Commencement Date. Further, if the Debtors send Solicitation Packages  
5 that are deemed undeliverable and are not provided with a forwarding or more updated address,  
6 the Debtors seek that the Debtors be excused from attempting to re-deliver Solicitation Packages  
7 to such entities. The Debtors submit that good cause exists for implementing the aforementioned  
8 notice and service procedures.

9 **D. Approval of Forms of Ballot**

10 Bankruptcy Rule 3017(d) requires that the Debtors mail a form of Ballot to "creditors and  
11 equity security holders entitled to vote on the plan." The Debtors propose to distribute to each  
12 holder of a claim in each Voting Class a Ballot, including the Master Ballots and/or Beneficial  
13 Holder Ballots, as applicable, the form of which will be filed by the Debtors as a supplement prior  
14 to the hearing on this Motion. The form of Ballot is based upon Official Form No. B314, but has  
15 been modified to address the particular aspects of the Debtors Cases and to include certain  
16 additional information that the Debtors believe to be relevant and appropriate for the applicable  
17 classes of claims that are entitled to vote to accept or reject the Plan, including information  
18 regarding the releases, injunctions, and exculpations contained in the Plan.

19 **E. Establishment of Deadline for Receipt of Ballots**

20 Bankruptcy Rule 3017(c) provides that, on or before approval of a disclosure statement,  
21 the court shall fix a time within which the holders of claims or equity security interests may accept  
22 or reject a plan. The Debtors have developed the proposed schedule to allow for a solicitation  
23 period in the Debtors' Cases of at least 28 days, which the Debtors believe is appropriate in light  
24 of the circumstances of the case and consistent with the requirements set forth in Bankruptcy Rule  
25 2002(b). Accordingly, the Debtors propose that in order to be counted as a vote to accept or reject  
26 the Plan, each Ballot must be properly executed, completed, and delivered to the Debtors so as to  
27 be received by the Debtors no later than **4:00 p.m. (Pacific Time) on November 7, 2019** or as  
28 otherwise ordered by the Bankruptcy Court (the "Voting Deadline") as set forth below. The



Debtors submit that such solicitation period is a sufficient period within which creditors can make an informed decision to accept or reject the Plan in light of the circumstances of the case.

All Ballots must be delivered via First Class Mail, overnight courier, or hand delivery so as to be actually received by the Debtors' solicitation agent no later than the Voting Deadline. Except as provided below, Ballots must be submitted to the Solicitation Agent at the following address in accordance with the voting procedures set forth below:

Verity Ballot Processing Center  
c/o Kurtzman Carson Consultants LLC  
222 N. Pacific Coast Highway, Suite 300  
El Segundo, CA 90245  
(888) 249-2741(domestic)  
(310) 751-2635 (international)

Master Ballots submitted by Nominees holding Class 2 (Secured 2005 Revenue Bond Claims), must be delivered to the Solicitation Agent at:

Verity Ballot Processing Center  
c/o Kurtzman Carson Consultants LLC  
1290 Avenue of the Americas, 9<sup>th</sup> Floor  
New York, NY 10104  
(877) 833-4150 (domestic)  
(917) 281-4800 (international)

BALLOTS TRANSMITTED TO THE DEBTORS BY FACSIMILE, ELECTRONIC MAIL, OR OTHER MEANS NOT SPECIFICALLY APPROVED BY THE BANKRUPTCY COURT MAY BE ACCEPTED BY THE DEBTORS ON A CASE-BY-CASE BASIS.

**F. Approval of Procedures for Vote Tabulation**

16. Section 1126(c) provides as follows:

A class of claims has accepted a plan if such plan has been accepted by creditors, other than any entity designated under subsection (e) of this section, that hold at least two-thirds in amount and more than one-half in number of the allowed claims of such class held by creditors, other than any entity designated under subsection (e) of this section, that have accepted or rejected such plan.

11 U.S.C. § 1126(c). Further, Bankruptcy Rule 3018(a) provides that "the court after notice and hearing may temporarily allow the claim or interest in an amount which the court deems proper for the purpose of accepting or rejecting a plan." Fed. R. Bankr. P. 3018(a).

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For purposes of voting on the Plan, with respect to all creditors of the Debtors, the Debtors propose that the amount of a claim used to tabulate acceptance or rejection of the Plan should be, as applicable:

- a) The amount of the claim listed in the Debtors' schedules of assets and liabilities (the "Schedules"); provided that (i) such claim is not scheduled as any of contingent, unliquidated, undetermined, disputed, or in a zero dollar amount, and (ii) no proof of claim has been timely filed (or otherwise deemed timely filed by the Bankruptcy Court under applicable law) with respect to such claim.
- b) The noncontingent and liquidated amount specified in a proof of claim timely filed with the Bankruptcy Court (or otherwise deemed timely filed by the Bankruptcy Court under applicable law) to the extent the proof of claim is not the subject of an objection filed by **October 31, 2019** (the "Voting Objection Deadline") (or, if such claim has been resolved for allowance and/or voting purposes pursuant to a stipulation or order entered by the Bankruptcy Court, or otherwise resolved by the Bankruptcy Court, the amount set forth in such stipulation or order).
- c) If a proof of claim has been timely filed prior to the applicable bar date and such claim is asserted in the amount of \$0.00, such claim shall not be entitled to vote.
- d) Notwithstanding anything to the contrary in these tabulation rules, the holder of any claim that has been indefeasibly paid, in full or in part, shall only be permitted to vote the unpaid amount of such claim, if any, to accept or reject the Plan.
- e) The amount temporarily allowed or estimated by the Bankruptcy Court for voting purposes, pursuant to Bankruptcy Rule 3018(a), subject to notice consistent with the procedures set forth herein, the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules shall be the amount of the claim for voting purposes.
- f) If a claim for which a proof of claim has been timely filed for unknown or undetermined amounts (as determined on the face of the claim or after a reasonable review of the supporting documentation by the Debtors) and such claim has not been allowed, such Claim shall be temporarily allowed for voting purposes only, and not for purposes of allowance or distribution, at \$1.00.
- g) If a claim is listed on a timely filed proof of claim as either wholly or partially contingent or unliquidated, such claim is temporarily allowed in the amount that is the greater of (i) the liquidated and non-contingent amount and (ii) \$1.00, for voting purposes only, and not for purposes of allowance or distribution.



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- 1 h) If a claim is deemed allowed under the Plan, such claim is allowed for  
2 voting purposes in the deemed allowed amount set forth in the Plan.
- 3 i) If a claim is not listed in the Schedules or is listed in the Schedules as  
4 contingent, unliquidated, or disputed (or in a zero amount) and a proof of  
5 claim was not (i) filed by the applicable bar date for the filing of proofs of  
6 claim established by the Bankruptcy Court or (ii) deemed timely filed by an  
7 order of the Bankruptcy Court prior to the Voting Deadline, such claim  
8 shall be disallowed for voting purposes.
- 9 j) If a proof of claim has been amended by a later proof of claim that is filed  
10 on or prior to the Voting Record Date, the later filed amending claim shall  
11 be entitled to vote in a manner consistent with these tabulation rules, and  
12 the earlier filed claim shall be disallowed for voting purposes, regardless of  
13 whether the Debtors have objected to such amended claim. Except as  
14 otherwise ordered by the Bankruptcy Court, any amendments to proofs of  
15 claim after the Voting Record Date shall not be considered for purposes of  
16 these tabulation rules.

12 The temporary allowance of claims for voting purposes does not constitute an allowance of  
13 claims for purposes of distribution under the Plan and is without prejudice to the rights of the  
14 Debtors or any other party-in-interest in any other context, including the right of the Debtors or  
15 any other party-in-interest to contest the amount or validity of any claim for purposes of allowance  
16 under the Plan.

17 Additionally, the Debtors seek authorization from the Bankruptcy Court for the Debtors to  
18 object to any claim (as defined in § 101(5)) solely for Plan voting purposes by filing a  
19 determination motion (the “Determination Motion”), no later than the Voting Objection Deadline.  
20 If an objection to a claim (made by way of a Determination Motion or otherwise) filed on or  
21 before the Voting Objection Deadline requests that such claim be reduced or reclassified, such  
22 claimant’s Ballot shall be counted in such reduced amount or as falling into the reclassified  
23 category. Further, if a creditor casts a Ballot and has timely filed a proof of claim (or has  
24 otherwise had a proof of claim deemed timely filed by the Bankruptcy Court under applicable  
25 law), but the creditor’s claim is the subject of an objection (made by way of a Determination  
26 Motion or otherwise) filed no later than the Voting Objection Deadline, the Debtors request, in  
27 accordance with Bankruptcy Rule 3018, that the creditor’s Ballot not be counted to the extent it is  
28 challenged by the objection, unless such claim is temporarily allowed by the Bankruptcy Court for



1 voting purposes pursuant to Bankruptcy Rule 3018(a) after the creditor files a motion for such  
2 temporary allowance (the “Claims Estimation Motion”).<sup>6</sup>

3 If a creditor seeks to have its claim temporarily allowed for purposes of voting to accept or  
4 reject the Plan pursuant to Bankruptcy Rule 3018(a), the Debtors request that such creditor be  
5 required to file a Claims Estimation Motion for such temporary allowance by the later of (i) the  
6 Voting Objection Deadline or (ii) if such claim is the subject of an objection or a Determination  
7 Motion, seven (7) days after the filing of the applicable objection or Determination Motion.

8 In the event that a Determination Motion or Claims Estimation Motion is filed, the Debtors  
9 request that the Bankruptcy Court allow the non-moving party to file a reply to such motion by the  
10 later of (i) the Voting Objection Deadline, or (ii) seven (7) days after the filing of the applicable  
11 motion (the “Voting Objection Reply Deadline”). A hearing will be scheduled (subject to the  
12 Bankruptcy Court’s availability) on such motion within seven (7) days of the Voting Objection  
13 Reply Deadline but in no event later than the Confirmation Hearing (as defined below). The  
14 Debtors further request that the ruling by the Bankruptcy Court on any Determination Motion or  
15 Claims Estimation Motion be considered a ruling with respect to the allowance of the claim(s)  
16 under Bankruptcy Rule 3018 and such claim(s) be counted, for voting purposes only, in the  
17 amount determined by the Bankruptcy Court.

18 The Debtors propose that, in the event a claimant reaches an agreement with the Debtors,  
19 as to the treatment of its claim for voting purposes, the claim may be treated in such manner.

20 The Debtors further request that the following voting procedures and standard assumptions  
21 be used in tabulating the Ballots:

- 22 a) For purposes of the numerosity requirement of § 1126(c) and based on the  
23 reasonable efforts of the Debtors, separate claims held by a single creditor  
24 in a particular class will be aggregated as if such creditor held one claim  
25 against the Debtors in such class, and the votes related to such claims will  
be treated as a single vote to accept or reject the Plan.

---

26 <sup>6</sup> This proposed procedure is consistent with § 1126, which provides that a plan may be accepted  
27 or rejected by the holder of a claim allowed under § 502. In turn, § 502(a) provides that a filed  
28 proof of claim is deemed allowed “unless a party in interest . . . objects.” 11 U.S.C. § 502(a).



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- b) Any creditor who holds duplicate claims within the same class (against one Debtor or across multiple Debtors) shall be provided with only one Solicitation Package and one Ballot for voting a single claim in such class, regardless of whether the Debtors have objected to such duplicate claims.
- c) Creditors must vote all of their claims within a particular class either to accept or reject the Plan and may not split their vote. Accordingly, a Ballot (or multiple Ballots with respect to multiple claims within a single class) that partially rejects and partially accepts the Plan will not be counted.
- d) Ballots that fail to indicate an acceptance or rejection of the Plan or that indicate both acceptance and rejection of the Plan, but which are otherwise properly executed and received prior to the Voting Deadline, will not be counted.
- e) Only Ballots that are timely received with signatures will be counted. Unsigned Ballots will not be counted.
- f) Ballots sent by mail or overnight delivery that are postmarked prior to the Voting Deadline, but received after the Voting Deadline, will not be counted.
- g) Ballots that are illegible, or contain insufficient information to permit the identification of the creditor, will not be counted.
- h) Ballots transmitted to the Debtors by facsimile, electronic mail, or other means not specifically approved by the Bankruptcy Court may be accepted by the Debtors on a case-by-case basis.
- i) Whenever a creditor casts more than one Ballot voting the same claim prior to the Voting Deadline, the last valid Ballot received prior to the Voting Deadline shall be deemed to reflect the voter's intent and supersede any prior received Ballots.
- j) If a creditor simultaneously casts inconsistent duplicate Ballots with respect to the same claim, such Ballots shall not be counted.
- k) Each creditor shall be deemed to have voted the full amount of its claim in a class. Unless otherwise ordered by the Bankruptcy Court, questions as to the validity, form, eligibility (including time of receipt), acceptance, and revocation or withdrawal of Ballots shall be determined by the Debtors, which determination shall be final and binding.
- l) Any Ballot containing a vote that the Bankruptcy Court determines, after notice and a hearing, was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code shall not be counted.



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- m) Any Ballot cast by a person or entity that does not hold a Claim in a class that is entitled to vote to accept or reject the Plan shall not be counted.
- n) Notwithstanding anything contained herein to the contrary, the Debtors may contact parties that submitted Ballots to cure any defects in the Ballots.
- o) Any class that does not contain any claim eligible to vote to accept or reject the Plan (by reason of temporary allowance by the Bankruptcy Court or otherwise) as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such class pursuant to § 1129(a)(8).
- p) If a class contains claims eligible to vote and no holders of claims eligible to vote in such class vote to accept or reject the Plan, the Plan shall be deemed accepted by the holders of such claims in such class.
- q) Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors or the Bankruptcy Court determines. Neither the Debtors nor any other person or entity shall be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots, nor shall any incur any liabilities for failure to provide such notification. Unless otherwise directed by the Bankruptcy Court, delivery of such Ballots shall not be deemed to have been made until such irregularities have been cured or waived. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) shall not be counted.
- r) The Debtors, and subject to contrary order of the Bankruptcy Court, may waive any defect in any Ballot at any time, either before or after the Voting Deadline and without notice, and any such waivers shall be documented in the voting results filed with the Bankruptcy Court.
- s) Except as provided below, unless the Ballot being furnished is timely submitted on or prior to the Voting Deadline, the Debtors may reject such Ballot as invalid, and therefore, decline to utilize it in connection with confirmation of the Plan by the Bankruptcy Court; provided, however, that such invalid Ballots shall be documented in the voting results filed with the Bankruptcy Court.
- t) Subject to contrary order of the Bankruptcy Court, the Debtors reserves the absolute right to reject any and all Ballots not proper in form, the acceptance of which would, in the opinion of the Debtors, not be in accordance with the provisions of the Bankruptcy Code; provided, however, that such invalid Ballots shall be documented in the voting results filed with the Bankruptcy Court.

In addition to the foregoing, as applicable, the Debtors request that the following voting procedures and standard assumptions be used in tabulating Master Ballots:



- u) In the case of Class 2 (Secured 2005 Revenue Bond Claims), votes cast by beneficial owners holding through Nominees will be applied to the applicable positions held by such Nominees as of the Voting Record Date.
- v) If conflicting votes or “over-votes” are submitted by or on behalf of a Nominee, the Solicitation Agent shall use reasonable efforts to reconcile discrepancies with such Nominee. The submission of a Master Ballot reflecting an aggregate amount of Class 2 (Secured 2005 Revenue Bond Claims) that exceeds the Voting Record Date position is referred to herein as an “overvote”.
- w) If overvotes are submitted by a Nominee which are not reconciled prior to the preparation of the certification of vote results, the votes to accept and to reject the Plan shall be counted in the same proportion as the votes to accept and to reject the Plan submitted by the Nominee, but only to the extent of the Nominee’s Voting Record Date position.

The Debtors submit that such procedures provide for a fair and equitable voting process.

**G. Establishment of Deadline and Procedures for Filing Objections to the Confirmation of the Plan.**

**a. Scheduling the Confirmation Hearing**

17. Bankruptcy Rule 3017(c) provides:

On or before approval of the disclosure statement, the court shall fix a time within which the holders of claims and interests may accept or reject the plan and may fix a date for the hearing on confirmation.

Fed. R. Bankr. P. 3017(c). In accordance with Bankruptcy Rule 3017(c), the Debtors request that a hearing on confirmation of the Plan (the “Confirmation Hearing”) be scheduled for **November 21, 2019 at 10:00 a.m. (Pacific Time)**.

The Debtors propose that, no later than **November 14, 2019**, the Debtors will file with the Bankruptcy Court a tabulation report for Plan voting, a proposed form of confirmation order, a memorandum in support of confirmation addressing the requirements of § 1129(a) and any declarations or other evidence in support thereof, and replies to any objections received by the Confirmation Objection Deadline. In light of these deadlines, the Debtors respectfully request that the Court shorten the ballot tabulation deadline set forth in Local Bankruptcy Rule 3018-1(b) from fourteen days to seven days.



The Debtors request that the Confirmation Hearing may be continued from time to time by the Bankruptcy Court or the Debtors without further notice other than by notices of continuance filed on the docket of the Debtors' Cases. The proposed timing for the Confirmation Hearing is in compliance with the Bankruptcy Code, the Bankruptcy Rules, and the Local Bankruptcy Rules, and will enable the Debtors to pursue confirmation of the Plan in a timely fashion.

#### **H. Establishing Procedures for the Confirmation Hearing**

Bankruptcy Rules 2002(b) and 3017(d) require not less than twenty-eight (28) days' notice to all creditors and equity security holders of the time fixed for filing objections and the hearing to consider confirmation of a chapter 11 plan. In accordance with Bankruptcy Rules 2002 and 3017(d), the Debtors propose to provide to all creditors and interest holders a copy of either the Confirmation Hearing Notice, the Notice of Non-Voting Accepting Status and Confirmation Hearing, or the Notice of Non-Voting Rejecting Status and Confirmation Hearing as proposed herein, setting forth, among other things, (a) the date of approval of the Disclosure Statement, (b) the Voting Record Date, (c) the Voting Deadline, (d) the time fixed for filing objections to confirmation of the Plan, and (e) the time, date, and place for the Confirmation Hearing. Such notice will be sent at least twenty-eight (28) days before the deadline to object to confirmation of the Plan.

Bankruptcy Rule 2002(1) permits the Bankruptcy Court to "order notice by publication if it finds that notice by mail is impracticable or that it is desirable to supplement the notice." Fed. R. Bankr. P. 2002(1). In addition to mailing the Confirmation Hearing Notice, the Debtors propose to publish the Confirmation Hearing Notice once, as soon as reasonably practical after the entry of the Disclosure Statement Order, in the following newspapers: *Los Angeles Times*, *San Francisco Chronicle*, *San Jose Mercury News* and *USA Today*. The Debtors believe that publication of the Confirmation Hearing Notice will provide sufficient notice of the approval of the Disclosure Statement; the Voting Record Date; the Voting Deadline; the time fixed for filing objections to confirmation of the Plan; and the time, date, and place of the Confirmation Hearing to persons who do not otherwise receive actual written notice by mail as provided for in the Disclosure Statement Order.



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1 The Debtors submit that the foregoing procedures will provide adequate notice of the  
2 Confirmation Hearing and, accordingly, requests that the Bankruptcy Court approve such notice as  
3 adequate.

4 **I. Establishing Procedures for the Filing of Objections to the Confirmation of the Plan.**

5 Pursuant to Bankruptcy Rule 3020(b)(1), objections to confirmation of a plan must be filed  
6 and served “within a time fixed by the court.” The Confirmation Hearing Notice provides, and the  
7 Debtors request the Bankruptcy Court to direct, that objections to the confirmation of the Plan or  
8 proposed modifications to the Plan, if any, must:

- 9 a) be in writing;
- 10 b) comply with the Bankruptcy Rules and the Local Bankruptcy Rules;
- 11 c) set forth the name of the objector and the nature and amount of any Claim  
12 asserted by the objector against or in the Debtors;
- 13 d) state with particularity the legal and factual bases for the objection and, if  
14 practicable, a proposed modification to the Plan that would resolve such  
objection; and
- 15 e) be filed with the Bankruptcy Court, together with proof of service, and  
16 served so that they are actually received by the Notice Parties (as defined  
17 below) no later than **November 7, 2019** which deadline may be extended by  
the Debtors (the “Confirmation Objection Deadline”).

18 The Debtors request that Court require any confirmation objection to be served on the  
19 following parties (collectively, the “Notice Parties”): (i) counsel to the Debtors, Dentons US LLP,  
20 601 South Figueroa Street, Suite 2500, Los Angeles, CA 90017, Attn: Tania M. Moyron, email:  
21 tania.moyron@dentons.com; (ii) counsel to the Committee, Milbank LLP, 2029 Century Park  
22 East, 33rd Floor, Los Angeles, CA 90067, Attn: Mark Shinderman, mshinderman@milbank.com;  
23 (iii) counsel to the 2005 Revenue Bonds Trustee, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo,  
24 P.C., One Financial Center, Boston, Massachusetts 02111, Attn: Daniel S. Bleck and Paul Ricotta,  
25 dsblek@mintz.com, pricotta@mintz.com; (iv) counsel to the 2015 Notes Trustee, McDermott Will  
26 & Emery LLP, 444 West Lake Street, Suite 4000, Chicago, Illinois 60606, Attn: Nathan F. Coco,  
27 ncoco@mwe.com; (v) counsel to the 2017 Notes Trustee, Maslon, LLP, 3300 Wells Fargo Center,  
28 90 South Seventh Street, Minneapolis, Minnesota 55402, Attn: Clark Whitmore,



1 clark.whitmore@maslon.com; and (vi) counsel to the U.S. Trustee, Office of the United States  
2 Trustee, 915 Wilshire Boulevard, Suite 1850, Los Angeles, California 90017, Attn: Hatty K. Yip,  
3 hatty.yip@usdoj.gov.

4 The proposed timing for filing and service of objections and proposed modifications, if  
5 any, will afford the Bankruptcy Court, the Debtors, the Committee, and other parties in interest  
6 sufficient time to consider the objections and proposed modifications prior to the Confirmation  
7 Hearing.

8 **VII.**

9 **CONCLUSION**

10 WHEREFORE, the Debtors request that the Bankruptcy Court enter an order:  
11 (i) approving the Disclosure Statement; (ii) approving the solicitation and voting procedures;  
12 (iii) approving the proposed notice and objection procedures for confirmation of the Plan; and  
13 (iv) granting such other and further relief as the Bankruptcy Court deems just and proper.

14 Dated: September 3, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON  
NICHOLAS A. KOFFROTH

17 By /s/ Tania M. Moyron  
18 Tania M. Moyron

19 Attorneys for Verity Health Systems of  
20 California, Inc., *et al.*



# EXHIBIT V

EXHIBIT V Page 1 of 3  
Case 5:50-gb-01001-EB Doc 21-55 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT V



FILED & ENTERED

NOV 18 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY Ilewis DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**ORDER (1) FINDING THAT SGM IS OBLIGATED TO PROMPTLY CLOSE THE SGM SALE UNDER § 8.6 OF THE APA, PROVIDED THAT ALL OTHER CONDITIONS TO CLOSING HAVE BEEN SATISFIED AND (2) GRANTING DEBTORS' MOTION FOR A CONTINUANCE OF THE HEARING TO APPROVE THE DISCLOSURE STATEMENT**

**CONTINUED HEARING TO APPROVE DISCLOSURE STATEMENT:**

Date: November 26, 2019  
Time: 10:00 a.m.  
Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012

Debtors and Debtors in Possession.,



182015119111800000000014



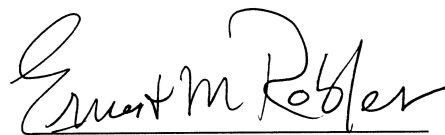
For the reasons set forth in the concurrently-issued *Memorandum of Decision (1) Finding that SGM is Obligated to Promptly Close the SGM Sale Under § 8.6 of the APA, Provided that All Other Conditions to Closing Have Been Satisfied and (2) Granting Debtors' Motion for a Continuance of the Hearing to Approve the Disclosure Statement* (the "Memorandum of Decision"), the Court **HEREBY FINDS AND ORDERS AS FOLLOWS:**

- 1) The Debtors have complied with their obligation under the APA<sup>1</sup> to obtain a final, non-appealable Supplemental Sale Order. Consequently, SGM is now obligated to promptly close the SGM Sale, provided that all other conditions to closing have been satisfied.
- 2) The hearing on the Disclosure Statement Motion is **CONTINUED** from November 20, 2019, at 10:00 a.m. to **November 26, 2019, at 10:00 a.m.** The Debtors' Reply in support of the Disclosure Statement Motion shall be filed by no later than **November 21, 2019.**

IT IS SO ORDERED.

###

Date: November 18, 2019



Ernest M. Robles  
United States Bankruptcy Judge

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<sup>1</sup> Capitalized terms not defined herein have the meaning set forth in the Memorandum of Decision.



# EXHIBIT W

EXHIBIT W Page 1 of 11  
Case 5:50-cv-01001-EB Doc 21-53 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT W



Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address  GARY E. KLAUSNER (SBN 69055) LEVENE, NEALE, BENDER, YOO & BRILL L.L.P. 10250 Constellation Boulevard, Suite 1700 Los Angeles, CA 90067 Telephone: (310) 229-1234 Facsimile: (310) 229-1244 Email: gek@lnbyb.com   <input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Strategic Global Management, Inc.	FOR COURT USE ONLY
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION	
In re:  Verity Health System of California, Inc., et al.,   <div style="text-align: right;">Debtor(s).</div>	CASE NO.:2:18-bk-20151-ER  ADVERSARY NO.: (if applicable)  CHAPTER: 11
<div style="text-align: center;">                     Plaintiff(s) (if applicable).                       vs.                        Defendant(s) (if applicable).                 </div>	<div style="text-align: center;"> <b>NOTICE OF APPEAL AND STATEMENT OF ELECTION</b> </div>

**Part 1: Identify the appellant(s)**

- Name(s) of appellant(s): Strategic Global Management, Inc.
- Position of appellant(s) in the adversary proceeding or bankruptcy case that is the subject of this appeal:  
 For appeals in an adversary proceeding.  
☐ Plaintiff  
☐ Defendant  
☒ Other (describe):  
 For appeals in a bankruptcy case and not in an adversary proceeding.  
☐ Debtor  
☐ Creditor  
☐ Trustee  
☒ Other (describe): Party in Interest and proposed buyer in Section 363 sale





**Part 2: Identify the subject of this appeal**

1. Describe the judgment, order, or decree appealed from:  
Order (1) Finding that SGM Is Obligated to Promptly Close the SGM Sale Under Sec. 8.6 of the APA, Provided that All Other Conditions to Closing Have Been Satisfied and (2) Granting Debtors' Motion for a Continuance of the Hearing to Approve the Disclosure Statement [Dkt. 3633]
2. The date the judgment, order, or decree was entered: 11/18/2019  
See Exhibit A attached hereto.

**Part 3: Identify the other parties to the appeal**

List the names of all parties to the judgment, order, or decree appealed from and the names, addresses, and telephone numbers of their attorneys (*attach additional pages if necessary*):

1. Party: Verity Health System of California, Inc.  
Attorney:  
Samuel R. Maizel; Tania M. Moyron; and Nicholas A. Koffroth  
Dentons US LLP  
601 South Figueroa Street, Suite 2500  
Los Angeles, CA 90017  
Tel: 213-623-9300
2. Party: California Department of Health Care Services  
Attorney:  
Xavier Becerra; Jennifer M. Kim; Kenneth K. Wang  
Attorney General of California  
300 South Spring Street, Suite 1702  
Los Angeles, CA 90013  
Tel: 213-897-2805

**Part 4: Optional election to have appeal heard by District Court (applicable only in certain districts)**

If a Bankruptcy Appellate Panel is available in this judicial district, the Bankruptcy Appellate Panel will hear this appeal unless, pursuant to 28 U.S.C. § 158(c)(1), a party elects to have the appeal heard by the United States District Court. If an appellant filing this notice wishes to have the appeal heard by the United States District Court, check below. Do not check the box if the appellant wishes the Bankruptcy Appellate Panel to hear the appeal.

- ☐ Appellant(s) elect to have the appeal heard by the United States District Court rather than by the Bankruptcy Appellate Panel.

**Part 5: Sign below**

/s/ Gary E. Klausner Date: 11/29/2019  
Signature of attorney for appellant(s) (or appellant(s)  
if not represented by an attorney)

Fee waiver notice: If appellant is a child support creditor or its representative and appellant has filed the form specified in § 304(g) of the Bankruptcy Reform Act of 1994, no fee is required.

**[Note to inmate filers:** If you are an inmate filer in an institution and you seek the timing benefit of Fed. R. Bankr. P. 8002(c)(1), complete Director's Form 4170 (Declaration of Inmate Filing) and file that declaration along with the Notice of Appeal.]



## EXHIBIT A



FILED & ENTERED

NOV 18 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY Ilewis DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors in Possession.,

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**ORDER (1) FINDING THAT SGM IS OBLIGATED TO PROMPTLY CLOSE THE SGM SALE UNDER § 8.6 OF THE APA, PROVIDED THAT ALL OTHER CONDITIONS TO CLOSING HAVE BEEN SATISFIED AND (2) GRANTING DEBTORS' MOTION FOR A CONTINUANCE OF THE HEARING TO APPROVE THE DISCLOSURE STATEMENT**

**CONTINUED HEARING TO APPROVE DISCLOSURE STATEMENT:**

Date: November 26, 2019  
Time: 10:00 a.m.  
Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012



182015119111800000000014



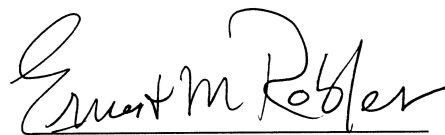
For the reasons set forth in the concurrently-issued *Memorandum of Decision (1) Finding that SGM is Obligated to Promptly Close the SGM Sale Under § 8.6 of the APA, Provided that All Other Conditions to Closing Have Been Satisfied and (2) Granting Debtors' Motion for a Continuance of the Hearing to Approve the Disclosure Statement* (the "Memorandum of Decision"), the Court **HEREBY FINDS AND ORDERS AS FOLLOWS:**

- 1) The Debtors have complied with their obligation under the APA<sup>1</sup> to obtain a final, non-appealable Supplemental Sale Order. Consequently, SGM is now obligated to promptly close the SGM Sale, provided that all other conditions to closing have been satisfied.
- 2) The hearing on the Disclosure Statement Motion is **CONTINUED** from November 20, 2019, at 10:00 a.m. to **November 26, 2019, at 10:00 a.m.** The Debtors' Reply in support of the Disclosure Statement Motion shall be filed by no later than **November 21, 2019.**

IT IS SO ORDERED.

###

Date: November 18, 2019



Ernest M. Robles  
United States Bankruptcy Judge

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<sup>1</sup> Capitalized terms not defined herein have the meaning set forth in the Memorandum of Decision.



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067.

A true and correct copy of the foregoing document entitled: **NOTICE OF APPEAL AND STATEMENT OF ELECTION** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **November 29, 2019**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

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- Rose Zimmerman rzimmerman@dalycity.org

**2. SERVED BY UNITED STATES MAIL:** On December 2, 2019 served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows.

The Honorable Ernest M. Robles  
United States Bankruptcy Court  
255 E. Temple Street, Suite 1560  
Los Angeles, CA 90012

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **November 29, 2019**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

<b>November 29, 2019</b>	Jeffrey Kwong	/s/ Jeffrey Kwong
<i>Date</i>	<i>Type Name</i>	<i>Signature</i>



# EXHIBIT X

EXHIBIT X Page 1 of 9  
Case 5:50-cv-01001-EB Doc 21-54 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT X



UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

FILED & ENTERED

NOV 18 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY Ilewis DEPUTY CLERK

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**MEMORANDUM OF DECISION (1) FINDING THAT SGM IS OBLIGATED TO PROMPTLY CLOSE THE SGM SALE UNDER § 8.6 OF THE APA, PROVIDED THAT ALL OTHER CONDITIONS TO CLOSING HAVE BEEN SATISFIED AND (2) GRANTING DEBTORS' MOTION FOR A CONTINUANCE OF THE HEARING TO APPROVE THE DISCLOSURE STATEMENT**

**CONTINUED HEARING TO APPROVE DISCLOSURE STATEMENT:**

Date: November 26, 2019  
Time: 10:00 a.m.  
Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012

Debtors and Debtors in Possession.,



1820151191118000000000013



## **I. Introduction**

The Debtors have filed a motion seeking (a) to continue the November 20, 2019 hearing on the Disclosure Statement and (b) to use the November 20 hearing as a Status Conference (the “Continuance Motion”).<sup>1</sup> The Debtors filed the Continuance Motion after being advised, on November 15, 2019, that Strategic Global Management, Inc. (“SGM”) would be sending the Debtors formal correspondence material to SGM’s agreement to purchase the Debtors’ four remaining hospitals (the “Hospitals,” and the sale transaction, the “SGM Sale”). As of the filing of the Continuance Motion, the Debtors had not received the SGM correspondence. The Continuance Motion did not specify the anticipated contents of the correspondence.

The Court will grant the Continuance Motion for the reasons set forth below. To facilitate an expeditious and successful resolution of these cases, the Court makes the findings and conclusions contained herein. The Court’s primary finding is that the Debtors have complied with their obligation under the APA<sup>2</sup> to obtain a final, non-appealable Supplemental Sale Order, and that accordingly SGM is now obligated to promptly close the SGM Sale, provided that all other conditions to closing have been satisfied.

## **II. Findings and Conclusions**

### **A. SGM is Obligated to Promptly Close the Sale Under § 8.6 of the APA, Provided that All Other Conditions to Closing Have Been Satisfied**

Prompt closing of the SGM Sale is indispensable to the successful resolution of these bankruptcy cases. The Debtors are sustaining operational losses of approximately \$450,000 per day. Operation of the Hospitals is being financed by a consensual cash stipulation executed between the Debtors and the principal secured creditors (the “Cash Collateral Stipulation”), which expires on December 31, 2019. The Debtors do not have the ability to borrow under any debtor-in-possession financing facility, and it is unclear whether the Debtors will be able to obtain alternative financing once the Cash Collateral Stipulation expires. In addition, the Debtors are facing very significant liquidity constraints. In late September 2019, the California Department of Health Care Services (the “DHCS”) began withholding certain Medi-Cal fee-for-service payments owed to the Debtors, for the purposing of recovering alleged Medi-Cal overpayments. The DHCS withholdings have deprived the Debtors of a major source of funding that had previously been used to sustain operations.

On February 6, 2019, the Court conducted a hearing to determine whether to approve the Asset Purchase Agreement (the “APA”) entered into between the Debtors and SGM, under which SGM had agreed to serve as the stalking-horse bidder for the auction of the Hospitals. The Court found that the termination rights granted to SGM in the APA were unduly broad. In response to the Court’s concerns, the Debtors renegotiated the APA to limit SGM’s termination rights. On February 19, 2019, the Court approved the renegotiated APA.<sup>3</sup>

The renegotiated provisions pertain to SGM’s ability to terminate the transaction in the event that the California Attorney General (the “Attorney General”) sought to impose conditions on the sale that were not substantially consistent with those conditions that SGM had agreed to accept (the “Purchaser Approved Conditions”). In the event that the Attorney General sought to impose conditions materially different from the Purchaser Approved Conditions (the “Additional

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<sup>1</sup> Doc. No. 3621.

<sup>2</sup> Capitalized terms not defined in this section are defined below.

<sup>3</sup> Doc. No. 1572.



Conditions”), the APA provides the Debtors an opportunity to obtain a determination from the Court that the Hospitals can be sold free and clear of the Additional Conditions under § 363(f) of the Bankruptcy Code (an order granting such relief, the “Supplemental Sale Order”).

The Court entered the Supplemental Sale Order on November 14, 2019.<sup>4</sup> The Attorney General has waived his right to appeal the Supplemental Sale Order.<sup>5</sup> All other parties with standing to appeal the Supplemental Sale Order have waived their right to appeal.

The APA provides that once the Supplemental Sale Order becomes final and non-appealable, SGM “shall consummate the Sale provided that all other conditions to closing have been satisfied.” APA at ¶ 8.6. Because all parties with standing to appeal have waived their rights to do so, the Supplemental Sale Order is now final and non-appealable. Provided that all other conditions to closing have been satisfied, SGM is obligated to promptly close the sale.

The Court conducted a hearing to resolve SGM’s objections to the form of the Supplemental Sale Order on November 13, 2019.<sup>6</sup> At the hearing, SGM argued that entry of the Supplemental Sale Order did not obligate it to close the sale. SGM asserted that under § 8.6 of the APA, it had 21 business days to evaluate, in the exercise of its reasonable business judgment, whether the Supplemental Sale Order was acceptable (the “Evaluation Period”).

SGM’s argument that it is entitled to the Evaluation Period is not well taken. Under the plain language of the APA, SGM is entitled to the Evaluation Period only if the Supplemental Sale Order is the subject of a pending appeal:

If Sellers timely obtain such Supplemental Sale Order from the Bankruptcy Court or another court, Purchaser shall have a period of 21 business days from the entry of such order (the “Evaluation Period”) to determine, in the exercise of the Purchaser’s reasonable business judgment and in consultation with Purchaser’s financing sources, whether to proceed to consummate the transactions contemplated by this Agreement; provided, however, (i) Purchaser shall not terminate or provide notice of termination of the Stalking Horse APA based on the Seller’s failure to satisfy the condition set forth under this Section 8.6 until the expiration of the Evaluation Period as may be extended herein, and (ii) the Evaluation Period may be extended by the Debtors, in consultation with the Consultation Parties, by up to 90 days for any appeal properly perfected with respect to the Supplemental Sale Order (the “Extended Evaluation Periods”). For the avoidance of doubt, if the Debtors or any of the Consultation Parties dispute the reasonableness of the exercise of the Purchaser’s business judgment, such dispute shall be determined by the Bankruptcy Court only in the context of an adversary proceeding. If, at the conclusion of the Extended Evaluation Periods, such Supplemental Sale Order has not become a final, non-appealable order and Purchaser determines not to proceed, Purchaser shall have the right within ten (10) business days after the conclusion of the Extended Evaluation Periods to terminate this Agreement and receive the return of its Good Faith Deposit. Sellers shall provide Purchaser with prompt written notice of the conclusion of the Extended Evaluation Periods and whether the Supplemental Sale Order has become a final, non-appealable order. For purposes of this Section 8.6, “a final, non-appealable order” shall include a Supplemental Sale Order (i) which has been affirmed or

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<sup>4</sup> Doc. No. 3611.

<sup>5</sup> Doc. No. 3572.

<sup>6</sup> For a transcript of the hearing, see Doc. No. 3620.



the appeal of which has been dismissed by any appellate court and for which the relevant appeal period has expired (other than any right of appeal to the U.S. Supreme Court), or (ii) which has been withdrawn by the appellant. *If the Supplemental Sale Order becomes a final, non-appealable order prior to the expiration of the Evaluation Period or, if applicable, the Extended Evaluation Periods, Purchaser shall consummate the Sale provided that all other conditions to closing have been satisfied.*

APA at ¶ 8.6 (emphasis added).

At the February 6, 2019 hearing on approval of the APA, SGM made clear that the purpose of the Evaluation Period was to prevent it from being required to close the sale if there was a risk that the Supplemental Sale Order could be overturned on appeal. SGM further stated that it would be required to close the sale if the Supplemental Sale Order became final and non-appealable:

So, what we have done now is negotiate something less in our discretion. And the way this will work is the following. In the event that the AG comes out with what we call, “Additional Conditions,” meaning those that are not set forth on the schedule, and assuming that they are material, and we’ve defined what we mean by “material.”

The Debtor has an opportunity to come to court and attempt to get the Court to determine that those conditions don’t have to be satisfied because they’re “interests” and the sale can be free and clear.

If the Court—if the Debtor decides not to seek that relief, or if the [Debtor] seeks it and doesn’t get it, we have a right to terminate. We don’t have to, but we at least would have a right at that point to terminate based upon the imposition of these Additional Conditions.

If the Debtor is successful in obtaining that order, then we have to deal with the appeal risk, which is, again, very difficult to quantify. So what we’ve agreed on is that the Debtor is going to have a period of time to get us ... a final non-appealable order.

*If the Debtor can get us a final, non-appealable order, meaning that if there’s an appeal, it gets resolved in the Debtor’s favor or maybe gets dismissed, at that point we will be obligated to close the transaction, as long as all the other conditions to closing have been satisfied.*

Transcript of February 6, 2019 Hearing at 20:7–21:6 (emphasis added).<sup>7</sup>

SGM is judicially estopped from contending that it is entitled to the Evaluation Period and is not obligated to promptly close the sale.<sup>8</sup> As the Supreme Court has held:

“[W]here a party assumes a certain position in a legal proceeding, and succeeds in maintaining that position, he may not thereafter, simply because his interests have changed, assume a contrary position, especially if it be to the prejudice of the party who has acquiesced in the position formerly taken by him.” This rule, known as judicial estoppel, “generally prevents a party from prevailing in one phase of a case on an argument and then relying on a contradictory argument to prevail in another phase.”

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<sup>7</sup> Doc. No. 1570.

<sup>8</sup> The Court’s discussion assumes that all other conditions to closing have been satisfied.



*New Hampshire v. Maine*, 532 U.S. 742, 749, 121 S. Ct. 1808, 1814, 149 L. Ed. 2d 968 (2001) (internal citations omitted).

The Court declined to approve the original form of the APA because it found that SGM's termination rights were too expansive. The Court approved the APA only after the inclusion of the provision requiring SGM to close the sale if the Debtors obtained a final, non-appealable Supplemental Sale Order. SGM received a number of benefits under the APA, including a breakup fee and consultation rights in the event an auction was conducted. Having received benefits under the APA, SGM is judicially estopped from contradicting its prior representations regarding its obligation to close the sale.

#### **B. The Continuance Motion is Granted**

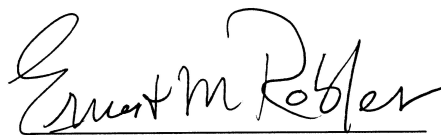
To the extent that the Continuance Motion was motivated by the dispute regarding SGM's obligations under § 8.6 of the APA, that dispute has been rendered moot by the findings set forth above. However, several objections to the Disclosure Statement Motion have been filed, and the Debtors have not yet had an opportunity to file a Reply to these objections. For that reason—and that reason alone—the Continuance Motion is granted.

The hearing on the Disclosure Statement Motion is **CONTINUED** from November 20, 2019, at 10:00 a.m. to **November 26, 2019, at 10:00 a.m.** The Debtors' Reply in support of the Disclosure Statement Motion shall be filed by no later than **November 21, 2019**.

The Court will enter an order consistent with this Memorandum of Decision.

###

Date: November 18, 2019



Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT Y

Exhibit Y Page 1 of 55  
Case 5:50-gb-01001-EB Doc 23-52 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT Y



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UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES

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In Re: ) Case No. 2:18-bk-20151-ER  
 )  
VERITY HEALTH SYSTEM ) Chapter 11  
OF CALIFORNIA, INC., )  
 ) Los Angeles, California  
Debtor, ) November 26, 2019  
 ) Wednesday, 10:00 A.M.  
-----)

STATUS CONFERENCE RE:  
[2995] MOTION FOR APPROVAL  
OF CHAPTER 11 DISCLOSURE  
STATEMENT NOTICE OF  
HEARING AND MOTION OF THE  
DEBTORS FOR AN ORDER  
APPROVING: (I) PROPOSED  
DISCLOSURE STATEMENT; (II)  
SOLICITATION AND VOTING  
PROCEDURES; (III) NOTICE  
AND OBJECTION PROCEDURES  
FOR CONFIRMATION OF  
DEBTORS' PLAN; AND (IV)  
GRANTING RELATED RELIEF

TRANSCRIPT OF PROCEEDINGS  
BEFORE THE HONORABLE ERNEST ROBLES  
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

For California Dept. KENNETH K. WANG, ESQ.  
of Health Care Services: Department of Justice  
300 South Spring Street  
Suite #1702  
Los Angeles, California 92887

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25

Case 5:30-cv-01001-EB Doc 21-52 Filed 03/04/10 Entered 03/04/10 13:43:05 Desc  
Exhibit A Page 3 of 55



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20 For California Statewide Community Development Authority: DEBRA A. RILEY, ESQ.  
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26 For Cigna: JEFFREY C. WISLER, ESQ.  
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29 20th Floor  
30 Wilmington, Delaware 19801

31 Court Reporter  
32 U.S. Bankruptcy Court  
33 Central District of California  
34 Edward R. Roybal Federal Building  
35 and Courthouse  
36 255 East Temple Street, Room #940  
37 Los Angeles, California 90012  
38 (855) 460-9641

Case 5:20-bk-01001-SS Document 1-1 Filed 03/04/20 Page 1 of 1  
Case 5:20-bk-01001-SS Document 1-1 Filed 03/04/20 Page 1 of 1



1 Court Transcriptionist: Ruth Ann Hager, C.E.T.\*\*D-641  
2 Ben Hyatt Certified Deposition  
3 Reporters  
4 17835 Ventura Boulevard, Suite 310  
5 Encino, California 91316  
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EXHIBIT A Page 2 of 55

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1           LOS ANGELES, CALIFORNIA, TUESDAY, NOVEMBER 26, 2019

2                           10:06 A.M.

3                           --oOo--

4                   THE CLERK: Please rise and come to order. This  
5 court is now in session, the Honorable Ernest M. Robles  
6 presiding.

7                   THE COURT: Good morning. Be seated, please.

8                   ATTORNEYS: Good morning, Your Honor.

9                   THE COURT: All right. We'll take item #10.00 on  
10 this morning's calendar. I will begin with appearances in  
11 the courtroom, please.

12                  MR. MAIZEL: Good morning, Your Honor. Samuel  
13 Maizel, Dentons US, LLP, on behalf of the debtors. With me  
14 in the courtroom today are my partners, Sonia Martin, Nick  
15 Koffroth and Tania Moyron.

16                  THE COURT: Thank you.

17                  MR. SHINDERMAN: Good morning, Your Honor. Mark  
18 Shinderman of Milbank on behalf of the Committee. My  
19 apologies to the clerk. I forgot to hand up a card. I'll  
20 do that afterwards.

21                  THE COURT: All right.

Case 5:50-cv-01001-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:05 Desc

22                  MR. KLAUSNER: Good morning, Your Honor. Gary  
23 Klausner, Levene Neale Bender Yoo & Brill, representing  
24 Strategic Level Management, Inc.

25                  THE COURT: Thank you.



1 MR. BENNETT: Bruce Bennet, Jones Day, on behalf  
2 of the MOB lenders and holders of other debtors -- the  
3 debtor.

4 MR. RICOTTA: Good morning, Your Honor. Paul  
5 Ricotta from Mintz Levin representing UMB Bank as the  
6 master trustee and co-counsel to Wells Fargo Bank as the  
7 2005 bond trustee.

8 MS. PREUSKER: Good morning. Megan Preusker,  
9 McDermott Will & Emery, on behalf of U.S. Bank as the  
10 Series 2015 Notes trustee and my colleague Nathan Coco is  
11 appearing telephonically.

12 THE COURT: Thank you.

13 MR. WHITMORE: Good morning, Your Honor. Clark  
14 Whitmore from the Maslon law firm on behalf of U.S. Bank  
15 National Association as the 2017 Notes trustee.

16 MR. WANG: Good morning. I'm the Deputy Attorney  
17 General on behalf of California Department of Health Care  
18 Services, Kenneth Wang.

19 THE COURT: Thank you. All right. Let me begin  
20 with appearances in -- on the telephone. When I call your  
21 name, please make your appearance.

Case 5:10-cv-01001-EB Doc 21-52 Filed 03/04/10 Entered 03/04/10 13:05 Desc

22 Sam Alberts?

23 MR. ALBERTS: Present.

24 THE COURT: Nathan Coco.

25 MR. COCO: Yes, good morning, Your Honor. Nathan



1 Coco on behalf of U.S. Bank as Series 2015 notes trustee.

2 THE COURT: Thank you.

3 David Guess?

4 MR. GUESS: Good morning. David Guess with  
5 Greenberg Traurig on behalf of Medtronic, USA.

6 THE COURT: Thank you. Melissa Harris?

7 MS. HARRIS: (Inaudible), Benefit Guaranty  
8 Corporation.

9 THE COURT: Thank you. Just a moment.

10 If any of you have telephones I'll ask you to  
11 turn those off. I think it's creating some interference  
12 with our sound system.

13 Elan Levy?

14 MS. LEVEY: Good morning, Your Honor. Elan  
15 Levey, Assistant U.S. Attorney on behalf of the U.S.  
16 Department of Health and Human Services and Centers for  
17 Medicare and Medicaid Services.

18 THE COURT: Thank you. Drew McGehrin?

19 MR. MCGEHRIN: Good morning. Drew McGehrin of  
20 Duane Morris on behalf of the Chub Companies.

21 THE COURT: Thank you.

Case 5:50-cv-01001-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:13:05 Desc

22 Luis Sorazano (phonetic)?

23 MR. CERANTES: Good morning, Your Honor. This is  
24 (Indiscernible) Cerantes (phonetic) for Luis Sorazano.

25 THE COURT: Thank you.



1 MR. CERANTES: (Indiscernible) Medical Group.

2 THE COURT: Thank you, Mr. Cerantes.

3 Debra Riley.

4 MS. RILEY: Yes, Your Honor. Debra Riley of  
5 Allen Mackins on behalf of California Statewide Community  
6 Development Authority.

7 THE COURT: Thank you.

8 Camia Saladare (phonetic).

9 (No response.)

10 We'll pass that. Michael St. James?

11 MR. ST. JAMES: Thank you, Your Honor. Michael  
12 St. James appearing for the medical staff at Seaton.

13 THE COURT: Thank you, Mr. St. James.

14 Jeffrey Wisler.

15 MR. WISLER: Good morning, Your Honor. Jeffrey  
16 Wisler on behalf of Cigna.

17 THE COURT: Leonard Shulman is listen only and I  
18 believe the balance of the telephonics are listen only. If  
19 you intended to make an appearance by telephone and wish to  
20 speak, please give me your name at this point.

21 (No response.)

Case 5:50-cv-01001-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:05 Desc

22 All right. Thank you. I think we're ready to go  
23 forward.

24 You'll have to forgive me. I don't have a clear  
25 sense of who's on first on this. I know that the Court at



1 first made the request for a status conference I think in  
2 connection with the prior order, but this seems to have  
3 morphed into something else. So why don't we hear from  
4 you, counsel?

5 MR. MAIZEL: Your Honor, we'll take that burden.  
6 This is a status conference that parties have asked -- the  
7 debtors asked for and the Court's agreed that there should  
8 be a status conference on the status of the SGM sale and  
9 that's because of issues that have arisen between us and  
10 SGM, over whether the sales should close and, if so, when  
11 and if so on what terms.

12 We asked the Court to be cognizant as we have  
13 tried to be in the pleadings that there are issues between  
14 the parties which would have -- we think it aired  
15 publicly -- would have the possibility of a negative impact  
16 on the value of the assets, ability of the debtors to keep  
17 facilities open and the morale of the staff that work so  
18 hard to keep these facilities open for the now more than a  
19 year in bankruptcy. So we'd ask -- and that is why we  
20 filed a large portion of the status report under seal.

21 We'd ask the Court to be cognizant of that. We'd  
22 ask the parties to be cognizant of that and if necessary  
23 we'd ask the Court to take us in chambers if we have to go  
24 into any detail --

25 THE COURT: My chambers aren't big enough.



1 (Laughter)

2 MR. MAIZEL: All right, Your Honor. Then I know  
3 how difficult it is to close courtrooms. So then I suggest  
4 we -- I don't know what Plan C is.

5 THE COURT: Just to highlight some things, I  
6 don't think there's any need to go into any of those  
7 matters whatsoever this morning. So --

8 MR. MAIZEL: All right, Your Honor. So since  
9 it's a status conference I'll do some good news first, what  
10 I traditionally like to do in status conferences. First,  
11 in the last 24 hours we received the Attorney General's  
12 approval for the disposition as we had proposed of the  
13 philanthropic foundation debtors of those assets. So I  
14 think we now have a clear runway to dispose of those assets  
15 under -- in agreement with the Attorney General State of  
16 California.

17 We, as the Court is aware, have gotten a Medicare  
18 settlement agreement approved by the Court. While we  
19 believe we have satisfied the asset purchase agreement's  
20 obligations with regard to Medi-Cal, we also have continued  
21 to negotiate for a settlement, and believe we have a  
22 settlement in principle, which we are now negotiating the  
23 terms of a written settlement agreement. Hope to have the  
24 Court -- have it to the Court shortly.

25 And, of course, the -- we believe the conditions

Case 5:20-cv-01001-EB Doc 25-52 Filed 03/04/20 Entered 03/04/20 13:13:05 Desc  
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1 and the discussions with the Attorney General over the  
2 conditions and the Attorney General approval of the sale  
3 have all been settled, so those are all good things that I  
4 want to make sure the Court is reminded of and bring to  
5 everyone's attention.

6 THE COURT: Has the Attorney General withdrawn  
7 his appeal?

8 MS. MOYRON: Your Honor, he didn't file an  
9 appeal.

10 THE COURT: All right.

11 MR. MAIZEL: So, Your Honor, so what we're  
12 down -- what we're left with now is the issues that have  
13 been raised with regard to -- as were stated in the  
14 reservation of rights I believe last night by Mr. Klausner  
15 on behalf of SGM that whether there are material adverse  
16 effects which excuse closing of the transaction by SGM.  
17 And as we stated in the status conference, we've asked for  
18 the Court to set a briefing schedule on that. It is in  
19 everyone's best interests to resolve that issue before  
20 December 31st because there is --

21 EXHIBIT 888-272-0022-155 What issue is there to resolve?  
Case 5:30-cv-01001-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:03:05 Desc

22 MR. MAIZEL: Well, Your Honor, whether there are  
23 material adverse effects.

24 THE COURT: Well, doesn't that need to be brought  
25 before the Court at a much earlier stage?



1 MR. MAIZEL: Well, Your Honor, we believe that  
2 the vast majority -- in fact, we believe all of the  
3 conditions are either satisfied or the allegations that  
4 have been raised were waived because of the due diligence  
5 period that expired on January 8th of this year.

6 THE COURT: Well --

7 MR. MAIZEL: So we agree with Your Honor, but the  
8 problem is we have a buyer who believes there are material  
9 adverse effects and the asset pur --

10 THE COURT: That's what confused me and that's  
11 why I wasn't sure who was on first on this because why is  
12 it your responsibility to give an avenue for the airing of  
13 some sort of dispute which I think is the obligation of the  
14 purchaser to have raised?

15 MR. MAIZEL: Well, Your Honor, we have an  
16 obligation as fiduciary, as do our creditors, to see if  
17 this sale can close because this is still Plan A sale. If  
18 we can -- we are optimistic that if we show this buyer that  
19 there are no -- that the Court would find there are no  
20 material adverse effects, that this buyer who says in their  
21 papers --

Case 5:50-cv-01001-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:05 Desc

22 THE COURT: I have a surprise for you. As far as  
23 the Court is concerned, the purchaser is a proud owner of a  
24 passel of funds. Have fun.

25 All right. Look, there is no definition, as far



1 as I'm aware, in Article II of what a material adverse  
2 effect is, so let me supply what I think that definition is  
3 and that definition is con -- a condition under which a  
4 transaction -- a transaction would no longer be viable.  
5 And because it appears in Article II there is another  
6 requirement that that adverse effect is either a result of  
7 fraud or misrepresentation. And if the -- and also because  
8 there is a specific time requirement to get that material  
9 adverse effect, it is the product of misrepresentation or  
10 fraud before the Court has long since passed.

11 So what we have here, in my view, is just buyer's  
12 remorse and I don't share in the boo-hoo of that. I had an  
13 opportunity to review some of the correspondence going back  
14 and forth. The picayune, the smallness of those alleged  
15 transactions do not, in my view, reach the level of  
16 material adverse effect. Sorry. That's what I think

17 The argument that somehow this Court is required  
18 to have an adversary proceeding is absurd. That only  
19 appears as far -- again, as far as I'm aware in the longest  
20 paragraph known to man and that is I believe 8.6. Yes,

21 8.6. We have a lot of cases. The Attorney General has done  
22 the right thing and we don't have those conditions.

23 So now we're left with a curious statement at  
24 page 35 of my copy of the APA, which says that whether a  
25 material adverse effect has occurred for any purpose under



1 this agreement shall be exclusive settled by determination  
2 made by the Bankruptcy Court. Doesn't say anything about  
3 an adversary proceeding. "Exclusively," in my view, means  
4 not appealable. So once we make the determination, which I  
5 don't think we can do on a timely basis anymore, that's  
6 gone.

7           After reviewing the statement of strategic, I  
8 don't want to cast any negative aspersions at all. But I  
9 want to make clear that I believe that it is operating very  
10 closely within the satellite of bad faith. I think it has  
11 an obligation to close. I think it wants to negotiate a  
12 better deal. I think it believes that it will be  
13 unpalatable for the Court and for others here to see  
14 patients, young, old, infirmed, being wheeled or carted out  
15 of the hospitals. That's a cynical view and I don't adhere  
16 to it.

17           I believe that this contract is interpreted under  
18 the laws of the State of California and so it has with it  
19 the implied covenant of good faith and fair dealing and I  
20 don't think that we have that here. I suspect that this  
21 will close and if they then they will pay damages pursuant  
22 to this agreement.

23           All right. And that's all. And I don't see a  
24 need for any further hearing.

25           Mr. Klausner.



1 MR. KLAUSNER: First of all, Your Honor, I do  
2 have to say that our client is reserving all of its rights.  
3 There are certain comments that were made by counsel with  
4 which we disagree, so I don't want my silence to be deemed  
5 any sort of concession or admission.

6 I do appreciate and take seriously all of the  
7 Court's comments. It's apparent to me from the Court's  
8 demeanor that the Court has very strong feelings and has  
9 formed very strong impressions. My concern is that the  
10 issues that exist between the parties need to be resolved  
11 in the appropriate context.

12 Well, what has happened today is simply the  
13 following. The debtor presented the buyer pursuant to the  
14 agreement with a demand to come to a closing on December 5.  
15 Our client responded as required by the terms of the  
16 agreement by providing Verity with a notice that this is --  
17 its obligation under Section 8.4 of the asset purchase  
18 agreement that if our client believes that there are any  
19 conditions, covenants, agreements that haven't been  
20 satisfied we give Verity notice. That's all we've done.

21 EXHIBIT 1 1806-10-01 55  
22 closing. We haven't refused to close. We haven't  
23 exercised any right to terminate the agreement. We simply  
24 gave Verity a notice that we're obligated to give Verity in  
25 which we listed various conditions and covenants that we



1 believe Verity has not complied with.

2           That notice triggers a 15 business-day period for  
3 Verity to respond either to cure the defects that we've  
4 identified or to indicate to us why we're incorrect. We  
5 received a letter, as you received. We received a letter  
6 from Verity's counsel last evening in which in the course  
7 of about 12 pagers Verity's counsel addressed the issues  
8 that we raised in our letter.

9           It is unfortunate that the Court saw fit to  
10 receive those letters, notwithstanding that they were under  
11 seal. It was our view that in the event litigation should  
12 arise between the parties the issues that -- that exist  
13 between the parties, the disputes and the controversies, if  
14 any, should be presented to the Court in the appropriate  
15 manner in the appropriate context. And I'm disappointed  
16 that the Court reviewed that correspondence and has now  
17 effectively concluded that if our client does not come to a  
18 closing on December 5 our client is in breach of contract.

19           There's been no complaint. There's been no  
20 response. There's been no motion for summary judgment.

21 There's been no presentation of evidence. This Court has

Case 5:30-cv-01001-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:05 Desc

22 simply concluded based upon an exchange of letters, some of  
23 which contain enormous hyperbole, that our client will be  
24 in breach if we don't close. I think that's unfortunate.

25           I think our client has the right to go to a



1 closing or not go to a closing and if our client fails to  
2 go to a closing, our client has a right to test its  
3 position in a courtroom in accordance with rules of  
4 procedure and rules of evidence. And for this Court to  
5 conclude at this stage of the proceeding that our client is  
6 obligated to close and if fails to close you're going to  
7 impose damages, I think that's very unfortunate.

8           So I'm not going to debate today the merits or  
9 substantive issues that have been -- that may be presented  
10 to this court at a later date. I'm not going to take the  
11 bait. I will simply on behalf of our client reserve our  
12 rights. We'll take whatever steps we need to take to  
13 protect the interests of our client. Do you have any  
14 questions?

15           THE COURT: No.

16           MR. KLAUSNER: Thank you.

17           THE COURT: Anyone else?

18           MR. SHINDERMAN: Your Honor, may I have 30  
19 seconds to talk to the debtor and then I'd like to make a  
20 quick statement?

21           MR. SHINDERMAN: Certainly.

Case 5:50-cv-01007-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:05 Desc

22           (Pause)

23           MR. SHINDERMAN: Thank you, Your Honor. Mark  
24 Shinderman, Milbank, on behalf of the Committee.

25           Your Honor, first the context. This is a status



1 conference on the disclosure statement, just to clear the  
2 calendar, because the disclosure statement can't go forward  
3 unless we know that we're going to have a close sale, so  
4 that's the context in which this -- it's not just about the  
5 sale. It's about the disclosure statement. So at the end  
6 of this hearing I'd ask that you continue further the  
7 debtor's obligation to file a reply to the objections of  
8 the disclosure statement. It's not relevant until we know  
9 we have a closing, number one.

10           Number two is, I completely agree with the  
11 statements of the Court. The buyer either closes or  
12 doesn't close. We talked about that last time in the  
13 context of the AG motion and we said the same thing. The  
14 debtor doesn't have a right -- the buyer doesn't have a  
15 right to come in here and say, "I like this; I don't like  
16 that." To us it appears that either the buyer doesn't have  
17 the financial wherewithal to close or he's trying to  
18 renegotiate. I don't -- I can't prove that. I don't know  
19 that. I read the same letters you did and that's what it  
20 looks like.

21           EXHIBIT 1-1806 TO 91-55  
22           Because of Mr. Maizel points out, the APA was  
23 very clear. We are very concerned about the APA and  
24 optionality and we're concerned about it with respect to  
25 the Attorney General. What it said is, you have a certain  
period of time to due diligence, otherwise, the only out



1 you have, buyer, is if there's a material adverse change.  
2 And we constantly check with the debtor that neither the  
3 secured creditors, nor the Committee, nor the DIP lender  
4 before us got in the way of the debtor doing what the  
5 debtor needed to do to operate in the ordinary course with  
6 outside consultants, et cetera.

7           So we agree; the buyer has to close or not close.  
8 If they don't close then there'll be an action to enforce  
9 damages at the appropriate time, at the appropriate place.  
10 But there's no in between. They either close or they don't  
11 close.

12           Some of the statements that are made are very  
13 serious and, of course, the Committee doing its duty  
14 immediately called the debtor and we're satisfied that the  
15 debtor is doing everything it's supposed to do in the  
16 ordinary course to maintain the safety of patient care and  
17 that's very critical, and we take that job very seriously.  
18 Some of our union members on the Committee are the ones  
19 providing those services as well and we are satisfied.

20           We'll stop there and say we agree with Your

21 Honor, buyer doesn't close. The consequences are  
22 what they are.

23           THE COURT: All right. Thank you very much.

24           Anyone else wish to be heard?

25           (No response.)



1 All right. I'll do the following. First, I  
2 won't take the bait either. What I stated was not really  
3 founded on any letters, actually. It was founded just on  
4 the representations that were made in the statement. I  
5 think it was a reservation of rights as far as the  
6 purchaser was concerned, which I found wholly inapposite to  
7 my understanding of the APA. It appears to the Court that  
8 perhaps the purchaser felt that the asset purchase  
9 agreement wasn't actually an asset purchase agreement. It  
10 was a contract to contemplate the purchase of an asset  
11 after the Attorney General removed his conditions. And so  
12 once the Attorney General did that, then it become --  
13 became the proverbial dog that caught the car. They didn't  
14 know what to do.

15 So I think that's the situation we have. With  
16 all due respect to counsel, I respect them, but I think the  
17 position of his client doesn't hold water. And again,  
18 that's not based upon any letters. That's just my review  
19 of the asset purchase agreement and the clear terms of that  
20 or where the terms have not been clear they have been made  
21 clear by the Court. As I've indicated, I've given a  
22 definition of "material adverse effect."

23 Just to go on further, we would have a material  
24 adverse effect if, for example, a hospital lost a  
25 certificate of occupancy. And if somehow the -- that was

Case 5:30-cv-01001-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:03:43 Desc



1 the result of misrepresentation of fraud. So it's a very  
2 high level. I don't think we've reached it here. So I  
3 suspect that this matter will close.

4 All right. Thank you very much.

5 ATTORNEY: Thank you, Your Honor.

6 MR. SHINDERMAN: I'm sorry, Your Honor. Your  
7 Honor, I apologize. We need a continued hearing on the  
8 disclosure statement --

9 THE COURT: I'll do that later.

10 MR. SHINDERMAN: Okay. Thank you, Your Honor.  
11 (End at 10:33 a.m.)

12 \* \* \* \* \*

13 I certify that the foregoing is a correct  
14 transcript from the electronic sound recording of the  
15 proceedings in the above-entitled matter.

16   
17

18 \_\_\_\_\_ Date: 11/27/2019

19 RUTH ANN HAGER, C.E.T.\*\*D-641

20

21

Case 5:50-cv-01001-EB Doc 21-52 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

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25



# EXHIBIT Z

EXHIBIT Z Page 1 of 3  
Case 5:50-gb-01001-EB Doc 21-5e Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT Z



UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

FILED & ENTERED

NOV 27 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY Ilewis DEPUTY CLERK

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**ORDER (1) FINDING THAT SGM IS OBLIGATED TO CLOSE THE SGM SALE BY NO LATER THAN DECEMBER 5, 2019 AND (2) SETTING CONTINUED HEARING ON DEBTORS' MOTION FOR APPROVAL OF DISCLOSURE STATEMENT**

Date: November 26, 2019

Time: 10:00 a.m.

Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012

For the reasons set forth in the concurrently-issued *Memorandum of Decision Finding that SGM is Obligated to Close the SGM Sale By No Later than December 5, 2019* (the "Memorandum of Decision"), the Court **HEREBY FINDS AND ORDERS AS FOLLOWS:**



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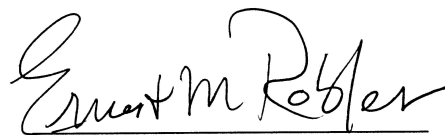


- 1) Pursuant to § 1.3 of the APA,<sup>1</sup> SGM is obligated to close the SGM Sale by no later than December 5, 2019.
- 2) A continued hearing on the Debtors' motion to approve the adequacy of the Debtors' proposed Disclosure Statement (the "Disclosure Statement Motion") shall take place on **December 12, 2019, at 10:00 a.m.** The Debtors shall file a reply in support of the Disclosure Statement Motion by no later than **December 9, 2019.**

IT IS SO ORDERED.

###

Date: November 27, 2019



Ernest M. Robles  
United States Bankruptcy Judge

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<sup>1</sup> Capitalized terms not defined herein have the meaning set forth in the Memorandum of Decision.



# EXHIBIT AA

Exhibit AA Page 1 of 8  
Case 5:50-qb-01001-EB Doc 21-51 Filed 03/04/50 Entered 03/04/50 53:43:05 Desc

# EXHIBIT AA



UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

FILED & ENTERED

NOV 27 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY Ilewis DEPUTY CLERK

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
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- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**MEMORANDUM OF DECISION FINDING THAT  
SGM IS OBLIGATED TO CLOSE THE SGM SALE  
BY NO LATER THAN DECEMBER 5, 2019**

Debtors and Debtors in Possession.,

Date: November 26, 2019

Time: 10:00 a.m.

Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012

## I. Introduction

At the above-captioned date and time, the Court conducted a Status Conference regarding the Asset Purchase Agreement (the "APA") under which Strategic Global Management ("SGM") agreed to purchase the Debtors' four remaining hospitals (the "Hospitals," and the sale transaction, the "SGM Sale"). For the reasons set forth below, the Court finds that as of November 19, 2019, all conditions precedent to SGM's obligation to close had been satisfied.



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Accordingly, pursuant to § 1.3 of the APA, SGM is obligated to close the SGM Sale by no later than December 5, 2019.

## **II. Findings and Conclusions**

### **A. Adjudication of SGM's Obligations Under the APA Does Not Require an Adversary Proceeding**

At the outset, the Court rejects SGM's contention that the Court is required adjudicate issues pertaining to SGM's obligations under the APA within the context of an adversary proceeding. SGM asserts that not all conditions precedent to closing have been satisfied. Specifically, SGM maintains that the Debtors have failed to comply with certain of the conditions and obligations imposed upon them by the APA, and that these alleged failures to perform have resulted in a Material Adverse Effect under the APA, relieving SGM of its obligation to close.

SGM is not obligated to close unless all the conditions precedent set forth in Article 8 have been satisfied. Among the conditions precedent is Article 8.4, which provides:

Sellers [the Debtors] shall have in all material respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by Sellers on or prior to the Closing Date; provided, however, this condition will be deemed to be satisfied unless (a) Sellers were given written notice of such failure to perform or comply and did not or could not cure such failure to perform or comply within fifteen (15) business days after receipt of such notice and (b) the respects in which such obligations, covenants, agreements and conditions have not been performed have had or would have a Material Adverse Effect.

The APA provides that "any dispute between Purchaser [SGM] and Sellers [the Debtors] as to whether a Material Adverse Effect has occurred for any purpose under this Agreement shall be exclusively settled by a determination made by the Bankruptcy Court." APA at Art. 9.1(c). Nothing within Article 9.1(c) requires that the determination contemplated therein occur through an adversary proceeding. In contrast, Article 8.6 provides that any dispute pertaining to certain aspects of that article "shall be determined by the Bankruptcy Court only in the context of an adversary proceeding." The absence of comparable language in Article 9.1(c) undercuts SGM's contention that disputes under that article must be determined through an adversary proceeding.

Bankruptcy Rule 7001<sup>1</sup> provides that the following matters are adversary proceedings:

- 1) a proceeding to recover money or property, other than a proceeding to compel the debtor to deliver property to the trustee, or a proceeding under §554(b) or §725 of the Code, Rule 2017, or Rule 6002;
- 2) a proceeding to determine the validity, priority, or extent of a lien or other interest in property, but not a proceeding under Rule 3012 or Rule 4003(d);

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<sup>1</sup> Unless otherwise indicated, all "Civil Rule" references are to the Federal Rules of Civil Procedure, Rules 1–86; all "Bankruptcy Rule" references are to the Federal Rules of Bankruptcy Procedure, Rules 1001–9037; all "Evidence Rule" references are to the Federal Rules of Evidence, Rules 101–1103; all "LBR" references are to the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California, Rules 1001-1–9075-1; and all statutory references are to the Bankruptcy Code, 11 U.S.C. §§ 101–1532.



- 3) a proceeding to obtain approval under §363(h) for the sale of both the interest of the estate and of a co-owner in property;
- 4) a proceeding to object to or revoke a discharge, other than an objection to discharge under §§727(a)(8), 1 (a)(9), or 1328(f);
- 5) a proceeding to revoke an order of confirmation of a chapter 11, chapter 12, or chapter 13 plan;
- 6) a proceeding to determine the dischargeability of a debt;
- 7) a proceeding to obtain an injunction or other equitable relief, except when a chapter 9, chapter 11, chapter 12, or chapter 13 plan provides for the relief;
- 8) a proceeding to subordinate any allowed claim or interest, except when a chapter 9, chapter 11, chapter 12, or chapter 13 plan provides for subordination;
- 9) a proceeding to obtain a declaratory judgment relating to any of the foregoing; or
- 10) a proceeding to determine a claim or cause of action removed under 28 U.S.C. §1452.

SGM contends that a determination of whether a Material Adverse Effect has occurred is “a proceeding to recover money or property,” “a proceeding to obtain an injunction or other equitable relief,” and/or “a proceeding to obtain a declaratory judgment relating” to any of the types of proceedings set forth in Bankruptcy Rule 7001(1)–(8). SGM is mistaken.

First, adjudication of whether a “Material Adverse Effect” has occurred is not “a proceeding to recover money or property.” Instead, such adjudication involves interpretation of a contract (the APA). It is true that a determination that there has been no Material Adverse Effect and that SGM is obligated to close the sale would require SGM to perform under its agreement to purchase the Hospitals. The fact that performance would require SGM to transfer money to the Debtors (the purchase price for the Hospitals) does not transform the “Material Adverse Effect” issue into a “proceeding to recover money or property” within the meaning of Bankruptcy Rule 7001(1). SGM voluntarily chose to execute the APA and serve as the stalking horse bidder for the Hospitals for a purchase price of \$610 million, subject to various adjustments. A determination requiring SGM to follow through on its commitments is very different from the typical actions brought under Bankruptcy Rule 7001(1)—such as proceedings to avoid preferences under § 547, proceedings to avoid fraudulent transfers under § 548, or proceedings to set aside post-petition transfers under § 549.

Second, adjudication of the “Material Adverse Effect” issue is not “a proceeding to obtain an injunction or other equitable relief.” A determination setting forth SGM’s obligations under a contract which it executed (the APA) is not an injunction or a form of equitable relief.

Third, adjudication of the “Material Adverse Effect” issue is not “a proceeding to obtain a declaratory judgment” relating to any of the types of proceedings set forth in Bankruptcy Rule 7001(1)–(8). Interpretation of the APA does not fall within the scope of any of the types of proceedings set forth in Bankruptcy Rule 7001(1)–(8). Therefore, a declaration of SGM’s obligations under the APA does not fall within the ambit of Bankruptcy Rule 7001(9).

### **B. Adjudication of SGM’s Obligations Under the APA Is Not Premature**

SGM asserts that the issue of whether it has performed its obligations under the APA is not yet properly before the Court, and that the Debtors’ request for a determination as to this issue is premature. SGM states that it has not yet decided whether it will close the SGM Sale. According to SGM, a case or controversy will arise only after SGM makes a final determination that it will not close the SGM Sale.



SGM is incorrect. SGM has made representations to the Debtors that provide reasonable grounds for the Debtors to doubt that SGM will fulfill its obligations under the APA. (The contents of those representations are not discussed herein because they have been presented to the Court under seal.) In response to the Debtors' demand for written assurance that SGM would fulfill its obligations, SGM sent the Debtors two letters casting further doubt upon whether it would perform under the APA (the "Nov. 22 Letters").<sup>2</sup> SGM's actions have given rise to a case or controversy.

The Court further notes that although SGM presented its ripeness argument in a document captioned as a reservation of rights,<sup>3</sup> SGM's submission was in reality an opposition to the Debtor's assertion that all conditions precedent to SGM's obligation to close have been satisfied. The Nov. 22 Letters also qualify as an opposition to the Debtors' assertions regarding SGM's obligation to close. The Nov. 22 Letters contain 19 single-spaced pages of legal argument and 38 pages of supporting exhibits. SGM's arguments regarding its obligations under the APA have been fully presented to the Court.

Finally, and as further discussed in Section II.D., below, the Court finds that SGM's contention that it is not obligated to close is a cynical attempt to extract a better purchase price. A key component of SGM's negotiation strategy is its attempt to delay as long as possible the adjudication of its obligations under the APA. The Court will not facilitate SGM's dubious tactics.

#### **C. SGM Is Not Entitled to Appeal the Bankruptcy Court's Determination Regarding a Material Adverse Effect**

SGM received substantial benefits under the APA, including the right to receive a breakup fee in the event that it was outbid and consultation rights in the event that an auction of the Hospitals occurred. In exchange for receiving those benefits, SGM waived certain rights, including its right to appeal any determination made by the Bankruptcy Court with respect to the occurrence of a Material Adverse Effect.

As noted, the APA provides that "any dispute between Purchaser [SGM] and Sellers [the Debtors] as to whether a Material Adverse Effect has occurred for any purpose under this Agreement *shall be exclusively settled* by a determination made by the Bankruptcy Court." APA at Art. 9.1(c). This provision means that only the Bankruptcy Court, and no other court (including any appellate court), is entitled to determine Material Adverse Effect issues.

#### **D. No Material Adverse Effect Has Occurred**

As set forth above, SGM alleges that the Debtors have failed to comply with certain of the conditions and obligations imposed upon them by the APA, and that these alleged failures to perform have resulted in a Material Adverse Effect, relieving SGM of its obligation to close. This Memorandum of Decision does not discuss SGM's allegations in detail, as doing so would damage the estates by adversely affecting (1) the Debtors' efforts to close the SGM Sale and (2) the Debtors' ability to maximize the value of the Hospitals in the event the SGM Sale does not close.

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<sup>2</sup> The Nov. 22 Letters have also been filed under seal.

<sup>3</sup> Doc. No. 3701.



Under Section 8.4 of the APA, SGM is excused from its obligation to close only if (1) the Debtors have failed to perform their obligations under the APA and if (2) such failure to perform has resulted in a Material Adverse Effect.

The APA's definition of "Material Adverse Effect" is very brief. Under the APA, a "Material Adverse Effect" is "a material adverse effect upon the Hospitals, taken as a whole ...." APA at Art. 2, Preamble.

"Material Adverse Effect" is a term of art routinely used in asset purchase agreements of the type at issue here. The parties' use of a term of art, combined with their decision to define the term with only minimal detail, shows that the parties intended to rely upon the definition of the term contained in applicable caselaw.

The APA is governed by California law, except to the extent that California law is superseded by the Bankruptcy Code or other applicable federal law. APA at Art. 12.3. California law on the meaning of a material adverse effect clause—sometimes known as a material adverse change clause—is not well developed. The few cases which do address material adverse effect clauses view their enforcement with disfavor. For example, in *1601 McCarthy Blvd., LLC v. GMAC Comm'l Mortg. Corp.*, 2005 WL 4859147 (Cal. Super. Ct. June 1, 2005), the court held that a loan servicer's invocation of a material adverse effect clause to avoid its obligation to disburse funds to a borrower was an "unfair business practice or act," because the servicer "used the material adverse change clause as a lever against [the borrower] to retain control over the borrower's ... funds." *McCarthy Blvd.*, 2005 WL 4859147 at \*¶ 59. The court found:

[L]enders rarely employ—and even less frequently invoke and enforce—this type of broad-based material adverse change clause in commercial real estate transactions.... And even when they are invoked, ... lenders only use the clause as a tool to "bring the borrower to the table, use it as lever against the borrower, or ... a club against the borrower to modify the loan or change the loan." There is no evidence in the record that the material adverse change clause in the Deed of Trust benefits any side but the lender, or serves any other purpose than to threaten the borrower with dire consequences....

The record supports Mr. Greenwald's opinion that broad-based material adverse change clauses are rarely used, and in those rare instances when they are, they are placed in deeds of trust purely for their in terrorem effect and not with any genuine intention to invoke them.

*Id.* at ¶¶ 59 and 68.

Although the APA is governed by California law, Delaware cases interpreting material adverse effect clauses are helpful persuasive authority. A significant amount of the litigation over the enforcement of asset purchase agreements occurs before Delaware courts, and the Delaware caselaw interpreting material adverse effect clauses is well developed.

In *In re IBP, Inc. Shareholders Litigation*, the court rejected purchaser Tyson Foods' claim that it was not required to consummate a merger because of a material adverse effect. The court held:

[A] buyer ought to have to make a strong showing to invoke a Material Adverse Effect exception to its obligation to close. Merger contracts are heavily negotiated and cover a large number of specific risks explicitly. As a result, even where a Material Adverse Effect condition is as broadly written as the one in the Merger Agreement, that provision



is best read as a backstop protecting the acquiror from the occurrence of unknown events that substantially threaten the overall earnings potential of the target in a durationally-significant manner. A short-term hiccup in earnings should not suffice; rather the Material Adverse Effect should be material when viewed from the longer-term perspective of a reasonable acquiror.

*In re IBP, Inc. Shareholders Litig. (IBP, Inc. v. Tyson Foods, Inc.)*, 789 A.2d 14, 68 (Del. Ch. 2001).

In *Hexion Specialty Chemicals, Inc. v. Huntsman Corp.*, 965 A.2d 715, 738 (Del. Ch. 2008), the court reiterated that a “buyer faces a heavy burden when it attempts to invoke a material adverse effect clause in order to avoid its obligation to close.”

Assessment of the occurrence of a Material Adverse Effect must take into account the \$610 million purchase price for the Hospitals. To prevail upon its assertion of a Material Adverse Effect, SGM would be required to show the occurrence of unexpected events which have substantially reduced the value of the Hospitals. Here, representative examples of a “Material Adverse Effect” under Article 8.4 of the APA would include the Debtors’ failure to maintain the Hospitals’ licensure, or the Debtors’ operation of the Hospitals in a manner that caused regulatory authorities to close key departments within the Hospitals, such as the emergency department or pharmacy.

None of SGM’s allegations come even close to showing a Material Adverse Effect. Even if all the allegations are true (a finding the Court does not make), SGM would not be excused from closing the sale under Article 8.4 of the APA.<sup>4</sup>

SGM’s invocation of the APA’s Material Adverse Effect provision is not well taken. The Court has previously made clear that the closing of the SGM Sale is the lynchpin of the Debtors’ plan of liquidation; that if the SGM Sale does not promptly close, the most likely outcome will be the closure of three of the four Hospitals; and that the prompt closing of the sale is critical to the estates’ liquidity position.<sup>5</sup> SGM is well aware that it was the only bidder for the Hospitals. By presenting non-meritorious arguments as to why it is not obligated to close, SGM is holding the estates, creditors, and patients of the Hospitals hostage in an attempt to extort a better purchase price. SGM’s cynical tactics are especially offensive given the significant harm that closure of the Hospitals would impose upon patients. For example, two of the Hospitals that

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<sup>4</sup> Had SGM presented its allegations by way of an adversary complaint, the Court would dismiss such a complaint under Civil Rule 12(b)(6) for failure to state a claim upon which relief could be granted.

<sup>5</sup> See Memorandum of Decision Granting Debtors’ Emergency Motion to Enforce the Sale Order (the “Sale Enforcement Memorandum”) [Doc. No. 3446] at 3–4 and Memorandum of Decision (1) Finding that SGM is Obligated to Promptly Close the SGM Sale Under § 8.6 of the APA, Provided that All Other Conditions to Closing Have Been Satisfied and (2) Granting Debtors’ Motion for a Continuance of the Hearing to Approve the Disclosure Statement [Doc. No. 3632]. The Sale Enforcement Memorandum was subsequently vacated pursuant to a stipulation between the Debtors and the California Attorney General (the “Attorney General”), under which the Attorney General agreed not to pursue an appeal in exchange for vacatur of the Sale Enforcement Memorandum. Doc. No. 3599. Notwithstanding such vacatur, the Sale Enforcement Memorandum’s findings regarding the importance of consummation of the SGM Sale remain valid.



would likely close upon failure of the SGM Sale contain large populations of long-term patients suffering from severe illnesses, all of whom would have to be relocated to other facilities.

#### **E. All Conditions Precedent to Closing Have Been Satisfied**

The Court has previously found that the condition precedent to closing set forth in Article 8.6 of the APA has been satisfied.<sup>6</sup> All other conditions precedent to closing were satisfied as of November 19, 2019. On that date, the Debtors obtained a settlement with the Centers for Medicare and Medicaid Services providing for the transfer of their Medicare Provider Agreements to SGM, thereby satisfying their remaining obligations under Article 8.7 of the APA.<sup>7</sup>

Article 1.3 obligates SGM to close the sale “promptly but no later than ten (10) business days following the satisfaction” of all conditions precedent. As all conditions precedent were satisfied on November 19, 2019, SGM is obligated to close the sale by no later than December 5, 2019.

### **III. Conclusion**

Based upon the foregoing, the Court finds that all conditions precedent to SGM’s obligation to close the SGM Sale have been satisfied. Pursuant to Article 1.3 of the APA, SGM is obligated to close by no later than December 5, 2019. The Court will enter an order consistent with this Memorandum of Decision.

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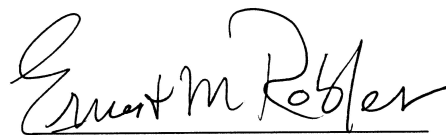
<sup>6</sup> Memorandum of Decision (1) Finding that SGM is Obligated to Promptly Close the SGM Sale Under § 8.6 of the APA, Provided that All Other Conditions to Closing Have Been Satisfied and (2) Granting Debtors’ Motion for a Continuance of the Hearing to Approve the Disclosure Statement [Doc. No. 3632].

<sup>7</sup> Article 8.7 also obligates the Debtors to transfer their Medi-Cal Provider Agreements to SGM pursuant to a settlement agreement with the California Department of Health Care Services (the “DHCS”). The Debtors materially complied with Article 8.7 by obtaining an order authorizing the transfer of the Medi-Cal Provider Agreements free and clear of any interest asserted by the DHCS. *See* Order Authorizing Debtors to Sell Medi-Cal Provider Agreements, Free and Clear of Interest Asserted by the California Department of Health Care Services, Pursuant to §§ 363(b) and (f)(5) [Doc. No. 3372].



###

Date: November 27, 2019

A handwritten signature in black ink, reading "Ernest M. Robles". The signature is written in a cursive style with a horizontal line underneath the name.

Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT BB

EXHIBIT BB Page 1 of 15  
Case 5:50-gb-01001-EB Doc 21-58 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT BB



<p>Attorney or Party Name, Address, Telephone &amp; FAX Nos., State Bar No. &amp; Email Address</p> <p>GARY E. KLAUSNER (SBN 69077)              LEVENE, NEALE, BENDER, YOO &amp; BRILL L.L.P.              10250 Constellation Boulevard, Suite 1700              Los Angeles, CA 90067              Telephone: (310) 229-1234              Facsimile: (310) 229-1244              Email: Lgek@lnbyb.com</p> <p><input type="checkbox"/> Individual appearing without attorney  <input checked="" type="checkbox"/> Attorney for: Strategic Global Management, Inc.</p>	<p>FOR COURT USE ONLY</p>
<p align="center"><b>UNITED STATES BANKRUPTCY COURT              CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION</b></p>	
<p>In re:</p> <p>Verity Health System of California, Inc., et al.,</p> <p align="right">Debtor(s).</p>	<p>CASE NO.: 2:18-bk-20151-ER</p> <p>ADVERSARY NO.:  <i>(if applicable)</i></p> <p>CHAPTER: 11</p>
<p align="center">Plaintiff(s) <i>(if applicable)</i>.              vs.              Defendant(s) <i>(if applicable)</i>.</p>	<p align="center"><b>NOTICE OF APPEAL              AND STATEMENT OF ELECTION</b></p>

**Part 1: Identify the appellant(s)**

- Name(s) of appellant(s): Strategic Global Management, Inc
- Position of appellant(s) in the adversary proceeding or bankruptcy case that is the subject of this appeal:  
 For appeals in an adversary proceeding.  
☐ Plaintiff  
☐ Defendant  
☒ Other (*describe*):  
 For appeals in a bankruptcy case and not in an adversary proceeding.  
☐ Debtor  
☐ Creditor  
☐ Trustee  
☒ Other (*describe*): Party in Interest and proposed buyer in Section 363 sale





**Part 2: Identify the subject of this appeal**

1. Describe the judgment, order, or decree appealed from:  
Order (1) Finding that SGM Is Obligated to Close the SGM Sale by No Later Than December 5, 2019  
and (2) Setting Continued Hearing on Debtors' Motion for Approval of Disclosure Statement [Dkt. 3724]
2. The date the judgment, order, or decree was entered: 11/27/2019  
See Exhibit A attached hereto.

**Part 3: Identify the other parties to the appeal**

List the names of all parties to the judgment, order, or decree appealed from and the names, addresses, and telephone numbers of their attorneys (*attach additional pages if necessary*):

1. Party: Verity Health System of California, Inc.  
Attorney:  
Samuel R. Maizel; Tania M. Moyron; and Nicholas A. Kiffroth  
Dentons US LLP  
601 South Figueroa Street, Suite 2500  
Los Angeles, CA 90017  
Tel: 213-623-9300
2. Party:  
Attorney:

**Part 4: Optional election to have appeal heard by District Court (applicable only in certain districts)**

If a Bankruptcy Appellate Panel is available in this judicial district, the Bankruptcy Appellate Panel will hear this appeal unless, pursuant to 28 U.S.C. § 158(c)(1), a party elects to have the appeal heard by the United States District Court. If an appellant filing this notice wishes to have the appeal heard by the United States District Court, check below. Do not check the box if the appellant wishes the Bankruptcy Appellate Panel to hear the appeal.

- ☐ Appellant(s) elect to have the appeal heard by the United States District Court rather than by the Bankruptcy Appellate Panel.

**Part 5: Sign below**

/s/ Gary E. Klausner Date: 12/03/2019  
Signature of attorney for appellant(s) (or appellant(s)  
if not represented by an attorney)

Fee waiver notice: If appellant is a child support creditor or its representative and appellant has filed the form specified in § 304(g) of the Bankruptcy Reform Act of 1994, no fee is required.

**[Note to inmate filers:** If you are an inmate filer in an institution and you seek the timing benefit of Fed. R. Bankr. P. 8002(c)(1), complete Director's Form 4170 (Declaration of Inmate Filing) and file that declaration along with the Notice of Appeal.]



## **EXHIBIT A**



FILED & ENTERED

NOV 27 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY Ilewis DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors in Possession.,

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**ORDER (1) FINDING THAT SGM IS OBLIGATED TO CLOSE THE SGM SALE BY NO LATER THAN DECEMBER 5, 2019 AND (2) SETTING CONTINUED HEARING ON DEBTORS' MOTION FOR APPROVAL OF DISCLOSURE STATEMENT**

Date: November 26, 2019

Time: 10:00 a.m.

Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012

For the reasons set forth in the concurrently-issued *Memorandum of Decision Finding that SGM is Obligated to Close the SGM Sale By No Later than December 5, 2019* (the "Memorandum of Decision"), the Court **HEREBY FINDS AND ORDERS AS FOLLOWS:**

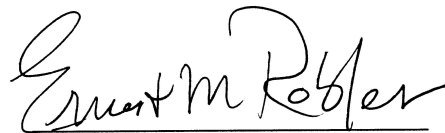


- 1) Pursuant to § 1.3 of the APA,<sup>1</sup> SGM is obligated to close the SGM Sale by no later than December 5, 2019.
- 2) A continued hearing on the Debtors' motion to approve the adequacy of the Debtors' proposed Disclosure Statement (the "Disclosure Statement Motion") shall take place on **December 12, 2019, at 10:00 a.m.** The Debtors shall file a reply in support of the Disclosure Statement Motion by no later than **December 9, 2019.**

IT IS SO ORDERED.

###

Date: November 27, 2019



Ernest M. Robles  
United States Bankruptcy Judge

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<sup>1</sup> Capitalized terms not defined herein have the meaning set forth in the Memorandum of Decision.



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067.

A true and correct copy of the foregoing document entitled **NOTICE OF APPEAL AND STATEMENT OF ELECTIONS** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **December 3, 2019**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:** On **December 3, 2019**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **December 3, 2019**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

**Served via Attorney Service**

The Honorable Ernest M. Robles  
United States Bankruptcy Court  
Edward R. Roybal Federal Building  
255 E. Temple Street, Suite 1560  
Los Angeles, CA 90012

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

**December 3, 2019**

Jason Klassi

*/s/ Jason Klassi*

Date

Type Name

Signature



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EXHIBIT CC Page 1 of 1  
Case 5:50-gb-01001-EB Doc 21-58 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT CC



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Debtors In Possession

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re  
VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,  
Debtors and Debtors In Possession.

- ☒ Affects All Debtors  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of  
Lynwood Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly administered with:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases

Hon. Judge Ernest M. Robles

**DEBTORS' EMERGENCY MOTION FOR (I) ISSUANCE  
OF AN ORDER TO SHOW CAUSE WHY STRATEGIC  
GLOBAL MANAGEMENT, INC. FAILED TO CLOSE  
THE SALE TRANSACTION BY DECEMBER 5, 2019;  
AND (II) ENTRY OF AN ORDER ENFORCING PRIOR  
COURT ORDERS REQUIRING STRATEGIC GLOBAL  
MANAGEMENT, INC. TO CLOSE THE SALE  
TRANSACTION BY DECEMBER 5, 2019**

**[RELATED TO DOCKET NOS. 2306, 3724]**

Hearing Date and Time:

Date: TBD

Time: TBD

Place: Courtroom 1568,  
255 E. Temple Street  
Los



182015119120600000000009



**EMERGENCY MOTION**

Pursuant to LBR<sup>1</sup> 9020-1 and 9075-1, Rule 6004, and §§ 363 and 105(a), Verity Health System Of California, Inc. (“VHS”) and the above-referenced affiliated debtors, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 bankruptcy cases (the “Cases”), respectfully request, on an emergency basis (the “Motion”), that the Court: (i) issue an order to show cause, lodged concurrently herewith pursuant to LBR 9020-1(a), on an expedited basis ordering Strategic Global Management, Inc. (“SGM”) and its principals, Kali Pradip Chaudhuri, William Thomas, and Peter Baronoff, to appear in this Court, on December 11, 2019, at 10:00 a.m., and show cause as to why SGM failed to comply with this Court’s order [Docket No. 3724] (the “Closing Order”) requiring SGM to close the sale (the “SGM Sale”) pursuant to that certain asset purchase agreement [Docket No. 2305-1] (the “APA”) by no later than December 5, 2019, including, but not limited to, stating whether SGM has the financial ability to proceed with this transaction in accordance with the APA, and whether it intends to close the transaction; (ii) set the balance of the relief requested in this Motion and the attached Memorandum of Points and Authorities for an emergency hearing on December 11, 2019, at 10:00 a.m., to consider the Debtors’ request for an order (a) enforcing this Court’s order [Docket No. 2306] (the “Sale Order”) approving the SGM Sale and Closing Order, (b) finding that SGM is in material breach of the APA for (among other things) failing to Close the SGM Sale by December 5, 2019, (c) finding that the Debtors may terminate the APA at any time without further notice to SGM, and (d) finding that the Debtors shall retain the \$30 million non-refundable deposit received from SGM as Sales Proceeds within the meaning of and pursuant to the terms of the Final DIP Order [Docket No. 409]; and (iii) granting such other and further relief as the Court deems just and proper.

The Debtors request that the relief sought herein be granted on an emergency basis because they will suffer immediate and irreparable harm without the relief requested in this Motion. The

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<sup>1</sup> All references to “§” herein are to sections of the “Bankruptcy Code,” 11 U.S.C. §§101, *et seq.* unless otherwise noted. All references to “Rules” are to the Federal Rules of Bankruptcy Procedure. All references to “LBR” refer to the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California.



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1 prompt sale and transition of the Debtors' four remaining general acute care hospitals<sup>2</sup> is needed to  
2 prevent any deterioration in critical healthcare in underserved communities caused by accelerating  
3 employee turnover, as well as the operating losses continuing to reduce anticipated recoveries to  
4 creditors. The Debtors (i) are operating at a loss of approximately \$450,000 per day, imposing  
5 significant costs upon the estates and upon creditors, and (ii) the uncertainty caused by SGM has  
6 significantly increased the rate of employee turnover at Verity's hospitals, a void filled by expensive  
7 per diem, temporary nurses and *locum tenens* physicians at a much greater cost to the estates.  
8 Finally, but crucially, the APA specifically provides that "[t]ime is of the essence." See APA at §§  
9 12.17. SGM's failure to close the Sale violates the express terms of the APA, as well as this Court's  
10 unambiguous Orders. In order to make critical decisions impacting the Hospitals and alternative  
11 plans, the Debtors must have immediate clarity on (i) whether SGM has the financial ability to  
12 proceed with the Sale transaction, and (ii) whether SGM intends to proceed with the Sale transaction  
13 in 2019. SGM steadfastly has refused to provide such critical information to the Debtors, even in  
14 the face of its utter failure to comply with this Court's prior Orders. This Court's immediate  
15 intervention is respectfully requested and required.

16 **I.**

17 **SUMMARY OF REQUESTED RELIEF**

18 As set forth above, the Debtors seek the entry of three orders. **First**, pursuant to LBR 9020-1,  
19 the Debtors respectfully request that the Court issue an order to show cause, lodged concurrently  
20 herewith pursuant to LBR 9020-1(a), on an expedited basis ordering SGM and its principals, Kali  
21 Pradip Chaudhuri, William Thomas, and Peter Baronoff, to appear in this Court, on December 11,  
22 2019, at 10:00 a.m., and show cause as to why SGM failed to (a) close the SGM Sale by December  
23 5, 2019, (b) comply with this Court's Closing Order, (c) demonstrate to the Debtors that SGM  
24 currently has the financial ability or access to sufficient capital to timely proceed with this  
25 transaction in accordance with the APA, and (d) advise the Debtors as to SGM's intention to close  
26 \_\_\_\_\_

27 <sup>2</sup> Specifically, the hospitals and healthcare facilities subject to the SGM Sale include St. Francis  
28 Medical Center, St. Vincent Medical Center, Seton Medical Center (including the Daly City and  
Coastside campuses), and St. Vincent Dialysis Center.



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1 the transaction. Given the exigencies of the Debtors' Cases, the Debtors respectfully request that  
2 the Court reduce the 7-day opposition or response deadline set forth in LBR 9020-1(b), or  
3 provisionally issue the order to show cause and provide that parties may object to the issuance at  
4 the hearing on the order to show cause. Pursuant to LBR 9020-1, the Court is not required to hold  
5 a hearing on the Debtors' request to issue the order to show cause. *See* LBR 9020-1(d)(2). **Second**,  
6 the Debtors respectfully request that the Court enter an order setting the balance of the relief  
7 requested in this Motion and the attached Memorandum of Points and Authorities for an emergency  
8 hearing on December 11, 2019, at 10:00 a.m. **Third**, following the emergency hearing, the Debtors  
9 request entry of an order (a) enforcing this Court's Sale Order and Closing Order, (b) finding that  
10 SGM is in material breach of the APA for (among other things) failing to Close the SGM Sale by  
11 December 5, 2019, (c) finding that the Debtors may terminate the APA at any time without further  
12 notice to SGM, (d) finding that the Debtors shall retain the \$30 million non-refundable deposit  
13 received from SGM as Sales Proceeds within the meaning of and pursuant to the terms of the Final  
14 DIP Order [Docket No. 409], and (e) granting such other and further relief as the Court deems just  
15 and proper

16 This Motion is based upon §§ 105 and 363, Rule 6004, LBR 9020-1 and 9075-1(a), the  
17 attached Memorandum of Points and Authorities, the *Declaration of Richard Adcock in Support of*  
18 *Emergency First-Day Motions* [Docket No. 8], the *Declaration of Richard G. Adcock* [Docket No.  
19 3188], the *Declaration of Richard G. Adcock* [Docket No. 3644], the *Declaration of Carsten Beith*  
20 (the "Beith Declaration"), *Declaration of Sonia R. Martin* (the "Martin Declaration"), and the  
21 *Declaration of Elspeth Paul* (the "Paul Declaration"), which are filed concurrently herewith, the  
22 arguments and statements of counsel to be made at the hearing on the Motion, and any other  
23 admissible evidence as may properly be brought before the Court. The Debtors further request that  
24 the Court take judicial notice of all documents filed with the Court in this case that relate to the  
25 status conference held before the Court on November 26, 2019, including the Debtors' status report  
26 [Docket No. 3692], the documents filed under seal pursuant to the Court's orders [Docket Nos.  
27 3679, 3699], and SGM's reservation of rights [Docket No. 3701].  
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1 II.

2 **RESPONSES**

3 By this Motion, the Debtors have requested that the Court issue the order to show cause on  
4 an expedited basis. Any party opposing or responding to the Debtors' request that the Court issue  
5 an order to show cause pursuant to LBR 9020-1 may present such opposition or response as directed  
6 by the Court in any subsequent order.

7 Any party opposing or responding to any other relief requested in the Motion may present  
8 such response (the "Response") at any time before or at the hearing on the Motion. *See* LBR 9075-  
9 1(a)(8). A Response must be a complete written or oral statement of all reasons in opposition to the  
10 Motion or in support, declarations and copies of all evidence on which the responding party intends  
11 to rely, and any responding memorandum of points and authorities. Pursuant to LBR 9013-1(h), the  
12 failure to file and serve a timely objection to any request for relief set forth in the Motion may be  
13 deemed by the Court to be consent to the relief requested herein.

14 III.

15 **SERVICE OF MOTION**

16 Counsel to the Debtors will serve this Motion, the attached Memorandum of Points and  
17 Authorities, the concurrently-filed Beith Declaration, Martin Declaration and Paul Declaration, and  
18 any notice required by the Court on: (i) Strategic Global Management, Inc., (ii) the Official  
19 Committee of Unsecured Creditors, (iii) the Debtors' Prepetition Secured Creditors as defined in  
20 the Final DIP Order, (iv) the Office of the United States Trustee; and (v) any other parties on the  
21 Limited Service List set forth in the *Order Granting Emergency Motion of Debtors for Order*  
22 *Limiting Scope of Notice* [Docket No. 132]. To the extent necessary, the Debtors request that the  
23 Court waive compliance with LBR 9075-1(a)(6) and approve service (in addition to the means of  
24 services set forth in such Local Bankruptcy Rule) by overnight delivery.

25 IV.

26 **RESERVATION OF RIGHTS**

27 Nothing contained herein is intended or shall be construed as: (i) an admission as to the  
28 validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any appropriate party in



1 interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors; or  
2 (iii) a waiver of any claims or causes of action which may exist against any creditor or interest  
3 holder.

4 V.

5 CONCLUSION

6 WHEREFORE, for all the foregoing reasons and such additional reasons as may be  
7 advanced at or prior to the hearing regarding this Motion, the Debtors respectfully request that the  
8 Court: (i) issue an order to show cause, lodged concurrently herewith pursuant to LBR 9020-1(a),  
9 on an expedited basis ordering SGM and its principals, Kali Pradip Chaudhuri, William Thomas,  
10 and Peter Baronoff, to appear in this Court, on December 11, 2019, at 10:00 a.m., and show cause  
11 as to why SGM failed to comply with this Court's Order and close the SGM Sale by December 5,  
12 2019, including, but not limited to, stating whether SGM has the financial ability to proceed with  
13 this transaction in accordance with the APA, and whether it intends to close the transaction; and  
14 (ii) set the balance of the relief requested in this Motion and the attached Memorandum of Points  
15 and Authorities for an emergency hearing on December 11, 2019, at 10:00 a.m., to consider the  
16 Debtors request for an order (a) enforcing this Court's Sale Order and Closing Order, (b) finding  
17 that SGM is in material breach of the APA for (among other things) failing to Close the SGM Sale  
18 by December 5, 2019, (c) finding that the Debtors may terminate the APA at any time without  
19 further notice to SGM, and (d) finding that the Debtors shall retain the \$30 million non-refundable  
20 deposit received from SGM as Sales Proceeds within the meaning of and pursuant to the terms of  
21 the Final DIP Order [Docket No. 409]; and (iii) granting such other and further relief as the Court  
22 deems just and proper.

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1 Dated: December 6, 2019

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**MEMORANDUM OF POINTS AND AUTHORITIES**

Verity Health System Of California, Inc. (“VHS”) and the above-referenced affiliated debtors, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 bankruptcy cases (the “Cases”), respectfully request, on an emergency basis (the “Motion”), that the Court: (i) issue an order to show cause, lodged concurrently herewith pursuant to LBR 9020-1(a), on an expedited basis ordering Strategic Global Management, Inc. (“SGM”) and its principals, Kali Pradip Chaudhuri, William Thomas, and Peter Baronoff, to appear in this Court, on December 11, 2019, at 10:00 a.m., and show cause as to why SGM failed to comply with this Court’s order [Docket No. 3724] (the “Closing Order”) requiring SGM to close the sale (the “SGM Sale”) pursuant to that certain asset purchase agreement [Docket No. 2305-1] (the “APA”) by no later than December 5, 2019, including, but not limited to, stating whether SGM has the financial ability to proceed with this transaction in accordance with the APA, and whether it intends to close the transaction; (ii) set the balance of the relief requested in this Motion and the attached Memorandum of Points and Authorities for an emergency hearing on December 11, 2019, at 10:00 a.m., to consider the Debtors’ request for an order (a) enforcing this Court’s order [Docket No. 2306] (the “Sale Order”) approving the SGM Sale and Closing Order, (b) finding that SGM is in material breach of the APA for (among other things) failing to Close the SGM Sale by December 5, 2019, (c) finding that the Debtors may terminate the APA at any time without further notice to SGM, and (d) finding that the Debtors shall retain the \$30 million non-refundable deposit received from SGM as Sales Proceeds within the meaning of and pursuant to the terms of the Final DIP Order [Docket No. 409]; and (iii) granting such other and further relief as the Court deems just and proper.

The Motion is based on the *Declaration of Richard Adcock in Support of Emergency First-Day Motions* [Docket No. 8] (the “First-Day Declaration”), the *Declaration of Richard G. Adcock* [Docket No. 3188] (“Adcock Declaration”), the *Declaration of Carsten Beith* (the “Beith Declaration”), *Declaration of Sonia R. Martin* (the “Martin Declaration”), and the *Declaration of Elspeth Paul* (the “Paul Declaration”), which are filed concurrently herewith, the arguments and statements of counsel to be made at the hearing on the Motion, the record in the Debtors’ Cases



1 and any other judicially noticeable facts, and other admissible evidence properly brought before  
2 the Court. In further support of the Motion, the Debtors respectfully state as follows:

3 I.

4 INTRODUCTION

5 Six months after this Court entered the order (the “Sale Order”)<sup>1</sup> authorizing the Debtors to  
6 sell their four remaining general acute care hospitals<sup>2</sup> and St. Vincent Dialysis Center (the  
7 “Hospitals”) to SGM, the Court entered its order, on November 27, 2019, obligating SGM to close  
8 the SGM Sale pursuant to the APA by December 5, 2019 (the “Closing Order”).<sup>3</sup> The Court’s  
9 Closing Order also found that there has been no material adverse effect under the APA, and that  
10 the APA does not permit SGM to appeal this Court’s determination as to that issue.

11 Despite the clear requirements of the APA and in direct contravention of this Court’s prior  
12 Orders, SGM announced that it *would not close the SGM Sale—and, then, did not close the SGM*  
13 *Sale—by December 5, 2019*. In a transparent attempt to delay this proceeding, frustrate the  
14 Debtors’ ability to transfer the Hospitals pursuant to the APA, and manufacture a context to  
15 renegotiate the purchase price under the APA, SGM has filed three frivolous appeals. Further,  
16 SGM has taken the facially implausible position that it is entitled to a 21-day “Evaluation Period”  
17 under Section 8.6 of the APA, during which it may “determine” whether it is satisfied with the  
18 Attorney General Order that provides precisely the same protection that is set forth in Section 8.6  
19 of the APA. Docket No. 2305-1. These actions expressly violate this Court’s Orders and the APA.  
20 *See, e.g.,* APA, § 1.3 (“ . . . Purchaser shall reasonably cooperate in any efforts to render the  
21 Supplemental Sale Order a final, non-appealable order[.]”).

22 Each day that goes by without prompt action by SGM to close this transaction harms the  
23 estates. The Debtors’ estates and their constituents have already borne operating losses of  
24

25 \_\_\_\_\_  
26 <sup>1</sup> Docket No. 2306.

27 <sup>2</sup> Specifically, the Hospitals include St. Francis Medical Center, St. Vincent Medical Center, and  
Seton Medical Center (including the Daly City and Coastsides campuses).

28 <sup>3</sup> Docket No. 3723-24.



1 approximately \$450,000 per day waiting for SGM to close the SGM Sale. SGM's failure to timely  
2 issue offer letters has had a negative impact on employee morale. Moreover, the Debtors and third  
3 parties have expended tremendous efforts to prepare for and close the SGM Sale in reliance on the  
4 Sale Order and the Closing Order. Despite this, SGM has intentionally frustrated the closing  
5 process by refusing to participate. In addition to announcing that it would not close the SGM Sale  
6 on December 5, as ordered by the Court, throughout the week leading up to the filing of this Motion,  
7 SGM has refused to participate in the regular, pre-scheduled joint closing calls and operational  
8 transition calls, apparently based on the advice of its counsel.

9 By signing the APA, SGM represented and agreed that "[p]urchaser has the ability to obtain  
10 funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and  
11 will at the Closing have immediately available funds in cash, which are sufficient to pay the  
12 Purchase Price and to pay any other amounts payable pursuant to this Agreement and to  
13 consummate the transactions contemplated by this Agreement." Given the actions and inactions of  
14 SGM over the past month, which suggest SGM lacks the financial ability to close the SGM Sale,  
15 the Debtors have made repeated and direct requests that SGM state whether it has the financial  
16 ability to close the SGM Sale, and whether it intends to do so. SGM has refused to respond,  
17 attempting to distract from its apparent financial inability to perform and seeking to preserve the  
18 ability to argue at some later date that the Debtors breached the APA by deciding prematurely to  
19 distribute their assets in a different manner, *i.e.* "Plan B" as it was referred to during the November  
20 26, 2019, status conference.

21 SGM is in direct violation of this Court's prior Orders. Its conduct is an effort to gain  
22 leverage against the Debtors in order to force a modification of the APA as to price and/or timing  
23 of closing. Such efforts are a manifestation of SGM's lack of good faith and fair dealing under the  
24 APA and constitute willful misconduct designed to harm the Debtors and impair the effectiveness  
25 of this Court's orders, *i.e.*, its actions have been taken in bad faith. The Debtors respectfully urge  
26 the Court to issue an order (i) enforcing this Court's Sale Order and Closing Order; (ii) ordering  
27 SGM and its principals, Kali Pradip Chaudhuri, William Thomas and Peter Baronoff, to appear in  
28 this Court, on December 11, 2019, and show cause as to why SGM failed to (a) close the SGM Sale



1 by December 5, 2019, (b) comply with this Court’s Closing Order, (c) demonstrate to the Debtors  
2 that SGM currently has the financial ability or access to sufficient capital to timely proceed with  
3 this transaction in accordance with the APA, and (d) advise the Debtors as to SGM’s intention to  
4 close the transaction; (iii) finding that SGM is in material breach of the APA for (among other  
5 things) failing to Close the SGM Sale by December 5, 2019; (iv) finding that the Debtors may  
6 terminate the APA at any time without further notice to SGM; (v) finding that the Debtors shall  
7 retain the \$30 million non-refundable deposit received from SGM as Sales Proceeds within the  
8 meaning of and pursuant to the terms of the Final DIP Order [Docket No. 409]; (vi) granting such  
9 other and further relief as the Court deems just and proper.

10 **II.**

11 **JURISDICTION, VENUE, AND STATUTORY PREDICATES**

12 The Bankruptcy Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157  
13 and 1334. This matter is a core proceeding under 28 U.S.C. §§ 157(b)(2). Venue is proper pursuant  
14 to 28 U.S.C. §§ 1408 and 1409.

15 The Motion seeks an order of the Court enforcing the terms of its final order approving the  
16 SGM Sale [Docket No. 2306] and its order [Docket No. 3723-24] obligating SGM to close the  
17 SGM Sale, as well as to show cause to SGM for its failure to comply. The statutory predicates for  
18 this relief are §§ 363 and 105, and Bankruptcy Rule 6004. This Court “plainly ha[s] jurisdiction to  
19 interpret and enforce its own prior orders.” *Travelers Indem. Co. v. Bailey*, 557 U.S. 137, 151,  
20 (2009); *see also In re Millenium Seacarriers, Inc.*, 419 F.3d 83, 96 (2d Cir. 2005) (“A bankruptcy  
21 court retains jurisdiction to interpret and enforce its own orders . . . .” (quoting *Luan Inv. S.E., v.*  
22 *Franklin 145 Corp. (In re Petrie Retail, Inc.)*, 304 F.3d 223, 230 (2d Cir.2002))).

23 **III.**

24 **FACTUAL BACKGROUND**

25 1. On May 2, 2019, this Court entered its *Order (A) Authorizing the Sale of Certain of*  
26 *the Debtors’ Assets to Strategic Global Management, Inc. Free and Clear of Liens, Claims,*  
27 *Encumbrances, and Other Interests; (B) Approving the Assumption and Assignment of An*  
28 *Unexpired Lease Related Thereto; and (C) Granting Related Relief* [Docket No. 2306] (“Sale



Order”), approving the SGM Sale pursuant to the APA. Since this Court issued its Sale Order, the Debtors have engaged in extensive, time-consuming efforts on multiple fronts to transition the Hospitals to SGM. By way of example: (i) the Debtors have sent multiple rounds of WARN notices to all employees; (ii) medical groups affiliated with the Debtors have sent termination notices to their physicians; (iii) thousands of counterparties to executory contracts and unexpired leases have relied on the Sale Order and continued to provide services in reliance on the finality of that Sale Order; (iv) the Debtors and SGM have spent almost an entire year facilitating an efficient close of the SGM Sale and developing transition plans as appropriate, including the transition of various licenses, employees, etc.; (v) the Debtors and SGM spent months successfully negotiating and reaching modified collectively bargaining agreements with all of the unions; (vi) the Debtors spent months reaching finality with the California Attorney General, the Centers for Medicare and Medicaid Services, and the California Department of Health Care Services; and (vii) created plans to shut off certain services and modify various insurance policies.

2. On October 23, 2019, the Court issued a *Memorandum of Decision Granting the Debtors’ Emergency Motion to Enforce the Sale Order* [Doc. No. 3188]. [Docket 3446.] Following extensive negotiations, the Debtors and the Attorney General reached a *Stipulation Resolving “Debtors Emergency Motion for the Entry of an Order: (I) Enforcing the Sale Order Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding That the Sale Is Free and Clear of Conditions Materially Different Than Those Approved by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing Conditions on That Sale; and (IV) Granting Related Relief”* [Docket No. 3188]. [Docket 3572.] Accordingly, on November 14, 2019, the Court issued an *Order Granting “Debtors Emergency Motion for the Entry of an Order: (I) Enforcing the Sale Order Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding That the Sale Is Free and Clear of Conditions Materially Different Than Those Approved by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing Conditions on That Sale; and (IV) Granting Related Relief”* [Doc. 3188] [Docket 3611] (the “Enforcement Order”).



3. APA section 1.3 obligates SGM to close the sale “promptly but no later than ten (10) business days following the satisfaction” of all conditions precedent. On November 18, 2019, the Court issued an Order finding that: “The Debtors have complied with their obligation under the APA to obtain a final, nonappealable Supplemental Sale Order. Consequently, SGM is now obligated to promptly close the SGM Sale, provided that all other conditions to closing have been satisfied.” Docket No. 3632.

4. On November 19, 2019, the Debtors obtained a settlement with the Centers for Medicare and Medicaid Services providing for the transfer of their Medicare Provider Agreements to SGM, thereby satisfying their remaining obligations under Article 8.7 of the APA. Docket No. 3680. With respect to California Department of Health Care Services (“DHCS”), the Debtors secured an Order [Docket No. 3372] from the Bankruptcy Court authorizing the transfer free and clear of any interests asserted by DHCS, in addition to the Sale Order which terminated any creditor’s recoupment rights [Docket No. 2306]. Those Orders afford equal or greater protection to SGM than any settlement could have, thereby satisfying Section 8.7. In addition, on November 22, 2019, the Debtors reached a settlement in principle with DHCS to the same effect. *See* Nov. 26, 2019 Hr’g Tr. at 10:18-24.

5. As set forth in the Debtors’ status report [Docket No. 3692] (the “Status Report”), Debtors sent a letter to SGM, on November 20, 2019, stating (i) the conditions to close under the APA had been satisfied on November 19, 2019, and that (ii) the transaction should promptly close by December 5, 2019. *See* Status Report at 1. The letter requested assurances from SGM that the transaction would close by that date. *See id.*

6. On November 19, 2019, SGM’s CEO, Peter Baronoff, telephoned the Debtors’ investment banker and stated that SGM could not obtain sufficient financing for the transaction, contrary to Section 3.9 of the APA. [Docket No. 3644.] That telephone call immediately resulted in the Debtors’ request for an order [entered at Docket No. 3646] continuing the hearing on the Debtors’ motion [Docket No. 2995] for approval of its disclosure statement [Docket No. 2994]. *See* Beith Decl., ¶ 2. Recognizing that the existence of financing is not a condition to close, SGM resorted to making unfounded and self-serving assertions that the Debtors breached the APA and



embarked on impermissible efforts to re-trade the purchase price without regard to: (i) the language in the APA; (ii) the indisputable fact that SGM’s diligence period had expired in January 2019; (iii) SGM’s prior representations; and (iv) the fact that all conditions of the Debtors to close had been satisfied.

7. On November 22, 2019, SGM sent the Debtors letters from Gary Klausner, Esq. of Levene, Neale, Bender, Yoo & Brill L.L.P. and Robert W. Lundy, Jr. of Hooper, Lundy & Bookman, P.C. (with enclosures), setting forth the issues that SGM had asserted amounted to a “Material Adverse Effect” under the APA [Docket No. 3705] (the “November 22, 2019 Letters”).<sup>4</sup> The issues SGM raised at the eleventh hour were not “new”—they were all known or discoverable during the diligence period. And none of them change the inescapable conclusion that this transaction was required to close by December 5 because the Debtors and SGM negotiated the sale as an “AS IS, WHERE IS” sale under the express terms of the APA. SGM’s untimely, baseless and immaterial complaints were nothing more than a transparent attempt to delay the closing and manufacture a basis for a re-trade to obtain a lower purchase price.

8. On November 26, 2019, the Court held a Status Conference. In advance of the Status Conference, SGM filed a Reservation of Rights, alleging (among other things) that “there are no genuine disputes of material fact as to the [sic] whether there have been Material Adverse Effects under the terms of the APA.” [Docket 3701.] In addition, the Debtors lodged with the Court SGM’s November 22, 2019 Letters. At the status conference, the Court rejected SGM’s arguments, stating (among other things) that “[a]s far as the Court is concerned” SGM is the “proud owner” of the Debtors’ assets as set forth in the APA, and that SGM “has an obligation to close” the transaction pursuant to the APA. (Nov. 26, 2019 Hr’g Tr. at 12:22-24, 14:10-11.)

9. On November 27, 2019, the Court issued an Order finding that, “[p]ursuant to § 1.3 of the APA, SGM is obligated to close the SGM Sale by no later than December 5, 2019.” [Docket 3724.] The Memorandum Decision supporting that Order concluded, among other things, that (i) “Adjudication of SGM’s Obligations Under the APA Does Not Require an Adversary

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<sup>4</sup> The November 22, 2019 Letters were filed under seal pursuant to Court order [Docket No. 3699].



Proceeding,” (ii) “Adjudication of SGM’s Obligations Under the APA Is Not Premature,” (iii) “SGM Is Not Entitled to Appeal the Bankruptcy Court’s Determination Regarding a Material Adverse Effect,” (iv) “No Material Adverse Effect Has Occurred,” (v) “All Conditions Precedent to Closing Have Been Satisfied.” [Docket 3723.] The Court further concluded that:

SGM’s contention that it is not obligated to close is a cynical attempt to extract a better purchase price. A key component of SGM’s negotiation strategy is its attempt to delay as long as possible the adjudication of its obligations under the APA. The Court will not facilitate SGM’s dubious tactics.

\* \* \*

By presenting non-meritorious arguments as to why it is not obligated to close, SGM is holding the estates, creditors, and patients of the Hospitals hostage in an attempt to extort a better purchase price. SGM’s cynical tactics are especially offensive given the significant harm that closure of the Hospitals would impose upon patients. For example, two of the Hospitals that would likely close upon failure of the SGM Sale contain large populations of long-term patients suffering from severe illnesses, all of whom would have to be relocated to other facilities.

[*Id.*, pp. 6-7.]

10. On November 29, 2019, SGM filed two notices of appeal [Docket Nos. 3726, 3727] related to (i) the order granting the Debtors’ motion to enforce the sale order [Docket No. 3611], and (ii) the order finding that SGM is obligated to promptly close the transaction under section 8.6 of the APA provided all other conditions to closing are satisfied [Docket No. 3633].

11. This week, beginning Monday, December 2, 2019, SGM representatives failed to participate in five pre-scheduled operations closing calls, stating that they were doing so on the advice of SGM’s counsel. *See* Paul Decl., ¶ 2.

12. On December 3, 2019, the Debtors emailed SGM, expressing continued concern for the delay and the impact on the Hospitals, including that many employees no longer have confidence that SGM will purchase the hospitals given that they are still waiting for formal offers, that the Hospitals continue to flex staff and registry to manage patient care, and that vendors and the Hospitals’ risk pool participants/IPAs have expressed concern that SGM does not intend to close the transaction. *See* Martin Decl., ¶ 2, Ex. A. In response, SGM announced that it would not



1 close the Sale by December 5, and that it had filed a notice of appeal [Docket No. 3746] of the  
2 Court's Closing Order. *See id.*, ¶ 3, Ex. B.

3 13. On December 4 and 5, 2019, the Debtors sent additional demands to SGM for  
4 information and assurances bearing on whether it has the financial ability to perform the APA and  
5 whether it intends to do so. *See* Martin Decl., ¶¶ 4, 6, Exs. C, E. SGM has not provided this  
6 information to Debtors. *Id.* ¶ 8.

7 IV.

8 ARGUMENT

9 SGM is unquestionably in violation of this Court's Sale Order and Closing Order, and time  
10 is of the essence. Bankruptcy courts have the inherent power and authority to enforce their own  
11 orders, including levying sanctions and/or civil contempt against violating parties. *See Travelers*  
12 *Indem. Co. v. Bailey*, 557 U.S. 137, 151 (2009) (finding that the "Bankruptcy Court plainly had  
13 jurisdiction to interpret and enforce its own prior orders"); *see also In re Millenium Seacarriers,*  
14 *Inc.*, 419 F.3d 83, 96 (2d Cir. 2005) ("A bankruptcy court retains jurisdiction to interpret and  
15 enforce its own orders[.]") (quoting *Luan Inv. S.E., v. Franklin 145 Corp. (In re Petrie Retail, Inc.)*,  
16 304 F.3d 223, 230 (2d Cir.2002)); *In re Azevedo*, 506 B.R. 277, 282 (Bankr. E.D. Cal. 2014); *In re*  
17 *Gonzales*, 512 B.R. 255, 258 (Bankr. C.D. Cal. 2014) ("Bankruptcy court[s] have always been  
18 empowered to interpret and enforce their own orders.").

19 Accordingly, the Debtors request the following emergency relief:

20 A. The Court Should Order SGM's Principals To Appear And Show Cause.

21 SGM did not close the SGM Sale by December 5, 2019, in direct contravention of the  
22 Court's Sale Order and Closing Order. Accordingly, the Court should order the appearance of  
23 SGM's principals and explanation of why they did not comply because they are in contempt of the  
24 Court's Order. There is no disputing that the Court's order directed SGM to close on December 5,  
25 2019 and was, therefore, a specific and definite order of the Court. Given that fact, SGM must  
26 appear before the Court and explain why it did not comply or be held in contempt. *See, e.g., Stone*  
27 *v. City and County of San Francisco*, 968 F.2d 850, 856 n. 9 (9th Cir.1992) ("The moving party  
28 has the burden of showing by clear and convincing evidence that the contemnors violated a specific



1 and definite order of the court. The burden then shifts to the contemnors to demonstrate why they  
2 were unable to comply.”).

3 While refusing to Close the transaction by December 5, 2019 in accordance with the Court’s  
4 Closing Order, SGM has simultaneously and steadfastly refused to state whether it has the financial  
5 ability to close the SGM Sale and whether it ever intends to do so. As explained above, SGM’s  
6 conduct strongly suggests that it has no intention of closing this transaction, as underscored by the  
7 recent statement of its CEO Peter Baronoff that SGM lacks the ability to secure funding at the level  
8 required for the purchase price under the APA. The Debtors have repeatedly and directly  
9 confronted SGM regarding whether it has the financial wherewithal to comply with the APA. SGM  
10 has consistently dodged those questions with the pretense that it is entitled to an alleged “Evaluation  
11 Period” under Section 8.6. SGM’s position is meritless for at least three reasons.

12 First, the Evaluation Period contemplated by Section 8.6 is only triggered when the  
13 Attorney General is imposing conditions that *materially differ* from the conditions to which SGM  
14 agreed under the APA, i.e., the Purchaser Approved Conditions. Because the Attorney General is  
15 not imposing any such conditions, no Evaluation Period is implicated. Second, as the Court  
16 previously found, “SGM is judicially estopped from contending that it is entitled to the Evaluation  
17 Period and is not obligated to promptly close the sale” based on “its prior representations regarding  
18 its obligation to close the sale.” [Docket No. 3632, pp. 4-5.] Third, even if a 21-business day  
19 Evaluation Period had been triggered (which the Debtors dispute), Section 8.6 provides that SGM  
20 “shall reasonably cooperate in any efforts to render the Supplemental Sale Order a final, non-  
21 appealable order” and “shall consummate the Sale” if “the Supplemental Sale Order becomes a  
22 final, non-appealable order prior to the expiration of the Evaluation Period . . . and all other  
23 conditions to closing have been satisfied.” Here, as the Court has previously determined, there is  
24 a final non-appealable order, namely the Enforcement Order. [Docket No. 3611]. Obviously, filing  
25 meritless appeals is a far departure from SGM’s obligation to reasonably cooperate. SGM’s appeals  
26 are frivolous and designed solely to delay and frustrate these proceedings.



SGM should be directed to immediately and clearly respond to questions regarding its financial ability to perform under the APA. By signing the APA, SGM represented and agreed that:

3.9 Ability to Perform. Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.

See APA § 3.9. This representation, warranty and covenant does not expire, and SGM “shall be deemed to remake” it “as of the Closing Date,” *i.e.*, December 5, 2019. APA, Article III. SGM has repeatedly represented to the Court and the parties that SGM intends to close this transaction in accordance with the APA. For example, in its filing dated November 11, 2019, SGM described this as a “transaction in which SGM will be paying over \$600 Million,” and SGM’s November 25, 2019 Reservation of Rights states that “SGM continues to desire to close the transaction between SGM and Verity as described in the APA.”

If SGM does not have the financial ability to close the SGM Sale, as required by Section 3.9 of the APA, then it has an obligation to inform the Court and the Debtors of that fact, so they may immediately proceed with asset distribution in an alternative manner. Accordingly, the Debtors respectfully request that Court direct the following representatives of SGM to appear in Court on December 11, 2019, to address these issues and otherwise show cause why this transaction has not close: Chairman Kali Pradip Chaudhuri, MD, Chief Executive Officer Peter Baronoff and General Counsel William Thomas.

And, to be clear, SGM’s only explanation must be why it did not comply with the order; this hearing should not be an opportunity for SGM to rehash its arguments already rejected by the Court. *See, e.g., Maggio v. Zeitz*, 333 U. S. 56, 333 U. S. 69 (1948) (“It would be a disservice to the law if we were to depart from the longstanding rule that a contempt proceeding does not open to reconsideration the legal or factual basis of the order alleged to have been disobeyed, and thus become a retrial of the original controversy. The procedure to enforce a court’s order commanding or forbidding an act should not be so inconclusive as to foster experimentation with disobedience.”



**B. The Court Should Find That SGM Is In Material Breach, That The Debtors May Immediately Terminate The APA And Retain The Deposit.**

Finally, the Debtors respectfully request the Court issue an order finding that SGM is in material breach of the APA by failing to close the SGM Sale on December 5, 2019, as required by the APA and as specifically ordered by the Court in its Closing Order. “[A] material breach of a contract excuses further performance by the injured party and entitles that party to terminate the contract.” *Pena v. GMAC Mortg., LLC*, No. CV0906939MMMJCX, 2010 WL 11519504, at \*7 (C.D. Cal. Sept. 13, 2010) (citing *Pry Corp. of America v. Leach*, 177 Cal.App.2d 632, 639 (1960) and 1 B. Witkin, Summary of Cal. Law, Contracts, § 796 p. 719 (9th ed. 1990)). As a result of that material breach by SGM, the Debtors are now entitled to (i) walk away from the APA with no further notice to SGM, (ii) sue SGM for damages under APA Section 11.1 and as otherwise allowed under applicable law, and (iii) proceed with alternative plans to dispose of the assets. The Debtors respectfully request that the Court issue an Order to this effect.

In addition, the Debtors request an order that the Debtors may retain the \$30 million non-refundable Deposit. Section 1.2 of the APA provides that: “The Deposit shall be non-refundable in all events, except as provided in Section 6.1(b) or Section 6.2, or in the event Purchaser has terminated this Agreement pursuant to Section 9.1 (other than Section 9.1(b)) or as set forth in Section 9.2, in which case Seller shall immediately return the Deposit to Purchaser with all interest earned thereon.” Here, Sections 6.1(b) and Section 6.2 are inapplicable, and SGM has not terminated the Agreement under Section 9.2—rather, SGM has materially breached the Agreement by failing to perform. Accordingly, the Deposit is non-refundable, and the Debtors respectfully request that the Court order that the Debtors may retain it regardless of the manner in which the assets are ultimately distributed.

**V.**

**CONCLUSION**

WHEREFORE, for all the foregoing reasons and such additional reasons as may be advanced at or prior to the hearing regarding this Motion, the Debtors respectfully request that the Court: (i) issue an order to show cause, lodged concurrently herewith pursuant to LBR 9020-1(a),



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LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

on an expedited basis ordering SGM and its principals, Kali Pradip Chaudhuri, William Thomas, and Peter Baronoff, to appear in this Court, on December 11, 2019, at 10:00 a.m., and show cause as to why SGM failed to comply with this Court's Order and close the SGM Sale by December 5, 2019, including, but not limited to, stating whether SGM has the financial ability to proceed with this transaction in accordance with the APA, and whether it intends to close the transaction; and (ii) set the balance of the relief requested in this Motion and the attached Memorandum of Points and Authorities for an emergency hearing on December 11, 2019, at 10:00 a.m., to consider the Debtors request for an order (a) enforcing this Court's Sale Order and Closing Order, (b) finding that SGM is in material breach of the APA for (among other things) failing to Close the SGM Sale by December 5, 2019, (c) finding that the Debtors may terminate the APA at any time without further notice to SGM, and (d) finding that the Debtors shall retain the \$30 million non-refundable deposit received from SGM as Sales Proceeds within the meaning of and pursuant to the terms of the Final DIP Order [Docket No. 409]; and (iii) granting such other and further relief as the Court deems just and proper.

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1 Dated: December 6, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
SONIA R. MARTIN  
TANIA M. MOYRON  
NICHOLAS A. KOFFROTH

5 By /s/ Tania M. Moyron  
Tania M. Moyron

7 Attorneys for Verity Health Systems of  
California, Inc., *et al.*

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**DECLARATION OF CARSTEN BEITH**

I, Carsten Beith, declare that if called on as a witness, I would and could testify of my own personal knowledge as follows:

1. I am a Managing Director and Co-Head of Health Systems M&A at Cain Brothers, a division of KeyBanc Capital Markets, investment bankers in this matter for the Verity Health System Of California, Inc. ("VHS") and the above-referenced affiliated debtors, the debtors and debtors in possession (collectively, the "Debtors"). I submit this Declaration in support of the *Emergency Motion for the Entry of an Order: (i) Enforcing Prior Court Orders Requiring Strategic Global Management, Inc. to Close the Sale Transaction by December 5, 2019; (ii) To Show Cause Why Strategic Global Management, Inc. Failed to Close Sale Transaction by December 5, 2019* (the "Motion").

2. On November 19, 2019, I received a telephone call from Peter Baronoff, the Chief Executive Officer of Strategic Global Management ("SGM"). Mr. Baronoff stated, among other comments, that SGM was not able to obtain sufficient financing to fund the sale transaction.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 6th day of December 2019, at New York, New York.

By: 

CARSTEN BEITH



DECLARATION OF ELSPETH PAUL

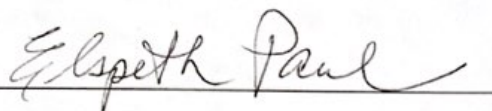
I, Elspeth Paul, declare that if called on as a witness, I would and could testify of my own personal knowledge as follows:

1. I am an attorney licensed to practice law in the State of California and I serve as General Counsel for the Verity Health System Of California, Inc. ("VHS"). I submit this Declaration in support of the *Debtors' Emergency Motion for (I) Issuance of an Order to Show Cause Why Strategic Global Management, Inc. Failed to Close the Sale Transaction by December 5, 2019; and (II) Entry of an Order Enforcing Prior Court Orders Requiring Strategic Global Management, Inc. to Close the Sale Transaction by December 5, 2019* (the "Motion").

2. In connection with working towards closing the sale transaction with Strategic Global Management, Inc. ("SGM") pursuant to the Asset Purchase Agreement, SGM and the Debtors have participated in regular pre-scheduled calls in connection with operational works streams. This week, beginning on Monday, December 2, 2019, SGM representatives failed to participate in five pre-scheduled operations closing calls, stating that they were doing so on the advice of SGM's counsel.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 6th day of December 2019, at Los Angeles, California.

By:   
ELSPETH PAUL

DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300



**DECLARATION OF SONIA R. MARTIN**

I, Sonia R. Martin, declare that if called on as a witness, I would and could testify of my own personal knowledge as follows:

1. I am an attorney licensed to practice law in the State of California and am a partner at the law firm Dentons US LLP, counsel in this matter for the Verity Health System Of California, Inc. ("VHS") and the above-referenced affiliated debtors, the debtors and debtors in possession (collectively, the "Debtors"). I submit this Declaration in support of the *Debtors' Emergency Motion for (I) Issuance of an Order to Show Cause Why Strategic Global Management, Inc. Failed to Close the Sale Transaction by December 5, 2019; and (II) Entry of an Order Enforcing Prior Court Orders Requiring Strategic Global Management, Inc. to Close the Sale Transaction by December 5, 2019* (the "Motion").

2. Attached hereto as **Exhibit A** is a true and correct copy of an email I sent to Gary Klausner of Levene, Neale, Bender, Yoo & Brill L.L.P., counsel to Strategic Global Management, Inc. ("SGM"), on December 3, 2019.

3. In response, I received an email from Mr. Klausner on December 3, 2019. A true and correct copy is attached hereto as **Exhibit B**.

4. In response, I sent an email to Mr. Klausner on December 4, 2019. A true and correct copy is attached hereto as **Exhibit C**.

5. Attached hereto as **Exhibit D** is a true and correct copy of an email Mr. Klausner sent to me and others on December 5, 2019.

6. Attached hereto as **Exhibit E** is a true and correct copy of an email I sent Mr. Klausner on December 5, 2019.

7. Attached hereto as **Exhibit F** is a true and correct copy of an email and letter that Mr. Klausner sent to Mr. Maizel on December 5, 2019.

8. As of this date, Mr. Klausner has not demonstrated to the Debtors that SGM has the financial ability or access to sufficient capital to timely proceed with this transaction in accordance with that certain asset purchase agreement [Docket No. 2305-1].

///



1 I declare under penalty of perjury under the laws of the United States of America that the  
2 foregoing is true and correct.

3 Executed this 6th day of December 2019, at San Francisco, California.

4  
5 By: \_\_\_\_\_

6 SONIA R. MARTIN  
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(213) 623-9300



**Exhibit A**

**December 3, 2019 Email from  
Sonia R. Martin to Gary E. Klausner**



**From:** Martin, Sonia R.  
**Sent:** Tuesday, December 03, 2019 11:18 AM  
**To:** 'Gary E. Klausner'  
**Cc:** Moyron, Tania M.; Maizel, Samuel R.; Montgomery, Claude D.; Alberts, Sam J.  
**Subject:** RE: Verity

Gary,

As set forth in my emails dated November 16 and 18, 2019, there is no basis for SGM to appeal and there is no Evaluation Period. Even if SGM were correct about the existence of an Evaluation Period (which it is not), the appeal and SGM's failure to take reasonable steps towards closing the transaction would constitute a breach of the APA ("Purchaser shall reasonably cooperate in any efforts to render the Supplemental Sale Order a final, non-appealable order[.]").

Indeed, the Debtors believe SGM's appeals are frivolous, and we reserve the right to seek sanctions against you and your clients pursuant to FRAP 38 and 28 USC 1927. Further, it is the position of the Debtors, that as of December 6, 2019, the Deposit, as defined in the APA, will irrevocably belong to the Debtors and its use is permitted by the Final DIP Order and the Supplemental Cash Collateral Order.

Each day that goes by without prompt action by your clients towards closing this transaction is injuring the Hospitals. Employees are leaving on a daily basis as a direct result of your clients' failure to timely issue offer letters. And, as you know, the Debtors are suffering net operating losses estimated at \$450,000 per day. Despite this, your clients continue to drag their feet on closing. Yesterday, you directed that they not participate on three regular, pre-scheduled closing calls -- calls that are essential to the transition of the Hospitals. Your clients are plainly in breach of APA Section 12.17, which provides that "[t]ime is of the essence for all dates and time periods set forth in this Agreement and each performance called for in this Agreement."

The conduct of you and your clients strongly suggests that they have no intention of closing this transaction, which is consistent with Mr. Baronoff's statement two weeks ago that they lack the ability to secure funding at the level required for the purchase price under the APA. By signing the APA, your clients represented and agreed that "[p]urchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement." On the basis of the APA, the Court entered its Sale Order. Since then, you and your clients have repeatedly represented to the Court and the parties that SGM intends to close this transaction in accordance with the APA. For example, in your filing dated November 11, 2019, you described this as a "transaction in which SGM will be paying over \$600 Million," and your November 25, 2019 Reservation of Rights states that "SGM continues to desire to close the transaction between SGM and Verity as described in the APA."

If these representations are no longer true, your clients owe a duty to the Court and the Debtors to say so. As an officer of the court, you also owe that duty.

"Counsel, as an officer of the court, also owes a duty of candor to the tribunal. Model Rules of Professional Conduct Rule 3.3. This duty precludes counsel from making false statements of law or fact to the court and offering false evidence, and requires counsel to disclose controlling adverse legal authority not disclosed by opposing counsel, and facts necessary to avoid assisting the client in a criminal or fraudulent act. Id."



*Hansen, Jones & Leta, PC v. Segal*, 220 B.R. 434, 455 (D. Utah 1998). See also Cal. Rule Prof. Conduct 5-200.

The Debtors again demand that you and your clients affirm whether they have the financial ability to proceed with this transaction in accordance with the APA, and whether they intend to close the transaction. If you do not respond to this request by close of business tomorrow, the Debtors will ask the Court to schedule an emergency Order to Show Cause hearing and require your clients to respond to such questions in open court.

Sonia

 Sonia R. Martin

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[sonia.martin@dentons.com](mailto:sonia.martin@dentons.com)  
Bio | Website

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Delany Law > Dinner Martin > Maclay Murray & Spens > Gallo Barrios Pickmann > Muñoz > Cardenas  
& Cardenas > Lopez Velarde > Rodyk > Boekel > OPF Partners

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**From:** Gary E. Klausner <[GEK@lnbyb.com](mailto:GEK@lnbyb.com)>

**Sent:** Monday, December 02, 2019 6:26 PM

**To:** Martin, Sonia R. <[sonia.martin@dentons.com](mailto:sonia.martin@dentons.com)>

**Cc:** Moyron, Tania M. <[tania.moyron@dentons.com](mailto:tania.moyron@dentons.com)>; Maizel, Samuel R. <[samuel.maizel@dentons.com](mailto:samuel.maizel@dentons.com)>; Montgomery, Claude D. <[claudemontgomery@dentons.com](mailto:claudemontgomery@dentons.com)>; Alberts, Sam J. <[sam.alberts@dentons.com](mailto:sam.alberts@dentons.com)>; Gary E. Klausner <[GEK@lnbyb.com](mailto:GEK@lnbyb.com)>

**Subject:** Verity

**[External Sender]**

Sonia; as you are aware, SGM has filed a notice of appeal from the Bankruptcy Court's order of November 14, 2019 regarding Verity's emergency motion. We understand your position regarding the "finality" of that order and we respectfully disagree as our client had standing to appeal to order entered by the court, notwithstanding the fact that SGM did not oppose the underlying emergency motion. Ultimately the appellate court will decide this issue. In the meantime, so that there is no confusion or misunderstanding about SGM's position on this issue, the 21 business days evaluation period under section 8.6 began on November 14; that means, if my review of the calendar is correct, the 21 business days to respond under section 8.6 will not expire until December 16, 2019.

**GARY E. KLAUSNER**, Esq.

**LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.**

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**From:** Martin, Sonia R. [mailto:[sonia.martin@dentons.com](mailto:sonia.martin@dentons.com)]  
**Sent:** Saturday, November 16, 2019 9:59 AM  
**To:** Gary E. Klausner  
**Cc:** Moyron, Tania M.; Maizel, Samuel R.; Montgomery, Claude D.; Alberts, Sam J.  
**Subject:** FW: Verity

Gary,

As Tania stated on the record in court on Wednesday, we do not agree with SGM's position that it has a 21-day Evaluation Period.

The Evaluation Period contemplated by Section 8.6 was included to account for the possibility that the Attorney General might insist on imposing conditions that materially differ from the Purchaser Approved Conditions. Because the Attorney General is not imposing any such conditions, the provisions relating to an Evaluation Period are not implicated.

We also note that, even if a 21-day Evaluation Period had been triggered (which we do not concede), Section 8.6 provides that SGM "shall consummate the Sale" if "the Supplemental Sale Order becomes a final, non-appealable order prior to the expiration of the Evaluation Period . . . and all other conditions to closing have been satisfied." Here, we have a final non-appealable order because the only parties who could have standing to appeal have waived that right.

Sonia

 Sonia R. Martin

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[sonia.martin@dentons.com](mailto:sonia.martin@dentons.com)  
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**From:** Gary E. Klausner <[GEK@lnbyb.com](mailto:GEK@lnbyb.com)>  
**Sent:** Friday, November 15, 2019 2:09 PM  
**To:** Maizel, Samuel R. <[samuel.maizel@dentons.com](mailto:samuel.maizel@dentons.com)>; Moyron, Tania M. <[tania.moyron@dentons.com](mailto:tania.moyron@dentons.com)>  
**Cc:** Gary E. Klausner <[GEK@lnbyb.com](mailto:GEK@lnbyb.com)>  
**Subject:** Verity

[External Sender]



Sam, Tania; I have heard through the grapevine that Verity may be taking the position that SGM does not have (or somehow lost) the 21 day Evaluation Period provided for in section 8.6 of the APA, which started as of the entry of the supplemental sale order yesterday. Would you please let me know if this is, in fact, Verity's positions and if so, please advise me of Verity's basis for that position. Obviously, this is a time critical issue so please get back to me immediately as I have a call scheduled with SGM at 3:00 today. Thanks.

**GARY E. KLAUSNER**, Esq.

**LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.**

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**Exhibit B**

**December 3, 2019 Email from  
Gary E. Klausner to Sonia R. Martin**



**From:** Gary E. Klausner <GEK@lnbyb.com>  
**Sent:** Tuesday, December 03, 2019 4:33 PM  
**To:** Martin, Sonia R.  
**Cc:** Moyron, Tania M.; Maizel, Samuel R.; Gary E. Klausner  
**Subject:** Verity, SGM

**[External Sender]**

Sonia; in response to your email of 11:20 this morning; please be advised as follows:

1. SGM has appealed from the Court's order of November 27, 2019 regarding the December 5, 2019 closing;
2. SGM will not be closing the sale transaction on December 5, 2019 and is reserving all of its rights, claims and defenses relating to the APA;
3. SGM's failure to dispute factual or legal assertions in your email shall not be considered an admission of any such assertions;
4. SGM would very much like to engage in settlement discussions with Verity and other stakeholders to see if a solution can be reached which will allow for a sale closing to take place, and, to that end, we have sent to Dentons a proposed confidentiality stipulation which, if executed by Dentons will enable settlement discussions to commence immediately, at which time, SGM can discuss the various questions which you posed regarding the status of the transaction.

**GARY E. KLAUSNER, Esq.**

**LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.**

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**Exhibit C**

**December 4, 2019 Email from  
Sonia R. Martin to Gary E. Klausner**



**From:** Martin, Sonia R.  
**Sent:** Wednesday, December 04, 2019 9:30 AM  
**To:** 'Gary E. Klausner'  
**Cc:** Moyron, Tania M.; Maizel, Samuel R.; Montgomery, Claude D.  
**Subject:** RE: Verity, SGM

Gary,

You have not responded to the Debtors' request that you state whether your clients "have the financial ability to proceed with this transaction in accordance with the APA, and whether they intend to close the transaction." This includes, but is not limited to, confirmation that the representations set forth in the December 3, 2018 letter issued by Kevin R. Farrenkopf, President and CEO of The Bank of Hemet, and the December 4, 2018 email from William Thomas are still accurate, and that the funds referenced in those communications remain available for use in December 2019 in connection with this transaction. The Debtors insist that you and your clients provide this information outside the context of any confidentiality agreement, either now or in court.

Your clients have no valid basis to refuse to close this transaction. They are in breach of the APA, and the Debtors will proceed accordingly. Indeed, it has become increasingly clear that SGM likely never had the financial ability to perform the APA, and has been in breach of APA Section 3.8 from the outset.

Moreover, SGM lacks standing and has waived any ability to appeal the Court's orders. Manufacturing the Evaluation Period is precisely the type of bad faith conduct with which the Court expressed concern, and which permits the Debtors to recover damages in excess of Section 11.1 of the APA.

If SGM has a proposal that it wishes the Debtors to consider, it should send that proposal immediately. Be advised that the Debtors will proceed down another path unless SGM (i) provides a meaningful, actionable offer, and (ii) demonstrates the financial ability to perform (the failure of either condition would be fatal).

We will be sending you a revised confidentiality stipulation shortly.

 Sonia R. Martin

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[sonia.martin@dentons.com](mailto:sonia.martin@dentons.com)  
Bio | Website

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---

**From:** Gary E. Klausner <GEK@Inbyb.com>  
**Sent:** Tuesday, December 03, 2019 4:33 PM



To: Martin, Sonia R. <sonia.martin@dentons.com>

Cc: Moyron, Tania M. <tania.moyron@dentons.com>; Maizel, Samuel R. <samuel.maizel@dentons.com>; Gary E. Klausner <GEK@lnbyb.com>

Subject: Verity, SGM

**[External Sender]**

Sonia; in response to your email of 11:20 this morning; please be advised as follows:

1. SGM has appealed from the Court's order of November 27, 2019 regarding the December 5, 2019 closing;
2. SGM will not be closing the sale transaction on December 5, 2019 and is reserving all of its rights, claims and defenses relating to the APA;
3. SGM's failure to dispute factual or legal assertions in your email shall not be considered an admission of any such assertions;
4. SGM would very much like to engage in settlement discussions with Verity and other stakeholders to see if a solution can be reached which will allow for a sale closing to take place, and, to that end, we have sent to Dentons a proposed confidentiality stipulation which, if executed by Dentons will enable settlement discussions to commence immediately, at which time, SGM can discuss the various questions which you posed regarding the status of the transaction.

**GARY E. KLAUSNER, Esq.**

**LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.**

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**Exhibit D**

**December 5, 2019 Email from  
Gary E. Klausner to Sonia R. Martin**



**From:** Gary E. Klausner <GEK@lnbyb.com>  
**Sent:** Thursday, December 05, 2019 9:58 AM  
**To:** Martin, Sonia R.  
**Cc:** Maizel, Samuel R.; Moyron, Tania M.; Gary E. Klausner  
**Subject:** Verity | Weekly KPC/Verity Transaction Committee Call

**[External Sender]**

Sonia; a checklist call is scheduled for 10:00 today.

As you are aware, SGM is not closing the sale reflected in the APA today. SGM disputes that the notice to close set forth in Sam's letter of November 20, 2019 was effective or consistent with the APA and, notwithstanding Judge Robles order of November 27, which is now on appeal, SGM is under no contractual obligation to close today. Indeed, Verity is not, itself, prepared to close the sale today or to provide the "deliverables" and complete all of the processes necessary for closing.

Notwithstanding the foregoing, SGM has been requesting an opportunity to meet and confer with Verity and other stakeholders to attempt to resolve the disputes that have so far prevented the parties from proceeding to a closing in an organized fashion and consistent with the APA. SGM requested mediation and Verity rejected that request. SGM requested a meeting, which would be governed by applicable privileges, and Verity rejected that request. SGM submitted a proposed confidentiality stipulation to Verity yesterday, made every change that you requested, submitted a draft order to you as requested, and then was advised that Verity refused to meet and confer unless SGM first provided a proposal and financial information, not protected by any privilege.

It is apparent from your litany of threatening letters and rejection of any opportunity to salvage this transaction, that Verity has elected to attempt to force SGM into a position of breach and will pursue litigation, as opposed to participating in a process that might save the hospitals, protect the patients and avoid terminating thousands of employees.

The scheduled "checklist" call for today is clearly a sham, designed to create the appearance, although not legitimate, that Verity is still pursuing a transaction which Verity has now chosen to forego, and to attempt to obtain information for use in the eventual litigation. Accordingly, SGM sees no useful purpose in participating in such a call.

**GARY E. KLAUSNER, Esq.**

**LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.**

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**Exhibit E**

**December 5, 2019 Email from  
Sonia R. Martin to Gary E. Klausner**



**From:** Martin, Sonia R.  
**Sent:** Thursday, December 05, 2019 10:17 AM  
**To:** 'Gary E. Klausner'  
**Cc:** Maizel, Samuel R.; Moyron, Tania M.; Montgomery, Claude D.  
**Subject:** In re Verity Health System of California, et al., Case No. 2:18-bk-20151-ER

Gary,

SGM still has not responded to the Debtors' request that it confirm whether it has the financial ability to proceed with this transaction in accordance with the APA, and whether it intends to close the transaction in accordance with the APA, i.e., for a purchase price of \$610 million. This includes, but is not limited to, confirmation that the representations set forth in the December 3, 2018 letter issued by Kevin R. Farrenkopf, President and CEO of The Bank of Hemet, and the December 4, 2018 email from William Thomas are still accurate, and that the funds referenced in those communications remain available for use in December 2019 in connection with this transaction. These are simple and direct questions that must be answered under the APA.

SGM cannot hide behind the charade of an "Evaluation Period" any longer. It is becoming increasingly clear that SGM does not have the financial ability to perform under the APA, and may never have had that ability. This is in direct contravention to the representation, warranty and covenant set forth in APA Section 3.9:

3.9 Ability to Perform. Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.

By failing to respond to the Debtors' direct questions regarding SGM's financial ability (or lack thereof), and while still purporting to "reserve rights" under the APA, you and your clients are continuing to engage in bad faith conduct at the expense of the Debtors, as well as their patients, employees and creditors. As the Court aptly observed in its November 29, 2019 Order:

SGM's contention that it is not obligated to close is a cynical attempt to extract a better purchase price. A key component of SGM's negotiation strategy is its attempt to delay as long as possible the adjudication of its obligations under the APA. The Court will not facilitate SGM's dubious tactics.

\* \* \*

By presenting non-meritorious arguments as to why it is not obligated to close, SGM is holding the estates, creditors, and patients of the Hospitals hostage in an attempt to extort a better purchase price. SGM's cynical tactics are especially offensive given the significant harm that closure of the Hospitals would impose upon patients.

Nor are the Debtors willing to allow SGM to try to immunize itself with a nebulous "mediation agreement." The information the Debtors have requested is squarely within the scope of the APA, and the Debtors are entitled to answers under the APA and without confidentiality. The Debtors will not enter any agreement that SGM might try to use to shield the financial information we have requested. The Debtors must have the ability to promptly disclose and



act on such information in order to make critical decisions impacting the Hospitals and alternative plans for disposition of the assets. You have made it clear that the Debtors must seek the Court's immediate intervention with these issues.

As to any settlement proposal that SGM wishes to make, the protections of Rule 408 should suffice and SGM should transmit any such proposal without further delay. That said, we are continuing to discuss the proposed stipulation with the Debtors and their advisors, and will revert on that issue separately.

 Sonia R. Martin

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[sonia.martin@dentons.com](mailto:sonia.martin@dentons.com)  
[Bio](#) | [Website](#)

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**Exhibit F**

**December 5, 2019 Email and Letter from  
Gary E. Klausner to Samuel R. Maizel**



**From:** Gary E. Klausner <GEK@Inbyb.com>  
**Sent:** Thursday, December 05, 2019 4:42 PM  
**To:** Maizel, Samuel R.  
**Cc:** Moyron, Tania M.; Martin, Sonia R.; Montgomery, Claude D.; Koffroth, Nick  
**Subject:** Verity  
**Attachments:** Letter to Sam Maizel re Verity 12-5-19.pdf

**[External Sender]**

Sam, please see the attached letter. According to the APA, we are required to give notices to you and to Rich Adcock, however, I do not believe it would be appropriate for me to write to him directly. Would you please forward the attached to him. Thanks very much.

**GARY E. KLAUSNER**, Esq.

**LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.**

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December 5, 2019

**VIA EMAIL**

Samuel R. Maizel  
Dentons US LLP  
601 S. Figueroa Street  
Suite 2500  
Los Angeles, CA 90017-5704

Re: In re Verity Health Systems of California, Inc., et al., Debtors (“Verity”)  
Sale to Strategic Global Management, Inc. (“SGM”)

Dear Sam:

The purpose of this letter is to notify Verity that Verity is in material default with respect to the Asset Purchase Agreement, which was filed with the Court on May 2, 2019 (Doc 2305) and that SGM is demanding that the immediate return of its deposit of \$30 Million, with all interest earned thereon.

The Closing Condition in Section 8.7 Was Not and Continues to be Unsatisfied

Section 8.7 of the APA creates a closing condition, as follows:

“8.7 Medicare and Medi-Cal Provider Agreements. Sellers shall transfer their Medicare provider agreements pursuant to a settlement agreement with the Centers for Medicare and Medicaid Services (“CMS”) and shall transfer their Medi-Cal provider agreements pursuant to a settlement agreement with the California Department of Health Care Services (“DHCS”), which such settlement agreements shall result in: (i) resolution of all outstanding financial defaults under any of Sellers’ Medicare and Medi-Cal provider agreements and (ii) full satisfaction, discharge and release of any claims under the Medicare or Medi-Cal provider agreements, whether known or unknown, that CMS or DHCS, as applicable, has against the Seller or Purchaser for monetary liability arising under the Medicare or Medi-Cal; provider agreements before the Effective Time; provided, however, that Purchaser acknowledges that it will succeed to the quality history associated with the relevant Medicare or Medi-Cal provider agreements assigned and shall be treated, for purposed of survey and certification issues as if it is the relevant Seller and no change of ownership occurred.”

Notwithstanding the fact that Verity had not complied with APA section 8.7, on November 20, 2019, Verity sent SGM, through counsel, a demand for a closing of the APA transaction on or before December 5, 2019 (herein the “Closing Demand”) In your letter of November 20, 2019, you stated:



Samuel R. Maizel  
December 5, 2019  
Page 2

“Yesterday, as we notified you, that the Debtors reached a settlement agreement the United States on behalf of the Department of Health and Human Services and the Centers for Medicare and Medicaid Services, allowing for the transfer of the Medicare Provider Agreement without successor liability. Consequently, SGM must close this transaction promptly, but no later than ten (10) business days from yesterday, or December 5, 2019, because all conditions to closing are satisfied. See APA § 1.3”. (Emphasis Added.)

Your representation that “all conditions to closing are satisfied” was false. As we now know (and there is no dispute) as of November 20, 2019, Verity had not complied with the condition set forth in 8.7 because, *inter alia*, Verity had not, as of November 20, 2019, entered into a settlement agreement with DHCS which resulted in: (1) resolution of all outstanding financial defaults under any of Verity’s Medi-Cal Provider Agreements, and (2) full satisfaction, discharge and release of any claims under the Medi-Cal Provider Agreements, whether known or unknown that DHCS had against the seller or purchaser.

Indeed, as you acknowledged to the Court, at the hearing on November 26, 2019, Verity had not, even as of that hearing date, entered into a settlement agreement with DHCS. Nor, had Verity entered into such a settlement agreement, as of December 5, 2019, the time Verity set for closing.

Accordingly, Verity failed, as of the date and time which Verity set for closing, to satisfy the condition set forth in § 8.7 of the APA and, was and continues to be in material default.

Neither The Sale Order entered May 2, 2019, nor the Order Authorizing the Transfer of the Medi-Cal Provider Agreement, entered October 11, 2019, satisfies the Condition in Section 8.7.

On November 25, 2019, in recognition that Verity had failed to reach an agreement with DHCS, you sent me an email in which you contended that no such agreement was necessary; notwithstanding the clear and unambiguous language of § 8.7. Your contention was based on the theory that the Bankruptcy Court’s Order, entered on May 2, 2019, authorizing the sale to SGM, satisfied the requirements of § 8.7 because the sale generally provided for it to be free and clear. However, as you well know, DHCS had objected to the sale and, to accommodate that objection, Verity agreed, and the Sale Order so provided, for DHCS to reserve all of its rights pertaining to the assumption of the Medi-Cal Provider Agreements. The Sale Order addressed the objection that DHCS had filed to the proposed transfer of the Medi-Cal Provider Agreements, in part, as follows:



Samuel R. Maizel  
December 5, 2019  
Page 3

“Nothing in this Sale Order shall apply to Medical Provider Agreements until and unless there is a court order approving a settlement between the Debtors and the DHCS or a court order resolving the DHCS’s objection” (Doc. 2306 at 25 l. 6-8).  
(Emphasis added.)

Consistent with that reservation and the need to resolve all issues regarding assumption and assignment of the Medi-Cal provider agreement, including the issue of recoupment, Verity filed its Reply Brief (Doc 3043) on September 18, 2019 seeking an order, which was necessary to satisfy its obligation under § 8.7 with respect to the transfer of the Medi-Cal Provider Agreement.

In the Court’s Memorandum of Decision, issued on September 26, 2019 the Court expressly referred to § 8.7 and the necessity for Verity to obtain an order in compliance with that section as a condition to closing.

The Asset Purchase Agreement (the “APA”) [Doc. No. 2305-1] which governs the sale of the Hospitals to SGM, provides that the sale cannot close unless issues regarding alleged financial defaults existing under each Provider Agreement have been resolved” (Doc. No. 3146 at 3, citing to footnote 5, which states: APA at par. 8.7)

Even more significantly, in the Bankruptcy Court’s Order granting the relief requested by Verity, which was entered on October 11, 2019, the Court deleted the word “recoup” from the section providing for a transfer “free and clear”, and the Court expressly stated that it was reserving the issue of DHCS’s right to recoup for future adjudication.

Provided, however, that nothing in this paragraph shall be construed to limit whatever rights DHCS may or may not have to withhold, under principles of equitable recoupment, payments owed by DHCS to the Debtors and or the SGM Buyers, for the purpose of recovering alleged Pre-Transfer Effective Date Liabilities under or related to the Medi-Cal Program and/or HCAF Program.” (Doc. 3372 at 4:7-10, 16-20).

Not only does the Court’s reservation of the recoupment issue render any argument regarding the effect of either that order or the Sale Order completely meritless, but whatever benefit that might have been achieved by the Court’s October 11, 2019 Order has been nullified by the fact that the DHCS has appealed it to the U.S. District Court and that appeal has not been adjudicated.



L N B Y & B

Samuel R. Maizel  
December 5, 2019  
Page 4

While we do not concede that the condition in § 8.7 could have been satisfied by a court order, as opposed to a “settlement agreement”, even if Verity could have sought an order from the Bankruptcy Court resolving the recoupment issue, Verity chose not to do so.

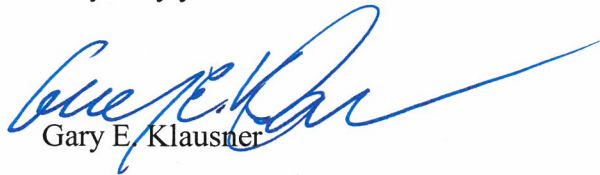
Despite the fact that Verity was required to satisfy the section 8.7 condition by a “settlement agreement”, no such settlement agreement existed as of November 20, 2019, the date of the Closing Demand and the representation that “all conditions of closing are satisfied”. Thus, the demand was improper that statement constituted a material misrepresentation as of that date. Nor was any such agreement reached prior to the date and time, which Verity set, for closing of the APA on December 5, 2019.

As a consequence of the foregoing, Verity improperly and knowingly misrepresented the status of conditions to closing in your letter of November 20, 2019. In reality, all conditions to closing had not been satisfied and remained unsatisfied as of the date and time that Verity set for closing.

The foregoing is by no means the sum-total of all Verity’s material defaults and failed conditions relating to the APA. However, because the issue raised here regarding § 8.7 and the Debtor’s failure to comply with its requirements relating to the Medi-Cal Provider Agreements are factually and legally indisputable, SGM need not present or prove any other basis to establish Verity’s material default.

Based upon the foregoing, and pursuant to § 11.2 of the APA, SGM hereby demands the immediate return of its deposit in the amount of \$30 Million, plus all interest earned thereon.

Very truly yours



Gary E. Klausner

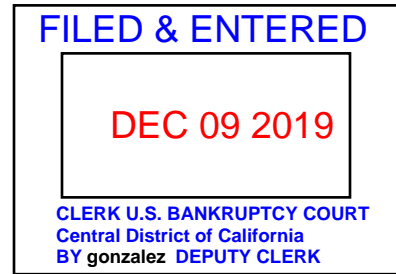


# EXHIBIT DD

EXHIBIT DD Page 3 of 3  
Case 5:50-cv-01007-EB Doc 23-30 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT DD





UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors in Possession.

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

Jointly Administered With:  
Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**ORDER DENYING DEBTORS' EMERGENCY  
MOTION FOR ISSUANCE OF AN ORDER TO  
SHOW CAUSE RE: CLOSING OF THE SGM  
SALE**

[No hearing required pursuant to Federal Rule of Civil  
Procedure 78(b) and Local Bankruptcy Rule 9013-  
1(j)(3)]



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For the reasons set forth in the concurrently-issued *Memorandum of Decision Denying Debtors' Emergency Motion for Issuance of an Order to Show Cause Re: Closing of the SGM Sale* (the "Memorandum of Decision"), the Court **HEREBY FINDS AND ORDERS AS FOLLOWS:**

- 1) The *Debtors' Emergency Motion for (I) Issuance of an Order to Show Cause Why Strategic Global Management, Inc. Failed to Close the Sale Transaction by December 5, 2019; and (II) Entry of an Order Enforcing Prior Court Orders Requiring Strategic Global Management, Inc. to Close the Sale Transaction by December 5, 2019* [Doc. No. 3373] is **DENIED**.
- 2) Any efforts undertaken by the Debtors with respect to the alternative disposition of the Hospitals<sup>1</sup> will not violate the Debtors' obligation under Article 12.1 of the APA to cooperate with SGM to consummate the SGM Sale; nor shall any such efforts constitute a material default by the Debtors under any other provision of the APA.

IT IS SO ORDERED.

###

Date: December 9, 2019



Ernest M. Robles  
United States Bankruptcy Judge

---

<sup>1</sup> Capitalized terms not defined herein have the meaning set forth in the Memorandum of Decision.



EXHIBIT EE

EXHIBIT EE Page 1 of 1  
Case 5:50-gb-01001-EB Doc 23-37 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

EXHIBIT EE





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The Court has reviewed the *Debtors' Emergency Motion for (I) Issuance of an Order to Show Cause Why Strategic Global Management, Inc. Failed to Close the Sale Transaction by December 5, 2019; and (II) Entry of an Order Enforcing Prior Court Orders Requiring Strategic Global Management, Inc. to Close the Sale Transaction by December 5, 2019* (the "Application for OSC") [Doc. No. 3373]. Pursuant to Federal Rule of Civil Procedure 78(b) and Local Bankruptcy Rule 9013-1(j), this matter is suitable for disposition without oral argument. For the reasons set forth below, the Application for OSC is **DENIED**.

## I. Background

On November 27, 2019, the Court issued a *Memorandum of Decision Finding that SGM is Obligated to Close the SGM Sale By No Later than December 5, 2019* (the "Closing Memorandum") [Doc. No. 3723] and an accompanying *Order (1) Finding that SGM is Obligated to Close the SGM Sale By No Later than December 5, 2019 and (2) Setting Continued Hearing on Debtors' Motion for Approval of Disclosure Statement* (the "Closing Order") [Doc. No. 3724]. The Closing Order provided in relevant part: "Pursuant to § 1.3 of the APA, SGM is obligated to close the SGM Sale by no later than December 5, 2019." Closing Order at ¶ 1.

SGM<sup>1</sup> did not close the SGM Sale by December 5, 2019. The Debtors move for issuance of an order requiring SGM's principals, Chairman Kali Pradip Chaudhuri, MD, Chief Executive Officer Peter Baranoff, and General Counsel William Thomas, to appear and testify as to (1) why SGM did not close the SGM Sale by December 5, 2019 and (2) whether SGM has the financial ability to close the SGM Sale. The Debtors further request issuance of an order finding that: (1) SGM is in material breach of the APA by failing to close the SGM Sale on December 5, 2019, (2) the Debtors may retain SGM's \$30 million good-faith deposit, and (3) the Debtors may proceed with alternative plans to dispose of the Hospitals.

## II. Findings and Conclusions

Requiring SGM's representatives to testify as to SGM's reasons for not closing the SGM Sale would not increase the likelihood of the sale actually closing. By failing to close, SGM risks the loss of its \$30 million good-faith deposit as well as the possibility of damages for breach of contract in an amount of up to \$60 million.<sup>2</sup> Being compelled to offer testimony will not motivate SGM to close where the threat of the loss of up to \$90 million has failed to accomplish that end. In the future, the Debtors will have the opportunity to litigate the issues of whether SGM has breached the APA and whether the Debtors are entitled to retain SGM's good-faith deposit. In the meantime, the Debtors' efforts would be better spent ensuring the health and safety of the patients at the affected Hospitals.

The prompt closing of the SGM Sale would be in the best interests of all constituents in these cases, and the Court remains hopeful that SGM will fulfill its obligation to close. However, the estates' precarious cash position requires that the Debtors have the ability to immediately explore options for the alternative disposition of the Hospitals. The Court finds that any efforts undertaken by the Debtors with respect to the alternative disposition of the Hospitals will not violate the Debtors' obligation under Article 12.1 of the APA to cooperate with SGM to

---

<sup>1</sup> Capitalized terms not defined herein have the meaning set forth in the Closing Memorandum.

<sup>2</sup> See APA at Art. 11.1 ("If Purchaser commits any material default under this Agreement, Sellers shall have the right to sue for damages; provided, however that the amount of such damages shall never exceed \$60,000,000.00.").

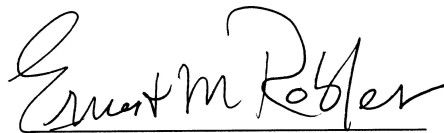


consummate the SGM Sale; nor shall any such efforts constitute a material default by the Debtors under any other provision of the APA.

The Court will enter an order consistent with this Memorandum of Decision.

###

Date: December 9, 2019

A handwritten signature in black ink, reading "Ernest M. Robles". The signature is fluid and cursive, with a horizontal line drawn underneath it.

Ernest M. Robles  
United States Bankruptcy Judge



# EXHIBIT FF

EXHIBIT FF Page 3 of 3  
Case 5:50-cv-01001-EB Doc 23-35 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT FF



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Tel: (213) 623-9300 / Fax: (213) 623-9924  
Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In  
Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered with:  
Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
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Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20171-ER

☒ Affects All Debtors

- ☐ Affects Verity Health System of  
California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital  
Foundation  
☐ Affects St. Francis Medical Center of  
Lynwood Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose  
Dialysis, LLC

Debtors and Debtors In Possession.

Chapter 11 Cases  
Hon. Ernest M. Robles

**NOTICE RE TERMINATION OF ASSET  
PURCHASE AGREEMENT WITH STRATEGIC  
GLOBAL MANAGEMENT, INC.**

**[RELATES TO DOCKET NO. 2306]**





1       **PLEASE TAKE NOTICE** that, commencing on November 20, 2019, Verity Health  
2 System of California, Inc. and certain of its affiliates (collectively, the “Debtors”) sent Strategic  
3 Global Management, Inc. (“SGM”) correspondence regarding satisfaction of the conditions in  
4 that certain asset purchase agreement [Docket Nos. 1279 and 2305-1] (the “APA”) and the  
5 requirement to close the related sale (the “Sale”) on December 5, 2019. The Court had previously  
6 authorized the Sale to SGM, pursuant to that *Order (A) Authorizing The Sale Of Certain Of The*  
7 *Debtors’ Assets To Strategic Global Management, Inc. Free And Clear Of Liens, Claims,*  
8 *Encumbrances, And Other Interests; (B) Approving The Assumption And Assignment Of An*  
9 *Unexpired Lease Related Thereto; And (C) Granting Related Relief* [Docket No. 2306].

10       **PLEASE TAKE FURTHER NOTICE** that, after further correspondence and orders  
11 entered by the Bankruptcy Court requiring SGM to close the Sale on or before December 5, 2019,  
12 [see Docket Nos. 3723, 3724], SGM failed to close the Sale.

13       **PLEASE TAKE FURTHER NOTICE** that the Debtors provided SGM with further  
14 notice of SGM’s material breaches under the APA and sent a notice to SGM terminating the  
15 APA, as a result of SGM’s failure to timely close the Sale, effective as of December 27, 2019.

16  
17 Dated: January 3, 2020

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON

19 By /s/ Tania M. Moyron  
20 Tania M. Moyron

21 Attorneys for the Chapter 11 Debtors and  
22 Debtors In Possession  
23  
24  
25  
26  
27  
28



# EXHIBIT GG

EXHIBIT GG Page 1 of 2  
Case 5:50-gb-01001-EB Doc 21-33 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT GG



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(213) 623-9300

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Los Angeles, California 90017-5704  
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Counsel to Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT**  
**CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

- ☒ Affects All Debtors  
☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
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☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures - San Jose Dialysis,  
LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly administered with:

Case No. 2:18-bk-20162-ER;  
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Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases

Hon. Ernest M. Robles

Adversary No. \_\_\_\_\_.

**COMPLAINT FOR BREACH OF  
CONTRACT, PROMISSORY FRAUD,  
AND TORTIOUS BREACH OF  
CONTRACT (BREACH OF IMPLIED  
COVENANT OF GOOD FAITH AND  
FAIR DEALING)**



182015120010600000000010



DENTONS US LLP  
601 SOUTH FIGUEROA STREET, SUITE 2500  
LOS ANGELES, CALIFORNIA 90017-5704  
(213) 623-9300

1 VERITY HEALTH SYSTEM OF CALIFORNIA,  
2 INC., a California nonprofit public benefit  
3 corporation, ST. VINCENT MEDICAL CENTER, a  
4 California nonprofit public benefit corporation, ST.  
5 VINCENT DIALYSIS CENTER, INC., a California  
6 nonprofit public benefit corporation, and ST.  
7 FRANCIS MEDICAL CENTER, a California  
8 nonprofit public benefit corporation, SETON  
9 MEDICAL CENTER, a California nonprofit public  
10 benefit corporation, and VERITY HOLDINGS,  
11 LLC, a California limited liability company; and

12 Plaintiffs,

13 v.

14 KALI P. CHAUDHURI, M.D., an individual,  
15 STRATEGIC GLOBAL MANAGEMENT, INC., a  
16 California corporation, KPC HEALTHCARE  
17 HOLDINGS, INC. a California Corporation KPC  
18 HEALTH PLAN HOLDINGS, INC. a California  
19 Corporation, KPC HEALTHCARE, INC. a Nevada  
20 Corporation, KPC GLOBAL MANAGEMENT,  
21 LLC, a California Limited Liability Company, and  
22 DOES 1 through 500,

23 Defendants.

24 Plaintiffs Verity Health System of California, Inc. (“VHS”), St. Vincent Medical Center and its  
25 wholly-owned subsidiary (“collectively, St. Vincent”), St. Vincent Dialysis Center, Inc., St. Francis  
26 Medical Center (“St. Francis”), Seton Medical Center (“Seton,” and together with St Francis and St.  
27 Vincent, the “Plaintiff Hospitals” or the “Hospitals”), and Verity Holdings, LLC (“Verity Holdings”),  
28 and the above-captioned debtors (collectively, the “Debtors” or “Plaintiffs”), for their Complaint against  
Kali P. Chaudhuri, M.D., Strategic Global Management, Inc., KPC Healthcare Holdings, Inc., KPC  
Health Plan Holdings, Inc., KPC Healthcare, Inc., and KPC Global Management, LLC (the foregoing  
also doing business as the KPC Group), and DOES 1 through 500 (collectively, “Defendants”), allege  
as follows:



**PRELIMINARY STATEMENT**

This case arises from breach of contract and intentional, misleading conduct by Defendants designed to wrongfully and fraudulently lock Plaintiffs into that certain asset purchase agreement (the “APA”)<sup>1</sup> for the sale of four hospitals under the auspices of a Bankruptcy Court order, with which Defendants had no intention of complying. The Debtors expended tremendous human resources, time and effort with respect to the sale, while incurring significant additional expense performing under the APA and diligently preparing for a closing of the sale for nearly a year. During that time, the Plaintiffs suffered and were encouraged to sustain daily operating losses of \$450,000. Once all contingencies precedent to close under the APA were satisfied, waived or passed, Defendants repeatedly defaulted under the APA and refused to close the sale, levied factually meritless and legally irrelevant accusations against Plaintiffs, and sought to coerce Plaintiffs into a re-trade at a substantially lower purchase price. Along the way, Defendants also violated the Bankruptcy Court’s orders requiring them to close the sale and failed to even file a motion for stay of the orders before violating each of them.

Plaintiffs are informed and believe that Defendants had demanded conditions precedent to close the APA that Defendants had concluded imposed conditions that the Plaintiffs could never satisfy, irrespective of whether they were necessary. In particular, it now appears that Defendants never anticipated that Plaintiffs would obtain agreement from the Attorney General of California not to impose conditions on the sale transaction that materially differed from the conditions SGM developed and agreed to in Section 8.6 and Schedule 8.6 of the APA. Rather, Defendants believed they would never be obligated to pay the full purchase price (comprised of a cash payment \$610 million, plus cure costs and assumption of liabilities) and instead concluded they would eventually be positioned to either walk away from the transaction or coerce the Plaintiffs into a re-trade at a significantly lower purchase price. In the meantime, Plaintiffs were obligated to continue operating the Plaintiff Hospitals at significant losses and were precluded from attempting to sell the Plaintiff Hospitals to anyone other than SGM.

Defendants’ conduct was calculated, intentional, fraudulent and callous, designed to take

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<sup>1</sup> [Docket No. 1279 (Ex. A), as subsequently amended by Docket No. 2305-1, and attached hereto as Exhibit “A” and incorporated herein by this reference.]



1 advantage of the Plaintiffs' good faith desire to ensure that the hospitals were sold to a purchaser who  
2 would keep them open, in order to continue providing critical access to health care in low income  
3 communities and jobs to thousands of employees. Defendants must be held accountable for the  
4 substantial damage they have caused to the Plaintiffs, the Hospitals, and their estates.

5  
6 **JURISDICTION AND VENUE**

7 1. The Bankruptcy Court has jurisdiction over this adversary proceeding (the "Action"),  
8 pursuant to 28 U.S.C. §§ 157 and 1334.

9 2. The Action is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (M), (N), and (O).

10 3. The Action concerns an asset purchase agreement (defined as the APA below) executed  
11 by SGM, which states, in relevant part, as follows:

12 12.3 Governing Law; Venue. This Agreement shall be construed,  
13 performed, and enforced in accordance with, and governed by, the laws  
14 of the State of California (without giving effect to the principles of  
15 conflicts of laws thereof), except to the extent that the laws of such State  
16 are superseded by the Bankruptcy Code or other applicable federal law.  
17 For so long as Sellers are subject to the jurisdiction of the Bankruptcy  
18 Court, the parties irrevocably elect, as the sole judicial forum for the  
19 adjudication of any matters arising under or in connection with the  
20 Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy  
21 Court. The parties hereby consent to the jurisdiction of such court and  
22 waive their right to challenge any proceeding involving or relating to this  
23 Agreement on the basis of lack of jurisdiction over the Person or forum  
24 non conveniens.

25 4. Venue is proper pursuant to 28 U.S.C. § 1409 because the Action arises in, and is related  
26 to, the above captioned bankruptcy cases (the "Bankruptcy Cases") pending in the United States  
27 Bankruptcy Court of the Central District of California, Los Angeles Division (the "Bankruptcy Court").

28 5. Plaintiffs consent to the entry of final orders or judgments by the Bankruptcy Court even  
if it is determined that, absent consent of the parties, the Bankruptcy Court cannot enter final orders or  
judgments in this proceeding.



**THE PARTIES**

**Plaintiffs**

6. The Debtor and Plaintiff VHS is a California nonprofit public benefit corporation located at 601 S. Figueroa, Suite 4050, Los Angeles, California, and the sole corporate member of Plaintiff Hospitals.

7. The Debtor and Plaintiff St. Vincent is a California nonprofit public benefit corporation located at 2131 West Third Street in Los Angeles, California, doing business in the County of Los Angeles, and providing hospital and ancillary medical services on an inpatient and outpatient basis, including dialysis services.

8. The Debtor and Plaintiff St. Francis is a California nonprofit public benefit corporation located at 3630 East Imperial Highway in Lynwood, California, doing business in the County of Los Angeles providing hospital and ancillary medical services on an inpatient and outpatient basis.

9. The Debtor and Plaintiff Seton is a California nonprofit public benefit corporation with two hospitals located at 1900 Sullivan Avenue in Daly City, California and at 600 Marine Boulevard, Moss Beach, California, each doing business in the County of San Mateo providing hospital and ancillary medical services on an inpatient and outpatient basis.

10. The Debtor and Plaintiff Verity Holding is a California limited liability company, located at 1850 Sullivan Avenue in Daly City, California. Verity Holdings was created in 2016 to hold and finance VHS' interests in medical office buildings whose tenants are primarily physicians, medical groups, healthcare providers, and certain of VHS' hospitals.

**Defendants**

11. Defendants own and/or manage seven hospitals in Southern California, including Victor Valley Global Medical Center (Victorville, CA), Hemet Valley Medical Center (Hemet, CA), Menifee Valley Medical Center (Sun City, CA), Orange County Global Medical Center (Santa Ana, CA), South Coast Global Medical Center (Santa Ana, CA), Chapman Global Medical Center (Orange, CA), and Anaheim Global Medical Center (Anaheim, CA).

12. Plaintiffs are informed and believe that Defendant Strategic Global Management, Inc. ("SGM") is a California corporation in which Chaudhuri is the majority (or sole) shareholder. SGM is



the acquisition arm of the other Defendants for the SGM Sale (as defined below). According to filings with the California Secretary of State, dated August 12, 2016 and July 2, 2019, Chaudhuri is also the Chief Executive Officer and sole Director of SGM. William Thomas is listed in those same corporate filings as SGM's Secretary. SGM's corporate headquarters is located at 9 KPC Parkway, Suite 301, in Corona, CA.

13. Defendant Kali P. Chaudhuri, M.D. ("Chaudhuri") is an individual who is a resident of Hemet, California. According to thekpcgroup.com:

Dr. Kali Pradip Chaudhuri, the Chairman and Founder of the KPC Group of Companies, has reached an unprecedented level of success through extraordinary vision, acute entrepreneurial spirit and relentless hard work. The KPC Group is engaged in numerous businesses around the world serving diverse industries such as healthcare services and facilities, pharmaceutical and biotechnology, education, real estate, infrastructure development, agriculture, architecture and engineering, alternative energy, waste management, travel services and information technology.

\* \* \*

Dr. Chaudhuri diversified his quest for progress in many business verticals while enhancing his footprint in the healthcare services and facilities industry. During the last four months of 2010, Dr. Chaudhuri and his group acquired a \$70 million note on four hospitals in California including Western Medical Center in Santa Ana, Western Medical Center in Anaheim, Chapman Medical Center and Coastal Communities Hospital in Orange County. In addition, Dr. Chaudhuri successfully acquired two hospitals: Hemet Valley Medical Center and Menifee Valley Medical Center for \$172 million. His latest hospital acquisition includes Victor Valley Community Hospital in Victorville, California.

A real estate entrepreneur with widely diversified property acquisitions worldwide, Dr. Chaudhuri has enhanced his footprint significantly over the last several years. The KPC Group has been contracted to execute the prestigious "City of Corona Redevelopment" project – worth \$ 1.8 billion over a period of several years. The Group has acquired the multi-million dollar high profile 300,000 SF commercial complex in Corona, California and named it KPC Summit. In addition, Dr. Chaudhuri and his group are currently engaged in the development and construction of more than 3.3 million sq. ft. of commercial real estate comprising of hotels, resorts, apartments, old age homes and educational institutions.

14. Plaintiffs are informed and believe that Defendant KPC Healthcare Holdings, Inc. is a California corporation in which Chaudhuri is the majority (or sole) shareholder. According to filings with the California Secretary of State, dated July 18, 2019, Chaudhuri is the Chief Executive Officer of KPC Healthcare Holdings. William Thomas is listed in those same corporate filings as KPC Healthcare



Holdings' Secretary. Kali Priyo Chaudhuri, Chaudhuri's son, is listed in those same corporate filings as KPC Healthcare Holdings' Chief Financial Officer. KPC Healthcare Holdings' corporate headquarters is located at 9 KPC Parkway, Suite 301, in Corona, CA, on the same campus as its hospital, Orange County Global Medical Center.

15. Plaintiffs are informed and believe that Defendant KPC Healthcare, Inc. is a Nevada corporation in which Chaudhuri is the majority (or sole) shareholder and which has qualified to do business in California and is doing business in California. According to filings with the California Secretary of State, dated July 20, 2018, Peter Baronoff is the Chief Executive Officer of KPC Healthcare, Inc. William Thomas is listed in those same corporate filings as KPC Healthcare, Inc.'s Secretary. KPC Healthcare, Inc.'s corporate headquarters is located at 1301 North Tustin Avenue in Santa Ana, CA.

16. Plaintiffs are informed and believe that Defendant KPC Health Plan Holdings, Inc. ("KPC Health Plan") is a California corporation in which Chaudhuri is the majority (or sole) shareholder. According to filings with the California Secretary of State, dated August 17, 2018, Chaudhuri is also the Chief Executive Officer and sole Director of KPC Health. William Thomas is listed in those same corporate filings as KPC Health Plan's Secretary. Kali Priyo Chaudhuri is listed in those same corporate filings as KPC Health Plan's Chief Financial Officer. KPC Health Plan's corporate headquarters is located at 9 KPC Parkway, Suite 301, in Corona, CA.

17. Plaintiffs are informed and believe that Defendant KPC Global Management, LLC ("KPC Global") is a California limited liability company located at 890 West Stetson Avenue in Hemet, California. According to filings with the California Secretary of State, dated July 20, 2018, Chaudhuri is the sole manager or member of KPC Global. KPC Global, KPC Healthcare Holdings, Inc., KPC Healthcare, Inc., and KPC Health Plan are referred to herein, collectively, as "KPC."

Alter Ego Allegations

18. At all relevant times, as alleged more fully herein, each Defendant acted as an agent, servant, employee, co-conspirator, alter-ego and/or joint venturer of the other Defendants, and in doing the things alleged herein acted within the course and scope of such agency, employment, alter-ego



1 and/or in furtherance of the joint venture. Each of the Defendant's acts alleged herein was done with  
2 the permission and consent of each of the other Defendants.

3 19. Plaintiffs are informed and believe that, at all times relevant hereto, Defendants  
4 Chaudhuri and KPC were the alter egos of Defendant SGM, and there exists, and at all times herein  
5 mentioned has existed, a unity of interest and ownership between Defendants such that any separateness  
6 between them has ceased to exist in that Defendants Chaudhuri and KPC completely controlled,  
7 dominated, managed, and operated SGM to suit their convenience. Defendants operated as a single  
8 enterprise and should be treated as such.

9 20. Specifically, without limitation and discussed below, Plaintiffs are informed and believe  
10 that Defendants Chaudhuri and KPC: (1) controlled the business and affairs of SGM, including any and  
11 all of their affiliates; (2) disregarded legal formalities and failed to maintain arm's length relationships  
12 among the corporate entities; (3) inadequately capitalized SGM; (4) used the same office or business  
13 location and employed the same employees for the corporate entities; (5) held Chaudhuri himself out as  
14 personally liable for the debts of the corporate entities; (6) used the corporate entities as a mere shells,  
15 instrumentalities or conduits for Chaudhuri and/or his individual businesses; (7) manipulated the assets  
16 and liabilities between the corporate entities so as to concentrate the assets in one and the liabilities in  
17 another; (8) used corporate entities to conceal their ownership, management and financial interests  
18 and/or personal business activities; and/or (9) used the corporate entities to shield against personal  
19 obligations, and in particular the obligations as alleged in this Complaint.

20 21. At all times relevant thereto, Defendant SGM was not only influenced and governed by  
21 Defendants Chaudhuri and KPC, but there was such a unity of interest and ownership that the  
22 individuality, or separateness, of SGM, Chaudhuri and KPC has ceased. Defendants acted inequitably,  
23 such that adherence to the fiction of the separate existence of these entities and failure to recognize  
24 Defendants as alter egos of one another would, under these particular circumstances, sanction a fraud  
25 or promote injustice. Defendants on their website and in their public statements characterize themselves  
26 as a single enterprise and call themselves "The KPC Group." The KPC Group may include other entities  
27 and persons.



22. Plaintiffs are ignorant of the true names or capacities of the defendants sued under the fictitious names Does 1 through 500, inclusive. Plaintiffs will amend this Complaint to allege the true names and capacities of these Does when they have been ascertained. Plaintiffs are informed and believe that each of the defendants designated as a Doe is responsible in some manner for the events and happenings herein alleged.

Agency; Aiding and Abetting; and Conspiracy

23. At all times relevant to this Complaint, Defendants, and each of them, were acting as the agents, employees, and/or representatives of each other, and were acting within the course and scope of their agency and employment with the full knowledge, consent, permission, authorization, and ratification, either express or implied, of each of the other Defendants in performing the acts alleged in this Complaint.

24. As members of the conspiracies alleged more fully below, each of the Defendants participated and acted with or in furtherance of said conspiracy, or aided or assisted in carrying out the purposes of the conspiracy, and have performed acts and made statements in furtherance of the conspiracy and other violations of California and other applicable law.

25. Each Defendant acted both individually and in alignment with the other Defendants with full knowledge of their respective wrongful conduct. As such, Defendants conspired together, building upon each other's wrongdoing, in order to accomplish the acts set forth in this Complaint.

26. Defendants are individually sued as principals, participants, aiders and abettors, and co-conspirators in the wrongful conduct complained of and the liability of each arises from the fact that each has engaged in all or part of the improper acts, plans, schemes, conspiracies, or transactions complained of herein.

**FACTUAL BACKGROUND**

**A. The Hospitals**

27. As of August 31, 2018 (the "Petition Date"), VHS and its affiliated entities (collectively, the "Verity Health System"), including St. Vincent, St. Francis, and Seton, operated as an integrated nonprofit health care system, with approximately 1,680 inpatient beds, six active emergency rooms, a



1 trauma center, eleven medical office buildings, and a host of medical specialties, including tertiary and  
2 quaternary care.

3 28. Debtor VHS, a California nonprofit public benefit corporation, is the sole corporate  
4 member of five Debtor California nonprofit public benefit corporations, including (i) two that operated  
5 O'Connor Hospital and Saint Louise Regional Hospital before they were sold to the County of Santa  
6 Clara, and (ii) three that operate the Plaintiff Hospitals.

7 29. St. Francis owns real property commonly known as: (i) 3630 E. Imperial Highway  
8 Lynwood, CA 90262, including the patient tower and all of the facilities thereon; (ii) 2700 E. Slauson  
9 Ave, Huntington Park, CA 90255, and the Huntington Park Medical Office Building thereon; and  
10 (iii) 5953 S. Atlantic Blvd., Maywood, CA 90270, and the Maywood Medical Office Building thereon.

11 30. St. Francis: (i) operates a 384 licensed bed, general acute care hospital located at 3630  
12 East Imperial Highway in Lynwood, California; (ii) has an emergency department with 46 licensed  
13 emergency treatment stations and is designated a Level II Trauma Center; (iii) has nine surgical  
14 operating rooms and three cardiac catheterization labs for inpatient and outpatient cardiac  
15 catheterization services; (iv) offers a comprehensive range of services, including emergency and trauma  
16 care, neonatal intensive, cardiovascular, oncology, pediatrics, behavioral health, and maternity and child  
17 services; and (v) offers various outpatient services, including ambulatory surgical services, laboratory  
18 services, imaging services, infusion therapy, nuclear medicine services, respiratory therapy, and  
19 physical therapy. Other outpatient services are provided at the following clinics: Orthopedics Clinic,  
20 Wound Care Clinic, Industrial Clinic, Lynwood Clinic, Downey Clinic, and Huntington Park Clinic.  
21 St. Francis is accredited by The Joint Commission.

22 31. As of the Petition Date, St. Francis employed approximately 2,017 employees, of which  
23 1,583 were full-time, 136 were part time, and 298 were per diem. St. Francis was incorporated in 1983  
24 and is governed by a Board of Trustees.

25 32. St. Vincent owns real property commonly known as: (i) 2131 W 3rd Street, Los Angeles,  
26 CA 90057, including the hospital and all of the facilities located thereon; and (ii) vacant land in Salton  
27 Sea, California. St. Vincent was founded as the first hospital in Los Angeles in 1856. In 1971, a new  
28 facility was constructed at St. Vincent's current location at 2131 West Third Street, Los Angeles, CA



90057. It has expanded to a 366 licensed bed, regional acute care, tertiary referral facility, specializing in cardiac care, cancer care, total joint and spine care, and multi-organ transplant services. St. Vincent serves both local residents and residents from Los Angeles, San Bernardino, Riverside, and Orange Counties. As a provider of healthcare services for a high percentage of elderly patients, many of the St. Vincent Medical Center's services and programs are focused on the treatment of various chronic diseases.

33. As of the Petition Date, St. Vincent employed approximately 1,099 employees, of which 897 were full-time, 42 were part time and 160 were per diem.

34. Seton operates two distinct medical facilities: Seton Medical Center and Seton Medical Center Coastside. The Seton Medical Center and Seton Medical Center Coastside locations share a consolidated license. Seton Medical Center owns (i) real property commonly known as 1900 Sullivan Avenue, Daly City, CA 94015, and the hospital and the facilities thereon (the "Daly Property"), and (ii) an employee parking lot on the Daly Property. Seton Medical Center was originally founded as Mary's Help Hospital by the Daughters of Charity of St. Vincent De Paul in 1893. The original facility was destroyed in the San Francisco Earthquake of 1906, and by 1912, Mary's Help Hospital reopened a new facility in San Francisco. In 1965, the hospital was moved to its current location at 1900 Sullivan Avenue in Daly City. The hospital was renamed Seton Medical Center in 1983, is currently licensed for 357 beds and serves residents from San Francisco and San Mateo areas. Seton has an emergency department with 18 licensed treatment stations. It also has 13 surgical operating rooms and three cardiac catheterization labs. Of the hospital's 83 licensed skilled nursing beds, 39 are in suspense, and the remaining 44 beds are utilized as subacute care beds. Additionally, the hospital has 24 licensed acute psychiatric beds which have been placed in suspense. The hospital has a broad spectrum of medical services, including cancer, cardiac, emergency, surgical, rehabilitation, respiratory, orthopedic, and sub-acute care. The hospital is accredited by The Joint Commission.

35. Seton also operates a location doing business as Seton Medical Center Coastside ("Seton Coastside") located at 600 Marine Blvd, Moss Beach, CA 94038. Seton Coastside is not a separate legal entity from Seton Medical Center. Seton Coastside was founded as Moss Beach Rehabilitation Hospital in 1970. In 1980, the City of Half Moon Bay acquired ownership of the hospital and signed



an agreement for Daughters of Charity to manage operations of the hospital and rename it St. Catherine’s Hospital. In 1993, St. Catherine’s Hospital became Seton Coastsides when it became integrated with Seton Medical Center. Today, Seton Coastsides is licensed for 116 skilled nursing beds and five general, acute-care beds. Seton Coastsides also operates the only 24-hour “standby” Emergency Department along the 55-mile stretch between Santa Cruz and Daly City. Under a consolidated license, Seton Medical Center and Seton Coastsides share the same Board of Directors, executive leadership team, charity care policies, and union collective bargaining agreements.

36. As of the Petition Date, Seton Medical Center and Seton Coastsides employed approximately 1,340 employees, of which 516 were full-time, 551 were part time and 273 were per diem.

37. The Plaintiff Hospitals have been operating and serving their communities for many decades. Since 1995, the Plaintiff Hospitals have incurred substantial operating losses. Efforts were made over many years to find a solution which would resolve the operating losses, either through a sale of some or all of the Plaintiff Hospitals, or a merger with a more financially sound partner. Despite continuous efforts to improve operations, operating losses continued to plague the health system due to, among other things, mounting labor costs, low reimbursement rates and the ever-changing healthcare landscape.

**B. The Bankruptcy Cases**

38. On the Petition Date, the Debtors and certain related entities filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).<sup>2</sup> The Bankruptcy Cases are jointly administered under Lead Case No. 2:18-bk-20151-ER [Docket No. 17].

39. In connection with the Bankruptcy Cases, the Debtors initiated a process to sell substantially all of their assets. To that end, the Debtors’ investment banker, Cain Brothers, a division of KeyBanc Capital Markets (“Cain”), prepared a Confidential Investment Memorandum (the “CIM”) and organized an online data site to share information with potential buyers, and contacted over 110

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<sup>2</sup> All references to “§” or “section” herein are to the Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.*, as amended.



1 strategic and financial buyers beginning in July 2018 to solicit their interest in exploring a transaction  
2 regarding the Debtors.

3 40. By August 2018, as a result of its ongoing and broad marketing process, Cain had  
4 received 11 Indications of Interest (“IOI”). Postpetition Cain continued to market the assets. Each  
5 potential buyer was given access to the data room and conducted its due diligence. Upon request, the  
6 Debtors provided each interested party with tours of the facilities and the opportunity to discuss  
7 operations with senior leadership. The Debtors, in consultation with Cain and its other advisors, selected  
8 SGM to be the stalking-horse bidder based on its offer to acquire the Purchased Assets for a purchase  
9 price (the “Purchase Price”) that consisted of a cash payment in the amount \$610,000,000, plus  
10 assumption of certain liabilities, and payment of cure costs associated with any assumed leases,  
11 contracts and assumption of other obligations. *See* APA, Section 1.1. The Debtors selected SGM in  
12 reliance on Defendants’ representations and inducements.

13 41. The SGM offer, dated August 13, 2018, was issued on letterhead that included the KPC  
14 logo. The offer letter stated in relevant part as follows:

15 Strategic Global Management, Inc. (“SGM” or “Strategic”) is a venture  
16 company used to acquire assets and businesses, through companies which  
17 are affiliated or associated (through common ownership and otherwise)  
18 with SGM, but which are not subsidiaries of SGM. SGM and its  
19 associated and affiliated companies (collectively, the “SGM Companies”) currently own, operate and/or manage several healthcare companies, including seven hospitals in Riverside, San Bernardino and Orange County, California. The SGM Companies also own and operate various ancillary providers, including without limitation, skilled nursing facilities, recovery centers, rehabilitation centers, diagnostic companies, surgery centers, urgent care and home health providers and others. In addition, SGM is affiliated with three medical groups and one IPA providing care to over 85,000 commercial equivalent members in Southern California. The SGM Companies also operate a medical college, nursing college and nutritional college and related operations in India.

20 Consistent with the manner in which the SGM has structured other  
21 acquisitions and consistent with lender requirements for special purpose  
22 borrowing entities, SGM would cause this proposed acquisition to be  
23 accomplished through one or more special purpose acquisition entities,  
24 which would be fully and adequately funded.

25 Hospitals affiliated with SGM (“SGM Hospitals”) include the following:

26 Victor Valley Global Medical Center (“VVGMC”) is a safety net provider  
27 located in Victorville. It is one of the largest providers of Medi-Cal  
28



1 Managed Care through an Inland Empire Health Plan (“IEHP”) contract  
2 in the High Desert. It was acquired from a non-profit out of bankruptcy  
3 in 2012. It has faithfully satisfied all of the Attorney General’s five-year  
4 conditions for approval of the transaction.

5 Physicians for Healthy Hospitals (“PHH”) acquired Hemet Valley  
6 Medical Center and Meniffee Valley Medical Center, as well as a skilled  
7 nursing facility, Hemet Valley Recovery Center, and a nationally  
8 respected inpatient and outpatient chemical dependency center, Hemet  
9 Valley Recovery Center and Sage Retreat, from Valley Health System, a  
10 district hospital system, out of bankruptcy in 2010.

11 KPC Healthcare, Inc. (“KPC Health”) owns and, through subsidiaries,  
12 operates Anaheim Global Medical Center (“Anaheim”), Chapman Global  
13 Medical Center (“Chapman”), Orange County Global Medical Center  
14 (“OC”) and South Coast Global Medical Center “South Coast”), which  
15 are all safety net providers. Orange County Global Medical Center is a  
16 key Level II Trauma center located in central Orange County. All four  
17 facilities have contracts for Medi-Cal Managed Care through a Cal-  
18 OPTIMA contract. Pursuant to contracts with the County of Orange,  
19 Anaheim is the primary provider of behavioral health services and  
20 correctional health services for the County.

21 We are proud of the SGM Hospitals’ accomplishments under SGM’s  
22 stewardship. Some of the key accomplishments are as follows:

- 23 • All SGM Hospitals service large economically depressed  
24 populations with significant medical needs.
- 25 • All SGM hospitals were in danger of closing if SGM did not  
26 assume ownership.
- 27 • When VVGMC was acquired out of bankruptcy in 2012, many of  
28 its services were closed or suspended. In the first year of SGM operations,  
the laboratory that was closed by CLIA was reopened for all services,  
including microbiology and is fully accredited. The diagnostic cardiac  
catheterization lab was taken out of suspension and new modifications are  
being done to bring it up to standards for interventional work. The NICU  
and GI laboratory were taken out of suspension and reopened.
- VVGMC received full Joint Commission accreditation for the  
first time in 2014. It currently also maintains accreditation through the  
Health Facilities Accreditation Program. It is the only facility in the High  
Desert that is dual accredited.
- VVGMC financial performance has improved from a pre-  
acquisition monthly loss of \$500,000 to positive EBITDA within six  
months.
- VVGMC is the largest Medi-Cal provider in the High Desert area  
and the largest provider for IEHP.
- The PHH facilities, which pre-acquisition had annual losses in  
excess of \$6,000,000, have generated positive EBITDA since their  
acquisition.



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- KPC Health has been sold to an Employee Stock Ownership Plan (“ESOP”) and now operates for the benefit of its employees but remains managed by SGM affiliates under a long-term agreement. The KPC Health facilities have been consistently profitable under SGM management.

42. On December 3, 2018, Mr. Thomas provided to James Moloney of Cain a letter regarding the asserted availability of certain liquidity (the “Letter”) from Chaudhuri. [REDACTED]

[REDACTED]

43. On December 14, 2018, a meeting was held between numerous representatives of “KPC Group,” including, but not limited to, Chaudhuri and Peter Baronoff, Verity’s CEO Richard Adcock, and the Debtors’ investment bankers, James Moloney and Carsten Beith of Cain, to discuss St. Francis, St. Vincent, Seton, Seton Coastside, and Defendants’ proposal to acquire them.

44. The Debtors, in consultation with Cain and its other advisors, selected SGM to serve as the stalking-horse bidder based on its offer to acquire the Hospitals at the Purchase Price. On January 8, 2019, SGM executed the APA to acquire the Plaintiff Hospitals and related assets for the Purchase Price.

45. If Defendants had indicated that they were not serious about closing, or would not be able to close the Sale transaction in accordance with the APA at the Purchase Price, then Plaintiffs would have pursued other options for the sale and disposition of these assets and reduced ongoing operational losses.

46. The APA is incorporated herein by reference. The APA provided, in relevant part, as follows:



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1.12 Disclaimer of Warranties; Release. (b) Purchaser further acknowledges that the representations and warranties of Sellers contained in ARTICLE 2 of this Agreement are the sole and exclusive representations and warranties made by Sellers to Purchaser (including with respect to the Hospitals, the Assets and the Assumed Obligations) and shall expire, and be of no further force or effect after January 8, 2019 (the period from the Signing Date until January 8, 2019, the “Final Diligence Period”) [.]

\* \* \*

3.6 Representations of Sellers. Purchaser acknowledges that it is purchasing the Assets on an “AS IS, WHERE IS” basis (as more particularly described in Section 1.12), and that Purchaser is not relying on any representation or warranty (expressed or implied, oral or otherwise) made on behalf of any Seller other than as expressly set forth in this Agreement. Purchaser further acknowledges that no Seller is making any representations or warranties herein relating to the Assets or the operation of the Hospital on and after the Effective Time.

\* \* \*

3.8. No Knowledge of a Seller’s Breach. Neither Purchaser nor any of its affiliates has knowledge of any breach of any representation or warranty by any Seller or of any other condition or circumstance that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c). If information comes to Purchaser’s attention on or before the Closing Date (whether through a Seller or otherwise and whether before or after the Signing Date) which indicates that Sellers have breached any of its representations and warranties under this Agreement, then the effect shall be as if the representations and warranties had been modified in this Agreement in accordance with the actual state of facts existing prior to the Effective Time such that there will be no breach under Sellers’ representations and warranties in relation to such information; provided, however, that Purchaser must immediately notify Sellers if any such breach comes to its attention on or before the Closing Date, and Purchaser’s failure to so notify Sellers shall constitute a waiver by Purchaser of Sellers’ breach, if any, of any representation or warranty. If any such information comes to Purchaser’s attention on or before the Closing Date (whether through a Seller or otherwise, including through updated schedules, and whether before or after the Signing Date) that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c), Purchaser must immediately notify Sellers if any such information comes to its attention on or before the Closing Date, and Purchaser’s failure to so notify Sellers shall constitute a waiver of such right in relation to the relevant breach.

\* \* \*

3.9 Ability to Perform. Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.



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\* \* \*

3.11. Investigation. Purchaser has been afforded reasonable access to, and has been provided adequate time to review, the books, records, information, operations, facilities and personnel of each Seller and the Hospital for purposes of conducting a due diligence investigation of each Seller and the Hospital. Purchaser has conducted a reasonable due diligence investigation of each Seller and the Hospital and has received satisfactory answers to all inquiries it has made respecting each Seller and the Hospital and has received all information it considers necessary to make an informed business evaluation of each Seller and the Hospital. In connection with its due diligence investigation of each Seller and the Hospital, Purchaser has not relied upon any books, records, information, operations, facilities and personnel provided by any Seller, including in making its determination to enter into this Agreement and/or consummate the transactions contemplated hereby.

\* \* \*

12.14 Entire Agreement. This Agreement, the Disclosure Schedule, the exhibits and schedules, and the documents referred to in this Agreement contain the entire understanding between the parties with respect to the transactions contemplated hereby and supersede all prior or contemporaneous agreements, understandings, representations and statements, oral or written, between the parties on the subject matter hereof (the "Superseded Agreements"), which Superseded Agreements shall be of no further force or effect; provided, that notwithstanding the foregoing, the letter Confidentiality Agreement dated July 12, 2018 between Purchaser and Cain Brothers, a division of KeyBanc Capital Markets Inc., on behalf of Sellers and their related entities shall not be a Superseded Agreement and shall continue in full force in effect in accordance with its terms schedules, and the documents referred to in this Agreement contain the entire understanding.

**C. The SGM Sale**

47. On January 17, 2019, the Debtors filed the Debtors' *Motion for the Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and For Prospective Overbidders to Use, (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to Interested Parties, (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances (the "Sale and Bidding Procedures Motion")* [Docket No. 1279].



48. On February 6, 2019, the Bankruptcy Court held a hearing on the approval of the APA. During that hearing, Gary Klausner, counsel for SGM, stated on the record to the Bankruptcy Court:

[L]et me tell you a little bit about Strategic Global, which is an affiliate of a larger organization called The KPC Group.

Starting in 2007 I was representing an entity called Valley Health System, which was a healthcare district, in a Chapter 9 case that was in Riverside County in front of Judge Peter Carroll. During the course of that case, the board of trustees decided that the best course of action to take was for the district to sell the three hospitals it was then operating.

So, we went through a sale process, and an entity that's affiliated with KPC called PHH, was Physicians for Healthy Hospitals, was the successful bidder. We had a contested confirmation hearing where there was a competing bidder who was arguing against our plan and against the sale. Ultimately, Judge Carroll approved our Chapter 9 plan of adjustment and he approved the sale.

PHH, the affiliate of the KPC Group, then went ahead and closed the sale, and has continued to operate those facilities and has turned them around successfully.

I also had occasion to work with the KPC people in connection with the Victor Valley Chapter 11 case, in which Mr. Maizel was debtor's counsel. I represented the KPC Group that was a purchaser. And in that case, there was another purchaser there. The sale went up for approval to the Attorney General. The Attorney General turned them down. We were then the backup bidder. We stepped forward.

My client went ahead and closed that transaction. By the way, the Valley Health transaction was in excess of \$100,000,000. I don't remember the exact number of Victor Valley. But in that case, your Honor, our client did close that transaction. Our client was approved by the Attorney General. Our client successfully met all of the conditions that the Attorney General had set forth.

Our client also was involved in the purchase of two troubled Orange County hospitals, which it not only turned around, but in 2015, again, the affiliate of KPC Group, sold those hospitals to four employee stock ownership plans, ESOP's. And I believe it was the first acute care hospital system in the United States to be wholly owned by the employees. And KPC continues to operate those facilities.

The point of all this being, that our client is very familiar with not only the ownership and management of hospitals in Southern California, but has a very good track record with the Attorney General's office.

[Transcript of February 6, 2019 Hearing at 13:2-14:22.]



49. During the hearing on February 6, 2019, Mr. Klausner made clear that the purpose of the evaluation period (the “Evaluation Period”) under the APA was to prevent SGM from being required to close the sale if there was a risk that the Supplemental Sale Order could be overturned on appeal. SGM further admitted that it would be required to close the sale if the Supplemental Sale Order became final and nonappealable. Specifically, Mr. Klausner stated: “If the Debtor can get us a final, non-appealable order, meaning that if there’s an appeal, it gets resolved in the Debtor’s favor or maybe gets dismissed, at that point we will be obligated to close the transaction, as long as all the other conditions to closing have been satisfied.” [Transcript of February 6, 2019 Hearing at 20:7–21:6.]

50. On February 19, 2019, the Bankruptcy Court held a hearing on the Sale and Bidding Procedures Motion and certain changes to the APA were set forth on the record. Thereafter, the Bankruptcy Court entered an order approving the Sale and Bidding Procedures Motion (the “Bidding Procedures Order”) [Docket No. 1572]. Among other things, the Bankruptcy Court approved the APA, as amended, and SGM as the stalking-horse bidder, as set forth in the Bidding Procedures Order.

51. On March 11, 2019, Mr. Thomas sent an email to the Debtors’ investment banker, James Moloney of Cain, requesting permission to populate “KPC’s dataroom with Verity’s confidential information” in order to provide “KPC’s potential financing partners” with access to such information.

52. After the marketing process with respect to the Plaintiff Hospitals, there were two “Qualified Bidders” (as defined in the Bidding Procedures Order, Docket No. 1572) for partial bids for different Hospitals (one for St. Vincent and one for St. Francis) and no Qualified Full Bid. After consultation with the Consultation Parties (as defined in the Bidding Procedures Order), the Debtors determined to not conduct either a Partial Bid or Full Bid auction, as set forth in the *Notice That No Auction Shall Be Held Re Debtors’ Motion and Motion for the Entry of (I) An Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse Bidder and for Prospective Overbidders; (2) Approving Auction Sale Format, Bidding Procedures and Stalking Horse Bid Protections; (3) Approving Form of Notice to Be Provided to Interested Parties; (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest Bidder; and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* [Docket No. 2053] filed



1 by the Debtors on April 4, 2019. Accordingly, under the terms of the APA and the Bidding Procedures  
2 Order, no auction was held and the Debtors declared SGM the “winning bidder” of the Plaintiff  
3 Hospitals.

4 53. On May 2, 2019, after briefing and a hearing, the Bankruptcy Court entered the *Order*  
5 *(A) Authorizing The Sale Of Certain Of The Debtors’ Assets To Strategic Global Management, Inc.*  
6 *Free And Clear Of Liens, Claims, Encumbrances, And Other Interests; (B) Approving The Assumption*  
7 *And Assignment Of An Unexpired Lease Related Thereto; And (C) Granting Related Relief* [Docket No.  
8 2306] (the “Sale Order”), approving the sale to SGM pursuant to the APA (the “SGM Sale”).

9 54. The Sale Order is incorporated herein by reference, and provides, in relevant part:

10 In accordance with the APA, concurrently with the Closing, SGM shall  
11 pay that portion of the Purchase Price due at Closing, by wire transfer of  
12 immediately available funds, to Debtors’ Escrow Deposit Accounts  
13 (defined below), subject to the adjustments set forth in the APA. Any  
14 direct expenses of the Sale shall be disclosed by Debtors to the DIP Agent,  
15 the Prepetition Secured Creditors, and the Committee in advance of the  
16 Closing.

14 [Id. at 15:10-14.]

15 55. On May 17, 2019, Chaudhuri filed an Early Termination Notice with the Federal Trade  
16 Commission regarding the SGM Sale. The filing lists the “Acquiring Party” as “Kali P. Chaudhuri,  
17 trustee,” and the “Acquired Party” as “Verity Health System of California, Inc.”

18 56. Defendants thereafter described the SGM Sale on their websites as an acquisition by  
19 KPC and Chaudhuri. For example, kpcgroup.com describes the transaction as follows:

20 KPC Health, a Santa Ana, California-based healthcare company,  
21 announced Wednesday that **a federal bankruptcy judge approved the**  
22 **\$610 million purchase** of four hospitals owned by financially-troubled  
23 Verity Health System.

23 KPC Health will take ownership of St. Francis Medical Center, St.  
24 Vincent Medical Center, Seton Medical Center, and Seton Coastsides in  
25 Moss Beach. The company also acquired St. Vincent Dialysis Center as  
26 part of the deal. [. . .]

25 “Today marks an important milestone for KPC Health’s bid to acquire  
26 four Verity Health hospitals,” Dr. Kali P. Chaudhuri, chairman of KPC  
27 Health, said in a statement. “We look forward to working with Verity  
28 Health on a successful acquisition and welcoming these important  
community hospitals into our integrated healthcare system.”



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1 The acquisition of four Verity Health hospitals adds to KPC Health's  
2 seven acute care hospitals in southern California as well as seven long-  
3 term acute care hospitals and two skilled nursing facilities in multiple  
4 states.<sup>3</sup>

57. Likewise, kpchealth.com states the following regarding the Sale:

5 KPC Group founder Kali Chaudhuri is attempting to do what a private  
6 capital firm, a nonprofit charity, and Los Angeles' wealthiest person  
7 couldn't—turn around a struggling regional hospital system.

8 The Business Journal reported last month that Chaudhuri's KPC planned  
9 to pay \$610 million to acquire assets of bankrupt Verity Holdings LLC, a  
10 Redwood City-based firm that owned four hospitals—including  
11 Lynwood's St. Francis Medical Center, a 384-bed trauma center in L.A.  
12 County—and a nursing facility.

13 Chaudhuri's plan to revitalize those facilities may be to give the unionized  
14 workers a chance to own part of the hospital, something he's done with  
15 other hospitals he turned around in Orange County.

16 "I came to America with \$8 in my pocket," Chaudhuri told the Business  
17 Journal. "The reason I work hard in America is because I own my own  
18 business, and our employees will work hard because they are owners."

19 The ownership plan for Verity won't immediately be available, as KPC  
20 will initially focus on restructuring.<sup>4</sup>

21 58. Plaintiffs are informed and believe that SGM had concluded that the APA imposed  
22 conditions that the Plaintiffs could never satisfy (i.e., conditions to closing). In particular, it now appears  
23 that SGM never anticipated the Debtors would obtain agreement from the Attorney General not to  
24 impose conditions on the sale transaction that materially differed from the conditions SGM developed  
25 and set forth in Section 8.6 and Schedule 8.6 of the APA. Accordingly, it now appears that SGM  
26 believed that it would never be obligated to pay the full Purchase Price under the APA, and instead  
27 believed that it would eventually be positioned to either walk away from the transaction or coerce the  
28 Debtors to submit to a significantly lower purchase price. In the meantime, Plaintiffs were obligated to  
continue operating the Plaintiff Hospitals at a daily estimated loss of \$450,000 and were precluded from  
attempting to sell the Plaintiff Hospitals to anyone other than SGM. Particularly egregious is

<sup>3</sup> <http://thekpcgroup.com/2019/04/20/kpc-wins-bid-for-verity-hospitals/>

<sup>4</sup> <http://kpchealth.com/kpc-chaudhuri-aims-for-kaizer-like-integration/>



Defendants' seeming belief that Plaintiffs would be forced to accept a lower purchase price because of Plaintiff's averred dedication to ensuring all Plaintiff Hospitals remained open and operating.

**D. Plaintiffs Devote Substantial Time and Resources In Reliance On The Sale.**

59. Plaintiffs expended tremendous time, expenses and resources to prepare for and close the SGM Sale in reliance on the APA and the Sale Order. Those efforts included but are by no means limited to the efforts described below.

60. Transfer of Operations. The transfer of operations for the Hospitals and related regulatory approval presents an enormous undertaking, and consumed thousands of hours on the part of Plaintiffs and their advisors. By way of example: (i) Plaintiffs sent "WARN notices" to approximately 4,900 employees, pursuant to the federal Worker Adjustment and Retraining Notification Act of 1988, at three different times, as KPC continued to postpone the "closing date"; (ii) thousands of counterparties to executory contracts and unexpired leases, including physicians, relied on the Sale Order and continued to provide services in reliance on the finality of that Sale Order; (iii) Plaintiffs spent months facilitating an efficient close of the sale, with approximately 20 different workstreams, meeting at least weekly with employees of KPC to ensure a smooth transition of operations and continued care of patients; (iv) government agency personnel, including the California Department of Public Health and the Board of Pharmacy, diligently undertook to process SGM's change of ownership applications for licenses and permits in reliance on the finality of the Sale Order; (v) the Attorney General's office conducted a lengthy review process, including review of the Application (as defined below) and multiple hearings; (vi) Plaintiffs and each of their six unions spent months successfully negotiating and finalizing modified collective bargaining agreements; (vii) the medical groups affiliated with Plaintiffs sent termination notices to their remaining physicians; (viii) Plaintiffs coordinated changes in insurance coverages and insurance policies to ensure seamless coverage for employees and patients; and (ix) Plaintiffs created plans to shut off certain services after the close of the SGM Sale.

61. Chapter 11 Plan. On September 3, 2019, the Debtors filed the Debtors' Chapter 11 Plan of Liquidation (Dated September 3, 2019 [Docket No. 2993] (the "Plan")) and their related disclosure statement [Docket No. 2994] (the "Disclosure Statement"). As more fully described in the Disclosure



1 Statement, the Debtors' Plan provided for, among other things, deemed substantive consolidation and  
2 the distribution of proceeds from certain sale transactions, including the SGM Sale.

3 62. Cash Collateral Agreement. On September 6, 2019, the Court granted the Debtors'  
4 motion to use cash collateral [Docket No. 2962, 2968] and entered *the Final Order (A) Authorizing*  
5 *Continued Use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay,*  
6 *and (D) Granting Related Relief* [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The  
7 Supplemental Cash Collateral Order authorized the Debtors' consensual use of cash collateral pursuant  
8 to an agreement with certain of its secured lenders (the "Cash Collateral Agreement"). Pursuant to the  
9 Cash Collateral Agreement, the Debtors were obligated to meet certain milestones, including  
10 confirmation of the Debtors' plan by December 15, 2019 an effective date on or before December 31,  
11 2019.

12 63. Attorney General Approval. One of the conditions to closing under the APA was (i) the  
13 approval by the Attorney General Of California (the "Attorney General"), pursuant to California  
14 Corporations Code § 5914 and title 11 of the California Code of Regulations, § 999.5, and (ii) that the  
15 Attorney General did not impose any conditions that were "materially different" that those set forth in  
16 Schedule 8.6 to the APA. Under Section 8.6 of the APA, the APA also provided that SGM "shall  
17 reasonably cooperate in any efforts to render the Supplemental Sale Order a final, non-appealable  
18 order."

19 64. Plaintiffs undertook tremendous efforts to secure Attorney General approval in order to  
20 satisfy Section 8.6 of the APA. Among other efforts, (i) Plaintiffs were required to pay approximately  
21 \$500,000 for an expert retained by the Attorney General, (ii) Plaintiffs incurred significant costs,  
22 including attorneys' fees, preparing and submitting an application (which, including exhibits, totaled  
23 more than 5,826 pages) (the "Application") to the Attorney General for approval of the SGM Sale, (iii)  
24 Plaintiffs participated in public meetings related to same, and negotiated intensely with the Attorney  
25 General through multiple meetings, emails and documents, and (iv) Plaintiffs filed pleadings in the  
26 Bankruptcy Court wherein they prevailed.

27 65. By the Application, dated May 7, 2019, Plaintiffs provided notice to, and requested  
28 written consent from, the Attorney General for the proposed SGM Sale, pursuant to California



Corporations Code § 5914 and title 11 of the California Code of Regulations, § 999.5. On May 13, 2019, Plaintiffs supplemented their Application to the Attorney General.

66. During the week of August 26, 2019, Deputy Attorney General Scott Chan held public hearings at each of the Hospitals to solicit comments regarding the SGM Sale. At those public meetings, Peter Baronoff, as CEO and a representative of Defendants, made public statements to the effect that SGM is the acquisition arm of KPC, but that KPC and SGM are one and the same business entity led by Chaudhuri.

67. Specifically, at the August 26, 2019 Attorney General Public Meeting regarding St. Francis, Mr. Baronoff stated:

SGM is pleased to be here this morning. For those of you that don't know, Strategic Global Management is the acquisition entity that is part of the KPC group. For those of you who do not know KPC, KPC is an integrated healthcare system. Our system consists of seven hospitals: Two in Riverside County, located in Hemet and Menifee; one in San Bernardino County, Victor Valley Global Medical Center; and four in Orange County, Orange County Global Medical Center, Chapman Global Medical Center, Anaheim Global Medical Center and South Coast Global Medical Center.

\* \* \*

KPC has been extremely diligent in our pursuit of these, and this is not our first time showing interest for the Verity assets. We come to the table with vast experience in operating safety net hospitals, very similar to many of those facilities which are now part of the Verity system.

\* \* \*

We believe there is a great fit with Verity. Saint Francis is a Level 2 trauma center and our Orange County Global is a Level 2 trauma center. The management team has done what it could in bankruptcy, but it is time for the Verity system to move on. We, at KPC, have had a great relationship with labor, with physicians, with payers and IPAs. We work closely with these groups to make our hospitals successful. We certainly get to know our communities and community leadership, and we certainly want to get to know those here as well.

\* \* \*

KPC is here today because we want to move forward. We want to move forward with 8.6. It's essential that the Attorney General's Office works with us so that the folks in this room never have to be back here today.

[August 26, 2019 Transcript, at 12:2-14:21.]



68. Likewise, at the August 27, 2019 Attorney General Public Meeting regarding St. Vincent, Mr. Baronoff stated in part:

I'm the CEO of KPC Healthcare. SGM, our acquisition entity, will be a part of KPC. For a few moments, let me tell you a little bit about KPC. KPC is an integrated healthcare system. We operate seven acute care hospitals: Two in Riverside County, located in Hemet and Menifee; one in San Bernardino County, Victor Valley Global Medical Center; and four in Orange County, Orange County Global Medical Center, South Coast Global Medical Center, Chapman Global Medical Center and Anaheim Global Medical Center.

\* \* \*

In the ancillary side [...] we also own and operate seven long-term acute care hospitals. These hospitals are located in Baton Rouge, Louisiana; in Vicksburg, Mississippi; in Wichita Falls, Texas; Dallas, Texas; Kansas City; and Salt Lake City, Utah; and Mesa Arizona.

\* \* \*

Where others fail, we find a way to succeed. And it's through a partnership between the employees and the physicians along with ourselves in management understanding the community's needs that we're able to move forward.

With this turnaround experience, we've seen failing hospitals and we see what happens if they do fail. We've seen hospitals close -- hospital closures -- never under our watch, but we've watched our competitors close hospitals. We find a way to implement strategy to turn these troubled hospitals around; hospitals just like this that have gone through severe financial difficulty.

\* \* \*

Today, we see opportunities with the Verity system where many others have not. We see that it's a great fit for our system with our locations in Orange County, Riverside County and San Bernardino County.

\* \* \*

In working forward towards the future of these hospitals, we have to be able to implement a strategy and a plan that will get us to the next level and ensure that the people behind me have stable viable futures with hospitals and communities they love. That's what keep [KPC] is all about. We've done it at seven. We plan to do it at these four and we look forward to the opportunity, and we hope the Attorney General takes a good hard look at 8.6 and agrees that it's the only way to go.

[August 27, 2019 Transcript, at 13:1-16:3.]



69. Further, at the August 29, 2019 Attorney General Public Meeting concerning Seton Medical Center, Mr. Baronoff stated:

I'm the CEO and managing director of the KPC Healthcare Group. Some of you today are hearing our name as SGM, but make no mistake, we are KPC. That is our acquisition vehicle. Before I make my remarks about Seton, I'd like to say a couple of words about who KPC is.

\* \* \*

Well, KPC has a track record of turning around troubled hospitals. Our integrated health system, which consists of seven hospitals in Southern California, including a trauma hospital, including physician groups in the areas of emergency medicine, anesthesia, radiology, hospitalists, medical specialty groups in a variety of areas, and ancillaries in skilled nursing, skilled nursing facilities, three of them, long-term acute care hospitals. Seven located in Louisiana, Mississippi, Texas, Arizona, Utah and Kansas.

We understand that to move forward in this business one has to roll up their sleeves and know what they are getting into. We have the turnaround experience to do just that.

In one example in Victor Valley, in San Bernardino County we had attorney general conditions and we complied with all.

In Riverside County, we saw hospitals survive through Chapter 9 bankruptcies. We work closely with laborers, physicians, payors, IPAs, and we are a community partner in all cases.

We plan to do the same thing here. But people ask me why are you jumping into this. Why are you jumping into an environment with \$70 million of losses. There is a reason. We believe that Seton Medical Center's best days are in front of it. We understand there are seismic issues; we understood there are IT issues; we understand there are payor-related issues; we understand there are management-related issues; we understand there are clinical-documentation issues; we understand that there is case mix index issues. We understand all that.

\* \* \*

Now, how do you get started here and how do you take on this huge task. Well, we started the process by meeting with management. We followed that process by meeting with physicians, reviewing numerous areas, engaging with employees, bringing teams of people here, from capital sponsors onwards.

\* \* \*

But rest assured, a turnaround of \$70 million, for a variety of reasons, is no easy task to tackle. San Mateo County, the City of Daly City needs the Seton Medical Center. Those developers who only had an eye on the 20 acres of real estate didn't understand the community passion. Well,



1 this buyer does. And rest assured, when KPC gets involved, me, as the  
2 leader will make sure the voices are heard.

3 [August 29, 2019 Transcript, at 12:9-16:3.]

4 70. On September 25, 2019, the Attorney General consented to the SGM Sale, subject to  
5 2019 conditions that included additional conditions that were materially different than those SGM  
6 contractually agreed to in Schedule 8.6 (the “2019 Conditions”). Accordingly, Plaintiffs filed a motion  
7 which sought the entry of an order enforcing the Sale Order, finding that the SGM Sale was free and  
8 clear of the 2019 Conditions, and limiting the SGM Sale to only those conditions that SGM developed  
9 and then contractually agreed to in Schedule 8.6 of the APA (the “Enforcement Motion”). [Docket No.  
10 3188.]

11 71. On October 23, 2019, the Bankruptcy Court issued a *Memorandum of Decision Granting*  
12 *the Debtors’ Emergency Motion to Enforce the Sale Order* [Doc. No. 3188]. [Docket No. 3446.] In  
13 the memorandum, the Bankruptcy Court ruled for the Plaintiffs on all issues, holding, among other  
14 things, that the Attorney General’s conditions that were materially different than the conditions in  
15 Schedule 8.6 were not enforceable under the Bankruptcy Code and state law.

16 72. Following negotiations, Plaintiffs and the Attorney General reached a *Stipulation*  
17 *Resolving “Debtors Emergency Motion for the Entry of an Order: (I) Enforcing the Sale Order*  
18 *Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding That the Sale Is Free and Clear*  
19 *of Conditions Materially Different Than Those Approved by the Court; (III) Finding That the Attorney*  
20 *General Abused His Discretion in Imposing Conditions on That Sale; and (IV) Granting Related Relief”*  
21 *[Docket No. 3188]* [Docket No. 3572] and lodged a related order [Docket No. 3574]. SGM objected  
22 to the proposed order. [Docket No. 3582.]

23 73. The Bankruptcy Court held a hearing on SGM’s objection to the proposed order. At the  
24 hearing, the SEIU United Healthcare Workers-West withdrew its limited objection [Docket No. 3324]  
25 to the Enforcement Motion. Although the California Nurses Association only filed a responsive  
26 statement [Docket No. 3325], it withdrew the same to the extent it would be considered an objection.

27 74. On November 14, 2019, the Bankruptcy Court issued an *Order Granting “Debtors*  
28 *Emergency Motion for the Entry of an Order: (I) Enforcing the Sale Order Authorizing the Sale to*



1 *Strategic Global Management, Inc.; (II) Finding That the Sale Is Free and Clear of Conditions*  
2 *Materially Different Than Those Approved by the Court; (III) Finding That the Attorney General*  
3 *Abused His Discretion in Imposing Conditions on That Sale; and (IV) Granting Related Relief” [Doc.*  
4 *3188] (the “Enforcement Order”). [Docket No. 3611.]*

5 75. The Enforcement Order provided, in relevant part, that “the Additional Conditions (as  
6 defined in Section 8.6 of that certain asset purchase agreement [Docket No. 2305-1] (the “APA”)) are  
7 an “interest in property” for purposes of 11 U.S.C. § 363(f). The Assets (as defined in the APA) are  
8 being sold free and clear of the Additional Conditions without the imposition of any other conditions  
9 which would adversely affect the Purchaser (as defined in the APA).” [Docket No. 3611.] The findings  
10 in the Enforcement Order mirrored the findings required under the APA.

11 76. After the entry of the Enforcement Order, SGM’s conduct increasingly contravened its  
12 obligations under the APA, as set forth below. It now appears that SGM did not anticipate such a  
13 favorable order would be entered, but instead anticipated that a supplemental sale order would trigger  
14 the Evaluation Period under Section 8.6 of the APA, which would give SGM the option to withdraw  
15 from the transaction and/or coerce the Plaintiffs to agree to a substantially reduced purchase price.

16 77. Transfer Of Medicare and Medi-Cal Agreements. The APA also required that Plaintiffs  
17 secure the transfer of Medicare and Medi-Cal Provider Agreements to SGM. To that end, on November  
18 19, 2019, Plaintiffs obtained a settlement with the Centers for Medicare and Medicaid Services, an  
19 agency of the United States Department of Health & Human Services, providing for the transfer of their  
20 Medicare Provider Agreements to SGM without successor liability, thereby satisfying their remaining  
21 obligations under Article 8.7 of the APA. [Docket No. 3680.] With respect to California Department  
22 of Health Care Services (“DHCS”), Plaintiffs secured an Order [Docket No. 3372] from the Bankruptcy  
23 Court authorizing the transfer free and clear of any interests asserted by DHCS, in addition to the Sale  
24 Order which terminated any creditor’s recoupment rights [Docket No. 2306]. Those Orders afforded  
25 equal or greater protection to SGM than any settlement could have, thereby satisfying Section 8.7. SGM  
26 disagreed that the DHCS Order and the Sale Order satisfied Section 8.7. Consequently, although not  
27 necessary but given SGM’s position, on November 22, 2019, Plaintiffs reached a settlement agreement  
28 with DHCS, which the Bankruptcy Court approved. [Docket Nos. 3786 & 3787.]



**E. Defendants Fail To Work With Alacrity Towards A Close**

78. Despite the Plaintiffs' good faith efforts to work towards a prompt close of the SGM Sale, and the APA's requirement that "[t]ime is of the essence for all dates and time periods set forth in this Agreement and each performance called for in this Agreement" (APA §12.17), Defendants dragged their feet and frustrated Plaintiffs' efforts. Defendants failed to ensure that financing, resources, management and personnel were in place for Defendants to assume operations of these four hospitals in 2019. Defendants did so knowing that Plaintiffs were continuing to operate at a loss of approximately \$450,000 per day, which imposed significant costs upon the estates and upon creditors. Defendants continuously failed to disclose to Plaintiffs that they did not have funding in place to close the Sale pursuant to the APA.

79. Defendants failed to timely engage with Plaintiffs' primary revenue providers—health plans and physician groups—to provide assurances that their business relationships with the Hospitals would continue after the close date. Defendants failed to actively engage with them for nearly five months until it was too late. In the interim, as a result of the uncertainty caused by Defendants' failure to communicate with those groups, many of them started moving patients to other facilities, which resulted in a negative revenue impact.

80. For example, beginning in May 2019, Debtors' co-counsel, Mr. Henry Kevane at Pachulski Stang Ziehl & Jones, sent a series of emails to Defendants' counsel, Gary Klausner, regarding Plaintiffs' proposed approach to the risk pool agreements that would result in assignment and closure of open issues. The majority of Mr. Klausner's responses repeated that he would check with his client, and provided no further response. Defendants' non-responsiveness on this point in turn required Plaintiffs to stipulate to multiple continuances of objections related to cure issues (*see, e.g.*, Docket Nos. 2169, 2464, 2669, 2820, 2960, 3114, 3331, 3450, 3458, 3556), and to explain to concerned and frustrated parties why Defendants did not engage in a meaningful dialogue. In addition to Mr. Kevane's correspondence, there were numerous telephone calls and substantial efforts by Plaintiffs and their financial advisors at Berkeley Research Group to move these issues forward on a weekly basis.

81. Defendants' delays on other fronts were also detrimental to operations. For example, Defendants (i) failed to onboard a sufficient management team to run the Plaintiff Hospitals (in part



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1 because it has failed to make financially viable offers to potential candidates), and engaged in eleventh  
2 hour efforts to hire away key members of Plaintiffs' management team, (ii) delayed developing a hiring  
3 protocol that was compliant with the collective bargaining agreements in place, and instead asked the  
4 Debtors to create one despite that being the buyer's obligation, (iii) failed to effectuate a hiring process  
5 to promptly identify the employees it wishes to hire and extend offers to them, which resulted in  
6 employee anxiety and turnover at all levels of the organization, and (iv) delayed decisions on assumption  
7 or rejection on thousands of contracts, which created uncertainty for thousands of counterparties to  
8 leases and contracts. As a result of these and other failures by Defendants, Plaintiffs were required to  
9 devote even more of their own time and resources to efforts to make up for Defendants' shortcomings  
10 and ensure the continued operation for the benefit of Defendants.

11 82. Further, after the Debtors repeatedly requested Defendants provide evidence of  
12 financing, on October 3, 2019, Defendants provided to Plaintiffs a non-binding discussion draft term  
13 sheet [REDACTED]

14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED]  
17 [REDACTED]  
18 [REDACTED]  
19 [REDACTED]  
20 [REDACTED]  
21 [REDACTED]  
22 [REDACTED]  
23 [REDACTED]  
24 [REDACTED]  
25 [REDACTED]

26 **F. The Court Orders SGM To Close By No Later Than December 5, 2019**

27 83. APA Section 1.3 obligated SGM to close the sale "promptly but no later than ten (10)  
28 business days following the satisfaction" of all conditions precedent. On November 18, 2019, the



1 Bankruptcy Court entered an order (the “Section 8.6 Order”) [Docket No. 3633] and related  
2 memorandum [Docket No. 3632] finding that: “The Debtors have complied with their obligation under  
3 the APA to obtain a final, nonappealable Supplemental Sale Order. Consequently, SGM is now  
4 obligated to promptly close the SGM Sale, provided that all other conditions to closing have been  
5 satisfied.”

6 84. On November 19, 2019, the Debtors obtained a settlement with the Centers for Medicare  
7 and Medicaid Services providing for the transfer of their Medicare Provider Agreements to SGM,  
8 thereby satisfying their remaining obligations under Article 8.7 of the APA. [Docket No. 3680.] SGM  
9 approved the terms of the Medicare settlement. With respect to DHCS, the Debtors had previously  
10 obtained an order [Docket No. 3372] from the Bankruptcy Court authorizing the transfer free and clear  
11 of any interests asserted by DHCS on October 11, 2019, in addition to the Sale Order which terminated  
12 any creditor’s recoupment rights [Docket No. 2306]. Those Orders afforded equal or greater protection  
13 to SGM than any settlement could have, thereby satisfying Section 8.7. In addition, on November 22,  
14 2019, the Debtors reached a settlement with DHCS to the same effect. SGM approved the terms of the  
15 DHCS settlement.

16 85. The conditions to close under the APA had been satisfied on November 19, 2019, and  
17 the transaction should have promptly closed by December 5, 2019. Accordingly, on November 20,  
18 2019, the Debtors sent a letter to SGM, stating (i) the conditions to close under the APA had been  
19 satisfied on November 19, 2019, and that (ii) the transaction should promptly close by December 5,  
20 2019. *See* Status Report at 1. The letter requested “immediate written assurances that SGM intend[ed]  
21 to proceed with the transaction and abide by its obligations under the APA not later than close of  
22 business on Friday, November 22, 2019.” *Id.*

23 **G. Defendants Finally Reveal Their Lack Of Financing, And Engage In Bad Faith**  
24 **Attempts To Force A Re-Trade**

25 86. On or about November 18, 2019, SGM’s CEO, Peter Baronoff, telephoned Carsten  
26 Beith, at the Debtors’ investment banker Cain, and stated that SGM could not obtain sufficient financing  
27 for the transaction, contrary to Section 3.9 of the APA. [Docket No. 3644.] That telephone call  
28 immediately resulted in the Debtors’ request for an order [entered at Docket No. 3646] continuing the



1 hearing on the Debtors' motion [Docket No. 2995] for approval of its disclosure statement [Docket No.  
2 2994].

3 87. Recognizing that the existence of financing is not a condition to close, SGM resorted to  
4 making unfounded and self-serving assertions that the Debtors breached the APA and embarked on  
5 impermissible manipulations to substantially reduce the purchase price without regard to: (i) the  
6 language in the APA; (ii) the indisputable fact that SGM's diligence period had expired in January 2019;  
7 (iii) SGM's prior representations; and (iv) the fact that all conditions of the Debtors to close had been  
8 satisfied. SGM even sought meetings with the Debtors' constituents in an effort to purportedly obtain  
9 concessions that would substantially reduce SGM's financial obligations, despite the Debtors' request  
10 that it not do so.

11 88. On November 22, 2019, SGM sent the Debtors letters from Gary Klausner, Esq. of  
12 Levene, Neale, Bender, Yoo & Brill L.L.P. and Robert W. Lundy, Jr. of Hooper, Lundy & Bookman,  
13 P.C. (with enclosures), setting forth the issues that SGM had asserted amounted to a "Material Adverse  
14 Effect" under the APA [Docket No. 3705] (the "November 22, 2019 Letters").<sup>5</sup> The issues SGM raised  
15 at the eleventh hour were not "new"—they were all known or discoverable during the diligence period  
16 that had expired at least nine months earlier. And none of the issues raised changed the inescapable  
17 conclusion that the SGM Sale was required to close by December 5, 2019, because the Debtors and  
18 SGM negotiated the sale as an "AS IS, WHERE IS" sale under the express terms of the APA. SGM's  
19 untimely, baseless and immaterial complaints were nothing more than a transparent attempt to delay the  
20 closing and manufacture a basis to coerce the Plaintiffs into submitting to a substantially reduced  
21 purchase price.

22 89. On November 26, 2019, the Bankruptcy Court held a Status Conference. In advance of  
23 the Status Conference, SGM filed a Reservation of Rights, alleging (among other things) that "there are  
24 no genuine disputes of material fact as to the [sic] whether there have been Material Adverse Effects  
25 under the terms of the APA." [Docket No. 3701.] In addition, the Debtors submitted to the Bankruptcy  
26

---

27 <sup>5</sup> The November 22, 2019 Letters were filed under seal pursuant to an order of the Bankruptcy Court  
28 [Docket No. 3699], and should be maintained as confidential because they contain false and disparaging  
statements about the Plaintiff Hospitals.



1 Court SGM's November 22, 2019 Letters under seal. [Docket Nos. 3697 & 3705.] At the status  
2 conference, the Court rejected SGM's arguments, stating (among other things) that "[a]s far as the Court  
3 is concerned" SGM is the "proud owner" of the Debtors' assets as set forth in the APA, and that SGM  
4 "has an obligation to close" the transaction pursuant to the APA. [Nov. 26, 2019 Hr'g Tr. at 12:22-24,  
5 14:10-11.] The Bankruptcy Court further stated:

6 After reviewing the statement of [S]trategic, I don't want to cast any  
7 negative aspersions at all. But I want to make clear that I believe that it is  
8 operating very closely within the satellite of bad faith. I think it has an  
9 obligation to close. I think it wants to negotiate a better deal. I think it  
10 believes that it will be unpalatable for the Court and for others here to see  
11 patients, young, old, infirmed, being wheeled or carted out of the  
12 hospitals. That's a cynical view and I don't adhere to it.

13 \*\*\*

14 All right. I'll do the following. First, I won't take the bait either. What I  
15 stated was not really founded on any letters, actually. It was founded just  
16 on the representations that were made in the statement. I think it was a  
17 reservation of rights as far as the purchaser was concerned, which I found  
18 wholly inapposite to my understanding of the APA. It appears to the  
19 Court that perhaps the purchaser felt that the asset purchase agreement  
20 wasn't actually an asset purchase agreement. It was a contract to  
21 contemplate the purchase of an asset after the Attorney General removed  
22 his conditions. And so once the Attorney General did that, then it become  
23 -- became the proverbial dog that caught the car. They didn't know what  
24 to do.

25 So I think that's the situation we have. With all due respect to counsel, I  
26 respect them, but I think the position of his client doesn't hold water. And  
27 again, that's not based upon any letters. That's just my review of the asset  
28 purchase agreement and the clear terms of that or where the terms have  
not been clear they have been made clear by the Court. As I've indicated,  
I've given a definition of "material adverse effect."

[*Id.* at 14:7-16, 20:1-22.]

90. On November 27, 2019, the Bankruptcy Court issued an order finding that, "[p]ursuant  
to § 1.3 of the APA, SGM is obligated to close the SGM Sale by no later than December 5, 2019"  
("Closing Order"). [Docket No. 3724.] The Memorandum Decision supporting the Closing Order  
concluded, among other things, that (i) "Adjudication of SGM's Obligations Under the APA Does Not  
Require an Adversary Proceeding," (ii) "Adjudication of SGM's Obligations Under the APA Is Not  
Premature," (iii) "SGM Is Not Entitled to Appeal the Bankruptcy Court's Determination Regarding a  
Material Adverse Effect," (iv) "No Material Adverse Effect Has Occurred," (v) "All Conditions



1 Precedent to Closing Have Been Satisfied.” [Docket No. 3723.] The Bankruptcy Court further  
2 concluded that:

3 SGM’s contention that it is not obligated to close is a cynical attempt to  
4 extract a better purchase price. A key component of SGM’s negotiation  
5 strategy is its attempt to delay as long as possible the adjudication of its  
6 obligations under the APA. The Court will not facilitate SGM’s dubious  
7 tactics.

8 \* \* \*

9 By presenting non-meritorious arguments as to why it is not obligated to  
10 close, SGM is holding the estates, creditors, and patients of the Hospitals  
11 hostage in an attempt to extort a better purchase price. SGM’s cynical  
12 tactics are especially offensive given the significant harm that closure of  
13 the Hospitals would impose upon patients. For example, two of the  
14 Hospitals that would likely close upon failure of the SGM Sale contain  
15 large populations of long-term patients suffering from severe illnesses, all  
16 of whom would have to be relocated to other facilities.

17 [Id., pp. 6-7.]

18 91. On November 27, 2019, the Debtors sent correspondence to SGM, reiterating their  
19 demand that it close the transaction by December 5, 2019 and restating the Debtors’ commitment to  
20 cooperating with SGM towards a prompt and smooth closing. Despite the Debtors’ repeated requests  
21 that SGM provide assurances of its ability to finance the SGM Sale transaction in accordance with the  
22 APA and the Purchase Price therein, SGM refused to respond.

23 92. On November 29, 2019, the Debtors then sent a further letter to SGM, reiterating their  
24 demand that it timely close the transaction in accordance with the APA no later than December 5, 2019.

25 93. On November 29, 2019, SGM filed two notices of appeal [Docket Nos. 3726 & 3727]  
26 related to (i) the order granting the Enforcement Motion [Docket No. 3611], and (ii) the order finding  
27 that SGM is obligated to promptly close the transaction under Section 8.6 of the APA provided all other  
28 conditions to closing are satisfied [Docket No. 3633]. The appeals were frivolous and designed solely  
to delay and frustrate these proceedings and the closing of the SGM Sale.

94. Beginning Monday, December 2, 2019, SGM representatives failed to participate in at  
least five pre-scheduled operations closing calls, stating that they were doing so on the advice of SGM’s  
counsel, Gary Klausner.



95. On December 3, 2019, the Debtors emailed SGM, expressing continued concern for SGM's delay and the impact on the Hospitals, including that many employees no longer have confidence that SGM will purchase the hospitals given that they are still waiting for formal offers, that the Hospitals continue to flex staff and registry to manage patient care, and that vendors and the Hospitals' risk pool participants/IPAs have expressed concern that SGM does not intend to close the transaction. The Debtors again demanded that SGM affirm whether it had financial ability to proceed with the transaction in accordance with the APA, and whether it intended to close the transaction. In response, SGM announced that it would not close the Sale by December 5, and that it had filed a notice of appeal [Docket No. 3746] of the Bankruptcy Court's Closing Order.

96. On December 4 and 5, 2019, the Debtors sent additional demands to SGM for information and assurances bearing on whether it had the financial ability to perform in accordance with the APA and whether it intended to do so. SGM did not provide the requested information to Debtors.

97. On December 5, 2019, the Debtors were prepared to close the Sale, pursuant to the APA and in accordance with the Bankruptcy Court's Sale Order and Closing Order. SGM failed to do so. Accordingly, the Debtors sent a notice of default to SGM, dated December 5, 2019.

98. On December 17, 2019, the Debtors sent a notice to SGM citing various notices of breaches, and stating that the APA would terminate effective December 27, 2019.

99. SGM did not formally offer or request a different closing date with respect to closing the SGM Sale at the Purchase Price.

## **COUNT I: BREACH OF CONTRACT**

### **(All Plaintiffs Against All Defendants)**

Plaintiffs restate and reallege all paragraphs as if fully set forth herein.

100. As described above, Defendants have materially and continually breached the APA by (among other things): (a) failing to consummate and close the Sale transaction in accordance with the APA; (b) failing to have funds available to close the Sale at the price set forth in the APA; (c) representing in Section 3.9 of the APA and elsewhere that they had the ability to obtain "funds in cash in amounts equal to the purchase price;" (d) attempting to coerce Plaintiffs to agree to a substantially reduced purchase price, (e) failing to cooperate with Plaintiffs and move with alacrity



1 towards closing the SGM Sale; (f) making unfounded and untimely assertions of alleged Material  
2 Adverse Effects; (g) asserting entitlement to an “Evaluation Period” when no such period existed after  
3 the entry of the Enforcement Order, the Section 8.6 Order and the Closing Order; (h) appealing the  
4 Enforcement Order to avoid its’ obligation to close and despite the APA’s requirement that Defendants  
5 cooperate to render it a final, nonappealable order; and (i) filing meritless and frivolous Notices of  
6 Appeal.

7 101. As a direct and proximate result of the aforementioned breaches, each Plaintiff has been  
8 damaged, the exact amount to be proven. As a result of Defendants’ breaches, and as part of their  
9 damages, Plaintiffs are also entitled to the recovery of attorneys’ fees associated with this dispute  
10 pursuant to Section 12.12 of the APA.

11 **COUNT II: PROMISSORY FRAUD**

12 **(All Plaintiffs Against All Defendants)**

13 Plaintiffs restate and reallege all paragraphs as if fully set forth herein.

14 102. As described more fully above, Defendants promised to perform in accordance with the  
15 terms of the APA. Plaintiffs are informed and believe that, at the time those promises were made,  
16 Defendants had no intention of performing in accordance with the APA, including (without limitation)  
17 by paying the \$610 million purchase price. Defendants concealed their true intention not to fund the  
18 \$610 million purchase price under the APA, and instead to hold the estates, creditors, and patients of  
19 the Plaintiff Hospitals hostage in an attempt to extort a lower purchase price.

20 103. Defendants intended to induce Plaintiffs to detrimentally rely on their promise to perform  
21 in accordance with the APA by (among other things) having Plaintiff select SGM as the successful  
22 bidder, enter into the APA, and devote almost a year to performing under the APA.

23 104. Plaintiffs justifiably relied upon the misrepresentation of Defendants, and each of them,  
24 and as a proximate result suffered, and will continue to suffer damages in an amount to be proved at the  
25 time of trial.

26 105. Plaintiffs are informed and believe and thereon allege that these acts were willful,  
27 despicable, oppressive and/or fraudulent as contemplated by California Civil Code § 3294, and that all  
28 were done with the knowledge, approval and ratification of Defendants, and each of them, by or through



1 their managerial agents. In order to deter such conduct by Defendants, and each of them, in the future,  
2 and to prevent repetition of such conduct as a practice, Plaintiffs pray for exemplary and punitive  
3 damages.

4 **COUNT III: TORTIOUS BREACH OF CONTRACT (BREACH OF THE IMPLIED**  
5 **COVENANT OF GOOD FAITH AND FAIR DEALING)**

6 **(All Plaintiffs Against All Defendants)**

7 Plaintiffs restate and reallege all paragraphs as if fully set forth herein.

8 106. The APA contains an implied covenant of good faith and fair dealing, whereby  
9 Defendants agreed to act in good faith and deal fairly with Plaintiffs, and to refrain from taking any  
10 action which would interfere with Plaintiffs' rights under the APA.

11 107. Defendants, and each of them, tortiously breached the APA and the implied covenant of  
12 good faith and fair dealing owed to Plaintiffs by (among other things) intentionally, fraudulently,  
13 unreasonably, oppressively, and without proper cause: (a) entering the APA with no intention to perform  
14 their obligations thereunder; (b) failing to consummate and close the Sale transaction in accordance with  
15 the APA; (c) failing to have funds available to close the Sale at the Purchase Price set forth in the APA;  
16 (d) attempting to coerce Plaintiffs to engage in a re-trade; (e) failing to cooperate with Plaintiffs and  
17 move with alacrity towards closing the SGM Sale; (f) making unfounded and untimely assertions of  
18 alleged Material Adverse Effects; (g) asserting entitlement to an "Evaluation Period" following entry of  
19 the Enforcement Order, Section 8.6 Order and Closing Order; (h) filing meritless and frivolous Notices  
20 of Appeal; and (i) failing to respond to Plaintiffs inquiries regarding SGM's intent and financial ability  
21 to perform the APA.

22 108. Defendants intended and/or knew that their conduct described herein would cause severe  
23 harm in the form of, *inter alia*, substantial consequential damages to Plaintiffs. As a direct and  
24 proximate result of Defendants' tortious breach of the APA and breach of the implied covenant of good  
25 faith and fair dealing, Plaintiffs have suffered damages in an amount to be proved.

26 109. As a further direct and proximate result of Defendants' tortious breach of the APA and  
27 the implied covenant of good faith and fair dealing, Plaintiffs have been compelled to incur operational  
28



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1 expenses, attorney's fees and other expenses to pursue their right to benefits due under the APA, causing  
2 Plaintiffs to suffer further loss in an amount to be proved.

3 110. Plaintiffs are informed and believe and thereon allege that Defendants, and each of them,  
4 intentionally engaged in a course of conduct which was intended or expected to injure Plaintiffs, in  
5 conscious disregard of Plaintiffs' right under the APA, as alleged in this Complaint. Plaintiffs are  
6 informed and believe and thereon allege that these acts were willful, despicable, oppressive and/or  
7 fraudulent as contemplated by California Civil Code § 3294, and that all were done with the knowledge,  
8 approval and ratification of Defendants, and each of them, by or through their managerial agents. In  
9 order to deter such conduct by Defendants, and each of them, in the future, and to prevent repetition of  
10 such conduct as a practice, Plaintiffs pray for exemplary and punitive damages.

11 WHEREFORE, Plaintiffs pray for judgment as hereinafter set forth.

12 **PRAYER**

13 Plaintiffs pray for judgment against Defendants, and each of them, as follows:

- 14 1. For special and consequential damages in an amount to be proved at trial;
- 15 2. For attorney's fees;
- 16 3. For punitive damages in an amount to punish or make an example of Defendants'  
17 conduct;
- 18 4. For prejudgment and post-judgment interest allowed by law;
- 19 5. For costs of suit incurred herein; and
- 20 6. For such other and further relief as the Bankruptcy Court deems just and proper.

21 Dated: January 3, 2020

Respectfully submitted,

22  
23 DENTONS US LLP  
SAMUEL R. MAIZEL  
24 SONIA R. MARTIN  
TANIA M. MOYRON

25  
26 By: /s/ Samuel R. Maizel  
27 Counsel to Plaintiffs and Chapter 11  
28 Debtors and Debtors In Possession



# EXHIBIT A

# EXHIBIT A



## **ASSET PURCHASE AGREEMENT**

**By and Among**

**Verity Health System of California, Inc., Verity Holdings, LLC,**

**St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, Inc.,  
Seton Medical Center**

**and**

**Strategic Global Management, Inc.**

**Dated January 8, 2019**



## TABLE OF CONTENTS

	Page
ARTICLE 1 SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING .....	2
1.1 Purchase Price .....	2
1.2 Deposit .....	3
1.3 Closing Date .....	4
1.4 Items to be Delivered by Sellers at Closing .....	4
1.5 Items to be Delivered by Purchaser at Closing .....	5
1.6 Prorations and Utilities .....	6
1.7 Transfer of Assets of Sellers .....	7
1.8 Excluded Assets .....	10
1.9 Assumed Obligations .....	13
1.10 Excluded Liabilities .....	14
1.11 Designation of Assumed Contracts and Assumed Leases .....	14
1.12 Disclaimer of Warranties; Release .....	15
ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF SELLERS .....	16
2.1 Authorization .....	16
2.2 Binding Agreement .....	16
2.3 Organization and Good Standing; No Violation .....	16
2.4 Contracts .....	16
2.5 Brokers and Finders .....	17
2.6 Seller Knowledge .....	17
2.7 Non-Contravention .....	17
2.8 Compliance with Legal Requirements .....	17
2.9 Required Consents .....	17
2.10 Environmental Matters .....	17
2.11 Title .....	18
2.12 Certain Other Representations with Respect to the Hospitals .....	18
2.13 Financial Statements .....	18
2.14 Legal Proceedings .....	19
2.15 Employee Benefits .....	19
2.16 Personnel .....	19
2.17 Insurance .....	19
2.18 Accounts Receivable .....	20
2.19 Payer Contracts .....	20
2.20 Excluded Individuals .....	20
ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF PURCHASER .....	20
3.1 Authorization .....	20
3.2 Binding Agreement .....	20
3.3 Organization and Good Standing .....	20
3.4 No Violation .....	21
3.5 Brokers and Finders .....	21
3.6 Representations of Sellers .....	21



# **TABLE OF CONTENTS** (continued)

	<b>Page</b>
3.7 Legal Proceedings.....	21
3.8 No Knowledge of a Seller’s Breach .....	21
3.9 Ability to Perform.....	22
3.10 Purchaser Knowledge .....	22
3.11 Investigation .....	22
ARTICLE 4 COVENANTS OF SELLERS .....	22
4.1 Access and Information; Inspections .....	22
4.2 Cooperation.....	23
4.3 Other Bidders.....	23
4.4 Sellers’ Efforts to Close.....	24
4.5 Termination Cost Reports.....	24
4.6 Conduct of the Business .....	24
4.7 Contract With Unions.....	25
ARTICLE 5 COVENANTS OF PURCHASER.....	25
5.1 Purchaser’s Efforts to Close .....	26
5.2 Required Governmental Approvals .....	26
5.3 Certain Employee Matters .....	27
5.4 Excluded Assets.....	27
5.5 Waiver of Bulk Sales Law Compliance.....	28
5.6 Attorney General .....	28
5.7 Conduct Pending Closing .....	28
5.8 Cure Costs.....	28
5.9 Operating Covenant .....	28
5.10 HSR Filing .....	28
5.11 Contract with Unions.....	29
ARTICLE 6 SELLERS’ BANKRUPTCY AND BANKRUPTCY COURT APPROVAL.....	29
6.1 Bankruptcy Court Approval; Overbid Protection and Break-Up Fee .....	29
6.2 Appeal of Sale Order .....	30
ARTICLE 7 CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS.....	31
7.1 Signing and Delivery of Instruments .....	31
7.2 No Restraints .....	31
7.3 Performance of Covenants.....	31
7.4 Governmental Authorizations.....	31
7.5 Attorney General Provisions.....	31
7.6 Bankruptcy Court Approval .....	31
7.7 HSR Act.....	31
7.8 CSCDA Acknowledgement.....	32
ARTICLE 8 CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER.....	32
8.1 Governmental Authorizations.....	32



# **TABLE OF CONTENTS** (continued)

	<b>Page</b>
8.2 Bankruptcy Court Approval .....	32
8.3 Signing and Delivery of Instruments .....	32
8.4 Performance of Covenants.....	32
8.5 No Restraints .....	32
8.6 Attorney General Provisions.....	32
8.7 Medicare and Medi-Cal Provider Agreements .....	34
8.8 HSR Act.....	34
ARTICLE 9 TERMINATION.....	34
9.1 Termination.....	34
9.2 Termination Consequences.....	35
ARTICLE 10 POST-CLOSING MATTERS .....	36
10.1 Excluded Assets.....	36
10.2 Preservation and Access to Records After the Closing .....	36
10.3 Closing of Financials .....	38
10.4 Medical Staff .....	39
10.5 Shared Intangible Assets.....	39
ARTICLE 11 DEFAULT, TAXES AND COST REPORTS .....	39
11.1 Purchaser Default.....	39
11.2 Seller Default .....	39
11.3 Tax Matters; Allocation of Purchase Price .....	39
11.4 Cost Report Matters .....	40
ARTICLE 12 MISCELLANEOUS PROVISIONS.....	40
12.1 Further Assurances and Cooperation.....	40
12.2 Successors and Assigns .....	40
12.3 Governing Law; Venue.....	41
12.4 Amendments .....	41
12.5 Exhibits, Schedules and Disclosure Schedule .....	41
12.6 Notices .....	41
12.7 Headings .....	42
12.8 Publicity .....	42
12.9 Fair Meaning.....	43
12.10 Gender and Number; Construction; Affiliates.....	43
12.11 Third Party Beneficiary .....	43
12.12 Expenses and Attorneys' Fees .....	43
12.13 Counterparts.....	43
12.14 Entire Agreement.....	43
12.15 No Waiver.....	44
12.16 Severability .....	44
12.17 Time is of the Essence .....	44



## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “**Agreement**”) is made and entered into as of the 8<sup>th</sup> day of January, 2019 (the “**Signing Date**”) by and among Verity Health System of California, Inc., a California nonprofit public benefit corporation (“**Verity**”), Verity Holdings, LLC, a California limited liability company (“**Verity Holdings**”), St. Francis Medical Center, a California nonprofit public benefit corporation (“**St. Francis**”), St. Vincent Medical Center, a California nonprofit public benefit corporation (“**St. Vincent**”), St. Vincent Dialysis Center, Inc., a California nonprofit public benefit corporation (“**St. Vincent Dialysis**”), and Seton Medical Center, a California nonprofit public benefit corporation (“**Seton**” and together with St. Francis Medical Center, St. Vincent Medical Center and St. Vincent Dialysis, collectively, the “**Hospital Sellers**”) (Verity, Verity Holdings, St. Francis, St. Vincent, St. Vincent Dialysis and Seton are each referred to herein individually as a “**Seller**” and collectively as the “**Sellers**”), and Strategic Global Management, Inc., a California corporation (“**Purchaser**”).

### RECITALS:

A. St. Francis engages in the business of the operation of the hospital known as St. Francis Medical Center, located at 3630 E. Imperial Highway, Lynwood, CA 90262, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by St. Francis (collectively, the “**St. Francis Hospital**”).

B. St. Vincent engages in the business of the operation of the hospital known as St. Vincent Medical Center, located at 2131 W 3rd Street, Los Angeles, CA 90057, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by St. Vincent (collectively, the “**St. Vincent Hospital**”).

C. Seton engages in the business of the operation of two general acute care hospitals under a single license, consisting of: (i) the hospital known as Seton Medical Center, located at 1900 Sullivan Avenue, Daly City, CA 94015, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by Seton (collectively, the “**Seton Hospital**”) and (ii) the hospital known as Seton Medical Center Coastsides, located at 600 Marine Blvd, Moss Beach, CA 94038, including the hospital pharmacy, laboratory and emergency department as well as through the medical office buildings and clinics owned or operated by Seton (collectively, the “**Seton Coastsides Hospital**” and together with the St. Francis Medical Center Hospital, the St. Vincent Medical Center Hospital and the Seton Hospital, the “**Hospitals**”; the business of the operation of the Hospitals is referred to herein as the “**Businesses**”).

D. Purchaser desires to purchase from Sellers, and Sellers desire to sell to Purchaser, the assets described in Section 1.7 below (the “**Assets**”) owned by Sellers and used with respect to the Businesses, for the consideration and upon the terms and conditions contained in this Agreement.



E. Sellers filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Central District of California, Los Angeles Division (the “**Bankruptcy Court**”), lead Case No. 2:18-bk-201510ER, jointly administered or to be jointly administered with their affiliates (the “**Bankruptcy Cases**”).

F. The parties intend to effectuate the transactions contemplated by this Agreement through a sale of the Assets approved by the Bankruptcy Court pursuant to Section 363 of Title 11 of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and covenants contained in this Agreement, and for their mutual reliance and incorporating into this Agreement the above recitals, the parties hereto agree as follows:

## ARTICLE 1

### SALE AND TRANSFER OF ASSETS; CONSIDERATION; CLOSING

#### 1.1 Purchase Price.

(a) Subject to the terms and conditions of this Agreement, the purchase price (“**Purchase Price**”) shall consist of the following:

(i) Cash payment to Sellers (the “**Cash Consideration**”) of Six Hundred Ten Million Dollars (\$610,000,000.00), which shall be allocated Four Hundred Twenty Million Dollars (\$420,000,000) to St. Francis Medical Center, One Hundred Twenty Million Dollars (\$120,000,000) to St. Vincent Medical Center, and Seventy Million Dollars (\$70,000,000) to Seton for Seton Hospital and Seton Coastside Hospital, provided, that if the CA AG’s approval does not include a requirement that Seton Hospital remain open as an acute care hospital or that Seton Coastside Hospital remain open as a skilled nursing facility, then an amount to be determined by Purchaser, in its sole discretion, of such Cash Consideration shall be re-allocated from St. Francis to Seton;

(ii) Assumption of Sellers’ accrued vacation and other paid time off as of the Closing, to be provided only with respect to Hired Employees (as defined in Section 5.3(a)) in the form of credited vacation and PTO, subject to compliance with applicable law and regulation, including consent of such employees if required;

(iii) Assumption of all liabilities of Seton as Obligated Party and Property Owner under the (i) Agreement to Pay Assessment and Finance Improvements dated May 17, 2017 with California Statewide Communities Development Authority (“**CSCDA**”) and (ii) Agreement to Pay Assessment and Finance Improvements dated May 18, 2017 with CSCDA (collectively



the “**Special Assessments**”) each associated with of the Property Assessed Clean Energy (“**PACE**”) (seismic and clean energy) loans (collectively the “**PACE Obligations**”); and

(iv) Payment of Cure Costs (defined below) associated with any Assumed Leases and/ or Assumed Contracts and assumption of the other Assumed Obligations (as defined below).

(b) Purchaser (i) is acquiring the Assets and (ii) is only assuming (x) the PACE Obligations and (y) the Assumed Obligations (as defined below).

(c) At the Closing, Purchaser shall pay to Sellers, by wire transfer of immediately available funds to the accounts specified by Sellers to Purchaser in writing, an aggregate amount equal to the Cash Consideration, minus the Net QAF Reduction Amount (defined below), if any, plus the Net QAF Increase Amount (defined below), if any, plus any amounts (x) held by the PACE Trustee as an interest or fee reserve on account the PACE Obligations on the Closing Date and (y) remitted to CSCDA by Seton pursuant to the Special Assessments from and after the date of execution of this Agreement by Buyer up to and including the Closing Date, minus the Deposit (defined below).

(d) For purposes of this Agreement, the “**QAF Program**” means the California Department of Health Care Services Hospital Quality Assurance Fee Programs IV (“**QAF IV**”) and V (“**QAF V**”). During the period prior to Closing, Sellers shall pay any fees owing under QAF IV and QAF V, and Sellers shall be entitled to retain all payments received under QAF IV and QAF V. At Closing, Sellers shall credit to the Cash Consideration the amount by which payments received under QAF IV and QAF V between the Signing Date and Closing exceed the sum of (i) fees paid under QAF IV and QAF V during such period plus (ii) the amount of fees which are unpaid and owing as of the Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V (the “**Net QAF Reduction Amount**”), as provided above in Section 1.1(c). At Closing, Purchaser shall pay Sellers (as an increase to the Cash Consideration) the amount by which the sum of (i) fees paid under QAF IV and QAF V between the Signing Date and Closing plus (ii) the amount of fees which are unpaid and owing as of Closing in respect of invoices received by Sellers prior to Closing under QAF IV and QAF V exceeds payments received under QAF IV and QAF V during such period (the “**Net QAF Increase Amount**”), as provided above in Section 1.1(c).

(e) Purchaser shall, prior to Closing, be permitted to communicate with holders of secured debt of the Sellers regarding the possible assumption by Purchaser of all or a portion of such debt at the Closing. If Purchaser agrees to assume any such debt at the Closing, Purchaser and Sellers shall negotiate an appropriate credit to the Purchase Price for such assumption of debt.

1.2 Deposit. Purchaser, by wire transfer to an account designated by Sellers has made a good faith deposit in the amount of Thirty Million Dollars (\$30,000,000) on the date hereof (the “**Deposit**”). The Deposit shall be non-refundable in all events, except as provided in Section 6.1(b) or Section 6.2, or in the event Purchaser has terminated this Agreement pursuant to Section 9.1 (other than Section 9.1(b)) or as set forth in Section 9.2, in which case Seller shall immediately return the Deposit to Purchaser with all interest earned thereon. Upon Closing, the Deposit will



be credited against the Purchase Price. Pending the Closing, or until this Agreement is terminated, the Deposit shall be deposited in an interest bearing account, with interest credited to Purchaser, at a federally-insured financial institution mutually acceptable to Purchaser and Sellers. In addition, on the Signing Date, Purchaser shall deliver to Sellers executed letters from its financing sources, in form and substance satisfactory to Sellers in their discretion.

1.3 Closing Date. The consummation of the transactions contemplated by this Agreement (the “**Closing**”) shall take place at 10:00 a.m. local time at the offices of Dentons US LLP, 601 South Figueroa St., Suite 2500, Los Angeles, CA 90017-5704 (the day on which Closing actually occurs, the “**Closing Date**”) promptly but no later than ten (10) business days following the satisfaction or waiver of the conditions set forth in ARTICLE 7 and ARTICLE 8, other than those conditions that by their nature are to be satisfied at Closing but subject to fulfillment or waiver of those conditions. The Closing shall be deemed to occur and to be effective as of 11:59 p.m. Pacific time on the Closing Date (the “**Effective Time**”).

1.4 Items to be Delivered by Sellers at Closing. At or before the Closing, Sellers shall deliver, or cause to be delivered, to Purchaser the following:

1.4.1 a Bill of Sale substantially in the form of Exhibit 1.4.1 attached hereto (the “**Bill of Sale**”), duly executed by each Seller, with respect to the Assets;

1.4.2 Real Estate Assignment and Assumption Agreements (the “**Real Estate Assignments**”) in the form of Exhibit 1.4.2 attached hereto with respect to (i) the Leased Real Property, and (ii) the Tenant Leases, each duly executed by each Seller;

1.4.3 a Quitclaim Deed (the “**Deed**”) in the form of Exhibit 1.4.2 attached hereto with respect to the real property listed in Schedule 1.4.3, together with all plant, buildings, structures, installments, improvements, fixtures, betterments, additions and constructions in progress situated thereon (collectively, the “**Owned Real Property**”) duly executed by each Seller;

1.4.4 an Assumption Agreement (the “**Assumption Agreement**”) in the form of Exhibit 1.4.2 attached hereto with respect to the Assumed Obligations duly executed by each Seller;

1.4.5 favorable original certificates of good standing, of each Seller, issued by the State of California, dated no earlier than a date which is fifteen (15) calendar days prior to the Closing Date;

1.4.6 a duly executed certificate of an officer of each Seller certifying to Purchaser (i) the incumbency of the officers of such Seller on the Signing Date and on the Closing Date and bearing the authentic signatures of all such officers who shall execute this Agreement and any additional documents contemplated by this Agreement and (ii) the due adoption and text of the resolutions or consents of the Board of Directors of such Seller authorizing (I) the transfer of the Assets and transfer of the Assumed Obligations by such Seller to Purchaser and (II) the due execution, delivery and performance of this Agreement and all additional documents contemplated



by this Agreement, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

1.4.7 a certified copy of the Sale Order (as defined below);

1.4.8 a Transition Services Agreement (the “**Transition Services Agreement**”) in form and substance satisfactory to Sellers and Purchaser, in their reasonable discretion, granting to Sellers use of certain assets, systems and personnel identified in such agreement solely in connection with Sellers’ wind-down of the Businesses, the completion of the Bankruptcy Cases and the dissolution of Sellers (and following completion of such wind-down, Bankruptcy Cases and dissolution of Sellers, such Transition Services Agreement shall automatically terminate);

1.4.9 acknowledgements by CSCDA and the PACE Trustee that Purchaser is the Successor Property Owner and Obligated Party under the PACE Obligations and releases of the Sellers from any and all claims arising or accruing prior to the Closing Date, and

1.4.10 any such other instruments, certificates, consents or other documents which Purchaser and Sellers mutually deem reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

1.5 Items to be Delivered by Purchaser at Closing. At or before the Closing, Purchaser shall deliver or cause to be delivered to Sellers the following:

1.5.1 payment of the Cash Consideration subject to credits or plus payment to Sellers of all amounts as provided under Section 1.6;

1.5.2 evidence of payment of all Cure Costs required hereunder to be paid by Purchaser;

1.5.3 a duly executed certificate of the Secretary of Purchaser certifying to Sellers (a) the incumbency of the officers of Purchaser on the Signing Date and on the Closing Date and bearing the authentic signatures of all such officers who shall execute this Agreement and any additional documents contemplated by this Agreement and (b) the due adoption and text of the resolutions of the Board of Directors of Purchaser authorizing the execution, delivery and performance of this Agreement and all additional documents contemplated by this Agreement, and that such resolutions have not been amended or rescinded and remain in full force and effect on the Closing Date;

1.5.4 favorable original certificate of good standing, of Purchaser, issued by the California Secretary of State dated no earlier than a date which is fifteen (15) calendar days prior to the Closing Date;

1.5.5 the Bill of Sale, duly executed by Purchaser;

1.5.6 the Real Estate Assignment(s), duly executed by Purchaser;

1.5.7 the Assumption Agreement, duly executed by Purchaser;



1.5.8 the License Agreement referenced in Section 1.7(q);

1.5.9 the Transition Services Agreement; and

1.5.10 any such other instruments, certificates, consents or other documents which Purchaser and Sellers mutually deem reasonably necessary to carry out the transactions contemplated by this Agreement and to comply with the terms hereof.

1.6 Prorations and Utilities. All items of income and expense listed below with respect to the Assets shall be prorated in accordance with the principles and the rules for the specific items set forth hereafter:

1.6.1 All transfer, conveyance, sales, use, stamp, similar state and local taxes arising from the sale of the Assets hereunder shall be the responsibility of, and allocated to, Purchaser.

1.6.2 Other than the Utility Deposits (defined below), which are governed by Section 1.8(j), and other than with respect to Cure Costs payable by Purchaser, the following costs and expenses shall be prorated based upon the payment period (*i.e.*, calendar or other tax fiscal year) to which the same are attributable: all real estate and personal property lease payments, real estate and personal property taxes, real estate assessments, other than the PACE Special Assessments and other similar charges against real estate, and power and utility charges (collectively, the **"Prorated Charges"**) on the Assets. Each Seller shall pay its respective portion at or prior to the Closing (or Purchaser shall receive credit for) of any unpaid Prorated Charges attributable to periods or portions thereof occurring prior to the Effective Time, and Purchaser shall assume as an Assumed Liability or, to the extent previously paid by any Seller, pay to such Seller at the Closing all Prorated Charges attributable to periods or portions thereof occurring from and after the Effective Time. In the event that as of the Closing Date the actual tax bills for the tax year or years in question are not available and the amount of taxes to be prorated as aforesaid cannot be ascertained, then rates, millages and assessed valuation of the previous year, with known changes, shall be used. The parties agree that if the real estate and personal property tax prorations are made based upon the taxes for the preceding tax period, the prorations shall be re-prorated after the Closing. As to power and utility charges, "final readings" as of the Closing Date shall be ordered from the utilities; the cost of obtaining such "final readings," if any, shall be paid by Purchaser.

1.6.3 Sellers shall be entitled to all rents and other payments under Tenant Leases accruing for the period prior to the Effective Time (**"Pre Effective Time Lease Amounts"**), and Purchaser shall be entitled to all rents and other payments under tenant leases accruing for the period after the Effective Time (**"Post Effective Time Lease Amounts"** and together with the Pre Effective Time Lease Amounts, the **"Lease Amounts"**). All Lease Amounts that are collected prior to the Closing shall be prorated as of the Closing in accordance with the immediately preceding sentence. All Lease Amounts that are accrued but uncollected as of the Closing (including, without limitation, rents and other payments accrued prior to the Closing but payable in arrears after the Closing) (collectively, the **"Unpaid Amounts"**) shall belong to Sellers, and Purchaser shall, upon receipt of said rents and other payments, receive the same in trust for Sellers and shall promptly remit any of such amounts to the applicable Seller within ten (10) days after



Purchaser's receipt of same. For the avoidance of doubt, all rental payments received after Closing shall be first applied to any amounts owed to the Sellers under this Section 1.6.3.

1.6.4 All prorations and payments to be made under the foregoing provisions shall be agreed upon by Purchaser and Sellers prior to the Closing and shall be binding upon the parties; provided, however, with respect to the Unpaid Amounts, in the event any proration, apportionment or computation shall prove to be incorrect for any reason, then either the applicable Seller or Purchaser shall be entitled to an adjustment to correct the same, provided that said party makes written demand on the party from whom it is entitled to such adjustment within thirty (30) calendar days after the erroneous payment or computation was made, or such later time as may be required, in the exercise of due diligence, to obtain the necessary information for proration. This Section 1.6 shall survive Closing.

1.7 Transfer of Assets of Sellers. On the Closing Date and subject to the terms and conditions of this Agreement, each Seller shall sell, assign, transfer, convey and deliver to Purchaser, free and clear of all liens, claims, interests and encumbrances other than the Permitted Exceptions (defined below), and Purchaser shall acquire, all of each Seller's right, title and interest in and to only the following assets and properties, as such assets shall exist on the Closing Date, in each case (notwithstanding anything else in this Agreement) solely to the extent used primarily in the conduct of the Businesses and to the extent not included among the Excluded Assets, such transfer being deemed to be effective at the Effective Time:

(a) all of the tangible personal property owned by such Hospital Seller, or to the extent assignable or transferable by each Hospital Seller, leased, subleased or licensed by such Hospital Seller, and used by such Seller in the operation of the Hospital of such Hospital Seller, including equipment, furniture, fixtures, machinery, vehicles, office furnishings and leasehold improvements (the "**Personal Property**");

(b) all of such Hospital Seller's rights, to the extent assignable or transferable, to all Medicare and Medi-Cal provider agreements, permits, approvals, certificates of exemption, franchises, accreditations and registrations and other governmental licenses, permits or approvals issued to such Seller for use in the operation of the Hospital of such Hospital Seller (the "**Licenses**"), including, without limitation, the Licenses and Medicare/Medi-Cal Provider Agreements set forth on Schedule 1.7(b), except to the extent Purchaser elects, in its discretion, not to take assignment of any such Licenses;

(c) all of such Hospital Seller's interest in and to the Owned Real Property and all of such Hospital Seller's interest, to the extent assignable or transferable, in and to all of the following (the "**Assumed Leases**"): (i) personal property leases with respect to the operation of the Hospital of such Hospital Seller (including leases for assets described in Section 1.7(i), (ii) the real property leases for all real property leased by such Hospital Seller and set forth on Schedule 1.7(c)(ii) (the "**Leased Real Property**"), and (iii) the real property leased or subleased by such Seller to a third party and set forth on Schedule 1.7(c)(iii) (the "**Tenant Leases**");

(d) all of such Hospital Seller's interest, to the extent assignable or transferable, in and to all contracts and agreements (including, but not limited to, purchase orders) with respect



to the operation of the Hospital of such Hospital Seller that have been designated by Purchaser as a contract to be assumed pursuant to Section 1.11 (the “**Assumed Contracts**”);

(e) other than the Excluded Settlements and Actions (defined below), all claims, rights, interests and proceeds (whether received in cash or by credit to amounts otherwise due to a third party) with respect to amounts overpaid by such Seller to any third party health plans with respect to periods prior to the Effective Time (e.g. such overpaid amounts may be determined by billing audits undertaken by such Seller or such Seller’s consultants), except with respect to any causes of action or proceeds thereof arising under Chapter 5 of the Bankruptcy Code other than with respect to Assumed Contracts and Assumed Leases and other items described in Section 1.8(h);

(f) to the extent assignable or transferable, all inventories of supplies, drugs, food, janitorial and office supplies and other disposables and consumables (i) located at the Hospital of such Seller or (ii) used in the operation of the Hospital of such Seller (the “**Inventory**”) except as set forth in Section 1.8(e);

(g) other than Utility Deposits, all prepaid rentals, deposits, prepayments (excluding prepaid insurance and prepaid taxes) and similar amounts relating to the Assumed Contracts and/or the Assumed Leases, which were made with respect to the operation of the Hospital of such Hospital Seller (the “**Prepays**”);

(h) to the extent assignable or transferrable, all of the following that are not proprietary to such Seller and/or owned by or proprietary to such Hospital Seller’s affiliates: operating manuals, files and computer software with respect to the operation of the Hospital of such Hospital Seller, including, without limitation, all patient records, medical records, employee records, financial records, equipment records, construction plans and specifications, and medical and administrative libraries; *provided, however*, that any patient records and medical records which are not required by law to be maintained by such Hospital Seller as of the Effective Time shall be an Excluded Asset;

(i) to the extent assignable or transferrable (and if leased, to the extent the associated lease is transferrable), including any assignment which is made effective pursuant to the Sale Order where the consent of a third party is required pursuant to the terms of an applicable agreement but not obtained, all systems, servers, computers, hardware, firmware, middleware, telecom equipment, networks, data communications lines, routers, hubs, switches and all other information technology equipment, and all associated documentation owned, leased or licensed by Sellers and used by Sellers with respect to the operations of the Hospitals;

(j) all Measure B trauma funding received after the Signing Date to be paid related to service periods ending on or after the Signing Date (pro rated between Purchaser and Sellers for any such payments covering service periods which include days both before and after the Signing Date based upon the number of days in the relevant payment period before the Signing Date (for the account of Sellers) and after the Signing Date (for the account of Purchaser));

(k) Except for as stated in Section 1.7(j), all accounts and interest thereupon, notes and interest thereupon and other receivables of such Seller, including, without limitation,



accounts, notes or other amounts receivable, disproportionate share payments and all claims, rights, interests and proceeds related thereto, including all accounts and other receivables, and Seller Cost Report settlements related thereto, in each case arising from the rendering of services or provision of goods, products or supplies to inpatients and outpatients at the Hospital of such Seller, billed and unbilled, recorded and unrecorded, for services, goods, products and supplies provided by such Seller prior to the Effective Time whether payable by Medicare, Medicaid, or any other payor (including an insurance company), or any health care provider or network (such as a health maintenance organization, preferred provider organization or any other managed care program) or any fiscal intermediary of the foregoing, private pay patients, private insurance or by any other source (collectively, “**Accounts Receivable**”);

(l) all rights, claims and causes of action of such Seller to the extent related to and/or to the extent arising out of the Accounts Receivable acquired by Purchaser at the Closing;

(m) other than the Excluded Settlements and Actions, all regulatory settlements, rebates, adjustments, refunds or group appeals, including without limitation pursuant to all cost reports filed by Sellers for payment or reimbursement from government payment programs and other payors with respect to periods after the Signing Date;

(n) other than the Excluded Settlements and Actions, all casualty insurance proceeds arising in respect of casualty losses occurring after the Signing Date in connection with the ownership or operation of the Assets;

(o) other than the Excluded Settlements and Actions, all surpluses arising out of any risk pools, shared savings program or accountable care organization arrangement to which any Seller is party on the Closing Date, in each case to the extent Purchaser assumes the underlying contract relating to such risk pools, shared savings program or accountable care organization arrangement;

(p) all transferable unclaimed property of any Person in Sellers’ possession as of the Closing Date, including, without limitation, property which is subject to applicable escheat laws;

(q) to the extent assignable or transferable by Sellers without out-of-pocket expense to Sellers, all warranties (including warranties of any manufacturer or vendor) on or in connection with the Assets (including the Personal Property) in favor of the Hospitals or Sellers;

(r) the right to use the names “St. Francis Medical Center”, “St. Vincent Medical Center”, “Seton Medical Center” and “Seton Medical Center Coastside”, including any trademarks, service marks, trademark and service mark registrations and registration applications, trade names, trade name registrations, logos, domain names, trade dress, copyrights, copyright registrations, website content, know-how, trade secrets and the corporate or company names of Sellers and the names of the Hospitals, together with all rights to sue and recover damages for infringement, dilution, misappropriation or other violation or conflict associated with any of the foregoing; at the Closing, Purchaser will execute and deliver to Sellers the Transition Services Agreement granting to Sellers an unlimited, royalty free, irrevocable license to use any and all of the foregoing solely in connection with the wind-down of the Businesses, the completion of the



Bankruptcy Cases and the dissolution of Sellers (and following completion of such wind-down, Bankruptcy Cases and dissolution of Sellers, such license shall automatically terminate);

(s) all goodwill of the Hospital of such Hospital Seller evidenced by or associated with any of the Assets;

(t) to the extent transferable or assignable, such Hospital Seller's right or interest in the telephone and facsimile numbers and uniform resource locaters used with respect to the operation of the Hospital of such Hospital Seller;

(u) each such Hospital Seller's Medicare and Medi-Cal provider agreements and lockbox account(s) identified on **Schedule 1.7(u)**;

(v) all documents, records, correspondence, work papers and other documents, other than patient records, primarily relating to the Accounts Receivable;

(w) with respect to Verity Holdings, the assets represented by the assessor's parcel numbers (APN's) listed in **Schedule 1.7(w)** hereof (the "**Purchased Verity Holdings Assets**");

(x) except for the Excluded Assets, to the extent assignable or transferable, and subject to the Permitted Exceptions, any other assets owned by such Hospital Seller (which are not otherwise specifically described above in this Section 1.7) that are used in the operation of the Hospital of such Hospital Seller;

(y) all of Seton's interest in and to the PACE Obligations; and

(z) all QAF V and subsequent QAF program payments received after the Closing (e.g., QAF VI and QAF VII).

As used herein, the term "**Permitted Exceptions**" means (i) the Assumed Obligations; (ii) the PACE Obligations; (iii) liens for taxes not yet due and payable (iv) easements, rights of way, zoning ordinances and other similar encumbrances affecting real property; (v) other imperfections of title or encumbrances, if any, which are not monetary in nature and that are not, individually or in the aggregate, material to the business of the Hospital; (vi) any agreements made with any governmental authority in order to obtain any consent or approval, including, without limitation, in connection with the Medicare and Medi-Cal provider agreements; and (vii) other imperfections of title or encumbrances that are expressly identified on **Schedule 1.7** hereof.

**1.8 Excluded Assets.** Notwithstanding anything to the contrary in Section 1.7, each Seller shall retain all interests, rights and other assets owned directly or indirectly by it (or any of such Seller's affiliates) which are not among the Assets, including, without limitation, the following interests, rights and other assets of such Seller (collectively, the "**Excluded Assets**"):

(a) cash, cash equivalents and short-term investments;



(b) all Seller Plans (defined below) and the assets of all Seller Plans and any asset that would revert to the employer upon the termination of any Seller Plan, including, without limitation, any assets representing a surplus or overfunding of any Seller Plan;

(c) all contracts that are not Assumed Contracts;

(d) all leases that are not Assumed Leases;

(e) the portions of Inventory, Prepaids, and other assets disposed of, expended or canceled, as the case may be, by such Seller after the Signing Date and prior to the Effective Time in the ordinary course of business;

(f) assets owned and provided by vendors of services or goods to the Hospital of such Hospital Seller;

(g) all of such Seller's organizational or corporate record books, minute books, tax returns, tax records and reports, data, files and documents, including electronic data related thereto;

(h) all claims, counterclaims and causes of action of such Seller or such Seller's bankruptcy estate (including parties acting for or on behalf of such Seller's bankruptcy estate, including, but not limited to, the official committee of unsecured creditors appointed in the Bankruptcy Cases), including, without limitation, rights of recovery or set-off of every kind and character against third parties, causes of action arising out of any claims and causes of action under chapter 5 of the Bankruptcy Code and any related claims, counterclaims and causes of action under applicable non-bankruptcy law, and any rights to challenge liens asserted against property of such Seller's bankruptcy estate, including, but not limited to, liens attaching to the Purchase Price paid to such Seller, and the proceeds from any of the foregoing;

(i) other than casualty insurance proceeds described in Section 1.7(m), all insurance policies and contracts and coverages obtained by such Seller or listing such Seller as insured party, a beneficiary or loss payee, including prepaid insurance premiums, and all rights to insurance proceeds under any of the foregoing, and all subrogation proceeds related to any insurance benefits arising from or relating to Assets prior to the Closing Date;

(j) all deposits made with any entity that provides utilities to the Hospital (the **"Utility Deposits"**);

(k) all rents, deposits, prepayments, and similar amounts relating to any contract or lease that is not an Assumed Contract or Assumed Lease;

(l) all non-transferrable unclaimed property of any third party as of the Effective Time, including, without limitation, property which is subject to applicable escheat laws;

(m) all other bank accounts of such Sellers not listed on **Schedule 1.7(u)**;



(n) all writings and other items that are protected from discovery by the attorney-client privilege, the attorney work product doctrine or any other cognizable privilege or protection;

(o) the rights of such Seller to receive mail and other communications with respect to Excluded Assets or Excluded Liabilities;

(p) all director and officer insurance;

(q) all tax refunds of such Seller;

(r) all documents, records, operating manuals and film pertaining to the Hospital that the parties agree that such Seller is required by law to retain;

(s) all patient records and medical records which are not required by law to be maintained by such Seller as of the Effective Time;

(t) all documents, records, correspondence, work papers and other patient records that may not be transferred under applicable law, and any other documents, records, or correspondence (including with respect to any employees) that may not be transferred under applicable law;

(u) any rights or documents relating to any Excluded Liability or other Excluded Asset;

(v) any rights or remedies provided to such Seller under this Agreement and each other document executed in connection with the Closing;

(w) any (i) personnel files for employees of such Seller who are not hired by Purchaser; (ii) other books and records that such Seller is required by Law to retain; provided, however, that except as prohibited by Law and subject to Article 5, Purchaser shall have the right to make copies of any portions of such retained books and records that relate to the business of the Hospital as conducted before the Closing or that relate to any of the Assets; (iii) documents which such Seller is not permitted to transfer pursuant to any contractual obligation owed to any third party; (iv) documents primarily related to any Excluded Assets; and (v) documents necessary to prepare tax returns (Purchaser shall be entitled to a copy of such documents). With respect to documents necessary to prepare cost reports, Purchaser shall receive the original document and such Seller shall be entitled to retain a copy of such documents for any period ending on or prior to the Closing Date;

(x) all deposits or other prepaid charges and expenses paid in connection with or relating to any other Excluded Assets;

(y) all rights, claims and causes of action of such Seller to the extent related to and/or to the extent arising out of the receivables identified in **Schedule 1.8(y)** and rights to settlements and retroactive adjustments, if any, whether arising under a Seller Cost Report or otherwise, for any reporting periods ending on or prior to the Effective Time, whether open or closed, arising from or against the United States government under the terms of the Medicare



program or TRICARE (formerly the Civilian Health and Medical Program of the Uniformed Services);

(z) all pre-Closing settlements or settlements pursuant to adversary proceedings in the Bankruptcy Cases, including, without limitation, any proceedings identified in Section 1.8(h) or 1.8(y) (together with the items identified in Section 1.8(h) and 1.8(y), the “**Excluded Settlements and Actions**”);

(aa) for the avoidance of doubt, all QAF IV and QAF V payments actually received prior to the Signing Date;

(bb) all assets of Verity Holdings other than the Purchased Verity Holdings Assets and all assets of any of the tenants located in the leased premises of the purchased Verity Holdings properties; and

(cc) any assets identified in Schedule 1.8(cc).

1.9 Assumed Obligations. On the Closing Date, each Seller shall assign, and Purchaser shall assume and agrees to discharge, perform and satisfy fully, on and after the Effective Time, the following liabilities and obligations of such Seller and only the following liabilities and obligations (collectively, the “**Assumed Obligations**”):

(a) the Assumed Contracts and all liabilities of such Seller under the Assumed Contracts, including related Cure Costs;

(b) the Assumed Leases and all liabilities of such Seller under the Assumed Leases, including related Cure Costs;

(c) all liabilities and obligations arising out of or relating to any act, omission, event or occurrence connected with the use, ownership or operation by Purchaser of the Hospital or any of the Assets on or after the Effective Time;

(d) all accrued vacation and other paid time off, to the extent assumed under Section 1.1(a)(ii);

(e) all liabilities and obligations of such Seller related to the Hired Employees arising on or following the Effective Time;

(f) all unpaid real and personal property taxes, if any, that are attributable to the Assets after the Effective Time, subject to the prorations provided in Section 1.6;

(g) all liabilities and obligations relating to utilities being furnished to the Assets, subject to the prorations provided in Section 1.6;

(h) any documentary, sales and transfer tax liabilities of such Seller incurred as a result of the consummation of the transaction contemplated by this Agreement;

(i) all liabilities or obligations provided for in Section 5.3;



(j) any obligations or liabilities Purchaser may desire or need to assume in order to have the Certifications/Licenses/Permits identified on Schedule 1.7(b) reissued to Purchaser, as well as any liabilities or obligations associated with Sellers' Medicare and Medi-Cal provider agreements, but only to the extent assumed by Purchaser, and any Medi-Cal liabilities or obligations needed to support ongoing Hospital Quality Assurance Fee Program payments; and

(k) any other obligations and liabilities identified in Schedule 1.9(k).

1.10 Excluded Liabilities. Purchaser shall not assume or become responsible for any duties, obligations or liabilities of any Seller that are not assumed by Purchaser pursuant to the terms of this Agreement, the Bill of Sale, the Assumption Agreement or the Real Estate Assignment(s) (the "**Excluded Liabilities**"), and each Seller shall remain fully and solely responsible for all of such Seller's debts, liabilities, contract obligations, expenses, obligations and claims of any nature whatsoever related to the Assets or the Hospital unless assumed by Purchaser under this Agreement, in the Bill of Sale, the Assumption Agreement or in the Real Estate Assignment(s).

1.11 Designation of Assumed Contracts and Assumed Leases.

(a) Except as provided in Section 1.11(b), all contracts and leases will be subject to evaluation by Purchaser for assumption or rejection (collectively "**Evaluated Contracts**"). Not later than seven (7) days prior to the date of the auction for the Assets (i) Purchaser shall notify each Seller in writing of which Evaluated Contracts are to be assumed by such Seller and assigned to Purchaser and (ii) Purchaser shall notify each Seller in writing signed and dated by Purchaser of which Evaluated Contracts are to be rejected by such Seller (collectively, the "**Rejected Contracts**"); provided, that Purchaser shall have the right to designate additional Evaluated Contracts for assumption up to thirty (30) days prior to Closing. Each Seller shall file such motions in the Bankruptcy Court and take such other actions as are reasonably necessary to ensure that final and non-appealable orders are entered (x) assuming and assigning the respective Assumed Contracts or Assumed Leases applicable to such Seller to Purchaser and (y) rejecting the Rejected Contracts. With respect to each Assumed Lease, the applicable Seller shall execute and deliver to Purchaser an Assignment and Assumption of Lease. Notwithstanding anything to the contrary set forth in this Agreement, the Rejected Contracts shall constitute part of the Excluded Assets pursuant to, and as defined in, this Agreement.

(b) At Closing and pursuant to an order of the Bankruptcy Court, each Seller will assume and immediately assign to Purchaser the leases of such Seller for Leased Real Property and the Tenant Leases.

(c) Notwithstanding the foregoing, Purchaser's obligation to consummate the transactions contemplated by this Agreement are not contingent upon the assumption, assignment or rejection of any contract or lease, or on the amount of any payment or other performance needed to cure any default thereunder.



1.12 Disclaimer of Warranties: Release.

(a) THE ASSETS TRANSFERRED TO PURCHASER WILL BE SOLD BY SELLERS AND PURCHASED BY PURCHASER IN THEIR PHYSICAL CONDITION AT THE EFFECTIVE TIME, “AS IS, WHERE IS AND WITH ALL FAULTS AND NONCOMPLIANCE WITH LAWS” WITH NO WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, USAGE, WORKMANSHIP, QUALITY, PHYSICAL CONDITION, OR VALUE, AND ANY AND ALL SUCH OTHER REPRESENTATIONS AND WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED, AND WITH RESPECT TO THE LEASED REAL PROPERTY WITH NO WARRANTY OF HABITABILITY OR FITNESS FOR HABITATION, INCLUDING, WITHOUT LIMITATION, THE LAND, THE BUILDINGS AND THE IMPROVEMENTS. ALL OF THE PROPERTIES, ASSETS, RIGHTS, LICENSES, PERMITS, PRIVILEGES, LIABILITIES, AND OBLIGATIONS OF SELLERS INCLUDED IN THE ASSETS AND THE ASSUMED OBLIGATIONS ARE BEING ACQUIRED OR ASSUMED “AS IS, WHERE IS” ON THE CLOSING DATE AND IN THEIR PRESENT CONDITION, WITH ALL FAULTS. ALL OF THE TANGIBLE ASSETS SHALL BE FURTHER SUBJECT TO NORMAL WEAR AND TEAR AND NORMAL AND CUSTOMARY USE OF THE INVENTORY AND SUPPLIES IN THE ORDINARY COURSE OF BUSINESS UP TO THE EFFECTIVE TIME.

(b) Purchaser acknowledges that Purchaser will be examining, reviewing and inspecting all matters which in Purchaser’s judgment bear upon the Assets, the Sellers, the Hospitals, the business of the Hospitals and their value and suitability for Purchaser’s purposes and is relying solely on Purchaser’s own examination, review and inspection of the Assets and Assumed Obligations. Purchaser releases each Seller and its affiliates from all responsibility and liability regarding the condition, valuation, salability or utility of the business of the Hospitals or the Assets, or their suitability for any purpose whatsoever. Purchaser further acknowledges that the representations and warranties of Sellers contained in ARTICLE 2 of this Agreement are the sole and exclusive representations and warranties made by Sellers to Purchaser (including with respect to the Hospitals, the Assets and the Assumed Obligations) and shall expire, and be of no further force or effect after January 8, 2019 (the period from the Signing Date until January 8, 2019, the “**Final Diligence Period**”), except that the Sale Order Date Representations shall expire, and be of no further force or effect upon the Sale Order Date, and in each case Sellers shall not have any liability in respect of any breach thereof following such expiration.



## ARTICLE 2

### REPRESENTATIONS AND WARRANTIES OF SELLERS

Each Seller hereby represents, warrants and covenants to Purchaser, severally (and not jointly) with respect to such Seller that the following matters are true and correct as of the Signing Date and as of the last day of the Final Diligence Period, except as would not have a material adverse effect upon the Hospitals, taken as a whole (a “**Material Adverse Effect**”) and except as disclosed in the disclosure schedule, as may be amended pursuant to the terms of this Agreement (the “**Disclosure Schedule**”), provided that the representations and warranties set forth in Sections 2.1 (Authorization), 2.2 (Binding Agreement), 2.3 (Organization and Good Standing; No Violation), 2.8 (Compliance with Legal Requirements), 2.9 (Required Consents), 2.11 (Title) and 2.14 (Legal Proceedings) (the “**Sale Order Date Representations**”) shall also be made as of immediately prior to the entry of the Sale Order (the “**Sale Order Date**”):

2.1 Authorization. Such Seller has all necessary corporate power and authority to enter into this Agreement and, subject to Bankruptcy Court approval, to carry out the transactions contemplated hereby.

2.2 Binding Agreement. This Agreement has been duly and validly executed and delivered by such Seller and, assuming due and valid execution by Purchaser, this Agreement constitutes a valid and binding obligation of such Seller enforceable in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies. Except for such corporate actions which have been taken on or before the date hereof, no other corporate action on the part of Sellers is necessary to authorize the execution, delivery and performance of this Agreement and the transactions contemplated hereby and thereby.

2.3 Organization and Good Standing; No Violation.

(a) Such Seller is an entity duly organized, validly existing and in good standing under the laws of the State of California. Such Seller has all necessary power and authority to own, operate and lease its properties and to carry on its businesses as now conducted.

(b) Neither the execution and delivery by such Seller of this Agreement nor the consummation of the transactions contemplated hereby by such Seller nor compliance with any of the material provisions hereof by such Seller, will violate, conflict with or result in a breach of any material provision of such Seller’s articles of incorporation or bylaws or any other organizational documents of such Seller.

2.4 Contracts. Except as set forth in Schedule 2.4, upon entry of the Sale Order and Purchaser’s payment of the Cure Costs, to Seller’s knowledge, Seller is not in material breach or default of the Assumed Contracts or Assumed Leases. No provision of this Section 2.4 shall apply to any failure to obtain consents to the assignment of the Assumed Contracts and Assumed Leases from third parties to the Assumed Contracts and Assumed Leases for which consent is required to



assign the Assumed Contracts and Assumed Leases to Purchaser (the “**Contract and Lease Consents**”).

2.5 **Brokers and Finders.** Except as set forth on Schedule 2.5, neither such Seller nor any affiliate thereof, nor any officer or director thereof, have engaged or incurred any liability to any finder, broker or agent in connection with the transactions contemplated hereunder.

2.6 **Seller Knowledge.** References in this Agreement to “Sellers’ knowledge or “the knowledge of Sellers” means the actual knowledge of the Chief Executive Officer or Chief Financial Officer of the applicable Seller, without independent research. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

2.7 **Non-Contravention.** Neither the execution and delivery by Sellers of this Agreement and each Ancillary Agreement nor performance of any of the material provisions hereof by Sellers, will violate, conflict with or result in a breach of any material provisions of the articles of incorporation or bylaws of Sellers.

2.8 **Compliance with Legal Requirements.** Except as set forth in Schedule 2.8, to the knowledge of Sellers: each Seller, with respect to the operation of the Hospitals, is in material compliance with all applicable laws, statutes, ordinances, orders, rules, regulations, policies, guidelines, licenses, certificates, judgments or decrees of all judicial or governmental authorities (federal, state, local, foreign or otherwise) (collectively, “**Legal Requirements**”). Except as set forth in Schedule 2.8, to the knowledge of Sellers, none of the Sellers, with respect to the operation of the Hospitals, has been charged in writing with or been given written notice of or is under investigation with respect to, any material violation of, or any obligation to take material remedial action under, any applicable Legal Requirements.

2.9 **Required Consents.** Except as set forth in Schedule 2.9, and other than in connection with any Licenses, any provider agreements (including any such agreements with a governmental authority) and the CA AG (defined below), Sellers are not a party to or bound by, nor are any of the Assets subject to, any mortgage, or any material lien, deed of trust, material lease, or material contract or any material order, judgment or decree which, after giving effect to the Sale Order (a) will require the consent of any third party to the execution of this Agreement or (b) will require the consent of any third party to consummate the transactions contemplated by this Agreement.

2.10 **Environmental Matters.**

(a) Sellers have provided Purchasers with the Phase I Environmental Site Assessments set forth in said Schedule 2.10(a).

(b) Except as disclosed in Schedule 2.10(b), to the knowledge of Sellers, the operations of the Hospitals are not in material violation of any applicable limitations, restrictions, conditions, standards, prohibitions, requirements and obligations of Environmental Laws and related orders of any court or any other governmental authority.



(c) For the purposes of this Section, the term “**Environmental Laws**” shall mean all state, federal or local laws, ordinances, codes or regulations relating to Hazardous Substances or to the protection of the environment, including, without limitation, laws and regulations relating to the storage, treatment and disposal of medical and biological waste. For purposes of this Agreement, the term “**Hazardous Substances**” shall mean (i) any hazardous or toxic waste, substance, or material defined as such in (or for the purposes of) any Environmental Laws, (ii) asbestos-containing material, (iii) medical and biological waste, (iv) polychlorinated biphenyls, (v) petroleum products, including gasoline, fuel oil, crude oil and other various constituents of such products, and (vi) any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any Environmental Laws.

2.11 Title. Prior to December 21, 2018, Sellers have delivered at their own expense (i) for all the Real Property preliminary title reports issued by First American Title Insurance Company (the “**Title Commitments**”), (ii) for all of the Real Property all underlying title documents listed on the Title Commitments (the “**Underlying Title Documents**”), and (iii) for all of the Hospitals an as-built ALTA Surveys (the “**Surveys**”, and collectively with the Title Commitment and the Underlying Title Documents, the “**Title Documents**”).

2.12 Certain Other Representations with Respect to the Hospitals.

(a) Except as set forth in Schedule 2.12, all Licenses which are material and necessary to the operation of the Hospitals or the Hospitals by Sellers are valid and in good standing and Sellers are in compliance with the terms and conditions of all such Licenses in all material respects, in each case except where the failure to be valid and in good standing or in compliance would not have a material adverse effect on the Assets or the Hospitals. Except as set forth in Schedule 2.12, as of the Closing Date Sellers will have any and all material Licenses required under Legal Requirements to conduct the Hospitals as presently conducted by Sellers, except where the failure to have any such License would not have a material adverse effect on the Assets or the Hospitals. To the knowledge of Sellers, no loss or expiration of any License is pending or threatened.

(b) Sellers are certified for participation in the Medicare, Medi-Cal and TRICARE programs and any other federal or state health care reimbursement programs in which they participate, and have current and valid provider agreements with each such program, except where the failure to be so certified or have such provider agreements would not have a material adverse effect.

(c) Sellers have not been excluded from Medicare, Medi-Cal or any federal or state health care reimbursement program, and, to the knowledge of Sellers, there is no pending or threatened exclusion action by a governmental authority against Sellers.

2.13 Financial Statements.

(a) Schedule 2.13(a) hereto contains the following financial statements (the “Historical Financial Statements”): (i) the unaudited balance sheets of the Sellers as of June 30,



2018; (ii) unaudited income statements of the Sellers for the twelve-month periods ended June 30, 2018; (iii) the audited consolidated income statements of Sellers for the years ended 2016 and 2017; and (iv) the unaudited consolidated balance sheet of Sellers as of June 30, 2018.

(b) the income statements contained in the Historical Financial Statements present, fairly in all material respects the results of the operations of the Sellers as of and for the periods covered therein and, except as set forth on Schedule 2.13(b), the balance sheets contained in the Historical Financial Statements (i) are true, complete and correct in all material respects; (ii) present, fairly in all material respects the financial condition of the Sellers as of the dates indicated thereon; and (iii) to the extent prepared by an independent certified public accounting firm, have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered, except as disclosed therein.

2.14 Legal Proceedings. Except as set forth on Schedule 2.14, and except for any and all cases and/or pleadings filed or to be filed in the Bankruptcy Court, which shall be available through Sellers' claims and noticing agent's website at <http://www.kcclcc.com/VERITYHEALTH/>, to the knowledge of Sellers, there are no material claims, proceedings or investigations pending or threatened with respect to the ownership of the Assets or the operation of the Hospitals or the Hospitals by Sellers before any governmental authority. Except as set forth on Schedule 2.14, and other than any action or proceeding brought in the Bankruptcy Court, to the knowledge of Sellers, Sellers are not subject to any government order with respect to the ownership or operation by Sellers of the Hospitals or the other Assets or the Hospitals and are in substantial compliance with respect to each such government order.

2.15 Employee Benefits. Schedule 2.15(a) contains a list of (i) each pension, profit sharing, bonus, deferred compensation, or other retirement plan or arrangement of Seller with respect to the operation of the Hospital, whether oral or written, which constitutes an "employee pension benefit plan" as defined in Section 3(2) of ERISA, (ii) each medical, health, disability, insurance or other plan or arrangement of Seller with respect to the operation of the Hospital, whether oral or written, which constitutes an "employee welfare benefit plan" as defined in Section 3(1) of ERISA, and (iii) each other employee benefit or perquisite provided by Seller with respect to the operation of the Hospital, in which any employee of Seller participates in his capacity as such (collectively, the "**Seller Plans**").

2.16 Personnel. Schedule 2.16 sets forth a complete list (as of the date set forth therein) of names, positions and current annual salaries or wage rates and scheduled bonus, and the accrued paid time off pay of all employees of Sellers (including employees of the Hospitals and employees of Verity and Verity Holdings) immediately prior to December 21, 2018, whether such employees are full time employees, part-time employees, on short-term or long-term disability or on leave of absence pursuant to Sellers's policies, the Family and Medical Leave Act of 1993 or other similar Legal Requirements (the "**Hospital Employees**") and indicating whether the Hospital Employee is full- time or part-time. Sellers shall have the right to update to Schedule 2.16(a) to reflect changes in employment status or new hires and terminations occurring after December 21, 2018 by providing a revised schedule to Purchase no later than five (5) Business Days before the date scheduled for the Closing. Insurance. Schedule 2.17 contains a list of all material insurance maintained by Sellers with respect to the Assets and the Businesses, as of the Signing Date.



2.18 Accounts Receivable. To the knowledge of Sellers, all Accounts Receivable included in the Assets at Closing result from the bona fide provision of products or services in the ordinary course of business. All Sellers Accounts Receivable are currently deposited, either electronically or manually, into the bank accounts listed on Schedule 4.25(b).

2.19 Payer Contracts. To the knowledge of Sellers, and subject to Section 365 of the Bankruptcy Code, Schedule 2.19 sets forth a complete list of all written contracts with private third party payers including insurance companies and HMOs (“**Payer Contracts**”). Sellers have provided Purchasers with a true and correct copy of all material Payer Contracts, whether or not entered into in the ordinary course of business, or otherwise required to be disclosed on Schedule 2.20, in each case together with all amendments thereto.

2.20 Excluded Individuals. Except as set forth on Schedule 2.20, to the knowledge of Sellers: neither Sellers, Hospitals nor any director, officer or employee of Sellers or Hospitals (a) was, is or is proposed to be, suspended, excluded from participation in, or sanctioned under, any federal or state health care program (including, without limitation, Medicare and Medicaid) (an “**Excluded Individual**”); (b) has been convicted of any criminal offense related to the delivery of any medical or health care services or supplies, or related to the neglect or abuse of patients; (c) has failed to maintain its current License to provide the services required to be provided by it to or on behalf of Sellers and Hospitals; or (d) is unable to obtain or maintain liability insurance consistent with commercially reasonable industry practices.

## ARTICLE 3

### REPRESENTATIONS AND WARRANTIES OF PURCHASER

As an inducement to Sellers to enter into this Agreement and to consummate the transactions contemplated by this Agreement, Purchaser hereby represents, warrants and covenants to Sellers as to the following matters as of the Signing Date and, except as otherwise provided herein, shall be deemed to remake all of the following representations, warranties and covenants as of the Closing Date:

3.1 Authorization. Purchaser has full power and authority to enter into this Agreement and has full power and authority to perform its obligations hereunder and to carry out the transactions contemplated hereby. No additional internal consents are required in order for Purchaser to perform its obligations and agreements hereunder.

3.2 Binding Agreement. This Agreement has been duly and validly executed and delivered by Purchaser and, assuming due and valid execution by Sellers, this Agreement constitutes a valid and binding obligation of Purchaser enforceable in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors’ rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies.

3.3 Organization and Good Standing. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of California, is or will be duly



authorized to transact business in the State of California, and has full power and authority to own, operate and lease its properties and to carry on its business as now conducted.

3.4 No Violation. Except as set forth in **Schedule 3.4**, neither the execution and delivery by Purchaser of this Agreement nor the consummation of the transactions contemplated hereby nor compliance with any of the material provisions hereof by Purchaser will (a) violate, conflict with or result in a breach of any material provision of the Articles of Incorporation, Bylaws or other organizational documents of Purchaser or any contract, lease or other instrument by which Purchaser is bound; (b) require any approval or consent of, or filing with, any governmental agency or authority, (c) violate any law, rule, regulation, or ordinance to which Purchaser is or may be subject, (d) violate any judgment, order or decree of any court or other governmental agency or authority to which Purchaser is subject.

3.5 Brokers and Finders. Neither Purchaser nor any affiliate thereof nor any officer or director thereof has engaged any finder or broker in connection with the transactions contemplated hereunder.

3.6 Representations of Sellers. Purchaser acknowledges that it is purchasing the Assets on an "AS IS, WHERE IS" basis (as more particularly described in **Section 1.12**), and that Purchaser is not relying on any representation or warranty (expressed or implied, oral or otherwise) made on behalf of any Seller other than as expressly set forth in this Agreement. Purchaser further acknowledges that no Seller is making any representations or warranties herein relating to the Assets or the operation of the Hospital on and after the Effective Time.

3.7 Legal Proceedings. Except as described on **Schedule 3.7**, there are no claims, proceedings or investigations pending or, to the best knowledge of Purchaser, threatened relating to or affecting Purchaser or any affiliate of Purchaser before any court or governmental body (whether judicial, executive or administrative) in which an adverse determination would materially adversely affect the properties, business condition (financial or otherwise) of Purchaser or any affiliate of Purchaser or which would adversely affect Purchaser's ability to consummate the transactions contemplated hereby. Neither Purchaser nor any affiliate of Purchaser is subject to any judgment, order, decree or other governmental restriction specifically (as distinct from generically) applicable to Purchaser or any affiliate of Purchaser which materially adversely affects the condition (financial or otherwise), operations or business of Purchaser or any affiliate of Purchaser or which would adversely affect Purchaser's ability to consummate the transactions contemplated hereby.

3.8 No Knowledge of a Seller's Breach. Neither Purchaser nor any of its affiliates has knowledge of any breach of any representation or warranty by any Seller or of any other condition or circumstance that would give Purchaser a right to terminate this Agreement pursuant to **Section 9.1(c)**. If information comes to Purchaser's attention on or before the Closing Date (whether through a Seller or otherwise and whether before or after the Signing Date) which indicates that Sellers have breached any of its representations and warranties under this Agreement, then the effect shall be as if the representations and warranties had been modified in this Agreement in accordance with the actual state of facts existing prior to the Effective Time such that there will be no breach under Sellers' representations and warranties in relation to such information; *provided, however*, that Purchaser must immediately notify Sellers if any such breach comes to its attention



on or before the Closing Date, and Purchaser's failure to so notify Sellers shall constitute a waiver by Purchaser of Sellers' breach, if any, of any representation or warranty. If any such information comes to Purchaser's attention on or before the Closing Date (whether through a Seller or otherwise, including through updated schedules, and whether before or after the Signing Date) that would give Purchaser a right to terminate this Agreement pursuant to Section 9.1(c), Purchaser must immediately notify Sellers if any such information comes to its attention on or before the Closing Date, and Purchaser's failure to so notify Sellers shall constitute a waiver of such right in relation to the relevant breach.

3.9 Ability to Perform. Purchaser has the ability to obtain funds in cash in amounts equal to the Purchase Price by means of credit facilities or otherwise and will at the Closing have immediately available funds in cash, which are sufficient to pay the Purchase Price and to pay any other amounts payable pursuant to this Agreement and to consummate the transactions contemplated by this Agreement.

3.10 Purchaser Knowledge. References in this Agreement to "Purchaser's knowledge" or "the knowledge of Purchaser" means the actual knowledge of the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer of Purchaser, without independent research. No constructive or imputed knowledge shall be attributed to any such individual by virtue of any position held, relationship to any other Person or for any other reason.

3.11 Investigation. Purchaser has been afforded reasonable access to, and has been provided adequate time to review, the books, records, information, operations, facilities and personnel of each Seller and the Hospital for purposes of conducting a due diligence investigation of each Seller and the Hospital. Purchaser has conducted a reasonable due diligence investigation of each Seller and the Hospital and has received satisfactory answers to all inquiries it has made respecting each Seller and the Hospital and has received all information it considers necessary to make an informed business evaluation of each Seller and the Hospital. In connection with its due diligence investigation of each Seller and the Hospital, Purchaser has not relied upon any books, records, information, operations, facilities and personnel provided by any Seller, including in making its determination to enter into this Agreement and/or consummate the transactions contemplated hereby.

## ARTICLE 4

### COVENANTS OF SELLERS

#### 4.1 Access and Information: Inspections.

4.1.1 From the Signing Date through the Effective Time, (a) each Seller shall afford to the officers and agents of Purchaser (which shall include accountants, attorneys, bankers and other consultants and authorized agents of Purchaser) reasonable access during normal business hours at Seller's corporate headquarters in El Segundo, California to, and the right to inspect, the books, accounts, records and all other relevant documents and information with respect to the assets, liabilities and business of the Hospital of such Seller and the plant and property of the Hospital of such Seller at the Hospital of such Seller and (b) each Seller shall furnish Purchaser with such additional financial and operating data and other information in such Seller's possession



as to businesses and properties of the Hospital of such Seller as Purchaser or its representatives may from time to time reasonably request; *provided, however*, that such Seller is not obligated to disclose information which is proprietary to such Seller and would not be essential to the ongoing operation of the Hospital of such Seller by Purchaser; *provided, further*, that all disclosures of information shall be consistent with the confidentiality agreements and any other non-disclosure agreements entered into (or to be entered into) among Purchaser, its representatives and such Seller. Purchaser's right of access and inspection shall be exercised in such a manner as not to interfere unreasonably with the operations of any Seller or the Hospital.

4.1.2 Notwithstanding anything contained herein, no Seller shall be required to provide Purchaser or its representatives or agents access to or disclose information where such access or disclosure would violate the rights of its patients, jeopardize the attorney-client or similar privilege with respect to such information or contravene any law, judgment, fiduciary duty or contract entered into prior to or on the date of this Agreement with respect to such information.

#### 4.2 Cooperation.

4.2.1 Each Seller shall reasonably cooperate with Purchaser and its authorized representatives and attorneys: (a) in Purchaser's efforts to obtain all consents, approvals, authorizations, clearances and licenses required to carry out the transactions contemplated by this Agreement (including, without limitation, those of governmental and regulatory authorities) or which Purchaser reasonably deems necessary or appropriate, (b) in the preparation of any document or other material which may be required by any governmental agency as a predicate to or result of the transactions contemplated in this Agreement, and (c) in Purchaser's efforts to effectuate the assignment of Assumed Contracts to Purchaser as of the Closing Date. Except as may be otherwise requested by a Seller in order to comply with applicable law or regulatory guidance, notwithstanding anything contained herein, other than Bankruptcy Court orders and authorizations, it shall be Purchaser's sole responsibility (including payment of any fees, expenses, filings costs or other amounts) to obtain the Contract and Lease Consents, as well as all governmental consents, approvals, assignments, authorizations, clearances and licenses required to (x) carry out the transactions contemplated by this Agreement, including but not limited to medical licenses and/or (y) transfer any of the Assets, including any Licenses. To the extent Purchaser needs certain information and data which is in the possession of a Seller in order for Purchaser to complete Purchaser's license and permit approval applications, Purchaser shall receive, upon request, reasonable assistance from such Seller in connection with the provision of such information.

4.2.2 Notwithstanding any provision to the contrary contained in this Agreement (including Section 8.7), no Seller shall be obligated to obtain the approval or consent to the assignment, to Purchaser, of any Assumed Contracts or Assumed Leases, from any party to any of the Assumed Contracts or Assumed Leases even if any such contract or lease states that it is not assignable without such party's consent.

4.3 Other Bidders. Purchaser expressly acknowledges and agrees that each Seller has an obligation to seek out and determine the best and highest offer reasonably available for such



Seller's assets in accordance with the Bankruptcy Code, and nothing herein shall amend, modify, alter, diminish or affect such obligation.

4.4 Sellers' Efforts to Close. Each Seller shall use its reasonable commercial efforts to satisfy all of the conditions precedent set forth in ARTICLE 7 and ARTICLE 8 to its or Purchaser's obligations under this Agreement to the extent that such Seller's action or inaction can control or materially influence the satisfaction of such conditions; provided, however, that such Seller shall not be required to pay or commit to pay any amount to (or incur any obligation in favor of) any person (other than filing or application fees).

4.5 Termination Cost Reports. Each Seller shall file all Medicare, Medi-Cal and any other termination cost reports required to be filed as a result of the consummation of (a) the transfer of the Assets of such Seller to Purchaser and (b) the transactions contemplated by this Agreement with respect to such Seller, provided that Purchaser shall fund reasonable costs and expenses of preparation, filing and audit of such reports. Purchaser shall permit each Seller access to all Hospital books and records to prepare such reports and shall assist such Seller in the process of preparing, filing, and reviewing the termination cost reports. All such termination cost reports shall be filed by the applicable Seller in a manner that is consistent with current laws, rules and regulations. Each Seller shall be responsible for filing governmental cost reports for the period of January 1, 2019 through the Closing Date. Purchaser shall be responsible for its own cost report filings relating to the Hospitals beginning on the day immediately following the Effective Time.

4.6 Conduct of the Business. From the Signing Date until the Closing, or the earlier termination of this Agreement, without the prior written consent of Purchaser, Sellers shall, with respect to the ownership of the Assets and the operation of the Hospitals, use commercially reasonable efforts to, in each case except as would not have a Material Adverse Effect (except as otherwise noted):

(a) without regard to Material Adverse Effect, carry on Sellers' ownership of the Assets and the operation of the Hospitals consistent with past practice, but subject to the Bankruptcy Cases and Sellers' obligations and actions in connection therewith;

(b) maintain in effect the insurance and equipment replacement coverage with respect to the Assets;

(c) if and as permitted by the Bankruptcy Court, pay any bonuses payable under the Key Employee Retention Plan and Key Employee Incentive Plan of Sellers;

(d) maintain the Assets in materially the same condition as at present, ordinary wear and tear excepted;

(e) perform its obligations under all contracts with respect to the Assets in compliance with the Bankruptcy Code;

(f) following entry of the Sale Order, permit and allow reasonable access by Purchaser and its representatives (which shall include the right to send written materials, all of which shall be subject to Sellers' reasonable approval prior to delivery) to make offers of post-



Closing employment to any of Sellers' personnel (including access by Purchasers and their representatives for the purpose of conducting open enrollment sessions for Purchasers' employee benefit plans and programs) and to establish relationships with physicians, medical staff and others having business relations with Sellers;

(g) with respect to material deficiencies, if any, cited by any governmental authority (other than the Attorney General of the State of California and other than with respect to Seismic requirements) or accreditation body in the most recent surveys conducted by each, cure or develop and timely implement a plan of correction that is acceptable to such governmental authority or such accreditation body;

(h) timely file or cause to be filed all material reports, notices and tax returns required to be filed and pay all required taxes as they come due;

(i) without regard to Material Adverse Effect, beginning on February 21, 2019 and in accordance with the Sellers' budget under their debtor in possession financing, timely pay any fees that are or become due and payable under QAF IV and QAF V;

(j) comply in all material respects with all Legal Requirements (including Environmental Laws) applicable to the conduct and operation of the Hospitals; and

(k) without regard to Material Adverse Effect, maintain all material approvals, permits and environmental permits relating to the Hospitals and the Assets.

**4.7 Contract With Unions.** Representatives of Sellers who are parties to collective bargaining agreements and Purchaser shall meet and confer from time to time as reasonably requested by either party to discuss strategic business options and alternative approaches in negotiating each collective bargaining agreement. The applicable Sellers and Purchaser shall each participate in all union negotiations related to any specific collective bargaining agreement. Promptly following the Signing Date, applicable Sellers shall use commercially reasonable efforts to initiate discussions with Purchaser and conduct discussions to renegotiate each collective bargaining agreement currently in effect with each applicable union. The applicable Sellers will not unreasonably withhold, condition or delay approval or implementation of any successfully renegotiated collective bargaining agreement. The parties recognize that an applicable Seller's failure to secure a modification to any collective bargaining agreement, or to conclude a successor collective bargaining agreement shall not be a breach of Sellers' obligation under this Agreement, provided that if the unions refuse to negotiate, or otherwise are not timely, reasonable or realistic in renegotiating, the collective bargaining agreements during the period between the Signing Date and the Closing Date, Sellers and Purchaser will jointly consider, and negotiate mutually in good faith, alternative approaches that may be available and/or necessary to reduce Sellers' labor cost structure, including, but not limited to, seeking to reject the collective bargaining agreement(s).

## ARTICLE 5

### COVENANTS OF PURCHASER



5.1 Purchaser's Efforts to Close. Purchaser shall use its reasonable commercial efforts to satisfy all of the conditions precedent set forth in ARTICLE 7 and ARTICLE 8 to its or Sellers' obligations under this Agreement to the extent that Purchaser's action or inaction can control or materially influence the satisfaction of such conditions. Prior to consummation of the transactions contemplated hereby or the termination or expiration of this Agreement, Purchaser shall be permitted to communicate and meet with (a) counter-parties to the agreements and contracts of the Hospitals, included those included in Assumed Obligations, regarding the terms and conditions under which they may be assumed and assigned to Purchaser, and (b) applicable governmental and regulatory authorities regarding prospective compliance with regulatory requirements and related issues; so long as, in the case of each of (a) and (b) (i) such communications and meetings do not interfere with the operation of the Businesses or the conduct of the Bankruptcy Cases and (ii) any communications or meetings with any governmental authority are approved in advance by Sellers as to timing and content (and Sellers are copied on such communications and afforded the opportunity to participate in such meetings).

5.2 Required Governmental Approvals.

(a) Purchaser, at its sole cost and expense (a) shall use its best efforts to secure, as promptly as practicable before the Closing Date, all consents, approvals (or exemptions therefrom), authorizations, clearances and licenses required to be obtained from governmental and regulatory authorities in order to carry out the transactions contemplated by this Agreement and to cause all of its covenants and agreements to be performed, satisfied and fulfilled (and provide Sellers copies of all materials relating to such consents, approvals, authorizations, clearances and licenses upon submission and all materials received from third parties in connection with such consents, approvals, authorizations, clearances and licenses upon receipt), and (b) will provide such other information and communications to governmental and regulatory authorities as any Seller or such authorities may reasonably request. Purchaser will provide Sellers periodic and timely updates regarding all such consents, approvals, authorizations, clearances and licenses. Purchaser is responsible for all filings with and requests to governmental authorities necessary to enable Purchaser to operate the Hospital at and after the Effective Time. Purchaser shall, promptly, but no later than thirty (30) business days after the entry of the Sale Order or sooner if required by applicable governmental or regulatory authorities, file all applications, licensing packages and other similar documents with all applicable governmental and regulatory authorities which are a prerequisite to obtaining the material licenses, permits, authorizations and provider numbers described in Section 8.1. Purchaser shall be entitled, but not obligated, to obtain the Contract and Lease Consents. Purchaser shall be entitled, but not obligated, to solicit and obtain estoppel certificates from any third party to any Leased Real Property. Purchaser's failure to obtaining any or all of the Contract and Lease Consents or estoppel certificates as of the Closing Date shall not be a condition precedent to either party's obligation to close the transactions contemplated by this Agreement.

(b) Purchaser and Sellers agree that because the change of ownership and regulatory approval process in connection with the transactions contemplated by this Agreement may take an extended period of time, Purchaser and Sellers agree to an initial closing effective upon the approval of the court and upon the approval of the transaction by the CA AG (as defined below) in accordance with Sections 7.5 and 8.6, at which time the Assets (less the portion of the Assets constituting drugs or other pharmacy assets) will be sold to Purchaser and immediately leased back



to Sellers, with a concurrent management agreement entered into at that time upon terms mutually agreeable to the parties in their reasonable business judgment. The Sale Leaseback Agreement and Interim Management Agreement will terminate at the Closing when the Purchaser is issued the Licenses necessary to operate the Hospitals directly (namely, the Hospital Licenses and pharmacy permits).

### 5.3 Certain Employee Matters.

(a) Purchaser agrees to make offers of employment, effective as of the Effective Time, to substantially all persons (whether such persons are full time employees, part-time employees, on short-term or long-term disability or on leave of absence, military leave or workers compensation leave) (the “**Hospital Employees**”) who, immediately prior to the Effective Time are: (i) employees of any Seller; (ii) employees of any affiliate of any Seller which employs individuals at the Hospital and are listed on Schedule 5.3; or (iii) employed by an affiliate of any Seller and are listed on Schedule 5.3. For the avoidance of doubt, the Hospital Employees shall not include any employees of Verity or any other affiliate of Seller unless such individual is listed on Schedule 5.3. Any of the Hospital Employees who accept an offer of employment with Purchaser as of or after the Effective Time shall be referred to in this Agreement as the “**Hired Employees**.” All employees who are Hired Employees shall cease to be employees of the applicable Seller or its affiliates as of the Effective Time.

(b) Purchaser shall give all Hired Employees full credit for paid time off pay to such employees as of the Closing Date by crediting such employees the time off reflected in the employment records of the applicable Seller and/or any of its affiliates immediately prior to the Effective Time, subject to compliance with applicable law and regulation, including consent of such employees if required.

(c) After the Closing Date, Purchaser’s human resources department will give reasonable assistance to each Seller and its affiliates with respect to such Seller’s and such Seller’s affiliates’ post-Closing administration of such Seller’s and such Seller’s affiliates’ pre-Closing employee benefit plans for the Hospital Employees. Within five (5) days after the Closing Date, Purchaser shall provide to each Seller a list of all the Hospital Employees who were offered employment by Purchaser but refused such employment along with a list of all Hired Employees (which such list Purchaser shall periodically update).

(d) With respect to any collective bargaining agreements or labor contract with respect to any employees, Purchaser shall comply with the applicable laws and bankruptcy court orders relating to collective bargaining agreements or labor contracts.

(e) The provisions of this Section 5.3 are solely for the benefit of the parties to this Agreement, and no employee or former employee or any other individual associated therewith or any employee benefit plan or trustee thereof shall be regarded for any purpose as a third party beneficiary of this Agreement, and nothing herein shall be construed as an amendment to any employee benefit plan for any purpose.

5.4 Excluded Assets. As soon as practicable after the Closing Date, Purchaser shall deliver to each Seller or such Seller’s designee any Excluded Assets of such Seller found at the



Hospital on and after the Effective Time, without imposing any charge on any Seller for Purchaser's storage or holding of same on and after the Effective Time.

5.5 Waiver of Bulk Sales Law Compliance. Purchaser hereby waives compliance by Sellers with the requirements, if any, of Article 6 of the Uniform Commercial Code as in force in any state in which the Assets are located and all other laws applicable to bulk sales and transfers.

5.6 Attorney General. Promptly after entry of the Sale Order, but in any event within ten (10) calendar days, Purchaser shall, at its sole cost and expense, make any notices or other filings with the Attorney General of the State of California (the "CA AG"). Each Seller shall reasonably cooperate with Purchaser in such notices or other filings.

5.7 Conduct Pending Closing. Prior to consummation of the transactions contemplated hereby or the termination or expiration of this Agreement pursuant to its terms, unless Sellers shall otherwise consent in writing, Purchaser shall not take any action or fail or omit to take any action which would cause any of Purchaser's representations and warranties set forth in ARTICLE 4 to be inaccurate or untrue as of the Closing.

5.8 Cure Costs. Purchaser, upon assumption, shall pay the Cure Costs for each Assumed Contract and Assumed Lease so that each such Assumed Contract and Assumed Lease may be assumed by the applicable Seller and assigned to Purchaser in accordance with the provisions of section 365 of the Bankruptcy Code. For purposes of this Agreement, "**Cure Costs**", means all amounts that must be paid and all obligations that otherwise must be satisfied, including pursuant to Sections 365(b)(1)(A) and (B) of the Bankruptcy Code in connection with the assumption and/or assignment of the Assumed Contracts and Assumed Leases to Purchaser as provided herein.

5.9 Operating Covenant. Purchaser shall act in good faith and use Purchaser's commercially reasonable efforts to serve the medical needs of each Hospital's service area.

5.10 HSR Filing. Purchaser and each Seller will as promptly as practicable, and in any event no later than five business days after the date of the Sale Order, file with the Federal Trade Commission and the Department of Justice the notification and report forms required for the transactions contemplated hereby and any supplemental information that may be reasonably requested in connection therewith pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**HSR Act**"), which notification and report forms and supplemental information will comply in all material respects with the requirements of the HSR Act. Purchaser shall pay all filing fees required with respect to the notification, report and other requirements of the HSR Act. Each of Purchaser and Sellers shall furnish to the other such information and assistance as the other shall reasonably requires in connection with the preparation and submission to, or agency proceedings by, any governmental authority under the HSR Act, and each of Purchaser and Sellers shall keep the other promptly apprised of any communications with, and inquires or requests for information from, such governmental authorities. Purchaser shall take such action (including divestitures or hold separate arrangements) as may be required by any governmental authority in order to resolve with the minimum practicable delay any objections such governmental authorities may have to the transactions contemplated by this Agreement under the HSR Act.



5.11 Contract with Unions. Representatives of Sellers who are parties to collective bargaining agreements and Purchaser shall meet and confer from time to time as reasonably requested by either party to discuss strategic business options and alternative approaches in negotiating each collective bargaining agreement. The applicable Sellers and Purchaser shall each participate in all union negotiations related to any specific collective bargaining agreement. Promptly following the Signing Date, applicable Sellers shall use commercially reasonable efforts to initiate discussions with Purchaser and conduct discussions to renegotiate each collective bargaining agreement currently in effect with each applicable union. The applicable Sellers will not unreasonably withhold, condition or delay approval or implementation of any successfully renegotiated collective bargaining agreement to be assumed by Purchaser. The parties recognize that an applicable Seller's failure to secure a modification to any collective bargaining agreement, or to conclude a successor collective bargaining agreement shall not be a breach of Sellers' obligation under this Agreement. In addition, Sellers may, in their discretion, seek to reject any or all of the collective bargaining agreement(s).

## ARTICLE 6

### SELLERS' BANKRUPTCY AND BANKRUPTCY COURT APPROVAL

#### 6.1 Bankruptcy Court Approval; Overbid Protection and Break-Up Fee.

(a) Sellers and Purchaser acknowledge that this Agreement and the sale of the Assets and the assumption and assignment of the Assumed Contracts and Assumed Leases are subject to Bankruptcy Court approval, and that this Agreement is subject to termination in its entirety in the event any Seller receives a better and higher offer for the Assets in accordance with the Bankruptcy Code and subject to the terms stated herein.

(b) Promptly following the execution of this Agreement by all parties, the Seller shall file a motion with the Bankruptcy Court (the "**Sales Procedures Motion**"), the content of which shall be subject to the reasonable approval by Purchaser, for entry of an order approving bid procedures and overbid protections containing substantially the following terms and conditions:

(1) the Seller shall not accept any offer to sell the Assets subject to this Agreement ("**Overbid**") to another purchaser ("**Overbidder**") unless that offer exceeds the Purchase Price by an amount sufficient to pay the Break-Up Fee and such offer includes the purchase of substantially all Assets subject of this Agreement;

(2) in the event that an overbidder (and not the Purchaser) is the successful bidder for the purchase of the Assets (the "**Alternate Transaction**") and the Alternative Transaction is approved by the Bankruptcy Court, (a) the Deposit, and any interest earned thereon, shall be returned to Purchaser immediately upon the entry of such sale order, and (b) Purchaser shall be paid a break-up fee of three and one-half percent (3.25%) of the Cash Consideration (\$19,825,000.00) plus reimbursement of reasonably documented reasonable costs and expenses incurred by Purchaser related to its due diligence, and pursuing, negotiating, and documenting the transactions contemplated by this Agreement in an amount not to exceed \$2,000,000.00 (the "**Break-Up Fee**"); provided, however, that in the event that



the Purchaser is successful as to some but not all of the Assets, the Break-Up Fee shall be reduced pro rata to the percentage of Assets not actually purchased by the Purchaser, based on the allocation of the Purchase Price as described in Section 1.1(a)(i), as compared to the Assets which were the subject of this Agreement; in the event that Purchaser terminates this Agreement in accordance with Section 8.6 hereof, expenses of Purchaser incurred in satisfaction of Section 8.6 shall be reimbursed up to \$500,000; and

(3) The Break-Up Fee shall be deemed to be an allowed expense of the kind specified in Section 503(b) of the Bankruptcy Code to be paid solely from the proceeds of the Alternate Transaction, pursuant to the Sale Order. The Break-Up Fee shall not be paid if the Alternate Transaction was pursued due to a material breach by the Purchaser or the Purchaser's failure or refusal to consummate the transaction after the satisfaction or waiver of all closing conditions.

The Sales Procedures Motion will contain bid procedures as set forth in the bid procedures attached hereto as **Schedule 6.1(b)(3)**.

If Sellers fails to obtain Bankruptcy Court approval for the Sales Procedures Motion by no later than four weeks after the end of the Final Diligence Period, Purchaser shall have the right to terminate this Agreement, without recourse or liability, and Seller shall immediately thereafter return to Purchaser the Deposit and any interest earned thereon.

(c) Each Seller shall at the Sale Hearing exercise reasonable efforts to obtain a "Sale Order" approving this Agreement, subject to its obligations in respect of any better and higher offer for such Seller's assets in accordance with the Bankruptcy Code. For purposes of this Agreement, the term "**Sale Order**" shall mean an order of the Bankruptcy Court authorizing the sale of the Assets (including the assumption and assignment of the Assumed Contracts and Assumed Leases) to Purchaser consistent with this Agreement and in a form reasonably satisfactory to Purchaser.

(d) Each Seller agrees to proceed in good faith to obtain Bankruptcy Court approval of the sale contemplated herein with a determination that Purchaser is a good faith purchaser pursuant to Bankruptcy Code section 363(m) and to file such declarations and other evidence as may be required to support a finding of good faith.

(e) Each Seller shall seek an order from the Bankruptcy Court retaining jurisdiction over all matters relating to claims against such Seller as debtor solely in the Bankruptcy Court.

**6.2 Appeal of Sale Order.** In the event an appeal is taken or a stay pending appeal is requested from the Sale Order, Sellers shall immediately notify Purchaser of such appeal or stay request and shall provide to Purchaser promptly a copy of the related notice of appeal or order of stay. Sellers shall also provide Purchaser with written notice of any motion or application filed in connection with any appeal from either of such orders. In the event of an appeal of the Sale Order, Sellers shall be primarily responsible for drafting pleadings and attending hearings as necessary to defend against the appeal; provided, however, Purchaser, at its option, shall have the right to



participate as a party in interest in such appeal. In the event a stay is issued by any appellate court, including the United States District Court, which prevents the sale from closing, as scheduled, Purchaser shall have the right to terminate this Agreement if such stay is not vacated on or before 45 days from the date of the stay is issued, and Purchaser shall be entitled to the prompt return of the Deposit and any interest earned thereon.

## ARTICLE 7

### CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS

Sellers' obligation to sell the Assets and to close the transactions as contemplated by this Agreement shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Sellers in whole or in part at or prior to the Closing:

7.1 Signing and Delivery of Instruments. Purchaser shall have executed and delivered all documents, instruments and certificates required to be executed and delivered pursuant to the provisions of this Agreement.

7.2 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated in this Agreement shall have been issued by any court of competent jurisdiction or any other governmental body and shall remain in effect on the Closing Date, and further, no governmental entity shall have commenced any action or suit before any court of competent jurisdiction or other governmental authority that seeks to restrain or prohibit the consummation of the transactions contemplated hereby.

7.3 Performance of Covenants. Purchaser shall have in all respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by it on or prior to the Closing Date.

7.4 Governmental Authorizations. Purchaser shall have obtained all material licenses, permits and authorizations from governmental agencies or governmental bodies that are necessary or required for completion of the transactions contemplated by this Agreement, including reasonable assurances that any material licenses, permits and authorizations not actually issued as of the Closing will be issued following Closing (which may include oral assurances from appropriate governmental agencies or bodies).

7.5 Attorney General Provisions. The conditions to Purchaser's obligations to close set forth in Section 8.6 shall have been satisfied.

7.6 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order.

7.7 HSR Act. The applicable waiting period under the HSR Act shall have expired or been earlier terminated.



7.8 CSCDA Acknowledgement. The CSCDA and PACE Trustee shall have executed acknowledgements in form and substance acceptable to Sellers that Purchaser is the Successor Property Owner and Obligated Party under the PACE Obligations, and releases of the Sellers from any and all claims arising or accruing prior to the Closing Date.

## ARTICLE 8

### CONDITIONS PRECEDENT TO OBLIGATIONS OF PURCHASER

Purchaser's obligation to purchase the Assets and to close the transactions contemplated by this Agreement shall be subject to the satisfaction of each of the following conditions on or prior to the Closing Date unless specifically waived in writing by Purchaser in whole or in part at or prior to the Closing.

8.1 Governmental Authorizations. Except as otherwise set forth in this Agreement, Purchaser and Sellers shall have obtained licenses, permits and authorizations from governmental agencies or governmental bodies that are required for the purchase, sale and operation of the Hospitals, including without limitation approval of the CA AG (subject to Section 8.6), except in such case where failure to obtain such license, permit or authorizations from a governmental agency or governmental body does not have a Material Adverse Effect.

8.2 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order and made a finding that Purchaser is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code.

8.3 Signing and Delivery of Instruments. Sellers shall have executed and delivered all documents, instruments and certificates required to be executed and delivered pursuant to all of the provisions of this Agreement.

8.4 Performance of Covenants. Sellers shall have in all material respects performed or complied with each and all of the obligations, covenants, agreements and conditions required to be performed or complied with by Sellers on or prior to the Closing Date; *provided, however*, this condition will be deemed to be satisfied unless (a) Sellers were given written notice of such failure to perform or comply and did not or could not cure such failure to perform or comply within fifteen (15) business days after receipt of such notice and (b) the respects in which such obligations, covenants, agreements and conditions have not been performed have had or would have a Material Adverse Effect.

8.5 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated in this Agreement shall have been issued by any court of competent jurisdiction and shall remain in effect on the Closing Date, and further, no governmental entity shall have commenced any action or suit before any court of competent jurisdiction or other governmental authority that seeks to restrain or prohibit the consummation of the transactions contemplated hereby.

8.6 Attorney General Provisions. Purchaser recognizes that the transactions contemplated by this Agreement may be subject to review and approval of the CA AG. Purchaser



agrees to close the transactions contemplated by this Agreement so long as any conditions imposed by the CA AG are substantially consistent with the conditions set forth, as Purchaser Approved Conditions, in Schedule 8.6. In the event the CA AG imposes conditions on the transactions contemplated by this Agreement, or on Purchaser in connection therewith, which are materially different than the Purchaser Approved Conditions set forth on Schedule 8.6 (the “Additional Conditions”), Sellers shall have the opportunity to file a motion with the Bankruptcy Court seeking the entry of an order (“Supplemental Sale Order”) finding that the Additional Conditions are an “interest in property” for purposes of 11 U.S.C. § 363(f), and that the Assets can be sold free and clear of the Additional Conditions without the imposition of any other conditions, which would adversely affect the Purchaser. For purposes of this Section 8.6, Additional Conditions which individually or collectively impose a direct or indirect cost to Purchaser of \$5 million, or more, shall be conclusively deemed to be “materially different.” If Sellers determine not to seek such Supplemental Sale Order, or fail to obtain such Supplemental Sale Order within 60 days of the Attorney General’s imposition of Additional Conditions, Purchaser shall be entitled to terminate this Agreement and receive the return of its Good Faith Deposit. If Sellers timely obtain such Supplemental Sale Order from the Bankruptcy Court or another court, Purchaser shall have a period of 21 business days from the entry of such order (the “Evaluation Period”) to determine, in the exercise of the Purchaser’s reasonable business judgment and in consultation with Purchaser’s financing sources, whether to proceed to consummate the transactions contemplated by this Agreement; provided, however, (i) Purchaser shall not terminate or provide notice of termination of the Stalking Horse APA based on the Seller’s failure to satisfy the condition set forth under this Section 8.6 until the expiration of the Evaluation Period as may be extended herein, and (ii) the Evaluation Period may be extended by the Debtors, in consultation with the Consultation Parties, by up to 90 days for any appeal properly perfected with respect to the Supplemental Sale Order (the “Extended Evaluation Periods”). For the avoidance of doubt, if the Debtors or any of the Consultation Parties dispute the reasonableness of the exercise of the Purchaser’s business judgment, such dispute shall be determined by the Bankruptcy Court only in the context of an adversary proceeding. If, at the conclusion of the Extended Evaluation Periods, such Supplemental Sale Order has not become a final, non-appealable order and Purchaser determines not to proceed, Purchaser shall have the right within ten (10) business days after the conclusion of the Extended Evaluation Periods to terminate this Agreement and receive the return of its Good Faith Deposit. Sellers shall provide Purchaser with prompt written notice of the conclusion of the Extended Evaluation Periods and whether the Supplemental Sale Order has become a final, non-appealable order. For purposes of this Section 8.6, “a final, non-appealable order” shall include a Supplemental Sale Order (i) which has been affirmed or the appeal of which has been dismissed by any appellate court and for which the relevant appeal period has expired (other than any right of appeal to the U.S. Supreme Court), or (ii) which has been withdrawn by the appellant. If the Supplemental Sale Order becomes a final, non-appealable order prior to the expiration of the Evaluation Period or, if applicable, the Extended Evaluation Periods, Purchaser shall consummate the Sale provided that all other conditions to closing have been satisfied. During any Evaluation Period or Extended Evaluation Periods, Purchaser shall reasonably cooperate in any efforts to render the Supplemental Sale Order a final, non-appealable order, including timely taking reasonable steps in preparation for closing of the transactions described in this Agreement; provided, however, Purchaser shall not be obligated to expend more than \$500,000. For the avoidance of doubt, neither this provision, nor any of the rights granted to the Purchaser herein,



shall constitute a waiver of any party in interest's right to argue that any appeal from the Sale Order should be dismissed on statutory, Constitutional or equitable mootness grounds.

8.7 Medicare and Medi-Cal Provider Agreements. Sellers shall transfer their Medicare provider agreements pursuant to a settlement agreement with the Centers for Medicare and Medicaid Services ("**CMS**") and shall transfer their Medi-Cal provider agreements pursuant to a settlement agreement with the California Department of Health Care Services ("**DHCS**"), which such settlement agreements shall result in: (i) resolution of all outstanding financial defaults under any of Sellers' Medicare and Medi-Cal provider agreements and (ii) full satisfaction, discharge, and release of any claims under the Medicare or Medi-Cal provider agreements, whether known or unknown, that CMS or DHCS, as applicable, has against the Seller or Purchaser for monetary liability arising under the Medicare or Medi-Cal provider agreements before the Effective Time; provided, however, that Purchaser acknowledges that it will succeed to the quality history associated with the relevant Medicare or Medi-Cal provider agreements assigned and shall be treated, for purposes of survey and certification issues as if it is the relevant Seller and no change of ownership occurred.

8.8 HSR Act. The applicable waiting period under the HSR Act shall have expired or been earlier terminated.

## ARTICLE 9

### TERMINATION

9.1 Termination. This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written consent of the parties;
- (b) by Sellers if a material breach of this Agreement has been committed by Purchaser and such breach has not been (i) waived in writing by Sellers or (ii) cured by Purchaser to the reasonable satisfaction of Sellers within fifteen (15) business days after service by Sellers upon Purchaser of a written notice which describes the nature of such breach;
- (c) by Purchaser if, in its sole and absolute discretion, it is not satisfied with either (i) the results of its due diligence examination of the Hospitals, or (ii) the contents of any schedule or exhibit that was not completed and attached to this Agreement, but which has been provided to Purchaser after the Signing Date, and Purchaser has notified Seller of its election to terminate the Agreement under this Section 9.1(c) on or prior to January 8, 2019, which notice may be given by facsimile or email correspondence; provided, that for the avoidance of doubt, following expiration of the Final Diligence Period, notwithstanding anything else in this Agreement, Purchaser shall not be entitled to terminate this Agreement (or not Close) as a result of the breach of any representation or warranty made by Sellers (or any of them) other than the breach of a Sale Order Date Representation, but in each case solely to the extent such breach of a Sale Order Date Representation would result in a Material Adverse Effect; provided, further, that any dispute between Purchaser and Sellers as to whether a Material Adverse Effect has occurred for any purpose under this Agreement shall be exclusively settled by a determination made by the Bankruptcy Court;



(d) by Purchaser if a material breach of this Agreement has been committed by Sellers and such breach has not been (i) waived in writing by Purchaser or (ii) cured by Sellers to the reasonable satisfaction of Purchaser within fifteen (15) business days after service by Purchaser upon Sellers of a written notice which describes the nature of such breach;

(e) by Purchaser if satisfaction of any of the conditions in ARTICLE 8 has not occurred by December 31, 2019 or becomes impossible, and Purchaser has not waived such condition in writing (provided that the failure to satisfy any of the applicable condition or conditions in Sections 8.1 through 8.5 inclusive has occurred by reason other than (i) through the failure of Purchaser to comply with its obligations under this Agreement or (ii) Sellers' failure to provide their closing deliveries on the Closing Date as a result of Purchaser not being ready, willing and able to close the transaction on the Closing Date); provided that upon the imposition of Additional Conditions by the CA AG, Section 8.6 must be satisfied or waived by Purchaser by no later than sixty (60) days thereafter.

(f) by Sellers if satisfaction of any of the conditions in ARTICLE 7 has not occurred by December 31, 2019 or becomes impossible, and Sellers have not waived such condition in writing (provided that the failure to satisfy the applicable condition or conditions has occurred by reason other than (i) through the failure of Sellers to comply with their obligations under this Agreement or (ii) Purchaser's failure to provide its closing deliveries on the Closing Date as a result of Sellers not being ready, willing and able to close the transaction on the Closing Date);

(g) by either Purchaser or Sellers if the Bankruptcy Court enters an order dismissing the Bankruptcy Cases or fails to approve the Sales Procedures Motion by the date specified in Section 6.1(b);

(h) by Sellers if, in connection with the Bankruptcy Cases, any Seller accepts an Alternate Transaction and pays the Break-Up Fee;

(i) by either Purchaser or Sellers if the Closing has not occurred (other than through the failure of any party seeking to terminate this Agreement to comply fully with its obligations under this Agreement) on or before December 31, 2019; or

(j) by Purchaser if a force majeure event (such as acts of God, storms, floods, landslides, earthquakes, lightning, riots, fires, pandemics, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities, other national or international calamity, one or more acts of terrorism, or failure of energy sources) shall have occurred between the Signing Date and Closing Date, which event is reasonably likely to have a Material Adverse Effect.

**9.2 Termination Consequences.** If this Agreement is terminated pursuant to Sections 6.1(b), 6.2 or 9.1: (a) all further obligations of the parties under this Agreement shall terminate (other than Purchaser's right to receive the Break-Up Fee if applicable), provided that the provisions of ARTICLE 12, shall survive; and (b) each party shall pay only its own costs and expenses incurred by it in connection with this Agreement; provided, in the case of any termination based on Sections 9.1(b) or (d) the consequences of such termination shall be determined in



accordance with ARTICLE 11 hereof. In addition, if this Agreement is terminated pursuant to Sections 6.1(b), 6.2 or 9.1 (other than Section 9.1(b)), Seller shall immediately return the Deposit to Purchaser with all interest earned thereon. Each Party acknowledges that the agreements contained in this Section 9.2 are an integral part of the transactions contemplated by this Agreement, that without these agreements such Party would not have entered into this Agreement.

## ARTICLE 10

### POST-CLOSING MATTERS

#### 10.1 Excluded Assets.

Subject to Section 10.2 hereof, any Excluded Asset (or proceeds thereof) (a) pursuant to the terms of this Agreement, (b) as otherwise determined by the parties' mutual written agreement or (c) absent such agreement, as determined by adjudication by the Bankruptcy Court, which comes into the possession, custody or control of Purchaser (or its respective successors-in-interest, assigns or affiliates) shall, within five (5) business days following receipt, be transferred, assigned or conveyed by Purchaser (and its respective successors-in-interest, assigns and affiliates) to the applicable Seller. Purchaser (and its respective successors-in-interest, assigns and affiliates) shall have neither the right to offset amounts payable to any Seller under this Section 10.1 against, nor the right to contest its obligation to transfer, assign and convey to any Seller because of, outstanding claims, liabilities or obligations asserted by Purchaser against any Seller. If Purchaser does not remit any monies included in the Excluded Assets (or proceeds thereof) to the applicable Seller in accordance with the first sentence of this Section 10.1, such withheld funds shall bear interest at the Prime Rate in effect on the calendar day upon which such payment was required to be made to Seller (the "**Excluded Asset Due Date**") plus five percent (5%) (or the maximum rate allowed by law, whichever is less), such interest accruing on each calendar day after the Excluded Asset Due Date until payment of the Excluded Assets and all interest thereon is made to the applicable Seller.

#### 10.2 Preservation and Access to Records After the Closing.

(a) From the Closing Date until seven (7) years after the Closing Date or such longer period as required by law (the "**Document Retention Period**"), Purchaser shall keep and preserve all medical records (including, without limitation, electronic medical records), patient records, medical staff records and other books and records which are among the Assets as of the Effective Time, but excluding any records which are among the Excluded Assets. Purchaser will afford to the representatives of Sellers, any of their affiliates, the Official Committee of the Unsecured Creditors of the Sellers, Sellers' estate representative or any liquidating trustee of the Sellers' bankruptcy estate ("**Seller Parties**"), including their counsel and accountants, full and complete access to, and copies (including, without limitation, color laser copies) of, such records with respect to time periods prior to the Effective Time (including, without limitation, access to records of patients treated at the Hospital prior to the Effective Time) during normal business hours after the Effective Time, to the extent reasonably needed by any Seller Party for any lawful purpose. Purchaser acknowledges that, as a result of entering into this Agreement and operating the Hospital, it will gain access to patient records and other information which are subject to rules and regulations concerning confidentiality. Purchaser shall abide by any such rules and regulations



relating to the confidential information it acquires. Purchaser shall maintain the patient and medical staff records at the Hospital in accordance with applicable law and the requirements of relevant insurance carriers. After the expiration of the Document Retention Period, if Purchaser intends to destroy or otherwise dispose of any of the documents described in this Section 10.2(a), Purchaser shall provide written notice to Sellers of Purchaser's intention no later than forty-five (45) calendar days prior to the date of such intended destruction or disposal. Any of the Seller Parties shall have the right, at its sole cost, to take possession of such documents during such forty-five (45) calendar day period. If any of the Seller Parties does not take possession of such documents during such forty-five (45) calendar day period, Purchaser shall be free to destroy or otherwise dispose of such documentation upon the expiration of such forty-five (45) calendar day period.

(b) Provided that Purchaser shall not incur any out of pocket costs, Purchaser shall give full cooperation to the Seller Parties and their insurance carriers in connection with the administration of Sellers' estate, including, without limitation, in connection with all claims, actions, causes of action or audits relating to the Excluded Assets, Excluded Liabilities or pre-Closing operation of the Sellers or the Hospital that any Seller Party may elect to pursue, dispute or defend, in respect of events occurring prior to the Effective Time with respect to the operation of the Hospital. Such cooperation shall include, without limitation, making the Hired Employees available for interviews, depositions, hearings and trials and other assistance in connection with the administration of Sellers' estate and such cooperation shall also include making all of its employees available to assist in the securing and giving of evidence and in obtaining the presence and cooperation of witnesses (all of which shall be done without payment of any fees or expenses to Purchaser or to such employees); provided that Purchaser shall not be required to incur any out of pocket costs in association therewith. In addition, Sellers and their affiliates shall be entitled to remove from the Hospital originals of any such records, but only for purposes of pending litigation involving the persons to whom such records refer, as certified in writing prior to removal by counsel retained by Sellers or any of their affiliates in connection with such litigation. Any records so removed from the Hospital shall be promptly returned to Purchaser following Sellers' or their applicable affiliate's use of such records.

(c) In connection with (i) the transition of the Hospital pursuant to the transaction contemplated by this Agreement, (ii) Sellers' rights to the Excluded Assets, (iii) any claim, audit, or proceeding, including, without limitation, any tax claim, audit, or proceeding and (iv) the Sellers' obligations under the Excluded Liabilities, Purchaser shall after the Effective Time give Sellers access during normal business hours to Purchaser's books, personnel, accounts and records and all other relevant documents and information with respect to the assets, liabilities and business of the Hospital as representatives of Sellers and their affiliates may from time to time reasonably request, all in such manner as not to unreasonably interfere with the operations of the Hospital.

(d) Purchaser and its representatives shall be given access by Sellers during normal business hours to the extent reasonably needed by Purchaser for business purposes to all documents, records, correspondence, work papers and other documents retained by Sellers pertaining to any of the Assets prior to the Effective Time (excluding confidential employee information, privileged materials and patient records), all in such manner as to not interfere unreasonably with Sellers. Such documents and other materials shall be, at Sellers' option, either



(i) copied by Sellers for Purchaser at Purchaser's expense, or (ii) removed by Purchaser from the premises, copied by Purchaser and promptly returned to Sellers.

(e) Purchaser shall comply with, and be solely responsible for, all obligations under the Standards for Privacy of Individually Identifiable Health Information (45 CFR Parts 160 and 164) promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 with respect to the operation of the Hospital on and after the Effective Time.

(f) Purchaser shall cooperate with Sellers, on a timely basis and as reasonably requested by Sellers, in connection with the provision of all data of the Hospital and other information required by Sellers for reporting to HFAP for the remainder of the quarterly period in which the Closing has occurred.

(g) To the maximum extent permitted by law, if any Person requests or demands, by subpoena or otherwise, any documents relating to the Excluded Liabilities or Excluded Assets, including without limitation, documents relating to the operations of any of the Hospital or any of the Hospital's committees prior to the Effective Time, prior to any disclosure of such documents, Purchaser shall notify Sellers and shall provide Sellers with the opportunity to object to, and otherwise coordinate with respect to, such request or demand.

(h) Provision of Benefits of Certain Contracts. Notwithstanding anything contained herein to the contrary, this Agreement shall not constitute an agreement to assign any Assumed Contract or Assumed Lease, if, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, an attempted assignment thereof, without the consent of the third party thereto, would constitute a breach thereof or in any way negatively affect the rights of Sellers or Purchaser, as the assignee of such Assumed Contract or Assumed Lease, as the case may be, thereunder. If, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, such consent or approval is required but not obtained, Sellers will cooperate with Purchaser in any reasonable arrangement designed to both (a) provide Purchaser with the benefits of or under any such Assumed Contract or Assumed Lease, and (b) cause Purchaser to bear all costs and obligations of or under any such Assumed Contract or Assumed Lease. Further, notwithstanding anything contained in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Account Receivable the assignment of which is either prohibited by law or by the terms of any contract with a payor without the consent of such payor. Any payments received by Sellers after the Closing Date from patients, payors, clients, customers, or others who are the obligors on Accounts Receivables transferred to Purchaser as a part of the Assets on the Closing Date shall be paid over to Purchaser within ten (10) business days after receipt by Seller.

10.3 Closing of Financials. Provided that Purchaser shall not incur any out of pocket costs, Purchaser shall cause the individual acting as the chief financial officer of the Hospital after the Effective Time (the "**Post-Effective Time CFO**") to cooperate with Sellers' representatives in order to complete the standardized closing of Sellers' financial records through the Closing Date including, without limitation, the closing of general ledger account reconciliations (collectively, the "**Closing of Financials**"). Purchaser shall cause the Post-Effective Time CFO to use his or her good faith efforts to cooperate with Sellers' representatives in order to complete the Closing of Financials by no later than the date which is thirty (30) calendar days after the Closing Date. The Post-Effective Time CFO and other appropriate personnel shall be reasonably available to



Sellers for a period of no less than one hundred eighty (180) calendar days after the Closing Date to assist Sellers in the completion of Sellers' post-Closing audit, such assistance not to interfere unreasonably with such Post-Effective Time CFO's other duties.

10.4 Medical Staff. To ensure continuity of care in the community, Purchaser agrees that the Hospital's medical staff members in good standing as of the Effective Time shall maintain medical staff privileges at the Hospital as of the Effective Time. On and after the Effective Time, the medical staff will be subject to the Hospital's Medical Staff Bylaws then currently in effect, provided that such Bylaws are in compliance with all applicable laws and regulations and contain customary obligations.

10.5 Shared Intangible Assets. In the event and to the extent that certain intangible Assets transferred by Sellers have been used to operate businesses of Verity or Verity Holdings or their affiliates which are not being sold to Purchaser ("**Shared Intangible Assets**") and such Shared Intangible Assets continue to be used by Verity or Verity Holdings or their affiliates to operate such businesses after Closing, Verity and Verity Holdings retain the rights to continue to use such Assets notwithstanding their sale to Purchaser. Purchaser shall reasonably cooperate with Verity and Verity Holdings and their affiliates to give effect to such rights and shall provide Verity and Verity Holdings and their affiliates such documentation, records and information and reasonable access to such systems as necessary for Verity and Verity Holdings and their affiliates to continue to operate such businesses; all in such manner as not to reasonably interfere with the operations of the Hospitals; provided, however, Purchaser shall not be required to incur any out-of-pocket costs in association therewith unless reimbursed by Verity and Verity Holdings and their affiliates.

## ARTICLE 11

### DEFAULT, TAXES AND COST REPORTS

11.1 Purchaser Default. If Purchaser commits any material default under this Agreement, Sellers shall have the right to sue for damages; provided, however that the amount of such damages shall never exceed \$60,000,000.00. For the avoidance of doubt, Sellers shall have no right to sue for specific performance under this Agreement.

11.2 Seller Default. If Sellers commit any material default under this Agreement, Purchaser shall have the right to demand and receive a refund of the Deposit, and Purchaser may, in addition thereto, pursue any rights or remedies that Purchaser may have under applicable law, including the right to sue for damages or specific performance.

#### 11.3 Tax Matters; Allocation of Purchase Price.

(a) After the Closing Date, the parties shall cooperate fully with each other and shall make available to each other, as reasonably requested, all information, records or documents relating to tax liabilities or potential tax liabilities attributable to Sellers with respect to the operation of the Hospital for all periods prior to the Effective Time and shall preserve all such information, records and documents at least until the expiration of any applicable statute of limitations or extensions thereof. The parties shall also make available to each other to the extent



reasonably required, and at the reasonable cost of the requesting party (for out-of-pocket costs and expenses only), personnel responsible for preparing or maintaining information, records and documents in connection with tax matters and as Sellers reasonably may request in connection with the completion of any post-Closing audits of the Hospital.

(b) The Purchase Price (including any liabilities that are considered to be an increase to the Purchase Price for United States federal income Tax purposes) shall be allocated among the Assets in accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder as set forth in **Schedule 11.3(b)** (such schedule the “**Allocation Schedule**”). The Allocation Schedule shall be for Sellers’ and Purchaser’s tax purposes only, and shall not limit the Sellers’ creditors in any way.

#### 11.4 Cost Report Matters.

(a) Consistent with Section 4.5, Sellers shall, at Purchaser’s expense, prepare and timely file all cost reports relating to the periods ending prior to the Effective Time or required as a result of the consummation of the transactions described in this Agreement, including, without limitation, those relating to Medicare, Medicaid, and other third party payors which settle on a cost report basis (the “**Seller Cost Reports**”).

(b) Upon reasonable notice and during normal business office hours, Purchaser will cooperate reasonably with Sellers in regard to Sellers’ preparation and filing of the Seller Cost Reports. Such cooperation shall include, at no cost to Sellers, obtaining access to files at the Hospital and Purchaser’s provision to Sellers of data and statistics, and the coordination with Sellers pursuant to reasonable notice of Medicare and Medicaid exit conferences or meetings. Sellers shall have no obligations after the Effective Time with respect to Seller Cost Reports except for preparation and filing thereof.

## ARTICLE 12

### MISCELLANEOUS PROVISIONS

12.1 Further Assurances and Cooperation. Sellers shall execute, acknowledge and deliver to Purchaser any and all other assignments, consents, approvals, conveyances, assurances, documents and instruments reasonably requested by Purchaser at any time and shall take any and all other actions reasonably requested by Purchaser at any time for the purpose of more effectively assigning, transferring, granting, conveying and confirming to Purchaser, the Assets. After consummation of the transaction contemplated in this Agreement, the parties agree to cooperate with each other and take such further actions as may be necessary or appropriate to effectuate, carry out and comply with all of the terms of this Agreement, the documents referred to in this Agreement and the transactions contemplated hereby.

12.2 Successors and Assigns. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; *provided, however*, that no party hereto may assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the other parties which consent shall not be unreasonably withheld or delayed, except that Purchaser



may, without the prior written consent of Sellers, assign all or any portion of its rights under this Agreement to one or more of its affiliates prior to the Closing Date.

12.3 Governing Law; Venue. This Agreement shall be construed, performed, and enforced in accordance with, and governed by, the laws of the State of California (without giving effect to the principles of conflicts of laws thereof), except to the extent that the laws of such State are superseded by the Bankruptcy Code or other applicable federal law. For so long as Sellers are subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. The parties hereby consent to the jurisdiction of such court and waive their right to challenge any proceeding involving or relating to this Agreement on the basis of lack of jurisdiction over the Person or forum non conveniens.

12.4 Amendments. This Agreement may not be amended other than by written instrument signed by the parties hereto.

12.5 Exhibits, Schedules and Disclosure Schedule. The Disclosure Schedule and all exhibits and schedules referred to in this Agreement shall be attached hereto and are incorporated by reference herein. From the Signing Date until the Closing, the parties agree that Sellers may update the Disclosure Schedule as necessary upon written notice to Purchaser, and the applicable representation and warranty shall thereafter be deemed amended for all purposes by such updated Disclosure Schedule. Notwithstanding the foregoing, but subject to Section 9.2(c), should any exhibit or schedule not be completed and attached hereto as of the Signing Date, Sellers and Purchaser shall promptly negotiate in good faith any such exhibit or schedule, which exhibit or schedule must be acceptable to each of Sellers and Purchaser in their reasonable discretion prior to being attached hereto. Any matter disclosed in this Agreement or in the Disclosure Schedule with reference to any Section of this Agreement shall be deemed a disclosure in respect of all sections to which such disclosure may apply. The headings, if any, of the individual sections of the Disclosure Schedule are provided for convenience only and are not intended to affect the construction or interpretation of this Agreement. The Disclosure Schedule is arranged in sections and paragraphs corresponding to the numbered and lettered sections and paragraphs of Article III merely for convenience, and the disclosure of an item in one section of the Disclosure Schedule as an exception to a particular representation or warranty shall be deemed adequately disclosed as an exception with respect to all other representations or warranties to the extent that the relevance of such item to such representations or warranties is reasonably apparent on the face of such disclosure, notwithstanding the presence or absence of an appropriate section of the Disclosure Schedule with respect to such other representations or warranties or an appropriate cross reference thereto.

12.6 Notices. Any notice, demand or communication required, permitted, or desired to be given hereunder shall be deemed effectively given when personally delivered, when received by telegraphic or other electronic means (including facsimile) or overnight courier, or five (5) calendar days after being deposited in the United States mail, with postage prepaid thereon, certified or registered mail, return receipt requested, addressed as follows:

If to Sellers:	Verity Health System of California, Inc. 2040 East Mariposa St.
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El Segundo, CA 90245  
Attention: Rich Adcock, CEO  
Telephone: 424-367-0630

With copies to: Dentons US LLP  
(which copies shall 601 South Figueroa St., Suite 2500  
not constitute notice) Los Angeles, CA 90017-5704  
Attention: Samuel R. Maizel, Esq.  
Telephone: 213-892-2910  
Facsimile: 213-623-9924

If to Purchaser: Strategic Global Management, Inc.  
9 KPC Parkway, Suite 301  
Corona, CA 92879  
Attention: William E. Thomas  
Facsimile: 951-782-8850

With copies to: Levene, Neale, Bender, Yoo & Brill L.L.P.  
(which copies shall 10250 Constellation Blvd., Suite 1700  
not constitute notice) Los Angeles, CA 90067  
Attention: Gary E. Klausner, Esq.  
Facsimile: 310-229-1244

and  
Loeb & Loeb LLP  
10100 Santa Monica Blvd., Suite 2200  
Los Angeles, California 90067  
Attention: Allen Z. Sussman, Esq.  
Facsimile: 310-919-3934

or at such other address as one party may designate by notice hereunder to the other parties.

12.7 Headings. The section and other headings contained in this Agreement and in the Disclosure Schedule, exhibits and schedules to this Agreement are included for the purpose of convenient reference only and shall not restrict, amplify, modify or otherwise affect in any way the meaning or interpretation of this Agreement or the Disclosure Schedule, exhibits and schedules hereto.

12.8 Publicity. Prior to the Closing Date, Sellers and Purchaser shall consult with each other as to the form and substance of any press release or other public disclosure materially related to this Agreement or any other transaction contemplated hereby and each shall have the right to review and comment on the other's press releases prior to issuance; *provided, however*, that nothing in this Section 12.8 shall be deemed to prohibit either Sellers or Purchaser from making



any disclosure that its counsel deems necessary or advisable in order to satisfy either party's disclosure obligations imposed by law subject to reasonable prior notice to the other party thereof.

12.9 Fair Meaning. This Agreement shall be construed according to its fair meaning and as if prepared by all parties hereto.

12.10 Gender and Number; Construction; Affiliates. All references to the neuter gender shall include the feminine or masculine gender and vice versa, where applicable, and all references to the singular shall include the plural and vice versa, where applicable. Unless otherwise expressly provided, the word "including" followed by a listing does not limit the preceding words or terms and shall mean "including, without limitation." Any reference in this Agreement to an "affiliate" shall mean any Person directly or indirectly controlling, controlled by or under common control with a second Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. A "Person" shall mean any natural person, partnership, corporation, limited liability company, association, trust or other legal entity.

12.11 Third Party Beneficiary. None of the provisions contained in this Agreement are intended by the parties, nor shall they be deemed, to confer any benefit on any person not a party to this Agreement, except for the parties' successors and permitted assigns, and except for any liquidating trustee or plan administrator for Sellers' estate.

12.12 Expenses and Attorneys' Fees. Except as otherwise provided in this Agreement, each party shall bear and pay its own costs and expenses relating to the preparation of this Agreement and to the transactions contemplated by, or the performance of or compliance with any condition or covenant set forth in, this Agreement, including without limitation, the disbursements and fees of their respective attorneys, accountants, advisors, agents and other representatives, incidental to the preparation and carrying out of this Agreement, whether or not the transactions contemplated hereby are consummated. The parties expressly agree that all sales, transfer, documentary transfer and similar taxes, fees, surcharges and the like in connection with the sale of the Assets shall be borne by Purchaser. If any action is brought by any party to enforce any provision of this Agreement, the prevailing party shall be entitled to recover its court costs and reasonable attorneys' fees.

12.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement, binding on all of the parties hereto. The parties agree that facsimile copies of signatures shall be deemed originals for all purposes hereof and that a party may produce such copies, without the need to produce original signatures, to prove the existence of this Agreement in any proceeding brought hereunder.

12.14 Entire Agreement. This Agreement, the Disclosure Schedule, the exhibits and schedules, and the documents referred to in this Agreement contain the entire understanding between the parties with respect to the transactions contemplated hereby and supersede all prior or contemporaneous agreements, understandings, representations and statements, oral or written, between the parties on the subject matter hereof (the "**Superseded Agreements**"), which



Superseded Agreements shall be of no further force or effect; provided, that notwithstanding the foregoing, the letter Confidentiality Agreement dated July 12, 2018 between Purchaser and Cain Brothers, a division of KeyBanc Capital Markets Inc., on behalf of Sellers and their related entities shall not be a Superseded Agreement and shall continue in full force in effect in accordance with its terms.

12.15 No Waiver. Any term, covenant or condition of this Agreement may be waived at any time by the party which is entitled to the benefit thereof but only by a written notice signed by the party expressly waiving such term or condition. The subsequent acceptance of performance hereunder by a party shall not be deemed to be a waiver of any preceding breach by any other party of any term, covenant or condition of this Agreement, other than the failure of such other party to perform the particular duties so accepted, regardless of the accepting party's knowledge of such preceding breach at the time of acceptance of such performance. The waiver of any term, covenant or condition shall not be construed as a waiver of any other term, covenant or condition of this Agreement.

12.16 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstance shall be held to be invalid or unenforceable to any extent in any jurisdiction, then the remainder of this Agreement and the application of such term, provision, condition or covenant in any other jurisdiction or to persons or circumstances other than those as to whom or which it is held to be invalid or unenforceable, shall not be affected thereby, and each term, provision, condition and covenant of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12.17 Time is of the Essence. Time is of the essence for all dates and time periods set forth in this Agreement and each performance called for in this Agreement.

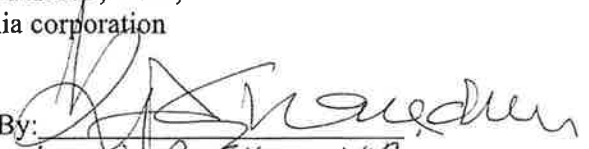
*[Signature Page Follows]*



IN WITNESS WHEREOF, this Agreement has been entered into as of the day and year first above written.

**PURCHASER:**

**STRATEGIC GLOBAL  
MANAGEMENT, INC.,**  
a California corporation

Signature By: 

Print Name: KALI P. CHAUDHURI

Title: CHAIRMAN/CEO

Date: MAY 3, 2019

**SELLERS:**

**ST. FRANCIS MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ST. VINCENT MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



IN WITNESS WHEREOF, this Agreement has been entered into as of the day and year first above written.

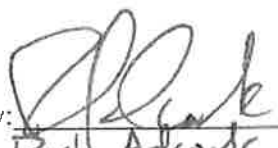
**PURCHASER:**

**STRATEGIC GLOBAL  
MANAGEMENT, INC.,**  
a California corporation

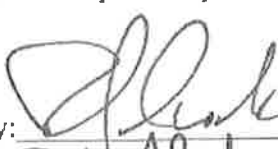
Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SELLERS:**

**ST. FRANCIS MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By:  \_\_\_\_\_  
Print Name: Rick Adcock  
Title: CEO, VFH  
Date: 5-3-19


**ST. VINCENT MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By:  \_\_\_\_\_  
Print Name: Rick Adcock  
Title: CEO, VFH  
Date: 5-3-19

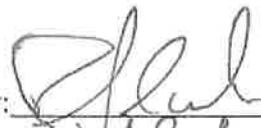


**ST. VINCENT DIALYSIS CENTER,  
INC.**

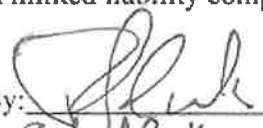
a California nonprofit public benefit  
corporation

Signature By:   
Print Name: Rick Adcock  
Title: CEO, VHS  
Date: 5-3-19

**SETON MEDICAL CENTER,**  
a California nonprofit public benefit  
corporation

Signature By:   
Print Name: Rick Adcock  
Title: CEO, VHS  
Date: 5-3-19

**VERITY HOLDINGS, LLC,**  
a California limited liability company

Signature By:   
Print Name: Rick Adcock  
Title: CEO, VHS  
Date: 5-3-19

**VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC.,**  
a California nonprofit public benefit  
corporation



Signature By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



B1040 (FORM 1040) (12/15)

<b>ADVERSARY PROCEEDING COVER SHEET</b> (Instructions on Reverse)		<b>ADVERSARY PROCEEDING NUMBER</b> (Court Use Only)
<b>PLAINTIFFS</b> VERITY HEALTH SYSTEM OF CALIFORNIA, INC., a California nonprofit public benefit corporation; ST. VINCENT MEDICAL CENTER, a California nonprofit public benefit corporation and ST FRANCIS MEDICAL CENTER, a California nonprofit public benefit corporation, SETON MEDICAL CENTER, a California nonprofit public benefit corporation; VERITY HOLDINGS, LLC, a California limited liability company		<b>DEFENDANTS</b> KALI P. CHAUDHURI, M.D., an individual, STRATEGIC GLOBAL MANAGEMENT, INC., a California corporation, KPC HEALTHCARE HOLDINGS, INC., a California Corporation, KPC HEALTH PLAN HOLDINGS, INC., a California Corporation, KPC HEALTHCARE, INC., a Nevada Corporation, KPC GLOBAL MANAGEMENT, LLC, a California Limited Liability Company, and DOES 1 through 500
<b>ATTORNEYS (Firm Name, Address, and Telephone No.)</b> Samuel R. Maizel (SBN 189301) samuel.maizel@dentons.com Sonia Martin (SBN 191148) sonia.martin@dentons.com Tania M. Moyron (SBN 235736) tania.moyron@dentons.com Nicholas A. Koffroth (SBN 287854) nick.koffroth@dentons.com Dentons US LLP 601 South Figueroa Street, Suite 2500 Los Angeles, CA 90017-5704 T: (213) 623-9300 F: (213) 623-9924		<b>ATTORNEYS (If Known)</b> Gary E. Klausner (SBN 69055) gek@lnbyb.com Levene, Neale, Bender, Yoo & Brill 10250 Constellation Boulevard, Suite 1700 Los Angeles, CA 90067 T: (310) 229-1234 F: (310) 229-1244
<b>PARTY (Check One Box Only)</b> <input checked="" type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee		<b>PARTY (Check One Box Only)</b> <input type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input checked="" type="checkbox"/> Other <input type="checkbox"/> Trustee
<b>CAUSE OF ACTION</b> (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) Breach of Contract, Promissory Fraud, and Tortious Breach of Contract (Breach of Implied Covenant of Good Faith and Fair Dealing)		
<b>NATURE OF SUIT</b> (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)		



**B1040 (FORM 1040) (12/15)**

<p><b>FRBP 70 01( 1) – Recovery of Money/Property</b></p> <p><input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property</p> <p><input type="checkbox"/> 12-Recovery of money/property - §547 preference</p> <p><input type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer</p> <p><input type="checkbox"/> 14-Recovery of money/property - other</p> <p><b>FRBP 70 01( 2) – Validity, Priority or Extent of Lien</b></p> <p><input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property</p> <p><b>FRBP 7001( 3) – Approval of Sale of Property</b></p> <p><input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h)</p> <p><b>FRBP 7001( 4) – Objection/ Revocation of Discharge</b></p> <p><input type="checkbox"/> 41-Objection/re vocation of discharge - §727(c),(d),(e)</p> <p><b>FRBP 7001(5) – Revocation of Confirmation</b></p> <p><input type="checkbox"/> 51-Revocation of confirmation</p> <p><b>FRBP 7001(6) – Dischargeability</b></p> <p><input type="checkbox"/> 6 6 -Dischargeability - §523(a)(1),(14),(14A) priority tax claims</p> <p><input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud</p> <p><input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny</p> <p style="text-align: center;"><b>(continued next column)</b></p>	<p><b>FRBP 70 01(6) – Dischargeability (continued)</b></p> <p><input type="checkbox"/> 61 -Dischargeability- §523(a)(5 ), domestic support</p> <p><input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury</p> <p><input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan</p> <p><input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support)</p> <p><input type="checkbox"/> 6 5 -Dischargeability - other</p> <p><b>FRBP 70 01(7) – Injunctive Relief</b></p> <p><input type="checkbox"/> 71 -Injunctive relief- imposition of stay</p> <p><input type="checkbox"/> 72-Injunctive relief - other</p> <p><b>FRBP 70 01(8) Subordination of Claim or Interest</b></p> <p><input type="checkbox"/> 81 -Subordination of claim or interest</p> <p><b>FRBP 70 01(9) Declaratory Judgment</b></p> <p><input type="checkbox"/> 91 -Declaratory judgment</p> <p><b>FRBP 70 01(10) Deter mi nation of Remove d Act ion</b></p> <p><input type="checkbox"/> 01 -Determination of removed claim or cause</p> <p><b>Other</b></p> <p><input type="checkbox"/> SS-SIPA Case - 15 U.S.C. §§78aaa <i>et seq.</i></p> <p><input checked="" type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)</p>
<input checked="" type="checkbox"/> Check if this case involves a substantive issue of state law	<input type="checkbox"/> Check if this is asserted to be a class action under FRCP 23
<input type="checkbox"/> Check if a jury trial is demanded in complaint	<input type="checkbox"/> Demand \$
Other Relief Sought Demand: Damages to be Proved at Trial	



**B1040 (FORM 1040) (12/15)**

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR VERITY HEALTH SYSTEM OF CALIFORNIA, INC., et al.		BANKRUPTCY CASE NO. 2:18-bk-20151-ER
DISTRICT IN WHICH CASE IS PENDING Central District of California	DIVISION OFFICE Los Angeles	NAME OF JUDGE Hon. Ernest M. Robles
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF None	DEFENDANT None	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISION OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF)  /s/Samuel Maizel		
DATE January 3, 2020		PRINT NAME OF ATTORNEY (OR PLAINTIFF) Samuel Maizel

**INSTRUCTIONS**

The filing of a bankruptcy case creates an “estate” under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor’s discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also must complete and file Form 1040, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court’s Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 1040 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff’s attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

**Plaintiffs and Defendants.** Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

**Attorneys.** Give the names and addresses of the attorneys, if known.

**Party.** Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

**Demand.** Enter the dollar amount being demanded in the complaint.

**Signature.** This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.



# EXHIBIT HH

EXHIBIT HH Page 1 of 1  
Case 5:50-gb-01001-EB Doc 23-34 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT HH



UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

FILED & ENTERED

JAN 06 2020

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

In re: VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

Case No.: 2:18-bk-20151-ER

Adv. No.: 2:20-ap-01001-ER

**SCHEDULING ORDER**

VERITY HEALTH SYSTEM OF CALIFORNIA,  
INC., a California nonprofit public benefit  
corporation, ST. VINCENT MEDICAL CENTER,  
a California nonprofit public benefit corporation,  
ST. VINCENT DIALYSIS CENTER, INC., a  
California nonprofit public benefit corporation, and  
ST. FRANCIS MEDICAL CENTER, a California  
nonprofit public benefit corporation, SETON  
MEDICAL CENTER, a California nonprofit public  
benefit corporation, and VERITY HOLDINGS,  
LLC, a California limited liability company; and  
Plaintiff

v.

KALI P. CHAUDHURI, M.D., an individual,  
STRATEGIC GLOBAL MANAGEMENT, INC., a  
California corporation, KPC HEALTHCARE  
HOLDINGS, INC. a California Corporation KPC  
HEALTH PLAN HOLDINGS, INC. a California  
Corporation, KPC HEALTHCARE, INC. a Nevada  
Corporation, KPC GLOBAL MANAGEMENT,  
LLC, a California Limited Liability Company, and  
DOES 1 through 500,

Defendant

[No hearing required pursuant to  
Federal Rule of Civil Procedure  
78(b) and Local Bankruptcy Rule  
9013-1(j)(3)]



1820151200107000000000003



This adversary proceeding having been assigned to the undersigned judge, **IT IS HEREBY ORDERED AS FOLLOWS:**

The following dates shall apply to this proceeding:

- a) A Status Conference is set for 04/14/2020 at 10:00 a.m. A Joint Status Report shall be submitted by no later than fourteen days prior to the hearing.
- b) The last day to amend pleadings and/or join other parties is 05/14/2020.
- c) The last day to disclose expert witnesses and expert witness reports is 09/01/2020.
- d) The last day to disclose rebuttal expert witnesses and rebuttal expert witness reports is 10/01/2020.
- e) The last date to complete discovery relating to expert witnesses (e.g., depositions of expert witnesses), including hearings on motions related to expert discovery, is 10/20/2020.<sup>1</sup>
- f) The last day for dispositive motions to be heard is 10/27/2020.<sup>2</sup>
- g) The last day to complete discovery (except as to experts), including hearings on discovery motions, is 10/31/2020.<sup>3</sup>
- h) A Pretrial Conference is set for 11/17/2020 at 11:00 a.m. By no later than fourteen days prior to the Pretrial Conference, the parties must submit a Joint Pretrial Stipulation via the Court's Lodged Order Upload (LOU) system. Submission via LOU allows the Court to edit the Joint Pretrial Stipulation, if necessary. Parties should consult the Court Manual, section 4, for information about LOU.
- i) In addition to the procedures set forth in Local Bankruptcy Rule 7016-1(b), the following procedures govern the conduct of the Pretrial Conference and the preparation of the Pretrial Stipulation:
  - i) By no later than thirty days prior to the Pretrial Conference, the parties must exchange copies of all exhibits which each party intends to introduce into evidence (other than exhibits to be used solely for impeachment or rebuttal).
  - ii) When preparing the Pretrial Stipulation, all parties shall stipulate to the admissibility of exhibits whenever possible. In the event any party cannot stipulate to the admissibility of an exhibit, that party must file a Motion in Limine which clearly identifies each exhibit alleged to be inadmissible and/or prejudicial. The moving party must set the Motion in Limine for hearing at the same time as the Pretrial Conference; notice and service of the Motion shall be governed by LBR 9013-1. The Motion in Limine must contain a statement of the specific prejudice that will be suffered by the moving party if the Motion is not granted. The Motion must be supported by a memorandum of points and authorities containing citations to the applicable Federal Rules of Evidence, relevant caselaw, and other legal authority. Blanket or boilerplate evidentiary objections not

---

<sup>1</sup> For contemplated hearings on motions related to expert discovery, it is counsel's responsibility to check the Judge's self-calendaring dates, posted on the Court's website. If the expert discovery cutoff date falls on a date when the court is closed or that is not available for self-calendaring, the deadline for hearings on expert discovery motions is the next closest previous date which is available for self-calendaring.

<sup>2</sup> If the motion cutoff date is not available for self-calendaring, the deadline for dispositive motions to be heard is the next closest previous date which is available for self-calendaring.

<sup>3</sup> If the non-expert discovery cutoff date is not available for self-calendaring, the deadline for non-expert discovery motions to be heard is the next closest previous date which is available for self-calendaring.



- accompanied by detailed supporting argument are prohibited, will be summarily overruled, and may subject the moving party to sanctions.
- iii) The failure of a party to file a Motion in Limine complying with the requirements of ¶ (2)(i)(ii) shall be deemed a waiver of any objections to the admissibility of an exhibit.
  - iv) Motions in Limine seeking to exclude testimony to be offered by any witness shall comply with the requirements set forth in ¶ (2)(i)(ii), and shall be filed by the deadline specified in ¶ (2)(i)(ii). The failure of a party to file a Motion in Limine shall be deemed a waiver of any objections to the admissibility of a witness's testimony.
  - j) Trial is set for the week of **11/30/2020**. The trial day commences at 9:00 a.m. The exact date of the trial will be set at the Pretrial Conference. Consult the Court's website for the Judge's requirements regarding exhibit binders and trial briefs.
- 2) Unless otherwise ordered, the Status Conference and Pretrial Conference shall be conducted by telephone conference. However, any party or counsel may appear in person if they wish. Any party who is not represented by counsel must appear at the Status Conference and Pretrial Conference in person.
  - 3) This Order applies to counsel for all parties and persons not represented by counsel. **With respect to the Status Conference, all counsel and parties shall comply with Local Bankruptcy Rules 7016-1(a)(2)–(3), which require the filing of a Joint Status Report at least fourteen days before the Status Conference or Unilateral Status Reports at least seven days before the Status Conference.** The failure to timely file a Status Report may result in the imposition of sanctions as deemed appropriate by the Court. Such sanctions may include, without limitation, the imposition of monetary penalties, entry of a judgment of dismissal for failure to prosecute, or the striking of the Answer and the entry of default.
  - 4) Unless otherwise ordered, all applicable Local Bankruptcy Rules continue to apply as set forth in the EARLY MEETING OF COUNSEL, JOINT STATUS CONFERENCE INSTRUCTIONS, which is attached and incorporated herein by this reference. In particular, all parties shall review the Third Amended General Order No. 95-01 ("Adoption of Mediation Program for Bankruptcy Cases and Adversary Proceedings"), located on the Court's website.
  - 5) Plaintiff shall serve a copy of this order as well as the EARLY MEETING OF COUNSEL, JOINT STATUS CONFERENCE INSTRUCTIONS on all parties along with the Summons and Complaint. **Proof of Service of the Summons and Complaint must indicate that such copies were served in accordance with this Order.**
  - 6) Any party contesting this Court's authority to enter a final order or judgment in this matter must file and serve a written objection no later than fourteen days prior to the date set for the first Status Conference. *See Wellness Int'l Network, Ltd. v. Sharif*, 135 S. Ct. 1932 (2015). Failure to raise the issue in accordance with the requirements set forth above will be deemed consent to this court's authority to enter a final order or judgment.

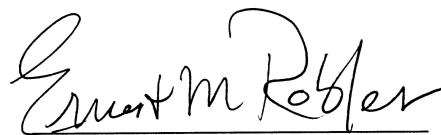


If an objection is filed and served the Court may set a hearing date and a briefing schedule. Alternatively, the Court may rule on the objection without a hearing.

IT IS SO ORDERED.

###

Date: January 6, 2020

A handwritten signature in black ink, reading "Ernest M. Robles". The signature is fluid and cursive, with the first name "Ernest" and last name "Robles" clearly legible. The middle initial "M" is smaller and positioned between the first and last names.

Ernest M. Robles  
United States Bankruptcy Judge



## **REVISED EARLY MEETING OF COUNSEL, JOINT STATUS CONFERENCE INSTRUCTIONS**

- 1) *A COPY OF THESE INSTRUCTIONS MUST BE ATTACHED TO THE COPY OF THE COMPLAINT SERVED UPON EACH PARTY, AND THE PROOF OF SERVICE OF THE SUMMONS AND COMPLAINT MUST INDICATE THAT SUCH COPY WAS SERVED THEREWITH.*
- 2) The Status Conference will be conducted **by telephone** at the date and time shown on the summons. However, any party or counsel may appear in person if they wish. Telephone appearances for Status Conference will be arranged through **Court Call™** pursuant to the attached Instructions for Telephonic Appearances. **Court Call™** is an independent conference call company that arranges conference calls on a national and international basis for business. It has no business connection with this court. This paragraph applies **only** to parties represented by counsel. If you do not have an attorney you must appear at the Status Conference in person.
- 3) Plaintiff must serve, with the summons and complaint, a notice that compliance with **Local Bankruptcy Rule 7026-1** is required. Plaintiff must also file proof of service of the notice with proof of service of the summons and complaint. Pursuant to **Local Bankruptcy Rule 7026-1**, counsel for the parties **MUST TIMELY MEET TO DISCUSS SETTLEMENT AND TO EXCHANGE DOCUMENTS, OTHER EVIDENCE, AND LISTS OF WITNESSES AND PRELIMINARY DISCOVERY SCHEDULES AS PROVIDED IN SAID RULE.**
- 4) Unless all defendants have defaulted, the parties shall file Form **F 7016-1.Status.Report** (available on the Court's website) pursuant to **Local Bankruptcy Rule 7016-1(a)(2)** at least 14 days before the date of the Status Conference. If **Local Bankruptcy Rule 7026-1** applies, the parties must include in the Joint Status Report a statement that they have met to discuss settlement and have exchanged documents, other evidence, lists of witnesses and preliminary discovery schedules. **If the parties request dates for discovery cut-off, pre-trial, trial, or other litigation deadlines other than those ordered herein, this request shall be made in the Joint Status Report.**
- 5) If no response to the complaint is timely filed, plaintiff may request entry of default by the clerk or by the court. Plaintiff may also request entry of a default judgment by filing and serving an appropriate motion. *See* Fed. R. Bankr. P. 7055 and Local Bankruptcy Rule 7055.
- 6) Any settlement stipulations, proposed judgments thereon, and/or proposed default judgments shall be filed and lodged with the Court at least 7 days before the Status Conference or Pretrial Conference. If such stipulations and/or proposed judgments are not timely filed, all parties must appear. Parties submitting late filings may be subject to Court Call's regular charges even if the hearing never takes place.



- 7) Unless otherwise ordered, all applicable Local Bankruptcy Rules apply and shall be strictly enforced. In particular, all parties and counsel are encouraged to review Local Bankruptcy Rule 7026-1 (procedures governing the early meeting of counsel), Local Bankruptcy Rule 7016-1 (procedures governing Status Conferences and Pretrial Conferences), and Third Amended General Order No. 95-01 (“Adoption of Mediation Program for Bankruptcy Cases and Adversary Proceedings”).
- 8) If the parties dispute whether the adversary proceeding is “**core**” or “**non-core**,” they shall file points and authorities in support of their positions. Any party that contends the proceeding is “**non-core**” shall file and serve its points and authorities at least **14 days** before the Status Conference. Any response must be filed and served at least seven days before the Status Conference.
- 9) Failure to comply with these instructions including the failure to timely file a Joint Status Report will subject the responsible party to monetary **sanctions**, without a further hearing.
- 10) Failure of counsel for any party to appear at a Status Conference or Pretrial Conference may be considered an abandonment or failure to prosecute or defend diligently and the proceeding may be dismissed or judgment entered against the defaulting party without a further hearing.
- 11) Plaintiffs demanding trial by jury in the bankruptcy court shall file a demand with their complaint. All other parties should indicate whether they consent to a jury trial before the Bankruptcy Court in the Joint Status Report filed in connection with the initial Status Conference.



## **INSTRUCTIONS FOR TELEPHONIC APPEARANCES**

**For Judge Ernest M. Robles  
United States Bankruptcy Court, Los Angeles Division**

Telephone appearances will be arranged through *Court Call*<sup>TM</sup>. Court Call is an independent conference call company that arranges conference calls nationally for Courts.

It is counsel's responsibility to schedule their telephonic appearance at least 5 court days prior to the hearing date by contacting CourtCall at 866-582-6878 or via internet by registering at [www.courtcall.com](http://www.courtcall.com).

Written confirmation will be provided for each separate CourtCall Appearance. If you have not received a written Confirmation, prior to the hearing date, please contact CourtCall immediately or you may be precluded from the telephone calendar.

It is the participant's responsibility to dial into to their conference by using the 800 number provided by CourtCall. The CourtCall Operator will not dial out to connect a participant.

Payment: CourtCall accepts 2 forms of payment:

- 1) Credit or Debit Card
- 2) CourtCall Debit Account

\*\*\*Please contact CourtCall for more detailed information, not the Court.

Do not argue with Court Call or request special treatment. Court Call's function is no more than to offer you the opportunity to appear by telephone. Your election to appear by telephone constitutes your agreement for telephonic appearances.

At the time of the hearing, you will initially be placed in "Listen-only" mode and able to hear all proceedings just as if you were in the courtroom. Your line will be placed "Live" once the Judge calls your case. Each time a participant speaks to the Court, he or she must identify themselves for the record. When the Judge informs the participants that the hearing is completed, the participants may disconnect and the next case will be called. Please remain on the line if you are appearing on multiple cases on the same calendar.

Telephonic appearances are connected directly with the courtroom's public address system and electronic recording equipment so that a normal record is produced. To ensure a quality record, the use of car phones, public telephone booths, or phones in other public places is prohibited except in the most extreme emergencies. Participants should be able to hear all parties without difficulty or echo. The system also allows more than one speaker to be heard so that the Judge can interrupt a speaker to ask a question or redirect the discussion.

Telephonic appearances by multiple participants are only possible when there is compliance with every procedural requirement. Sanctions may be imposed when there is any deviation from the required procedures or the Court determines that a person's conduct makes telephonic appearances inappropriate. Sanctions may include dropping a matter from calendar, continuing



the hearing, proceeding in the absence of an unavailable participant, a monetary sanction, or a permanent prohibition against a person appearing telephonically.



# FREE LEGAL HELP

A creditor has sued you in bankruptcy court. You were served with a Summons and Complaint, and you must now file an Answer. If you do not file an Answer on time, the court may enter a default judgment against you. This means that your debt may not be discharged and you will be responsible for paying it back.

**IF YOU CAN NOT AFFORD AN ATTORNEY, FREE LEGAL HELP MAY BE  
AVAILABLE.**

For more information, call:

**Public Counsel's**

**Debtor Assistance Project Hotline (213) 385-2977, ext. 704**



**35<sup>TH</sup> ANNIVERSARY**

**THE PUBLIC INTEREST LAW OFFICE OF THE LOS ANGELES COUNTY AND  
BEVERLY HILLS BAR ASSOCIATIONS**



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# AYUDA LEGAL GRATUITA

---

Su acreedor le ha demandado en la corte de bancarrota. Usted recibió la demanda, llamada “Summons” y “Complaint.” Usted debe archivar una respuesta a la demanda en la corte. Si no archiva la respuesta a tiempo, la corte puede decidir en su contra. Si eso sucede, la deuda no se descargará en su caso de bancarrota y Usted será responsable por pagar al acreedor.

## **SI LE FALTAN RECURSOS PARA CONTRATAR A UN ABOGADO, LLAME A LA LINEA DE AYUDA LEGAL GRATUITA.**

Para mas información, llame al:

**Proyecto de Ayuda al Deudor  
de  
Public Counsel**

**(213) 385-2977, ext. 704**



THE PUBLIC INTEREST LAW OFFICE OF THE LOS ANGELES COUNTY AND BEVERLY HILLS BAR ASSOCIATIONS



# EXHIBIT II

EXHIBIT II Page 1 of 52  
Case 5:50-cv-01001-EB Doc 23-32 Filed 03/04/50 Entered 03/04/50 13:43:05 Desc

# EXHIBIT II



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Telephone: (310) 284-3871

Attorneys for Strategic Global Management, Inc.

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

Debtors and Debtors in Possession.

- ☒ Affects All Debtors  
☐ Affects Verity Health System of California, Inc.  
☐ Affects O'Connor Hospital  
☐ Affects Saint Louise Regional Hospital  
☐ Affects St. Francis Medical Center  
☐ Affects St. Vincent Medical Center  
☐ Affects Seton Medical Center  
☐ Affects O'Connor Hospital Foundation  
☐ Affects Saint Louise Regional Hospital Foundation  
☐ Affects St. Francis Medical Center of Lynwood Foundation  
☐ Affects St. Vincent Foundation  
☐ Affects St. Vincent Dialysis Center, Inc.  
☐ Affects Seton Medical Center Foundation  
☐ Affects Verity Business Services  
☐ Affects Verity Medical Foundation  
☐ Affects Verity Holdings, LLC  
☐ Affects De Paul Ventures, LLC  
☐ Affects De Paul Ventures – San Jose ASC, LLC

CHAPTER 11

Lead Bankr. Case No.: 2:18-bk-20151-ER

Jointly Administered With:  
CASE NO.: 2:18-bk-20162-ER  
CASE NO.: 2:18-bk-20163-ER  
CASE NO.: 2:18-bk-20164-ER  
CASE NO.: 2:18-bk-20165-ER  
CASE NO.: 2:18-bk-20167-ER  
CASE NO.: 2:18-bk-20168-ER  
CASE NO.: 2:18-bk-20169-ER  
CASE NO.: 2:18-bk-20171-ER  
CASE NO.: 2:18-bk-20172-ER  
CASE NO.: 2:18-bk-20173-ER  
CASE NO.: 2:18-bk-20175-ER  
CASE NO.: 2:18-bk-20176-ER  
CASE NO.: 2:18-bk-20178-ER  
CASE NO.: 2:18-bk-20179-ER  
CASE NO.: 2:18-bk-20180-ER  
CASE NO.: 2:18-bk-20181-ER

Adversary Case No. 2:20-ap-01001-ER

**STRATEGIC GLOBAL MANAGEMENT,  
INC.'S EMERGENCY MOTION TO  
STAY ADVERSARY PROCEEDINGS;  
DECLARATION OF GARY E.  
KLAUSNER IN SUPPORT THEREOF**

Date: [TBD]



182015120012200000000004



Debtors and Debtors in Possession.

Time: [TBD]  
Judge: Ernest Robles  
Place: Department 1568  
255 E. Temple Street  
Los Angeles, CA 90012

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., a California nonprofit  
public benefit corporation, ST. VINCENT  
MEDICAL CENTER, a California nonprofit  
public benefit corporation, ST. VINCENT  
DIALYSIS CENTER, INC., a California  
nonprofit public benefit corporation, and ST.  
FRANCIS MEDICAL CENTER, a California  
nonprofit public benefit corporation, SETON  
MEDICAL CENTER, a California nonprofit  
public benefit corporation, and VERITY  
HOLDINGS, LLC, a California limited  
liability company; and

Plaintiffs,

v.

KALI P. CHAUDHURI, M.D., an individual,  
STRATEGIC GLOBAL MANAGEMENT,  
INC., a California corporation, KPC  
HEALTHCARE HOLDINGS, INC. a  
California Corporation KPC HEALTH PLAN  
HOLDINGS, INC. a California Corporation,  
KPC HEALTHCARE, INC. a Nevada  
Corporation, KPC GLOBAL  
MANAGEMENT, LLC, a California Limited  
Liability Company, and DOES 1 through 500,

Defendants.



**SUMMARY**

Pursuant to Local Bankruptcy Rules 2081-1(a)(12) and 9075-1, and 11 U.S.C. § 105(a), Strategic Global Management, Inc. (“SGM”) moves for a stay on the ground this Court lacks jurisdiction to adjudicate the Adversary Proceeding until final resolution of SGM’s appeals from three of this Court’s Orders, which are currently pending in the U.S. District Court for the Central District of California (the “District Court”), and on which the Adversary Proceeding is based. This Court may not take any action on the Adversary Proceeding, including any pre-trial action, before the appeals are resolved, lest it disturb the *status quo* and usurp the jurisdiction of the District Court. Accordingly, all matters relating to the Adversary Proceeding, including the filing of any responsive pleading by the Defendants or compliance with this Court’s Scheduling Order of January 6, 2020, must be stayed pending the final adjudication of the Appeals.

**ADDITIONAL INFORMATION**

The Motion is based upon Local Bankruptcy Rules 2081-1(a)(12) and 9075-1, 11 U.S.C. §105(a), the Motion, the supporting Memorandum of Points and Authorities and Klausner Declaration annexed hereto, the arguments and statements of counsel made at the hearing on the Motion, and other admissible evidence properly brought before the Court.

Concurrently with the filing of the Motion with the Court, SGM has served the Motion by messenger on the Office of the United States Trustee, counsel for the Debtor and counsel to the Official Committee of Unsecured Creditors (as a courtesy only). Notice of the hearing date and time on the Motion will also be served by overnight mail (or in another manner directed by the Court) once set by the Court. Additional hard copies or electronic copies of the Motion are available upon request to counsel for SGM, whose contact information is located on the upper-left hand corner of the Motion.

**WHEREFORE**, SGM respectfully requests that this Court enter an order staying the Adversary Proceeding and all matters relating to the Adversary Proceeding, including the filing of any responsive pleading or compliance with this Court’s Scheduling Order of January 6, 2020 pending resolution of the Appeals.



Dated: January 16, 2020

LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.

By: /s/ Gary E. Klausner

Gary E. Klausner

Counsel for Strategic Global Management, Inc.



1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 Strategic Global Management, Inc. (“SGM”) submits this emergency motion for a stay of  
3 the Adversary Proceedings, Case No. 2:20-ap-01001-ER, filed by Verity Health System of  
4 California, Inc., St. Vincent Medical Center, St. Vincent Dialysis Center, Inc., St. Francis Medical  
5 Center, Seton Medical Center, and Verity Holdings, LLC (“Plaintiffs”).

6 **I. INTRODUCTION**

7 “The filing of a notice of appeal is an event of jurisdictional significance-it confers  
8 jurisdiction on the court of appeals and divests the district court of its control over those aspects  
9 of the case involved in the appeal.” *Griggs v. Provident Consumer Discount Co.*, 459 U.S. 56, 58  
10 (1982). This rule applies to matters on appeal from the bankruptcy court. *Matter of Combined*  
11 *Metals Reduction Co.*, 557 F.2d 179, 200 (9th Cir. 1977).

12 SGM moves for a stay on the ground this Court lacks jurisdiction to adjudicate the  
13 Adversary Proceeding until final resolution of SGM’s appeals from three of this Court’s Orders,  
14 which are currently pending in the U.S. District Court for the Central District of California (the  
15 “District Court”), and which touch directly on the issues raised in the Adversary Proceeding.  
16 This Court cannot take any action on the Adversary Proceeding, including any pre-trial action,  
17 before the appeals are resolved, lest it disturb the *status quo* and usurp the jurisdiction of the  
18 District Court. Accordingly, all matters relating to the Adversary Proceeding, including the filing  
19 of any responsive pleading by the Defendants or compliance with this Court’s Scheduling Order  
20 of January 6, 2020, must be stayed pending the final adjudication of the Appeals.

21 **II. STATEMENT OF FACTS & PROCEDURAL HISTORY**

22 In November 2019, this Court issued Orders dated November 14 (Doc. No. 3611),  
23 November 18 (Doc. No. 3633), and November 27 (Doc. No. 3724), all of which are pending  
24 appeal in the District Court.

25 In its November 14 Order, the Court granted, over SGM’s objection, *Debtors’ Emergency*  
26 *Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic*  
27 *Global Management, Inc.; (II) Finding that the Sale Is Free and Clear of Conditions Materially*  
28 *Different than Those Approved by the Court*, ruling that the Assets (as defined in the APA) were



1 to be sold free and clear of Additional Conditions imposed by the California Attorney General  
2 (“AG”). SGM objected to the November 14 Order because the language agreed to by the Debtors  
3 and the AG failed to provide SGM the protection to which it was entitled under Section 8.6 of the  
4 APA.

5 In its November 18, Order, the Court held, *sua sponte*, without any adjudication of the  
6 merits, that the Debtors had complied with their obligations under Section 8.6 of the APA and  
7 that SGM was obligated “to promptly close the SGM Sale, provided that all other conditions to  
8 closing have been satisfied.” (Doc No. 3633.)

9 In the November 27 Order and accompanying Memorandum of Decision, the Court ruled  
10 *sua sponte*, and without any adjudication of the merits, that “all conditions precedent to SGM’s  
11 obligation to close the SGM Sale have been satisfied,” and that SGM was thus “obligated to close  
12 by no later than December 5, 2019.” (Doc. No. 3723.)

13 SGM timely appealed these Orders to the District Court. *See* Case Nos. 2:19-cv-10352;  
14 2:19-cv-10354; and 2:19-cv-10356, respectively (collectively “the Appeals”).

15 On December 10, 2019, Plaintiffs filed an “Emergency Motion to Dismiss” SGM’s appeal  
16 of the November 14 Order; and, on December 19, 2019, they filed two similar “Emergency  
17 Motions to Dismiss” the Appeals of the November 18 and November 27 orders, arguing, *inter*  
18 *alia*, that the Orders appealed from were not final, appealable orders. All three motions were  
19 denied by the District Court, Honorable Dale S. Fischer presiding, on December 20, 2019.<sup>1</sup>

20 Notwithstanding the pendency of the Appeals, Plaintiffs filed an Adversary Proceeding in  
21 this Court against SGM and others on January 3, 2020, seeking damages related to SGM’s failure  
22 to close by December 5, 2019. As we show, the Adversary Proceeding cannot go forward in this  
23 Court because it covers the same ground as, and is based on, the rulings on appeal.

24 As a separate matter, Plaintiffs’ Adversary Proceeding is jurisdictionally flawed because it

---

25  
26  
27 <sup>1</sup> On December 20, 2019, SGM filed a motion to consolidate the three Appeals on the grounds  
28 they involve the same parties, the same operative facts, the same record, and same issues.  
Plaintiffs did not oppose SGM’s consolidation motion, which is set for hearing on January 27,  
2020.



names a number of parties, including Kali P. Chaudhuri, M.D., KPC Healthcare Holdings, Inc., KPC Health Plan Holdings, Inc., KPC Healthcare, Inc., and KPC Global Management, LLC (the “Non-SGM Defendants”), who have had no involvement in the Chapter 11 proceedings – they have not filed proofs of claim or participated in the Chapter 11 cases in any way; they have not waived their right to trial by an Article III court or their right to trial by jury; and they have not consented to having any specific issue, dispute, or motion relating to the Adversary Proceeding adjudicated by this Court. These Non-SGM Defendants are thus not properly before this Court.

On January, 14, 2020, Defendants’ counsel requested that Plaintiffs’ counsel extend the deadline for Defendants to respond to the Adversary Complaint 30 days to allow this Motion to be heard on normal notice. *See* Declaration of Gary Klausner ¶ 11. Plaintiffs refused to grant this request, thus necessitating that this motion be heard on an emergency basis. *Id.* ¶ 11 (attaching Plaintiffs’ counsel’s January 15, 2020 email stating that Defendants’ ability to file this motion “on an expedited basis ... undermines any notion that additional time is needed [to respond to the Complaint].”)

### **III. ARGUMENT**

#### **A. This Court lacks jurisdiction over the Adversary Proceeding, which should be stayed pending resolution of the three Appeals.**

The pending Appeals divest this Court of jurisdiction over the Adversary Proceeding, because it raises claims based on the rulings set forth in this Court’s November 14, November 18 and November 27 Orders, all of which are pending appeal in the District Court. (*See, e.g.* Compl. ¶¶ 74-76; 83-95; 100; 107).

“The general rule is that once a notice of appeal has been filed, the lower court loses jurisdiction over the subject matter of the appeal.” *Combined Metals*, 557 F.2d at 200 (“The filing of a timely and sufficient notice of appeal has the effect of immediately transferring jurisdiction from the district court to the court of appeals with respect to any matters involved in the appeal. . . . Thus, after a notice of appeal is timely filed, the district court has no power to vacate the judgment, or to grant the appellant’s motion to dismiss the action without prejudice, or to allow the filing of amended or supplemental pleadings.”) (quoting 9 Moore’s Federal Practice,



1 2d ed., P 203.11, pp. 734-36) (further citations omitted); *see also Griggs*, 459 U.S. at 58 (“The  
2 filing of a notice of appeal is an event of jurisdictional significance-it confers jurisdiction on the  
3 court of appeals and divests the district court of its control over those aspects of the case involved  
4 in the appeal.”).

5 While bankruptcy courts have “wide latitude to reconsider and vacate its prior decisions,  
6 so long as the proceedings have not been terminated,” they are nevertheless bound by the general  
7 rule that an appeal divests the lower court of the power to modify the order or decision being  
8 appealed. *Combined Metals Reduction Co.*, 557 F.2d at 200-201. A different result “would  
9 permit bankruptcy courts to divest the courts of appeals of jurisdiction over appeals.” *Id.* at 201;  
10 *accord, e.g., In re Bialac*, 694 F.2d 625, 627 (1982) (following *Combined Metals*); *Midwest*  
11 *Properties No. Two v. Big Hill Inv. Co., Inc.*, 93 B.R. 357, 360 (N.D. Tex., 1988) (“The rule is  
12 well established that the taking of an appeal transfers jurisdiction from the Bankruptcy Court to  
13 the Appellate Court with regard to any matters involved in the appeal and divests the Bankruptcy  
14 Court of jurisdiction to proceed further with such matters[.]”); *Matter of Urban Development*  
15 *Ltd., Inc.*, 42 B.R. 741, 744 (Bankr. Fla., 1984) (“While the bankruptcy court has a wide latitude  
16 to reconsider and vacate its own prior decisions, it may not do anything which has any impact on  
17 the order on appeal.”); *In re Butcher Boy Meat Market, Inc.*, 10 B.R. 258, 259 (Bankr. Pa., 1981).

18 “This [jurisdictional] rule is clearly necessary to prevent the procedural chaos that would  
19 result if concurrent jurisdiction were permitted.” *Matter of Urban Development Ltd., Inc.*, 42 B.R.  
20 741 (Bankr. M.D. Fla., 1984) (citing *Combined Metals, supra*); *see also In re Kendrick*  
21 *Equipment Corp.*, 60 B.R. 356, 358 (Bankr. W.D. Va., 1986) (“The divestment of jurisdiction is a  
22 judicial rule to avoid confusion and waste of time that might flow from putting the same issue  
23 before two courts at the same time.”).

24 The Adversary Proceeding seeks damages arising from SGM’s failure to close the Sale,  
25 and relies heavily on this Court’s conclusions (set forth in the Orders on appeal) that Plaintiffs  
26 had complied with all of the conditions required for closing and that SGM was obligated to close  
27  
28



1 on December 5, 2019. SGM’s appeals challenge these rulings on the merits,<sup>2</sup> and the manner in  
2 which they were decided, *i.e.*, without granting SGM notice or an opportunity to be heard.

3 Perusal of the Complaint readily demonstrates the degree to which the Adversary  
4 Proceeding overlaps with the challenged rulings. For example, Plaintiffs allege that SGM  
5 breached the APA by, *inter alia*: (1) “asserting entitlement to an ‘Evaluation Period’ when no  
6 such period existed after the entry of the Enforcement Order [the November 14 Order], the  
7 Section 8.6 Order [the November 18 Order] and the Closing Order [the November 27 Order]”;  
8 “appealing the Enforcement Order [the November 14 Order] to avoid its’ obligation to close and  
9 despite the APA’s requirement that Defendants cooperate to render it a final, nonappealable  
10 order”; and “filing meritless and frivolous Notices of Appeal.” Compl. ¶ 100. A plain and fair  
11 reading of the Complaint compels the conclusion that all of the claims and relief requested  
12 directly implicate the matters on appeal in the District Court.

13 SGM’s timely notices of appeal from this and two other Orders dealing with the  
14 interpretation of the APA divests this Court of jurisdiction, which transferred immediately to the  
15 District Court. Pursuant to the foregoing authorities, this Court may not take any action on  
16 Plaintiffs’ Adversary Complaint, because it covers the same ground as the matters pending appeal  
17 and any action, including pre-trial action, may displace the status quo. If, for example, this Court  
18 were to determine that SGM materially breached the APA because it failed to consummate and  
19 close the Sale by December 5, 2019 in accordance with the APA and its November 27 Order, it  
20 would usurp SGM’s right to appellate review, the jurisdiction of the District Court, and  
21 potentially the jurisdiction of the Ninth Circuit, should an appeal be taken by any party from the  
22 decision of the District Court.<sup>3</sup>

---

23  
24 <sup>2</sup> For example, SGM contends that Section 8.7 of the APA was not satisfied at the time the  
25 November 27 Order was entered, or on November 20 when Plaintiffs made their Closing  
26 Demand, because Plaintiffs had failed to enter into the type of agreement with Medi-Cal required  
by Section 8.7.

27 <sup>3</sup> It remains to be seen which tribunal should handle the Adversary Proceeding, as set forth in  
28 SGM’s forthcoming motion to withdraw the reference to this Court with respect to the Adversary  
Proceeding (the “Motion to Withdraw the Reference”). SGM’s Motion to Withdraw the



**B. Emergency Relief is Necessary Because Defendants' Response to the Complaint must be Filed on or Before February 5, 2020.**

The Summons and Notice of Status Conference issued by this Court on January 6, 2020 requires Defendants to file and serve their responses to the Complaint on or before February 5, 2020. If this motion were heard on normal notice, any ruling on this motion would be delayed until at least 21 days from the filing of this motion; which would be after the deadline for responding to the Complaint. Recognizing this problem, Defendants requested that Plaintiff stipulate to a 30 day extension of the response date to permit this motion to be heard on normal notice. Plaintiffs refused to consent. Accordingly, this motion must be heard on an emergency basis so that Defendants' request for a stay (to which they are entitled) can be heard and decided before any response to the Complaint is due or other action needs to be taken in connection with the Adversary Proceeding.

**IV. CONCLUSION**

For all of the foregoing reasons, the Adversary Proceeding and all matters relating to the Adversary Proceeding, including the filing of any responsive pleading or compliance with this Court's Scheduling Order of January 6, 2020 should be stayed pending resolution of the Appeals.

Dated: January 16, 2020

LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.

By: /s/ Gary E. Klausner

Gary E. Klausner  
Counsel for Strategic Global Management, Inc.;  
Kali P., Chaudhuri, M.D.; KPC Healthcare  
Holdings, Inc.; KPC Healthcare, Inc., KPC Global  
Management, LLC

Reference will be based, *inter alia*, on the grounds that: (1) the Adversary Proceeding is a "non-core" matter under 28 U.S.C § 157(b); (2) this Court lacks jurisdiction to rule on the Adversary Proceeding pending resolution of the Appeals; (3) the interests of judicial economy support having the Adversary Proceeding considered by the District Court after it decides the Appeals.



**DECLARATION OF GARY E. KLAUSNER**

I, Gary E. Klausner, declare as follows:

1. I am over 18 years of age. I have personal knowledge of the facts set forth below and, if called to testify, would and could competently testify thereto.

2. I am a partner of Levene, Neale, Bender, Yoo & Brill L.L.P. (“LNBYB”), bankruptcy counsel for Strategic Global Management, Inc. (“SGM”). I am licensed to practice law in the State of California and before this court.

3. I submit this Declaration in support of the “*Emergency Motion To Stay Adversary Proceedings*” (the “Motion”). Unless otherwise indicated, all capitalized but undefined terms herein shall have the same meanings ascribed to them in the Motion.

4. In November 2019, the Court issued Orders dated November 14 (Doc. No. 3611), November 18 (Doc. No. 3633), and November 27 (Doc. No. 3724), all of which are pending appeal in the District Court.

5. In its November 14 Order, the Court granted, over SGM’s objection, *Debtors’ Emergency Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc.; (II) Finding that the Sale Is Free and Clear of Conditions Materially Different than Those Approved by the Court.*

6. In its November 18, Order, the Court held that the Debtors had complied with their obligations under Section 8.6 of the APA and that SGM was obligated “to promptly close the SGM Sale, provided that all other conditions to closing have been satisfied.” (Doc No. 3633.)

7. In the November 27 Order and accompanying Memorandum of Decision, the Court ruled that “all conditions precedent to SGM’s obligation to close the SGM Sale have been satisfied,” and that SGM was thus “obligated to close by no later than December 5, 2019.” (Doc. No. 3723.)

8. SGM timely appealed these Orders to the District Court. *See* Case Nos. 2:19-cv-10352; 2:19-cv-10354; and 2:19-cv-10356, respectively (collectively “the Appeals”).



6           10.     Notwithstanding the pendency of the Appeals, Plaintiffs filed an Adversary  
7     Proceeding in this Court against SGM and others on January 3, 2020, seeking damages related to  
8     SGM's failure to close by December 5, 2019.

11. On January, 14, 2020, I sent a letter (the “Letter”) to Plaintiffs’ counsel requesting a 30 day extension of the deadline for Defendants to respond to the Adversary Complaint, to allow for this Motion to be heard on normal notice. Plaintiffs refused to grant this request, thus necessitating that this motion be heard on an emergency basis. True and correct copies of the Letter, and Plaintiffs’ counsel’s email correspondence refusing to grant the extension request are attached respectively as **Exhibits “1” and “2”** hereto.

15 I declare under penalty of perjury under the laws of the United States of America that the  
16 foregoing is true and correct. Executed December 20, 2019, at Los Angeles, California.

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18 /s/ Gary E. Klausner  
GARY E. KLAUSNER

<sup>4</sup> On December 20, 2019, SGM filed a motion to consolidate the three Appeals on the grounds they involve the same parties, the same operative facts, the same record, and same issues. Plaintiffs did not oppose SGM's consolidation motion, which is set for hearing on January 27, 2020.



# EXHIBIT "1"





January 14, 2020

Sonia R. Martin, Esq.  
Dentons US, LLP  
One Market Plaza Spear Tower  
24<sup>th</sup> Floor  
San Francisco, CA 94105

Re: In re Verity Health Systems, Inc., Debtor  
Verity Health Systems of California, Inc., et al v. Strategic Global  
Management, Inc., et al, Adversary No. 2:20-ap-01001-ER

Dear Sonia:

The Summons and Notice of Status Conference in the above captioned Adversary Proceeding [LBR 7004-1] provides for the Defendants to file and serve a written response on or before February 5, 2020. The purpose of this letter is to request from Plaintiffs a 30-day extension of time for Defendants to respond to the Complaint, i.e. through March 5, 2020.

SGM intends to file a motion for a stay of all matters pertaining to the Adversary Proceeding, including the filing of responses by any of the Defendants. The motion for stay will be based upon the existence of the three appeals currently pending before District Judge Fischer, from the Bankruptcy Court's Orders of November 14, November 18 and November 27, 2019 (herein the "Appeals").

In its November 27 Memorandum Decision and Order, the Bankruptcy Court ruled that, as of November 19, 2019, Verity had complied with all of the conditions required of it for closing the SGM sale and concluded that SGM was obligated to close the sale by December 5, 2019 pursuant to Verity's closing demand of November 20, 2019. SGM has appealed from that Order. Similarly, SGM has appealed the November 14 Order and November 18 Order, which purported to establish Verity's compliance with APA section 8.6.

The pendency of the Appeals divests the Bankruptcy Court of jurisdiction to adjudicate the Adversary Proceeding. *Griggs v. Provident Consumer Discount Co.*, 459 U.S. 56, 58 (1982); *Matter of Combined Metals Reduction Company*, 557 S. 2d. 179, 200-201 (9<sup>th</sup> Cir. 1977). As a result, the District Court now has exclusive jurisdiction over the subject matter of the Appeals. Therefore, so long as the Appeals are pending, the Bankruptcy Court lacks jurisdiction to make any rulings related or bearing on the issues, which are the subject of appeal, i.e. Verity's compliance with all of its closing conditions and SGM's breach for failing to close the APA on December 5, 2019 – all of which are the subject matter, and indeed the core allegations, of the Complaint.

At this time, we are not requesting that Verity stipulate to a stay; only that the response date be extended to March 5, 2020 to enable SGM to bring its stay motion on



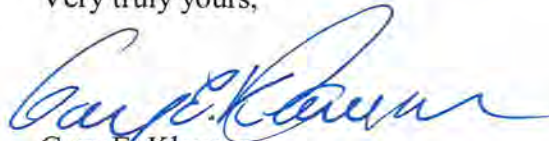
Sonia R. Martin, Esq.  
Dentons  
Page 2

normal notice. If after having seen SGM's motion for stay Verity is in agreement that the Bankruptcy Court has been divested of jurisdiction regarding the Adversary Proceeding, we will work in good faith with you to enter into a stipulation providing for a stay pending the resolution of the Appeals.

Please confirm that you will grant the extension by Wednesday January 15 at 5:00 p.m. If for some reason Verity will not agree to the extension, please explain your reasoning for refusing to grant a request for an extension that is both (1) generally granted as a normal professional courtesy (See Central District's Civility Guidelines § B, 2) and (2) would allow the parties and the Court a full opportunity to address the motion to stay. If we do not have Verity's agreement at that time then we will ask that the Court hear the motion on an expedited basis.

Finally, the request for this extension is without prejudice to any of the rights, claims or defenses of any of the parties to the Adversary Proceeding.

Very truly yours,



Gary E. Klausner

cc: Sam Maizel, Esq.  
Tanya Moyron, Esq.



EXHIBIT "2"



**From:** Martin, Sonia R. [<mailto:sonia.martin@dentons.com>]  
**Sent:** Wednesday, January 15, 2020 2:55 PM  
**To:** Gary E. Klausner  
**Cc:** Maizel, Samuel R.; Moyron, Tania M.; Montgomery, Claude D.; Koffroth, Nick  
**Subject:** RE: Verity; Verity v SGM

Gary:

Your request for a 30-day extension is not reasonable under the circumstances.

First, the appeals and the complaint are not a surprise and you have been involved in all of the briefing and the events to date. To the extent you believe the three orders that your clients appealed need a stay to protect them (putting aside that they never filed motions to stay the effect of those orders), your clients have more than enough time to prepare such a motion. The defendants' responses are due February 5 (22-days from your request and 30 days after issuance of the summons and the complaint). Indeed, in the same letter in which you requested this extension, you also threatened alternatively to move for such relief on an expedited basis, which undermines any notion that additional time is needed.

Second, the length of time of your request is not reasonable, as it seeks to extend the 30-day period by an additional 30 days without any explanation and to the prejudice of the Debtors. Indeed, you have cited to the Central District's Civility Rules, which state that counsel will not request an extension of time solely for the purpose of unjustified delay or to obtain a tactical advantage.

Third, your firm is not new to the representation of SGM or Dr. Chaudhuri, and your clients' request for an extension is not taken lightly by the Debtors given the harm your clients caused to the hospitals and the Debtors' estates and the need to move with alacrity given the nature of the bankruptcy cases (including the daily cash losses of \$450,000).

Consequently, the Debtors will not agree to your request for a 30-day extension. The Debtors, however, we will agree to a one week (7 day) extension of your time to respond under FRBP 7012 for each client that you represent, provided you confirm to us today the identity of each client that you expect to represent.



Sonia R. Martin

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[sonia.martin@dentons.com](mailto:sonia.martin@dentons.com)  
[Bio](#) | [Website](#)

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**From:** Gary E. Klausner <[GEK@lnbyb.com](mailto:GEK@lnbyb.com)>  
**Sent:** Tuesday, January 14, 2020 2:50 PM  
**To:** Martin, Sonia R. <[sonia.martin@dentons.com](mailto:sonia.martin@dentons.com)>  
**Cc:** Maizel, Samuel R. <[samuel.maizel@dentons.com](mailto:samuel.maizel@dentons.com)>; Moyron, Tania M. <[tania.moyron@dentons.com](mailto:tania.moyron@dentons.com)>; Gary E. Klausner <[GEK@lnbyb.com](mailto:GEK@lnbyb.com)>  
**Subject:** Verity; Verity v SGM

**[External Sender]**

Sonia; please see the attached letter. Thanks.

**GARY E. KLAUSNER**, Esq.  
**LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.**  
10250 Constellation Blvd. | Suite 1700 | Los Angeles, CA 90067  
Phone 310 229 1234 | Direct 310 229 3360 | Fax 310 229 1244  
[gek@lnbyb.com](mailto:gek@lnbyb.com) | [www.lnbyb.com](http://www.lnbyb.com)

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Please consider the environment before printing this email



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067.

A true and correct copy of the foregoing document entitled **STRATEGIC GLOBAL MANAGEMENT, INC.'S EMERGENCY MOTION TO STAY ADVERSARY PROCEEDINGS; DECLARATION OF GARY E. KLAUSNER IN SUPPORT THEREOF** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **January 16, 2020**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Alexandra Achamallah aachamallah@milbank.com, rliubicic@milbank.com
- Melinda Alonzo ml7829@att.com
- Robert N Amkraut ramkraut@foxrothschild.com
- Kyra E Andrassy kandrassy@swelawfirm.com,  
lgarrett@swelawfirm.com;gcruz@swelawfirm.com;jchung@swelawfirm.com
- Simon Aron saron@wrslawyers.com
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- Allison R Axenrod allison@claimsrecoveryllc.com
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gbray@milbank.com;mshinderman@milbank.com;dodonnell@milbank.com;jbrewster@milbank.com;JWeber@milbank.com
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**2. SERVED BY UNITED STATES MAIL:** On **January 16, 2020**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **January 16, 2020**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

**SERVED BY PERSONAL DELIVERY**

The Honorable Ernest M. Robles  
United States Bankruptcy Court  
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8 I declare under penalty of perjury under the laws of the United States of America that the foregoing is  
true and correct.

9	<b>January 16, 2020</b>	Lourdes Cruz	<u>/s/ Lourdes Cruz</u>
10	<i>Date</i>	<i>Type Name</i>	<i>Signature</i>

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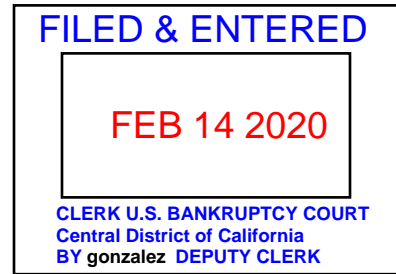


# EXHIBIT JJ

Case 5:50-gb-01001-EB Doc 23-3e Filed 03/04/50 Entered 03/04/50 13:43:05 Desc  
Exhibit JJ Page 3 of 3

# EXHIBIT JJ





UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA—LOS ANGELES DIVISION

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors in Possession.

Verity Health System of California, Inc., *et al.*,  
Plaintiffs,  
v.  
Strategic Global Management, Inc., *et al.*,  
Defendants

Lead Case No.: 2:18-bk-20151-ER  
Adv. Case. No.: 2:20-ap-01001-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

**ORDER DENYING STRATEGIC GLOBAL  
MANAGEMENT, INC.'S EMERGENCY MOTION  
TO STAY ADVERSARY PROCEEDING**

**[RELATES TO ADV. DOC. NO. 19]**

Date: February 11, 2020  
Time: 10:00 a.m.  
Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012



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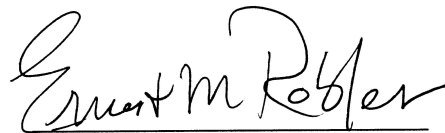


The Court conducted a hearing on *Strategic Global Management, Inc.*'s *Emergency Motion to Stay Adversary Proceeding* (the "Motion") [Adv. Doc. No. 19] at the above-captioned date and time. For the reasons set forth in the amended tentative ruling [Adv. Doc. No. 29], which the Court adopts as its final ruling and which is incorporated herein by reference, **IT IS HEREBY ORDERED** that the Motion is **DENIED**.

IT IS SO ORDERED.

###

Date: February 14, 2020

A handwritten signature in black ink, reading "Ernest M. Robles". The signature is fluid and cursive, with the first name "Ernest" and last name "Robles" clearly legible. The signature is written over a horizontal line.

Ernest M. Robles  
United States Bankruptcy Judge



**EXHIBIT KK**

**EXHIBIT KK**



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**2:18-20151 Verity Health System of California, Inc.**

**Chapter 11**

Adv#: 2:20-01001 VERITY HEALTH SYSTEM OF CALIFORNIA, INC., a Califo v.

**#17.00** Hearing set re [15] *Strategic Global Management, Inc.'s Emergency Motion to Stay Adversary Proceeding*

Docket 0

**Matter Notes:**

2/11/2020

The tentative ruling will be the order.

Party to lodge order: As set forth in the Amended Tentative Ruling

**POST PDF OF TENTATIVE OR AMENDED TENTATIVE RULING TO CIAO**

**Tentative Ruling:**

2/11/2020

(Amended after hearing in RED.) For the reasons set forth below, SGM's motion to stay this adversary proceeding (the "Stay Motion") is DENIED. Subject to any additional argument that may be presented at the hearing, the Committee's emergency motion to intervene, for the limited purpose of opposing the Stay Motion, is GRANTED.

**Pleadings Filed and Reviewed:**

- 1) Strategic Global Management, Inc.'s Emergency Motion to Stay Adversary Proceeding (the "Stay Motion") [Adv. Doc. No. 19]
- 2) Debtors' Opposition to Strategic Global Management, Inc.'s Emergency Motion to Stay Adversary Proceeding [Adv. Doc. No. 24]
- 3) Official Committee of Unsecured Creditors' Opposition to Strategic Global Management, Inc.'s Emergency Motion to Stay Adversary Proceeding [Adv. Doc. No. 25]



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

- 4) Reply to Oppositions to "Strategic Global Management, Inc.'s ... Motion to Stay Adversary Proceeding" [Adv. Doc. No. 26]
- 5) Official Committee of Unsecured Creditors' Emergency Notice of Motion and Motion to Intervene Re: Strategic Global Management, Inc.'s Emergency Motion to Stay Adversary Proceeding (the "Intervention Motion") [Adv. Doc. No. 27]

**I. Facts and Summary of Pleadings**

On August 31, 2018 (the "Petition Date"), Verity Health System of California ("VHS") and certain of its subsidiaries (collectively, the "Debtors") filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Debtors' cases are being jointly administered. *See* Doc. No. 17.

As of the Petition Date, the Debtors operated six acute care hospitals in the state of California. On December 27, 2018, the Court authorized the Debtors to sell two of their hospitals—O'Connor Hospital and Saint Louise Regional Hospital—to Santa Clara County (the "Santa Clara Sale"). The Santa Clara Sale closed on February 28, 2019.

**A. The Asset Purchase Agreement Between the Debtors and Strategic Global Management**

On February 6, 2019, the Court conducted a hearing to establish bidding procedures for the auction of the Debtors' four remaining hospitals—St. Francis Medical Center ("St. Francis"), St. Vincent Medical Center (including St. Vincent Dialysis Center) ("St. Vincent"), Seton Medical Center ("Seton"), and Seton Medical Center Coastsides ("Seton Coastsides") (collectively, the "Hospitals"). That hearing required the Court to determine whether to approve an Asset Purchase Agreement (the "APA") between the Debtors and Strategic Global Management ("SGM"). The APA provided that SGM would serve as the stalking-horse bidder for the auction of the Hospitals.

At the February 6, 2019 hearing, the Court found that the termination rights granted to SGM in the APA were unduly broad. In response to the Court's concerns, the Debtors renegotiated the APA to limit SGM's termination rights. On February 19, 2019, the Court entered an order establishing bidding procedures for the auction of the Hospitals and approving the renegotiated APA (the "Bidding Procedures Order") [Bankr. Doc. No. 1572].

The renegotiated provision of the APA—set forth in Section 8.6—pertained to SGM's ability to terminate the transaction in the event that the California Attorney



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

General (the "Attorney General") sought to impose conditions on the sale that were not substantially consistent with those conditions that SGM had agreed to accept (the "Purchaser Approved Conditions"). In the event that the Attorney General sought to impose conditions materially different from the Purchaser Approved Conditions (the "Additional Conditions"), the APA provided the Debtors an opportunity to seek an order from the Court that the Hospitals could be sold free and clear of the Additional Conditions under § 363(f) of the Bankruptcy Code (an order granting such relief, the "Supplemental Sale Order").

Notwithstanding thorough marketing efforts, the Debtors did not receive any qualified bids for all of the Hospitals. The Debtors received one bid to purchase only St. Vincent and one bid to purchase only St. Francis. After consulting with the Official Committee of Unsecured Creditors (the "Committee") and the largest secured creditors, the Debtors determined not to conduct an auction. On May 2, 2019, the Court entered an order finding that SGM was the winning bidder and approving the sale of the Hospitals to SGM for \$610 million (the "SGM Sale"). *See* Bankr. Doc. No. 2306 (the "Sale Order").

**B. The Supplemental Sale Order**

Pursuant to Cal. Corp. Code § 5914, the Debtors submitted the SGM Sale to the Attorney General for review. On September 25, 2019, the Attorney General consented to the SGM Sale, subject to Additional Conditions that were materially different from the Purchaser Approved Conditions. In response, the Debtors moved for entry of a Supplemental Sale Order. On October 23, 2019, the Court issued a *Memorandum of Decision Granting the Debtors' Emergency Motion to Enforce the Sale Order* (the "Sale Enforcement Memorandum") [Bankr. Doc. No. 3446]. The Sale Enforcement Memorandum found that the Debtors were entitled to entry of a Supplemental Sale Order, on the ground that § 363 of the Bankruptcy Code authorized the Debtors to sell the Hospitals free and clear of the Additional Conditions. The Sale Enforcement Memorandum directed the Debtors to lodge a proposed form of the Supplemental Sale Order.

Between October 23 and November 8, 2019, the Debtors, the Attorney General, and SGM attempted to negotiate a consensual form of the Supplemental Sale Order. *See* Bankr. Doc. No. 3573 (Debtors' description of attempts to arrive upon a consensual form of order). The Debtors reached an agreement with the Attorney General, under which the Attorney General would not appeal the Supplemental Sale Order, but only if the Court entered the Supplemental Sale Order in the exact form



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
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**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

negotiated by the Debtors and the Attorney General.

SGM objected to the form of order negotiated between the Debtors and the Attorney General. On November 13, 2019, the Court conducted a hearing on SGM's objections. The Court overruled SGM's objections and entered the Supplemental Sale Order in the form negotiated between the Debtors and the Attorney General. *See* Doc. Nos. 3620 (transcript of hearing addressing SGM's objections) and 3611 (form of the Supplemental Sale Order entered by the Court). On November 29, 2019, SGM appealed the Supplemental Sale Order. *See* Bankr. Doc. No. 3726 (Notice of Appeal). The appeal is currently pending before the District Court (Case No. 2:19-cv-10352-DSF).

**C. The Section 8.6 Memorandum of Decision and Order**

At the hearing on SGM's objections to the form of the Supplemental Sale Order, SGM argued that after entry of the Supplemental Sale Order, it would have 21 business days to evaluate, in the exercise of its reasonable business judgment, whether the Supplemental Sale Order was acceptable (the "Evaluation Period"), pursuant to § 8.6 of the APA.

On November 18, 2019, the Court entered a memorandum of decision and accompanying order rejecting SGM's argument that it was entitled to the Evaluation Period. *See* Bankr. Doc. Nos. 3632 (the "Section 8.6 Memorandum") and 3633 (the "Section 8.6 Order"). The Court found that under the plain language of the APA, SGM was entitled to the Evaluation Period only if the Supplemental Sale Order was subject to a pending appeal. *See* Section 8.6 Memorandum at 3. The Court further found that based upon representations SGM had made at a February 6, 2019 hearing regarding the purpose of § 8.6 of the APA, SGM was judicially estopped from asserting that it was entitled to the Evaluation Period. *Id.* at 3–4. The Section 8.6 Order provided in relevant part: "The Debtors have complied with their obligation under the APA to obtain a final, non-appealable Supplemental Sale Order. Consequently, SGM is now obligated to promptly close the SGM Sale, provided that all other conditions to closing have been satisfied." Section 8.6 Order at ¶ 1.

On November 29, 2019, SGM appealed the Section 8.6 Order. *See* Bankr. Doc. No. 3727 (Notice of Appeal). The appeal is currently pending before the District Court, and has been consolidated with SGM's appeal of the Supplemental Sale Order.

**D. The Material Adverse Effect Memorandum of Decision and Order**

On November 27, 2019, the Court entered a memorandum of decision and



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

**10:00 AM**

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

accompanying order rejecting SGM's allegation that the Debtors had failed to comply with certain of the conditions and obligations imposed upon them by the APA, and that these alleged failures to perform had resulted in a Material Adverse Effect which relieved SGM of its obligation to close the SGM Sale. *See* Bankr. Doc. Nos. 3723 (the "Material Adverse Effect Memorandum") and 3724 (the "Material Adverse Effect Order"). The Court stated: "Article 1.3 [of the APA] obligates SGM to close the sale 'promptly but no later than ten (10) business days following the satisfaction' of all conditions precedent. As all conditions precedent were satisfied on November 19, 2019, SGM is obligated to close the sale by no later than December 5, 2019." Material Adverse Effect Memorandum at 7. The Material Adverse Effect Order provided in relevant part: "Pursuant to § 1.3 of the APA, SGM is obligated to close the SGM Sale by no later than December 5, 2019." Material Adverse Effect Order at ¶ 1.

On December 3, 2019, SGM appealed the Material Adverse Effect Order. *See* Bankr. Doc. No. 3746 (Notice of Appeal). The appeal is currently pending before the District Court, and has been consolidated with SGM's appeals of the Section 8.6 Order and Supplemental Sale Order.

**E. The Memorandum of Decision and Order Denying the Debtors' Application for Issuance of an Order Requiring SGM to Show Cause Why it Failed to Close the SGM Sale**

SGM did not close the SGM Sale by December 5, 2019. On December 6, 2019, the Debtors moved for issuance of an order requiring SGM to show cause why it had failed to close the sale. *See* Bankr. Doc. No. 3773. On December 9, 2019, the Court issued a memorandum of decision and accompanying order denying the Debtors' application for an Order to Show Cause. *See* Bankr. Doc. Nos. 3783 (the "OSC Memorandum") and 3784 (the "OSC Order"). The Court held:

Requiring SGM's representatives to testify as to SGM's reasons for not closing the SGM Sale would not increase the likelihood of the sale actually closing. By failing to close, SGM risks the loss of its \$30 million good-faith deposit as well as the possibility of damages for breach of contract in an amount of up to \$60 million. Being compelled to offer testimony will not motivate SGM to close where the threat of the loss of up to \$90 million has failed to accomplish that end. In the future, the Debtors will have the opportunity to litigate the issues of whether SGM has breached the APA and whether the Debtors are entitled to retain SGM's good-faith deposit. In the



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT...**      **Verity Health System of California, Inc.**      **Chapter 11**  
meantime, the Debtors' efforts would be better spent ensuring the health and safety of the patients at the affected Hospitals.

OSC Memorandum at 2.

**F. The Debtors' Complaint**

On January 3, 2020, the Debtors filed a *Complaint for Breach of Contract, Promissory Fraud, and Tortious Breach of Contract (Breach of Implied Covenant of Good Faith and Fair Dealing)* (the "Complaint") [Adv. Doc. No. 1] against SGM, KPC Healthcare Holdings, Inc., KPC Health Plan Holdings, Inc., KPC Healthcare, Inc., KPC Global Management, LLC, and Kali P. Chaudhuri, M.D. (collectively, the "Defendants," and all KPC entities collectively, "KPC"). The material allegations of the Complaint may be summarized as follows:

Debtors entered into the APA with SGM based upon SGM's representations that it would have the ability to pay the \$610 million purchase price and that it would work diligently to close the sale. Complaint at ¶¶ 40–45. SGM never anticipated that the Debtors would obtain a final, non-appealable Supplemental Sale Order. *Id.* at ¶ 58. Instead, SGM believed that even if the Debtors obtained the Supplemental Sale Order, that order would remain subject to an appeal, triggering the Evaluation Period under § 8.6 of the APA and giving SGM the option to withdraw from the transaction and/or coerce the Debtors to agree to a substantially reduced purchase price. *Id.* at ¶ 76. Had the Debtors known that SGM was not serious about paying the \$610 million purchase price, they would have pursued other options for the sale and disposition of the Hospitals. *Id.* at ¶ 45.

Debtors expended tremendous time, expenses, and resources to prepare for and close the SGM Sale in reliance on the APA and Sale Order. *Id.* at ¶ 59. Among other things, Debtors (a) sent "WARN Notices" to approximately 4,900 employees, pursuant to the Worker Adjustment and Retraining Notification Act of 1988, at three different times, as KPC continued to postpone the closing date; (b) spent months facilitating an efficient close of the sale, with approximately twenty different workstreams, meeting at least weekly with employees of KPC to ensure a smooth transition of operations and continued care of patients; (c) successfully negotiated and finalized modified collective bargaining agreements with the six unions representing the Hospitals' employees; and (d) coordinated changes in insurance coverages and insurance policies to ensure seamless coverage for employees and patients. *Id.* at ¶ 60.



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

Despite the Debtors' good faith efforts to work towards a prompt closing of the SGM Sale, Defendants dragged their feet and frustrated Debtors' efforts. Defendants failed to ensure that financing, resources, management, and personnel were in place for Defendants to assume operations of the Hospitals in 2019. Defendants did so knowing that the Debtors were continuing to operate at a loss of approximately \$450,000 a day. *Id.* at ¶ 78. Among other things, Defendants (a) failed to timely engage with the Hospitals' primary revenue providers—health plans and physician groups—to provide assurances that their business relationships with the Hospitals would continue after the closing date; (b) failed to onboard a sufficient management team to run the Hospitals, and engaged in eleventh-hour efforts to hire away key members of the Debtors' management team; and (c) delayed decisions on the assumption or rejection of thousands of executory contracts, which created uncertainty for the counterparties to those contracts. *Id.* at ¶¶ 79–81.

On November 18, 2019, SGM's CEO, Peter Baranoff, telephoned Carsten Beith, at the Debtors' investment banker Cain, and stated that SGM could not obtain sufficient financing to close the SGM Sale. *Id.* at ¶ 86. Recognizing that the existence of financing is not a condition to close, SGM resorted to making unfounded and self-serving assertions that the Debtors breached the APA. *Id.* at ¶ 87. On November 22, 2019, SGM sent the Debtors letters setting forth issues that SGM asserted amounted to a Material Adverse Effect (the "November 22, 2019 Letters"). *Id.* at ¶ 88. The issues that SGM raised were not new—they were all known or discoverable during the diligence period that had expired at least nine months earlier. *Id.* And none of the issues altered SGM's obligation to close the SGM Sale by December 5, 2019, because the APA provided that the sale was "as is, where is." *Id.* Even after the Bankruptcy Court entered the Material Adverse Effect Order, which provided that SGM was required to close the SGM Sale by December 5, 2019, SGM refused to close the sale. *Id.* at ¶ 97.

Based upon the foregoing allegations, the Complaint asserts claims for breach of contract, promissory fraud, and tortious breach of contract for breach of the implied covenant of good faith and fair dealing. In Count I, for breach of contract, Debtors allege that the Defendants have materially and continually breached the APA by (a) failing to consummate and close the SGM Sale in accordance with the APA; (b) failing to have funds available to close the SGM Sale at the price set forth in the APA; (c) representing in § 3.9 of the APA and elsewhere that they had the ability to obtain "funds in cash in amounts equal to the purchase price"; (d) attempting to coerce the



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

Debtors to agree to a substantially reduced purchase price; (e) failing to cooperate with the Debtors and move with alacrity towards closing the SGM Sale; (f) making unfunded and untimely assertions of alleged Material Adverse Effects; (g) asserting entitlement to an "Evaluation Period" when no such period existed after entry of the Sale Enforcement Order, the Section 8.6 Order and the Material Adverse Effect Order; (h) appealing the Sale Enforcement Order to avoid its obligation to close and despite the APA's requirement that the Defendants cooperate to render it a final, nonappealable order; and (i) filing meritless and frivolous Notices of Appeal. *Id.* at ¶ 100.

In Count II, for promissory fraud, Debtors allege that at the time Defendants entered into the APA, Defendants had no intention of performing in accordance with the APA, and that Defendants concealed their true intention not to fund the \$610 million purchase price for the purpose of holding the estate, creditors, and patients at the Hospitals hostage in an attempt to extort a lower purchase price. *Id.* at ¶ 102.

In Count III, for tortious breach of contract, Debtors allege that Defendants tortiously breached the APA and the implied covenant of good faith and fair dealing by (a) entering into the APA with no intention to perform their obligations thereunder; (b) failing to consummate and close the SGM Sale in accordance with the APA; (c) failing to have funds available to close the SGM Sale at the \$610 million purchase price set forth in the APA; (d) attempting to coerce Plaintiffs to engage in a re-trade at a lower price; (e) failing to cooperate with Debtors and move with alacrity towards closing the SGM Sale; (f) making unfounded and untimely assertions of alleged Material Adverse Effects; (g) asserting entitlement to an Evaluation Period to which Defendants were not entitled; (h) filing meritless Notices of Appeal; and (i) failing to respond to Debtors' inquiries regarding SGM's intent and financial ability to perform under the APA. *Id.* at ¶ 107.

**G. SGM's Emergency Motion to Stay the Adversary Proceeding**

On January 16, 2020, SGM filed an emergency motion to stay the adversary proceeding that had been commenced by the filing of the Complaint (the "Stay Motion"). The Court declined to set a hearing on the Stay Motion on 48 hours' notice, as requested by SGM. Instead, the Court *sua sponte* extended the deadline for Defendants to respond to the Complaint to February 19, 2020, to enable the Stay Motion to be heard on regular notice. *See* Doc. No. 15.

In the Stay Motion, SGM asserts that the Court lacks jurisdiction to adjudicate the adversary proceeding until final resolution of SGM's appeals of the Sale Enforcement



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

Order, the Section 8.6 Order, and the Material Adverse Effect Order (collectively, the "Orders"). SGM argues that the issues raised by the Orders touch directly on the issues raised in the adversary proceeding. SGM contends that the Complaint relies heavily on the finding in the Material Adverse Effect Order that the Debtors had complied with all the conditions required for closing and that SGM was obligated to close on December 5, 2019. SGM further maintains that the Complaint overlaps with the Orders because the Complaint alleges that SGM breached the APA by (a) asserting entitlement to an Evaluation Period when no such period existed after entry of the Orders; (b) appealing the Sale Enforcement Order to avoid its obligation to close and despite the APA's requirement that Defendants cooperate to render the Sale Enforcement Order final and non-appealable; and (c) filing meritless and frivolous Notices of Appeal of the Orders.

**H. The Debtors' Opposition to the Stay Motion**

The Debtors arguments in opposition to the Stay Motion may be summarized as follows:

The divestiture rule provides that the filing of a notice of appeal "confers jurisdiction on the court of appeals and divests the district court of those aspects of the case involved in the appeal." *Griggs v. Provident Consumer Discount Co.*, 459 U.S. 56, 58 (1982). The Ninth Circuit has held:

The "divestiture of jurisdiction rule is not based upon statutory provisions or the rules of civil or criminal procedure. Instead, it is a judge made rule originally devised in the context of civil appeals to avoid confusion or waste of time resulting from having the same issues before two courts at the same time." *United States v. Claiborne*, 727 F.2d 842, 850 (9th Cir. 1984). Though *Griggs* referred to the "divestiture rule" as jurisdictional, the Supreme Court has since made clear that "[o]nly Congress may determine a lower federal court's subject-matter jurisdiction." *Hamer v. Neighborhood Hous. Services of Chicago*, — U.S. —, 138 S.Ct. 13, 17, 199 L.Ed.2d 249 (2017) (quoting *Kontrick v. Ryan*, 540 U.S. 443, 452, 124 S.Ct. 906, 157 L.Ed.2d 867 (2004)). Accordingly, "jurisdictional" rules derived from sources other than Congress are more accurately characterized as "mandatory claim-processing rules" that may be applied in a "less stern" manner than true jurisdictional rules.



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

*Rodriguez v. Cty. of Los Angeles*, 891 F.3d 776, 790–91 (9th Cir. 2018).

As a pragmatic rule, divestiture (a) does not preclude the Court from exercising jurisdiction over all other matters that it must undertake to implement or enforce the judgment or order, and (b) in the absence of a stay pending appeal, only prohibits modification of the order on appeal. A careful reading of the Orders and the Complaint shows that application of the divestiture rule is not appropriate here. The Orders cover discrete issues concerning the Debtors' efforts to close the now-terminated SGM Sale. The Orders are not dispositive of the claims asserted in the Complaint. The Court acknowledged as much in the OSC Memorandum, which stated that "[i]n the future, the Debtors will have an opportunity to litigate the issues of whether SGM has breached the APA and whether the Debtors are entitled to retain SGM's good-faith deposit." OSC Memorandum at 2. The divestiture rule only prohibits the Court from altering or amending the Orders, and the Complaint does not seek such relief. *See Sherman v. SEC (In re Sherman)*, 491 F.3d 948, 967 (9th Cir. 2007) (internal citation omitted) (holding that where divestiture applies, the "bankruptcy court retains jurisdiction over all other matters that it must undertake 'to implement or enforce the judgment or order,' although it 'may not alter or expand upon the judgment.' If a party wants to stay all of the proceedings in bankruptcy court while an appeal is pending, it must file a motion for a stay.").

The divestiture rule is not properly invoked with respect to the Section 8.6 Order and Material Adverse Effect Order, because both orders are interlocutory. "Filing an appeal from an unappealable decision does not divest the district court of jurisdiction." *United States v. Hickey*, 580 F.3d 922, 928 (9th Cir. 2009). The Section 8.6 Order is interlocutory because its findings were limited to the Debtors' satisfaction of § 8.6 of the APA, and it did not address whether other conditions to closing had been satisfied. *See* Section 8.6 Order at 2 (finding that "SGM is now obligated to promptly close the SGM Sale, *provided that* all other conditions to closing are satisfied") (emphasis added). The Material Adverse Effect Order is interlocutory because it did not compel SGM to close the SGM Sale. Rather, it interpreted the Material Adverse Effect clause and closing conditions in the APA, determined that those provisions were satisfied, and, in light of those findings and the Debtors' outstanding contractual demand, determined that December 5, 2019 was the closing date under § 1.3 of the APA.

Even if the divestiture rule did apply—which it does not—the Court could still adjudicate the Complaint because the divestiture rule is subject to exceptions. As explained by the United States District Court for the Northern District of California:



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

[T]here are generally three situations where a notice of appeal does not divest the district court of jurisdiction: (1) where the issue before the district court is separate from, or collateral to, the matter involved in the appeal; (2) where application of the divestiture of jurisdiction rule would wholly undermine its purpose; and (3) where the appeal is clearly defective or frivolous, usually by reason of untimeliness, lack of essential recitals, or reference to a nonappealable order.

*Ashker v. Cate*, No. 09-cv-05796-CW, 2019 WL 1558932, at \*3 (N.D. Cal. Apr. 10, 2019)  
(quotations omitted).

The appeals of the Orders are constitutionally and equitably moot. As a result, the appeals are clearly defective and frivolous, and application of the divestiture rule would wholly undermine its purpose.

The relief set forth in each of the Orders contemplates the effectiveness and closing of the SGM Sale pursuant to the APA. The Court cannot grant relief with respect to closing the SGM Sale given the dramatic change in circumstances after SGM's refusal to close. The APA was terminated on December 27, 2019. The Debtors obtained orders authorizing them to undertake alternative transactions and authorizing the closure of St. Vincent Medical Center. It is no longer possible for the Debtors to close the transaction contemplated by the APA. Consequently, the Orders—which each pertain to the closing of the SGM Sale—are moot.

Finally, SGM has waived its ability to assert that the divestiture rule applies. The APA provides that disputes regarding the occurrence of a Material Adverse Effect "shall be exclusively settled by a determination made by the Bankruptcy Court ...." APA at § 9.1(c). This provision constitutes an enforceable contractual appeal waiver. *See Minesen Co. v. McHugh*, 671 F. 3d 1332, 1339 (D.C. Cir. 2012) (extensive case law permits voluntary waivers of rights to appeal); *Slattery v. Ancient Order of Hibernians in Am.*, No. 97-7173, 1998 WL 135601, at \*1 (D.C. Cir. Feb. 9, 1998) (dismissing appeal where parties "agree[d] not to appeal any decision by the district court relating to defendants' motion for attorneys' fees"). Because SGM has waived its appellate rights with respect to Material Adverse Effect determination, it cannot invoke the divestiture rule.

Section 12.3 of the APA provides that "the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court."  
As a result of this waiver, SGM cannot invoke the divestiture rule with respect to the  
Sale Enforcement Order or the Section 8.6 Order.

**I. The Committee's Opposition to the Stay Motion and the Committee's Motion  
to Intervene**

The Official Committee of Unsecured Creditors (the "Committee") filed an  
opposition to the Stay Motion (the "Committee Opposition"). In its reply briefing,  
SGM asserted that the Committee Opposition should be stricken because the  
Committee (1) is not a party to the adversary proceeding, (2) has not obtained Court  
permission to intervene in the adversary proceeding, and (3) has no standing to  
participate in the adversary proceeding.

The Court authorized the Committee to notice a hearing on an emergency motion  
to intervene (the "Intervention Motion") concurrently with the hearing on the Stay  
Motion. The Committee seeks to intervene for the limited purpose of opposing the  
Stay Motion. The Committee has not yet decided whether it will move to intervene as  
to the remainder of the adversary proceeding.

In support of the Intervention Motion, the Committee argues that multiple circuit  
courts have held that, under § 1109(b), a creditors' committee may appear and be  
heard in *any proceeding* in the bankruptcy court—including adversary proceedings.  
*See, e.g., In re Caldor Corp.*, 303 F.3d 161, 175-76 (2nd Cir. 2002) (term loan holder  
committee had unconditional right under Section 1109(b) to intervene in adversary  
proceeding against Chapter 11 debtors); *Matter of Marin Motor Oil, Inc.*, 689 F.2d  
445, 451-54 (3rd Cir. 1982) (under Section 1109(b), creditors' committee had  
"absolute right" to intervene in adversary proceeding). In the alternative, the  
Committee asserts that it meets the requirements for intervention as of right under  
Civil Rule 24(a)(2). Specifically, the Committee maintains that it has a significant  
protectable interest in this matter, given that the Debtors' claims against SGM for  
breach of contract represent a significant source of money that might be available to  
provide a recovery to unsecured creditors.

The Committee's arguments in opposition to the Stay Motion may be summarized  
as follows:

The Stay Motion is nothing more than an attempt by SGM to indefinitely delay  
resolution of the Complaint. SGM's breach of the APA cost the estates not less than  
\$100 million, resulted in a material loss of jobs, and adversely impacted local access



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

**10:00 AM**

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

to healthcare.

The Committee is concerned that, in the course of the delay that SGM seeks, SGM's principals will strip SGM of its assets, negating its ability to satisfy a future judgment.

SGM's misconduct is illustrated by its appeal of the Supplemental Sale Order. The rationale for § 8.6 of the APA was that it might prove risky for SGM to close the sale if the Supplemental Sale Order was appealed, given that an appeal could expose SGM to the more onerous Additional Conditions that it had not agreed to accept. To that end, § 8.6 gave SGM the option to walk away if an appeal of the Supplemental Sale Order remained pending at the time of closing. It was never contemplated that SGM itself could trigger such optionality (i.e., grant itself a right to walk away) by filing an appeal of the very Supplemental Sale Order it needed for comfort. But this now appears to be precisely SGM's position.

**J. SGM's Reply in Support of the Stay Motion**

SGM's arguments in reply to the Debtors' opposition may be summarized as follows:

The divestiture rule applies where, as here, the issues in the lower court "involve aspects of the case that are the subject of the pending appeal." *Mercado-Guillen v. McAleenan*, 2019 WL 1995331, at \*2 (N.D. Cal. May 6, 2019). At base, the Complaint seeks to hold SGM liable for failing to close the SGM Sale in accordance with the APA. Complaint at ¶ 100. However, it is undisputed that SGM had no duty to close the SGM Sale until the Debtors had satisfied all conditions precedent to closing. SGM has appealed the Material Adverse Effect Order, which found that the Debtors had satisfied all conditions precedent. The Bankruptcy Court cannot adjudicate the issue of whether the Debtors had satisfied the conditions precedent to closing while that same issue is being considered by the District Court in connection with the appeal.

The Debtors assert that the Court need not stay the adversary proceeding because SGM did not seek a stay of any of the appealed Orders. However, the Orders from which SGM appealed are not enforceable orders; if they were, the Debtors would not have filed the Complaint to obtain damages. SGM had no need to seek a stay until the Debtors filed the Complaint, which created the prospect of two courts ruling on the same issues at the same time.

The Debtors assert that the divestiture rule does not apply because SGM's appeals



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

are frivolous. It is not appropriate for the Bankruptcy Court to determine whether the appeals are frivolous; such a determination would usurp the authority of the District Court.

Along similar lines, the Debtors assert that the divestiture rule does not apply because the Orders were interlocutory. Questions about the District Court's jurisdiction over the appeals should be left to the District Court. However, the Debtors' contention that the Orders were interlocutory is mistaken. The Material Adverse Effect Memorandum unambiguously and finally decided that "all conditions precedent to closing have been satisfied" and that "SGM is obligated to close the sale by no later than December 5, 2019." Material Adverse Effect Memorandum at 7. This was a final order—after its entry, there were no other sale conditions left for the Court to interpret, and SGM was obligated to close the sale.

If SGM is not permitted to proceed with its appeals of the Orders prior to adjudication of the Complaint, then SGM will be subject to the Debtors' argument that the Orders preclude SGM from contesting the Complaint's allegations—in particular, the allegation that SGM failed to timely close the sale notwithstanding its obligation to do so. This would enable the Debtors to obtain a judgment in their favor on their breach of contract claims without the Defendants ever having had the opportunity to present evidence in defense of those claims.

There is no merit to the Debtors' contention that the appeals are moot because the APA has been terminated. It is true that it is no longer possible for the sale contemplated by the APA to close. But that has nothing to do with the Complaint, which requires a determination over which party breached the APA.

The Debtors' argument that SGM waived its rights to appeal or to invoke the divestiture rule are likewise without merit. The waiver of a right to appeal must be express. *In re Deepwater Horizon*, 785 F.3d 986, 997 (5th Cir. 2015). The "exclusively settled" and "sole judicial forum" language in §§ 9.3(c) and 12.3 of the APA simply provides the forum in which disputes arising under the APA would be adjudicated. Nothing in either section can reasonably be interpreted as an express waiver of the right to appellate review.

## **II. Findings and Conclusions**

### **A. The Committee is Authorized to Intervene for the Limited Purpose of Opposing the Stay Motion**

The Committee is authorized to intervene for the limited purpose of opposing the Stay Motion. The Court declines SGM's request to strike the Committee Opposition.



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

The Second and Third Circuits have both held that, pursuant to § 1109(b), a creditors' committee has an unconditional right to intervene in an adversary proceeding within a Chapter 11 case. *See Term Loan Holder Committee v. Ozer Group, LLC (In re Caldor Corp.)*, 303 F.3d 161, 176 (2d Cir. 2002) and *Committee v. Michaels (Matter of Marin Motor Oil, Inc.)*, 689 F.2d 445, 451 (3d Cir. 1982).

Here, the Committee has sought authorization to intervene solely for the purposes of opposing the Stay Motion. SGM acknowledges that the Committee has the authority to be heard on issues arising in the main bankruptcy case, but contends that the Committee's right to be heard does not apply to the instant adversary proceeding. However, SGM initially filed the Stay Motion in the main bankruptcy case; it re-filed the Stay Motion in the adversary proceeding only after being ordered to do so by the Court. SGM's decision to initially file the Stay Motion in the main bankruptcy case severely undercuts its assertion that the Committee lacks standing with respect to the Stay Motion.

Even if the Stay Motion had not initially been filed in the main bankruptcy case, the Court would find it appropriate to permit the Committee to intervene for the limited purpose of opposing the Stay Motion. The timing of the adjudication of the Complaint will significantly affect the creditors that the Committee represents. In the event the Debtors prevail, the creditors that the Committee represents may be entitled to a portion of the recovery. The Committee has an interest in assuring that the Complaint is not stayed pending the outcome of SGM's appeals of the Orders. That interest is significant enough to confer standing upon the Committee to oppose the Stay Motion.

In the event the Committee wishes to be heard in connection with future issues arising in this adversary proceeding, the Committee shall file a further motion to intervene.

**B. The Stay Motion is Denied**

"The filing of a notice of appeal is an event of jurisdictional significance—it confers jurisdiction on the court of appeals and divests the district court of its control over those aspects of the case involved in the appeal." *Griggs v. Provident Consumer Disc. Co.*, 459 U.S. 56, 58, 103 S.Ct. 400, 74 L.Ed.2d 225 (1982).

The premise of the Stay Motion is that the Orders contain findings which (a) preclude SGM from defending itself against the Complaint's allegations and (b) require the Court to enter judgment in the Debtors' favor on the breach of contract claim. Based upon this premise, SGM asserts that the adversary proceeding must be



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

stayed until the completion of its appeals of the Orders.

SGM's premise is not correct. The Orders do not adjudicate whether SGM had breached the APA; nor do the Orders contain findings that compel the Court to rule in the Debtors' favor with respect to the Complaint's breach of contract claim. The Orders were entered "[t]o facilitate an expeditious and successful resolution of these cases," Section 8.6 Order at 2. To that end, the Orders contained various findings necessary to allow the SGM Sale to proceed. The sole purpose of those findings was to provide the framework necessary for the Debtors and SGM to promptly close the SGM Sale. The findings were not intended to create a springboard for a claim for breach of contract against SGM.

Significantly, nothing in the Orders determined SGM's liability, if any, for breach of the APA. The limited scope of the Orders was made clear in the OSC Memorandum, in which the Court emphasized that the issue of whether SGM had breached the APA had not yet been decided: "*In the future*, the Debtors will have the opportunity to litigate the issues of whether SGM has breached the APA and whether the Debtors are entitled to retain SGM's good-faith deposit." OSC Memorandum at 2.

The APA was terminated on December 27, 2019. St. Vincent, one of the Hospitals whose sale was contemplated by the APA, has now closed. The SGM Sale is dead and cannot be resuscitated. The findings in the Orders—which the Court made only to facilitate the closing of the SGM Sale—cannot spring back to life in the entirely different context of the Debtors' breach of contract claim. The Orders do not preclude SGM from contesting the Debtors' allegation that SGM breached the APA. SGM remains free to present evidence in this proceeding in support of its position that as of December 5, 2019, it was not obligated to close the SGM Sale. The corollary is that the Debtors cannot rely solely upon the Material Adverse Effect Order to support their allegation that SGM was obligated to close as of December 5, 2019.

Because the findings in the Orders were limited to the failed SGM Sale, those findings are not dispositive of the claims asserted in the Complaint. Consequently, SGM's appeal of the Orders has not divested this Court of jurisdiction over the separate issues arising in the Complaint.

~~An additional reason for the inapplicability of the divestiture rule is that SGM has waived its right to appeal the Orders. To prevent abusive appeals undertaken "to run up an adversary's costs or to delay trial," the Court may decline to apply the divestiture rule if it certifies that an appeal has been waived. *Rodriguez v. Cty. of Los Angeles*, 891 F.3d 776, 791 (9th Cir. 2018). SGM has waived its right to appeal any of the Orders. With respect to the Material Adverse Effect Order, the APA provides that~~



United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar

Tuesday, February 11, 2020

Hearing Room 1568

10:00 AM

CONT... Verity Health System of California, Inc.

Chapter 11

~~"any dispute between Purchaser [SGM] and Sellers [the Debtors] as to whether a Material Adverse Effect has occurred for any purpose under this Agreement shall be exclusively settled by a determination made by the Bankruptcy Court." APA at § 9.1(c) (emphasis added). With respect to the Sale Enforcement Order and the Section 8.6 Order, § 12.3 of the APA provides that "the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court ...." The Court will certify to the District Court that SGM has waived its right to appeal the Orders. For this additional reason, the divestiture rule does not apply.~~

Based upon the foregoing, the Stay Motion is DENIED. The Court will prepare and enter an order denying the Stay Motion and an order granting the Intervention Motion. ~~and a certification that SGM has waived its right to appeal the Orders.~~

No appearance is required if submitting on the court's tentative ruling. If you intend to submit on the tentative ruling, please contact Carlos Nevarez or Daniel Koontz, the Judge's Law Clerks, at 213-894-1522. **If you intend to contest the tentative ruling and appear, please first contact opposing counsel to inform them of your intention to do so.** Should an opposing party file a late opposition or appear at the hearing, the court will determine whether further hearing is required. If you wish to make a telephonic appearance, contact Court Call at 888-882-6878, no later than one hour before the hearing.

Party Information

Debtor(s):

Verity Health System of California,

Represented By

Samuel R Maizel

John A Moe II

Tania M Moyron

Claude D Montgomery

Sam J Alberts

Shirley Cho

Patrick Maxcy

Steven J Kahn

Nicholas A Koffroth



**United States Bankruptcy Court  
Central District of California  
Los Angeles  
Judge Ernest Robles, Presiding  
Courtroom 1568 Calendar**

**Tuesday, February 11, 2020**

**Hearing Room 1568**

10:00 AM

**CONT... Verity Health System of California, Inc.**

**Chapter 11**

**Defendant(s):**

Kali P. Chaudhuri, M.D., an	Pro Se
Strategic Global Management, Inc.,	Pro Se
KPC Healthcare Holdings, Inc., a	Pro Se
KPC Health Plan Holdings, Inc., a	Pro Se
KPC Healthcare, Inc., a Nevada	Pro Se
KPC Global Management, LLC, a	Pro Se
Does 1 through 500	Pro Se

**Plaintiff(s):**

ST. VINCENT MEDICAL	Represented By Samuel R Maizel Tania M Moyron
St Vincent Dialysis Center, Inc., a	Represented By Samuel R Maizel Tania M Moyron
ST. FRANCIS MEDICAL	Represented By Samuel R Maizel Tania M Moyron
Seton Medical Center, a California	Represented By Samuel R Maizel Tania M Moyron
Verity Holdings, LLC, a California	Represented By Samuel R Maizel Tania M Moyron
VERITY HEALTH SYSTEM OF	Represented By Samuel R Maizel Tania M Moyron



**EXHIBIT LL**

**EXHIBIT LL**



# FOR PUBLICATION

FILED & ENTERED

SEP 26 2019

CLERK U.S. BANKRUPTCY COURT  
Central District of California  
BY gonzalez DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

In re: Verity Health System of California, Inc., *et al.*,  
Debtors and Debtors in Possession.

☒ Affects All Debtors

- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors in Possession.,

Lead Case No.: 2:18-bk-20151-ER  
Chapter: 11

**MEMORANDUM OF DECISION AUTHORIZING  
DEBTORS TO SELL MEDI-CAL PROVIDER  
AGREEMENTS, FREE AND CLEAR OF  
INTERESTS ASSERTED BY THE CALIFORNIA  
DEPARTMENT OF HEALTH CARE SERVICES,  
PURSUANT TO § 363(F)(5)**

Jointly Administered With:

Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases.

Date: September 25, 2019

Time: 10:00 a.m.

Location: Ctrm. 1568  
Roybal Federal Building  
255 East Temple Street  
Los Angeles, CA 90012



18201511909260000000000002



At issue is whether Medi-Cal Provider Agreements (the “Provider Agreements”) entered into between four hospitals (the “Hospitals”) and the California Department of Health Care Services (the “DHCS”) are executory contracts which must be transferred pursuant to § 365 of the Bankruptcy Code, or statutory entitlements that may be transferred free and clear of successor liability under § 363 of the Bankruptcy Code.<sup>1</sup> If the Provider Agreements are executory contracts, the DHCS may be entitled to receive payments potentially in excess of \$50 million in connection with the transfer of the Provider Agreements to the purchaser of the Hospitals. By contrast, if the Provider Agreements are statutory entitlements, they can be transferred to the purchaser free and clear of claims and interests under § 363, meaning that the DHCS would receive no payments in connection with the transfer. For the reasons set forth below, the Court finds that the Provider Agreements are statutory entitlements.<sup>2</sup>

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<sup>1</sup> Unless otherwise indicated, all “Civil Rule” references are to the Federal Rules of Civil Procedure, Rules 1–86; all “Bankruptcy Rule” references are to the Federal Rules of Bankruptcy Procedure, Rules 1001–9037; all “Evidence Rule” references are to the Federal Rules of Evidence, Rules 101–1103; all “LBR” references are to the Local Bankruptcy Rules of the United States Bankruptcy Court for the Central District of California, Rules 1001-1–9075-1; and all statutory references are to the Bankruptcy Code, 11 U.S.C. §§101–1532.

<sup>2</sup> The Court considered the following papers in adjudicating this matter:

- 1) Debtors’ Memorandum in Support of Entry of an Order: (A) Authorizing the Sale of Property Free and Clear of all Claims, Liens and Encumbrances; (B) Authorizing the Assumption and Assignment of Designated Executory Contracts and Unexpired Leases; and (C) Granting Related Relief [Doc. No. 2115] (the “Sale Motion”);
- 2) Creditor California Department of Health Care Services’s Objection to Notice to Counterparties to Executory Contracts and Unexpired Leases of the Debtors that May be Assumed and Assigned [Doc. No. 1879];
- 3) Creditor California Department of Health Care Services’s Supplemental Objection to (1) Debtors’ Motion for the Entry of an Order Authorizing the Sale of Property Free and Clear of All Claims, Liens, and Encumbrances; (2) Approving form of Asset Purchase Agreement [Doc. No. 3043];
- 4) Official Committee of Unsecured Creditors’ Reply to Creditor California Department of Health Care Services’s Supplemental Objection to Sale [Doc. No. 3093];
- 5) Debtors’ Reply to California Department of Health Care Services Objection to Debtors’ Sale of Assets to Strategic Global Management [Doc. No. 3095];
  - a) Objection to Declaration of Hanh Vo in Support of Creditor California Department of Health Care Services’s Supplemental Objection to (1) Debtors’ Motion for the Entry of an Order Authorizing the Sale of Property Free and Clear of All Claims, Liens, and Encumbrances; (2) Approving form of Asset Purchase Agreement [Doc. No. 3115];
  - b) Declaration of Anita Chou in Support of Debtors’ Reply to the California Department of Health Care Services’ Objection to Debtors’ Sale of Assets to Strategic Global Management [Doc. No. 3112]; and
  - c) Notice of Debtors’ Request to Bifurcate Hearing Regarding California Department of Health Care Services’ Objection to Debtors’ Sale of Assets to Strategic Global Management [Doc. No. 3113].



## I. Facts

On August 31, 2018 (the “Petition Date”), Verity Health Systems of California (“VHS”) and certain of its subsidiaries (collectively, the “Debtors”) filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. On August 31, 2018, the Court entered an order granting the Debtors’ motion for joint administration of the Debtors’ Chapter 11 cases.<sup>3</sup>

On May 2, 2019, the Court entered an order approving the sale of substantially all of the assets of four of the Debtors’ hospitals—St. Francis Medical Center, St. Vincent Medical Center, St. Vincent Dialysis Center, and Seton Medical Center (collectively, the “Hospitals”)—to Strategic Global Management, Inc. (“SGM”).<sup>4</sup>

Each of the Hospitals has executed a Provider Agreement with DHCS. The Asset Purchase Agreement (the “APA”) [Doc. No. 2305-1] which governs the sale of the Hospitals to SGM provides that the sale cannot close unless issues regarding alleged financial defaults existing under each Provider Agreement have been resolved.<sup>5</sup>

Pursuant to Cal. Welf. & Inst. Code § 14169.52(a), each of the Hospitals is required to pay a quarterly Hospital Quality Assurance Fee (an “HQA Fee”) to the DHCS, which is assessed regardless of whether the hospital participates in the Medi-Cal Program. *See* Cal. Welf. & Inst. Code § 14169.52(a) (imposing the HQA Fee upon “each general acute care hospital that is not an exempt facility”). As this Court has previously explained, the “HQA Fee allows California to obtain more healthcare funds from the federal government, which generally matches state Medi-Cal contributions dollar-for-dollar.” *In re Gardens Reg’l Hosp. & Med. Ctr., Inc.*, 569 B.R. 788, 791 (Bankr. C.D. Cal. 2017), *aff’d*, No. 2:16-BK-17463-ER, 2018 WL 1354334 (B.A.P. 9th Cir. Mar. 12, 2018) (“*Gardens II*”).

According to the DHCS, the Debtors are liable for approximately \$30 million in HQA Fees attributable to the Hospitals. DHCS asserts that the Provider Agreements associated with each Hospital cannot be transferred to SGM unless the Debtors first assume the Provider Agreements under § 365 of the Bankruptcy Code. In the process of assuming the Provider Agreements, the Debtors would be required to cure the unpaid HQA Fees, or provide adequate assurance that the unpaid HQA Fees would be promptly cured.

The Debtors receive Medi-Cal fee-for-service payments on account of medical services provided to Medi-Cal beneficiaries by the Hospitals. DHCS asserts that the Debtors are liable for approximately \$25 million in Medi-Cal fee-for-service overpayments, and that such overpayments must also be cured in connection with the assumption of the Provider Agreements. The Debtors dispute the validity of the audit that resulted in the calculation of the overpayments.

The Debtors contend that the Provider Agreements are not contracts and that it is therefore unnecessary for the Debtors to assume the Provider Agreements under § 365 in order to transfer the agreements to SGM. According to the Debtors, the Provider Agreements are a statutory entitlement to participate in the Medi-Cal program and should be treated as licenses that can be sold, free and clear of claims, interests, and encumbrances, pursuant to § 363(f). In support of the contention that the Provider Agreements are not contracts, Debtors argue that the Provider Agreements do not impose any obligations upon the DHCS. Debtors maintain that the only obligations existing under the Provider Agreements are those that are already imposed under applicable law, and that an agreement to comply with applicable law “is a gratuitous promise

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<sup>3</sup> Doc. No. 17.

<sup>4</sup> Doc. No. 2306 (the “SGM Sale Order”).

<sup>5</sup> APA at ¶ 8.7.



which does not provide the consideration necessary to make a contract enforceable.” *Gardens II*, 569 B.R. at 797.

The Official Committee of Unsecured Creditors (the “Committee”) agrees with the Debtors that the Provider Agreements are not contracts. Like the Debtors, the Committee takes the position that the Provider Agreements are assets of the Debtors’ respective estates that can be sold free and clear of all interests pursuant to § 363(f).

## **II. Discussion**

If the Provider Agreements are executory contracts, they can be transferred to SGM only if they are first assumed by the Debtors. To assume an executory contract, the Debtors must either cure all defaults under the contract, or provide adequate assurance that the defaults will be cured promptly. § 365(b).

An executory contract is “a contract that neither party has finished performing.” *Mission Prod. Holdings, Inc. v. Tempnology, LLC*, 139 S. Ct. 1652, 1657, 203 L. Ed. 2d 876 (2019). Of course, an agreement that is not a contract can never qualify as an executory contract.

Terms not defined in the Bankruptcy Code have the meaning accorded to such terms under nonbankruptcy law. *See Mission Prod. Holdings*, 139 S.Ct. at 1661 (“And ‘breach’ is neither a defined nor a specialized bankruptcy term. It means in the Code what it means in contract law outside bankruptcy.”). The Bankruptcy Code does not define the term “contract,” so the term has the same meaning under § 365 of the Bankruptcy Code as it does under non-bankruptcy law. As the Supreme Court has explained, “[p]roperty interests are created and defined by state law. Unless some federal interest requires a different result, there is no reason why such interests should be analyzed differently simply because an interested party is involved in a bankruptcy proceeding.” *Butner v. United States*, 440 U.S. 48, 55, 99 S. Ct. 914, 918, 59 L. Ed. 2d 136 (1979).

### **A. The Provider Agreements Are Not Contracts**

The first issue the Court must confront, then, is whether the Provider Agreements are contracts. The Court finds that they are not.<sup>6</sup>

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<sup>6</sup> In *Gardens II*, the Court found that under the principle of equitable recoupment, DHCS could withhold Medi-Cal and supplemental quality assurance payments owed to a debtor, for the purpose of recovering unpaid hospital quality assurance fees owed by the debtor. *Gardens II* did not decide whether a Medi-Cal Provider Agreement was a contract or a statutory entitlement akin to a license, as the issue did not affect the outcome of the decision:

The Court finds that, regardless of whether the Provider Agreement is considered a license or contract, the Debtor’s HQA Fee liability and entitlement to Medi-Cal Payments would still arise from the same transaction or occurrence.... As discussed previously, the Debtor’s acknowledgment in the Provider Agreement that unpaid HQA Fees could be withheld from its Medi-Cal Payments establishes the necessary logical relationship between the Debtor’s fee liabilities and its payment entitlements. That logical relationship exists whether the Provider Agreement is classified as a license or a contract.

*Gardens II*, 569 B.R. at 799.



The Court's determination of whether the Provider Agreements are contracts is informed by decisions involving Medicare Provider Agreements. For purposes of this issue, there are no meaningful differences between the Provider Agreements and a Medicare Provider Agreement. Both types of agreements allow hospitals to obtain reimbursement from the government for providing healthcare services. In both cases, the hospitals' reimbursement entitlement is dictated by the Medicare statute and the regulations promulgated thereunder.<sup>7</sup>

In *PAMC, Ltd. v. Sebelius*, 747 F.3d 1214, 1221 (9th Cir. 2014), the Ninth Circuit declined to apply the contract doctrine of "substantial compliance" to a Medicare Provider Agreement. In that case, PAMC, a hospital, appealed the decision of the Secretary of the Department of Health and Human Services to reduce the reimbursements for which PAMC was eligible. *Id.* at 1215–16. PAMC's reimbursements had been reduced because it had submitted certain required data 28 minutes late. *Id.* at 1216. In challenging the Secretary's decision to reduce its reimbursement eligibility, PAMC argued, among other things, that it had substantially complied with the terms of its Medicare Provider Agreement. *Id.* at 1220. The Ninth Circuit rejected PAMC's attempt to avail itself of the contract doctrine of "substantial compliance":

[T]he whole notion of importing contract doctrines into an area that is a complex statutory and regulatory scheme is problematic. We have, on occasion, stated that providers and others have contracts with the government in this area, but our decisions have turned on the regulatory regime rather than on contract principles. *See, e.g., United States v. Bourseau*, 531 F.3d 1159, 1162, 1169–70 (9th Cir.2008); *Pac. Coast Med. Enters. v. Harris*, 633 F.2d 123, 125 n. 1, 133–35 (9th Cir.1980). As the Eleventh Circuit Court of Appeals held when hospitals complained of legislative impairment of their contract rights in this area because they had agreements with the Secretary: "Upon joining the Medicare program, however, the hospitals received a statutory entitlement, not a contractual right." *Mem'l Hosp. v. Heckler*, 706 F.2d 1130, 1136 (11th Cir.1983); *see also Bennett v. Ky. Dep't of Educ.*, 470 U.S. 656, 669, 105 S.Ct. 1544, 1552, 84 L.Ed.2d 590 (1985) (stating that while states had "grant agreements" with the federal government and those had a "contractual aspect," the program should not be viewed like a "bilateral contract" and should not "be construed most strongly against the drafter" (internal quotation marks omitted)); *cf. Sebelius v. Auburn Reg'l Med. Ctr.*, — U.S. —, —, —, 133 S.Ct. 817, 828–29, 184 L.Ed.2d 627 (2013) (declining to apply equitable tolling principles to time set by Secretary for appealing to the Board); *Kaiser Found.*

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In support of its argument that the Provider Agreements are executory contracts, DHCS cites the observation made in *Gardens II* that Medicare Provider Agreements "are similar in many respects to ... [a] Medi-Cal Provider Agreement." *Gardens II*, 569 B.R. at 799 n.12. DHCS then cites decisions holding that Medicare Provider Agreements are executory contracts. As discussed in greater detail below, the Court does not find the decisions cited by DHCS to be persuasive, because they reached the conclusion that Medicare Provider Agreements are executory contracts without meaningful analysis.

<sup>7</sup> Because the Medi-Cal program is funded in part by federal funds, reimbursement entitlements under Medi-Cal must be consistent with the provisions of the Medicare statute. *See generally* 42 U.S.C. § 1396a (setting forth requirements applicable to state medical assistance plans such as Medi-Cal).



*Hosp.*, 649 F.3d at 1160 (declining to apply excusable neglect equitable analysis to Board's dismissal of case for "failure to timely submit a position paper").

*PAMC, Ltd. v. Sebelius*, 747 F.3d 1214, 1221 (9th Cir. 2014).

Other courts have been even more explicit in stating that a Medicare Provider Agreement is not a contract. In *Mem'l Hosp. v. Heckler*, cited with approval in *PAMC*, hospitals argued that new legislation reducing their Medicare reimbursement entitlements constituted "an unconstitutional taking of their property without just compensation in violation of the fifth amendment, because it would abrogate a vested contractual right to Medicare reimbursement." *Heckler*, 706 F.2d 1130, 1136 (11th Cir. 1983). The *Heckler* court squarely rejected the hospitals' contention that their Medicare Provider Agreements were contracts: "Upon joining the Medicare program, however, the hospitals received a statutory entitlement, not a contractual right." *Heckler*, 706 F.2d at 1136.

Significantly, the *Heckler* court observed that "[c]ourts have upheld retroactive adjustments in the Medicare reimbursement system." *Id.* It emphasized that such retroactive adjustments were permissible precisely because Medicare Provider Agreements were not contracts. *Id.* A similar result was reached in *Germantown Hosp. & Med. Ctr. v. Heckler*, 590 F. Supp. 24, 30–31 (E.D. Pa. 1983), *aff'd sub nom. Germantown Hosp. & Med. Ctr. v. Schweiker*, 738 F.2d 631 (3d Cir. 1984), in which the court held:

There is no contractual obligation requiring [the Department of Health and Human Services] to provide Medicare reimbursement. Rather, upon joining the Medicare program, providers gain a statutory entitlement to reimbursement. Thus the amount of reimbursement is governed not by contract but by statute; specifically the Medicare Act's "reasonable cost" provisions.

*Germantown*, 590 F.Supp. at 30–31. *See also Greater Dallas Home Care All. v. United States*, 10 F. Supp. 2d 638, 647 (N.D. Tex. 1998) ("Plaintiffs argue that the Medicare participation agreements ... are essentially contracts. The Court disagrees and finds that the participation agreements are not contracts, for the right to receive payments under the Medicare Act is a manifestation of Government policy and, as such, is a statutory rather than a contractual right.").

Similarly, in *Guzman v. Shewry*, the Ninth Circuit held that a Medi-Cal Provider Agreement was not a contract. 552 F.3d 941 (9th Cir. 2009). In *Guzman*, a physician sought a preliminary injunction to prevent the DHCS from temporarily suspending him from the Medi-Cal program. *Id.* at 946. Among other things, the physician argued that because his suspension deprived him of the ability to receive reimbursement for treating Medi-Cal patients, he had been deprived of his right to contract with the state. *Id.* at 954. Rejecting this argument, the court held that "[p]articipation in the Medi-Cal program entitles Guzman to reimbursement for treating patients who receive Medi-Cal benefits; it does not involve bidding on government contracts." *Id.*

In addition, the Provider Agreements lack a key feature found in all contracts—obligations imposed on both parties to the agreements. The Provider Agreements impose no obligations upon the DHCS. The only obligations spoken of in the Provider Agreements pertain to the Debtors. Even these obligations do not constitute consideration for contract purposes, since they



merely restate the Debtors' pre-existing legal obligations.<sup>8</sup> As this Court has previously held, "an agreement to comply with applicable law is a gratuitous promise which does not provide the consideration necessary to make a contract enforceable." *Gardens II*, 569 B.R. at 797.

DHCS cites a number of cases in which courts have held that Medicare Provider Agreements are executory contracts. These authorities are not persuasive, because the issue of whether the provider agreements were executory contracts versus statutory entitlements was not litigated. Instead, the courts simply assumed, without meaningful analysis, that the provider agreements were executory contracts.

For example, in *In re University Medical Center*, 973 F.2d 1065 (3d Cir. 1992), the Third Circuit assumed that a Medicare Provider Agreement was an executory contract, even though the Third Circuit had ruled eight years prior in *Germantown Hosp. & Med. Ctr. v. Schweiker*, 738 F.2d 631, 632 (3d Cir. 1984) that Medicare Provider Agreements are statutory entitlements, not contracts. In *Germantown*, the court rejected the argument that a reduction in Medicare reimbursement rates impaired the contract rights of the Medicare providers. *Id.* The *University Medical Center* decision contained no discussion of *Germantown* and made no attempt to reconcile *Germantown*'s holding that reductions to Medicare reimbursement rates did not amount to a breach of contract. Similarly, in *In re Heffernan Memorial Hospital District*, 192 B.R. 228, 231 n.4 (Bankr. S.D. Cal. 1996), the issue was not litigated and the debtor appeared to concede that the provider agreement was an executory contract. Likewise, in *In re St. Johns Home Health Agency, Inc.*, 173 B.R. 238 (Bankr. S.D. Fla. 1994), the debtor conceded that the provider agreement was an executory contract, and the Bankruptcy Court disregarded prior binding Eleventh Circuit precedent rejecting the contention that a provider agreement gave the provider "a vested contractual right to Medicare reimbursement." *Mem'l Hosp. v. Heckler*, 706 F.2d 1130, 1136 (11th Cir. 1983).

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<sup>8</sup> DHCS cites a number of provisions within the Provider Agreement that it claims constitute consideration sufficient to render the Provider Agreements contractual in nature. But all of the following the provisions cited by DHCS are restatements of legal obligations imposed upon the Debtors by federal law, federal regulations, state law, or state regulations:

- 1) Debtors will be subject to the sanctions available to DHCS if they fail to comply with applicable law.
- 2) To submit a treatment authorization request, the Debtors must use a National Provider Identifier ("NPI") that is appropriately registered and is compliant with all NPI requirements.
- 3) Debtors cannot engage in conduct inimical to public health, morals, welfare, or safety.
- 4) Debtors cannot refuse healthcare services based upon race, color, ancestry, marital status, national origin, gender, age, economic status, or physical or mental disability.
- 5) Only qualified medical personnel may provide healthcare services.
- 6) Any overpayments must be repaid by the Debtors in accordance with applicable statutes and regulations.
- 7) Debtors are subject to certain automatic and permissive suspensions and mandatory and permissive exclusions.



**B. The Provider Agreements Can Be Sold Free and Clear of Liens, Claims, and Interests Pursuant to § 363(f)(5)**

Having found that the Provider Agreements are not contracts and therefore are not subject to assumption and assignment under § 365, the Court must determine whether the Provider Agreements can be sold free and clear of liens, claims, and interests under § 363(f).

Courts have held that interests such as the Provider Agreements constitute “property of the estate” under § 541 that may be sold under § 363. In *Matter of Fugazy Exp., Inc.*, 124 B.R. 426, 430 (S.D.N.Y. 1991), the court held that a license issued by the Federal Communications Commission was property of the estate, notwithstanding a provision within the Federal Communications Act providing that the Act did not create ownership rights in licenses. The holding is consistent with Ninth Circuit precedent stating that “[g]overnment licenses, as a general rule, are considered to be ‘general intangibles’ under the Uniform Commercial Code, ‘i.e., personal property interests in which security interests may be perfected.’” *MLQ Inv’rs, L.P. v. Pac. Quadracasting, Inc.*, 146 F.3d 746, 749 (9th Cir. 1998).

The Court finds that the Provider Agreements are akin to a license issued by a government agency, and therefore that the Provider Agreements may be sold under § 363. The Provider Agreements create a statutory entitlement to bill the Medi-Cal program for providing Medi-Cal services. *See Guzman*, 552 F.3d at 954 (stating that “[p]articipation in the Medi-Cal program entitles [physician] Guzman to reimbursement for treating patients who receive Medi-Cal benefits”). This right to receive reimbursement for providing healthcare services is a property interest.

DHCS contends that the Hospitals hold no property interest in the Provider Agreements and that as a result, the Provider Agreements cannot be sold under § 363. In support of its position, DHCS cites *Erickson v. U.S. ex rel. Dep’t of Health & Human Servs.*, 67 F.3d 858, 862 (9th Cir. 1995), in which the court held that a physician convicted of submitting false claims to Medicare did “not possess a property interest in continued participation in Medicare, Medicaid, or the federally-funded state health care programs.” *Id.*

DHCS ignores the difference between a property interest in the right to *continue* to participate in Medi-Cal and a property interest in the *existing* right to bill Medi-Cal for providing services. *Erickson* stands for the unremarkable proposition that a provider who engages in criminal conduct has no right to continue as a provider. No one disputes that if the Hospitals violated Medi-Cal statutes or regulations, their right to continue as Medi-Cal Providers could be suspended. But at present, the Provider Agreements are in good standing and the Hospitals have the right to receive reimbursements for providing services to Medi-Cal beneficiaries. It is this right that amounts to a property interest.

The Provider Agreements may be sold free and clear of the liabilities which DHCS contends attach to the Provider Agreements. This includes the alleged liabilities for approximately \$30 million in unpaid HQA Fees and \$25 million in Medi-Cal overpayments (collectively, the “Liabilities”).<sup>9</sup>

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<sup>9</sup> The Debtors object to declaration testimony submitted by Hanh Vo with respect to the amount of the Liabilities. As a result of its determination that the Provider Agreements may be sold free and clear of the Liabilities, it is not necessary for the Court to adjudicate the amount of the Liabilities at this time. Because the Court has not considered the Vo declaration in reaching its decision, the Court does not rule upon the Debtors’ evidentiary objection. *See Operating Engineers’ Pension Trust Fund v. Clark’s Welding & Mach.*, 688 F. Supp. 2d 902, 907 (N.D.



Section 363(f)(1) provides that a sale of estate property may be “free and clear of any interest in such property of an entity other than the estate” if certain conditions are satisfied. As this Court has previously explained:

The Bankruptcy Code does not define the phrase “interest in ... property” for purposes of § 363(f). The Third Circuit has held that the phrase “interest in ... property” is “intended to refer to obligations that are connected to, or arise from, the property being sold.” *Folger Adam Sec., Inc. v. DeMatteis/MacGregor JV*, 209 F.3d 252, 259 (3d Cir. 2000). That conclusion is echoed by *Collier on Bankruptcy*, which observes a trend in caselaw “in favor of a broader definition [of the phrase] that encompasses other obligations that may flow from ownership of the property.” 3 Alan N. Resnick & Henry J. Sommer, *Collier on Bankruptcy* ¶ 363.06[1] (16th ed. 2017).

Courts have held that interests in property include monetary obligations arising from the ownership of property, even when those obligations are imposed by statute. For example, in *Mass. Dep’t of Unemployment Assistance v. OPK Biotech, LLC (In re PBBPC, Inc.)*, 484 B.R. 860 (1st Cir. BAP 2013), the court held that taxes assessed by Massachusetts under its unemployment insurance statutes constituted an “interest in ... property.” The taxes were computed based on the Debtor’s “experience rating,” which was determined by the number of employees it had terminated in the past. *Id.* at 862. Because the Debtor had terminated most of its employees prior to selling its assets, its experiencing rating, and corresponding unemployment insurance tax liabilities, were very high. *Id.* The *PBBPC* court held that the experience rating was an interest in property that could be cut off under § 363(f). *Id.* at 869–70. Similarly, in *United Mine Workers of Am. Combined Benefit Fund v. Leckie Smokeless Coal Co. (In re Leckie Smokeless Coal Co.)*, 99 F.3d 573, 581, the court held that monetary obligations imposed by the Coal Industry Retiree Health Benefit Act of 1992 constituted an “interest in ... property” within the meaning of § 363(f).

*In re Gardens Reg’l Hosp. & Med. Ctr., Inc.*, 567 B.R. 820, 825–26 (Bankr. C.D. Cal. 2017), appeal dismissed, No. 2:16-BK-17463-ER, 2018 WL 1229989 (C.D. Cal. Jan. 19, 2018).

The Liabilities are an “interest in property” within the meaning of § 363(f). The Liabilities arise because the Hospitals have elected to exercise their statutory entitlement to provide medical services, and receive reimbursement for providing such services, under the Provider Agreements. As such, the Liabilities are a monetary obligation arising from the ownership of property (the property being the reimbursement rights associated with the Provider Agreements).

The Provider Agreements may be sold free and clear of the Liabilities only if one or more of the conditions specified in § 363(f)(1)–(5) is satisfied. Here, the Court finds that § 363(f)(5) is satisfied. Under § 363(f)(5), property may be sold free and clear of an interest, if the entity holding the interest “could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.”

The interest that DHCS holds in the Provider Agreements is its right to receive payment of the Liabilities. DHCS could be compelled to accept a money satisfaction of its interest in a legal or equitable proceeding. In fact, receiving a money satisfaction is and has been DHCS’ objective

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Cal. 2010) (“Because the Court does not rely on the statements in this declaration, it is not necessary for the Court to rule on these objections.”).



all along. Throughout these cases, DHCS has withheld funds payable to the Hospitals to recover the Liabilities.<sup>10</sup> That DHCS would accept a money satisfaction is apparent in its briefing. DHCS states that the Debtors must “pay the debt through the proceeds of the sale” or “within five days of the closing of the sale,” and that the Debtors “must establish and maintain a trust account in the amount of \$70 million for 36 months for potential reimbursement to [DHCS] of any Medi-Cal overpayment ....”<sup>11</sup>

The case of *In re P.K.R. Convalescent Centers, Inc.*, 189 B.R. 90, 91 (Bankr. E.D. Va. 1995) is directly on point. In *In re PKR Convalescent Centers*, the court approved the sale of a nursing home, free and clear of the interest held by the Virginia Department of Medical Assistance Service (the “DMAS”), pursuant to § 363(f)(5). The interest in question was DMAS’ right under Virginia law to recapture, upon the sale of the nursing home, depreciation payments it had previously made to the operators of the nursing home. The court held that DMAS’ interest would be extinguished if it received the \$1.7 million in depreciation recapture payments it was owed under the statute, and that accordingly, DMAS could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of its interest. *Id.* at 94.

As was the case in *PKR Convalescent Centers*, DHCS’ interest in the Provider Agreements would be extinguished if it received the payments it contends it is owed on account of the Liabilities. Consequently, DHCS could be compelled to accept a money satisfaction of its interest. The Provider Agreements may be sold free and clear of DHCS’ interest under § 363(f)(5).

The Debtors request that the order on the Motion state that DHCS’ recoupment rights against SGM, if any, must be first exercised against payments due to the Debtors from Medi-Cal, then against funds held by the Debtors generated by past interim Medi-Cal payments, and then against any sale proceeds generated by the sale of the Provider Agreement. The issue of the applicability of recoupment subsequent to the sale of the Provider Agreements free and clear of claims and interests has not been sufficiently briefed. The Court declines to decide the issue at present, without prejudice to the ability of interested parties to raise the issue by way of motion.

DHCS requests that the order on the Motion be stayed for 14 days, pursuant to Bankruptcy Rule 6004(h). The purpose of Bankruptcy Rule 6004(h) is to provide sufficient time for an objecting party to appeal before an order can be implemented. The sale to SGM is not expected to close until mid-to-late October 2019. Because the Provider Agreements will not be transferred to SGM until the sale closes, the stay imposed by Bankruptcy Rule 6004(h) is not necessary to protect DHCS’ right to appeal.

### III. Conclusion

Based upon the foregoing, the Debtors are authorized to sell the Provider Agreements to SGM, free and clear of claims, interests, and encumbrances, pursuant to § 363(f)(5). The Debtors shall submit an order consistent with this Memorandum of Decision.

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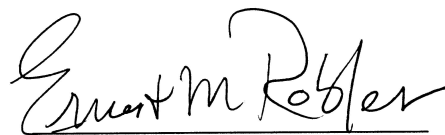
<sup>10</sup> DHCS asserts that its withholdings are authorized under the equitable principle of recoupment. As the issue is not presently before it, the Court expresses no opinion on whether the withholdings were permissible under recoupment principles.

<sup>11</sup> Doc. No. 3043 at 10.



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Date: September 26, 2019

A handwritten signature in black ink, reading "Ernest M. Robles". The signature is fluid and cursive, with the first name "Ernest" and middle initial "M" being more prominent than the last name "Robles".

Ernest M. Robles  
United States Bankruptcy Judge