

HCA-HealthONE LLC
MEMBERSHIP INTEREST PURCHASE AGREEMENT
COMPLIANCE CHECKLIST

October 14, 2011
(Closing Date)

June 2021
Report (for CY
2020)

5.3 Non-Binding Mediation

Prior to taking any legal action against TCHF relating to an alleged breach of its non-compete covenant, HCA-HealthONE must notify the Attorney General in writing and permit the Attorney General to hold a mediation session within 45 days after the Attorney General's receipt of notice.

N/A¹

6.3 Board of Trustees

For fifteen (15) years from and after the Closing Date:

1. Maintain Board of Trustees composed of 16 trustees, eight initially appointed by TCHF (successors are appointed by Community Trustees) and eight appointed (at all times) by HCA.
2. Comply with the Board of Trustees Bylaws.
3. Amend the Bylaws only as provided therein.

Yes²

Yes

Yes²

6.4 Community Benefit

During a fifteen (15) year period from and after January 1, 2012:

1. For the first ten (10) years of such period, fund Community Benefit Programs in at least the amount of \$12 million per Fiscal Year, increased annually by the percentage increase in Medicare hospital inpatient reimbursement rates since the Closing Date.³

Community Benefit Programs include those programs and activities reported on in the HCA-HealthONE Report to the Community for FY 2010 and other similar activities, including cash donations to charities, community health education, and community building activities.

Yes

The annual funding commitment excludes uncompensated care, charity care, uninsured discounts, bad debts, sales and property taxes, and health professional education.

2. Modify the funding commitment only with Super Majority Approval⁴ of the Board during the first ten (10) years of such period.
3. Modify the funding commitment with a simple majority vote of the Board present at a meeting during the last five (5) years of such period.
4. For the last five (5) years of such period, fund Community Benefit Programs in at least the amount required to be funded in 2021 (with no further increases for increases in Medicare reimbursement).

N/A

N/A

N/A

6.5 Indigent/Charity Care

During a fifteen (15) year period from and after the Closing Date:

1. Operate under the charity care and uninsured discount policies attached to the MIPA. Yes
2. Post such policies in patient care areas and on HCA-HealthONE's websites. Yes
3. Apply uninsured discounts consistently with current practices. Yes
4. Modify the commitment during the first ten (10) years of such period only with a Super Majority Approval of the Board. Yes
5. Modify the commitment with a simple majority vote of the Board present at a meeting during the last five (5) years of such period. N/A

6.6 Academic Affiliation

1. Continue the GME affiliation relationship until the later of June 30, 2018 and the completion of studies in the education programs by each trainee enrolled on July 1, 2017. Yes
2. As soon as practicable following the Closing Date, jointly develop and approve a written Transition Plan to address changes or reductions of either party's obligations under the Affiliation Agreement due to the planned termination of the agreement as well as any anticipated changes in education programs or requirements that may occur. Yes
3. Develop particulars of financial relationship needed to address the potential loss of related party status. N/A

6.7 Medicare Participation

During a ten (10) year period from and after the Closing Date:

1. Accept Medicare patients at each facility controlled by HCA-HealthONE which accepted Medicare patients during FY 2012 (as identified on Schedule 6.7).⁵ Yes
2. Participate in any program that replaces the current but discontinued Medicare fee for service program if the program is implemented on a nationwide or statewide program and reimbursement is not negotiated and based on a uniform formulaic basis. N/A
3. Participate with at least one contracting entity in any program that replaces the current but discontinued Medicare fee for service program if reimbursement rates or other material terms are subject to negotiation, so long as the aggregate rates of reimbursement negotiated by HCA-HealthONE for the Medicare participating facilities are no less than the aggregate rates of reimbursement received by such facilities during the fiscal year of HCA-HealthONE immediately preceding the year in which such reimbursement rates are agreed upon, adjusted for changes in the Consumer Price Index – All Urban Consumers – Medical Care Services as published by the Bureau of Labor Statistics of the United States Department of Labor (the “CPI”) from its level at the beginning of such preceding fiscal year of HCA-HealthONE to the date such rates of reimbursement are agreed upon. N/A

6.8 Medicaid Participation

During a five (5) year period from and after the Closing Date:

1. Participate as a Medicaid provider at each facility controlled by HCA-HealthONE which accepted Medicaid patients during FY 2011 (as identified on Schedule 6.8).⁵ Yes

During years six (6) through ten (10) after the Closing Date:

1. Continue to participate as a Medicaid provider at each of the Medicaid participating facilities. Yes
2. Participation in the Medicaid program may be ceased at one or more Medicaid participating facilities if there is a material reduction in the level of Medicaid funding (expressed as Medicaid net revenue per Medicaid adjusted admission) only after a community needs assessment and financial impact assessment and with Super Majority Approval of the Board. N/A

Within 30 days after receipt of the audit of FY 2011 financial statements:

1. Deliver to TCHF a calculation (based on the audited FS) of the Medicaid net revenue per Medicaid adjusted admission. Yes

During the ten (10) years from and after the Closing Date:

1. Participate in any program that replaces the current Medicaid fee for service program if such program (i) is implemented on a statewide basis, (ii) reimburses providers based upon a uniform, formulaic basis that is not subject to negotiation by the providers, and (iii) does not include discriminatory reductions in state or federal funding and reimbursement to HCA-HealthONE facilities that are disproportionate to reductions in funding and reimbursement to providers that are similarly situated to such facilities in the State of Colorado (e.g., healthcare facilities that are owned or operated by Denver-based nonprofit, non-governmental, non-specialty hospital health systems or organizations). N/A
2. Participate with at least one contracting entity in any program that replaces the current but discontinued Medicaid fee for service program if reimbursement rates or other material terms are subject to negotiation, so long as the aggregate rates of reimbursement negotiated by HCA-HealthONE for the Medicaid participating facilities are no less than the aggregate rates of reimbursement received by such facilities during the fiscal year of HCA-HealthONE immediately preceding the year in which such reimbursement rates are agreed upon, adjusted for changes in the CPI from its level at the beginning of such preceding fiscal year of HCA-HealthONE to the date such rates of reimbursement are agreed upon. N/A

6.9 License HealthONE name to TCHF

Through October 31, 2094, grant TCHF a non-exclusive royalty free license to use the name "HealthONE" in Colorado in relation to TCHF's charitable activities to improve the care of Colorado residents.

Yes

6.13 Compliance with Covenants Report

Beginning no later than June 30, 2012 (for the period from the Closing Date through December 31, 2011), and annually (no later than 180 days after FY end) for 10 (ten) years thereafter, ending no later than June 30, 2022:

1. Present at a meeting of the Board of Trustees, an annual report with respect to HCA-HealthONE's compliance with all of its covenants under the MIPA. The Attorney General must be invited to attend this meeting. ³ June 9 2021
2. Post on HCA-HealthONE's website the annual report with respect to compliance with all covenants of HCA-HealthONE under the MIPA. by June 30, 2021
3. Prior to posting the annual report on its website, HCA - HealthONE LLC must send a copy of such annual report to the Attorney General. by June 30, 2021
4. Post the tenth and final annual report on the website for six months. N/A

6.19 Acute Care Hospitals.

For a period of five (5) years after closing, HCA-HealthONE LLC shall not cease to operate its existing general acute care hospitals, subject to certain exception for catastrophic events. Yes

¹ "N/A" means Not Applicable, as no such action has been taken.

² Bylaws were amended effective November 3, 2020, pursuant to the requirements therein, to provide that Community Members shall be appointed by the full Board.

³ Supplemental confidential documents provided separately.

⁴ "Super Majority Approval" means not less than 75% of all 16 Board members.

⁵ Except as provided in the MIPA, no Medicaid or Medicare participating facility is required to (i) enter into a reimbursement or other payor agreement with any non-governmental entities to provide coverage or services to Medicaid or Medicare patients (e.g., managed Medicaid or Medicare Advantage) or (ii) enter into an agreement or participate in a program with an entity (governmental or otherwise) where the rates or material terms of reimbursement to HCA-HealthONE for services rendered to patients are subject to negotiation with such entity.