

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

In re:)	
)	Chapter 11
Curae Health, Inc., <i>et al.</i> ¹)	Case No. 18-05665
)	
1721 Midpark Road, Suite B200)	Judge Walker
Knoxville, TN 37921)	
Debtors.)	Jointly Administered

**THE DEADLINE FOR FILING A TIMELY RESPONSE IS: January 3, 2019
IF A RESPONSE IS TIMELY FILED, THE HEARING WILL BE: January 15, 2019 at
9:00 AM Central Standard Time in Courtroom 2, 2nd Floor Customs House, 701
Broadway, Nashville, TN 37203.**

NOTICE OF MOTION

PLEASE TAKE NOTICE that on December 13, 2018, the above-captioned debtors and debtors in possession (the “**Debtors**”) filed their ***MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING DEBTORS TO TRANSFER THE REVENUE CYCLE SERVICES FOR THE DEBTORS’ CLINIC FACILITIES TO MEDHOST OF TENNESSEE, INC., AND (II) GRANTING RELATED RELIEF*** (the “**Motion**”), attached hereto.

PLEASE TAKE FURTHER NOTICE that if a response is timely filed, a hearing on the Motion will be held on **January 15, 2019 at 9:00 AM Central Standard Time** in Courtroom 2, 2nd Floor Customs House, 701 Broadway, Nashville, TN 37203.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Curae Health, Inc. (5638); Amory Regional Medical Center, Inc. (2640); Batesville Regional Medical Center, Inc. (7929); and Clarksdale Regional Medical Center, Inc. (4755); Amory Regional Physicians, LLC (5044); Batesville Regional Physicians, LLC (4952); Clarksdale Regional Physicians, LLC (5311).

YOUR RIGHTS MAY BE AFFECTED. If you do not want the court to grant the Motion by entering the proposed final order, attached hereto, or if you want the court to consider your views on the Motion, then on or before **January 3, 2019**, you or your attorney must:

1. File with the court your response or objection explaining your position. Please note: the Bankruptcy Court for the Middle District of Tennessee requires electronic filing. Any response or objection you wish to file must be submitted electronically. To file electronically, you or your attorney must go to the court website and follow the instructions at: <<https://ecf.tnmb.uscourts.gov>>.

If you need assistance with Electronic Filing you may call the Bankruptcy Court at (615) 736-5584. You may also visit the Bankruptcy Court in person at: 701 Broadway, 1st Floor, Nashville, TN (Monday - Friday, 8:00 A.M. - 4:00 P.M.).

2. Your response must state the deadline for filing responses, the date of the scheduled hearing and the motion to which you are responding.

THERE WILL BE NO FURTHER NOTICE OF THE HEARING DATE. If a response is filed before the deadline stated above, the hearing will be held at the time and place indicated above. You may check whether a timely response has been filed by viewing the case on the court's website at <<https://ecf.tnmb.uscourts.gov>>. If you or your attorney does not take these steps, the court may decide that you do not oppose the relief sought in the Motion and may enter the attached final order granting that relief.

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**IN THE UNITED STATES BANKRUPTCY COURT
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In re:)	
)	Chapter 11
Curae Health, Inc., <i>et al.</i> ¹)	Case No. 18-05665
)	
1721 Midpark Road, Suite B200)	Judge Walker
Knoxville, TN 37921)	
Debtors.)	Jointly Administered

**DEBTORS’ MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING DEBTORS TO
TRANSFER THE REVENUE CYCLE SERVICES FOR THE DEBTORS’ CLINIC
FACILITIES TO MEDHOST OF TENNESSEE, INC.,
AND (II) GRANTING RELATED RELIEF**

By this motion (the “**Motion**”), the above-captioned debtors and debtors in possession (the “**Debtors**”) seek entry of an order (the “**Proposed Order**”) attached hereto as Exhibit A, pursuant to sections 105(a) and 363 of title 11 of the United States Code (the “**Bankruptcy Code**”), rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and rule 9013-1 of the Local Rules of the Bankruptcy Court for the Middle District of Tennessee (the “**Local Rules**”) authorizing the Debtors to transfer the Revenue Cycle Services for the Debtors’ Clinic Facilities to MedHost of Tennessee, Inc (“**MedHost**”). In support of this Motion, the Debtors respectfully state as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Curae Health, Inc. (5638); Amory Regional Medical Center, Inc. (2640); Batesville Regional Medical Center, Inc. (7929); and Clarksdale Regional Medical Center, Inc. (4755); Amory Regional Physicians, LLC (5044); Batesville Regional Physicians, LLC (4952); Clarksdale Regional Physicians, LLC (5311).

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Middle District of Tennessee (the “**Court**”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief requested herein are sections 105(a) and 363 of the Bankruptcy Code and Bankruptcy Rules 2002 and 6004.

GENERAL BACKGROUND

4. On August 24, 2018 (the “**Petition Date**”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with this Court commencing the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”). The general factual background regarding the Debtors, including their business operations, debt structure, and the events leading to the filing of the Chapter 11 Cases is set forth in detail in the *Declaration of Stephen N. Clapp, Chief Executive Officer of Curae Health, Inc., in Support of Chapter 11 Petitions and First Day Pleadings* (the “**First Day Declaration**”) [Docket No. 49] and fully incorporated herein by reference.

5. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

6. On August 29, 2018, the Court entered an order authorizing the joint administration of the Chapter 11 Cases [Docket No. 59].

7. Support for this Motion is set forth in detail in the *Declaration of Stephen N. Clapp, Chief Executive Officer of Curae Health, Inc., in Support of Debtors’ Motion* the (“**Clapp Declaration**”), attached hereto as Exhibit B.

REVENUE CYCLE SERVICES

8. Debtor Curae Health, Inc. (“**Curae**”) provided revenue cycle services (the “**Revenue Cycle Services**”) for the hospital facilities operated by Debtors (the “**Hospital Facilities**”) prior to transferring the Revenue Cycle Services to MedHost. Clapp Declaration, at ¶ 6. The Revenue Cycle Services provided by Curae encompass the financial process needed by the Facilities to process claims, process payments, and generate revenue. Efficient and effective Revenue Cycle Services are necessary for the Facilities to generate cash. *Id.*

9. Curae continues to provide Revenue Cycle Services for the following clinic facilities operated by Debtors: the clinics operated by Debtor Amory Regional Physicians, LLC (the “**Amory Clinics**”); the clinics operated by Debtor Batesville Regional Physicians, LLC (the “**Batesville Clinics**”); and the clinics operated by Debtor Clarksdale Regional Physicians, LLC (the “**Clarksdale Clinics**”, together with the Batesville Clinics and the Amory Clinics, the “**Clinic Facilities**”). *Id.*

10. Based on patient volumes at the Clinic Facilities during the 12-month period prior to the Petition Date, Curae required the following staffing structure to perform the Revenue Cycle Services for the Clinic Facilities: the Vice President of Physician Practices, the Director of the Corporate Business Office, the Director of EMR and Operations, and 6 billing and follow up team members (collectively, the “**Revenue Cycle Staff**”). *Id.* at ¶ 7.

11. Due to the uncertainty of continued employment with Curae, Revenue Cycle Staff are likely to apply and interview for other permanent, full-time positions. *Id.* at ¶ 8. Because Curae is unable to attract experienced, full-time staff, the loss of any Revenue Cycle Staff will have a negative impact on cash collections for the Clinic Facilities. *Id.*

12. To ensure the Facilities’ ability to generate cash, Debtors reached an agreement

with MedHost whereby MedHost would perform the Revenue Cycle Services for only the Hospital Facilities. *Id.* at ¶ 9. On October 19, 2018, Debtors filed a motion with the Court to transfer revenue cycle services for the Debtors' hospital facilities to MedHost [Docket No. 343] (the "**MedHost Hospital Motion**"). On October 29, 2018, the Court entered an Order approving the MedHost Hospital Motion [Docket No. 366]. Following entry of the Order, Debtors entered into certain Statements of Work for the Hospital Facilities and transferred the Revenue Cycle Services for the Hospital Facilities to MedHost. *Id.*

13. Reaching an agreement with Medhost for the Revenue Cycle Services for the Clinic Facilities required more time than the Hospital Facilities for several reasons. *Id.* at ¶ 10. First, the Hospital Facilities' accounts receivable were ten times the amount of the Clinic Facilities' accounts receivable, so focus was placed on ensuring the potential of recovering the largest receivables first. *Id.* Second, Debtors wanted MedHost to have sufficient time to get the Revenue Cycle Staff transferred and the information system needs in place. *Id.* Third, the Clinic Facilities' accounts receivable involved working with Athena (the software vendor and cash poster) to ensure the contract could be managed among the three parties. *Id.* Debtors have now reached an agreement with MedHost whereby MedHost will perform the Revenue Cycle Services for the Clinic Facilities. *Id.*

14. The Statements of Work for each Clinic Facility (the "**Statements of Work**") are attached hereto as Exhibit C. Pursuant to the Statements of Work, MedHost proposes a fee of 9% of patient account cash receipts from each Clinic Facility. Based on estimates prepared by the Debtors' financial accounting department, Debtors believe that transferring the Revenue Cycle Services for the Clinic Facilities will decrease expenses for the Debtors' estates. *Id.* at ¶ 11. Debtors believe that the terms in the MedHost Statements of Work are reasonable and

transitioning the Revenue Cycle Services to MedHost is in the best interests of the Debtors, the Debtors' estates, creditors, and all other parties in interest. *Id.*

RELIEF REQUESTED

15. By this Motion, the Debtors seek (I) to enter into the Statements of Work with MedHost, whereby MedHost will perform the Revenue Cycle Services for the Clinic Facilities, and (II) necessary related relief.

BASIS FOR RELIEF

I. Contracting with Medhost for Revenue Cycle Services Is a Sound Exercise of the Debtors' Business Judgment and Is in the Best Interests of the Debtors' Estates

16. The decision to transfer the Revenue Cycle Services to MedHost is arguably a transaction outside the ordinary course of business for which court approval in accordance with section 363(b) of the Bankruptcy Code is required. Section 363(b) of the Bankruptcy Code provides, in relevant part, that a debtor "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).

17. In reviewing a debtor's decision to use estate property pursuant to section 363 of the Bankruptcy Code, courts have routinely held that if such use represents reasonable business judgment on the part of the debtor, such use should be approved. *See In re Lionel Corp.*, 722 F.2d 1063, 1070–71 (2d Cir. 1983) (requiring a "good business reason" to approve a transaction under section 363). "Ordinarily, the position of the trustee is afforded deference, particularly where business judgment is entailed in the analysis or where there is no objection." *In re Lahijani*, 325 B.R. 282, 289 (9th Cir. B.A.P. 2005).

18. Courts emphasize that the business judgment rule is not an onerous standard and may be satisfied "as long as the proposed transaction appears to enhance the debtor's estate." *In re Food Barn Stores, Inc.*, 107 F.3d 558, 566 n.16 (8th Cir. 1997); *accord In re AbitibiBowater*,

418 B.R. 815, 831 (Banks. D. Del. 2009) (the business judgment standard is “not a difficult standard to satisfy”). Under the business judgment rule, “management of a corporation’s affairs is placed in the hands of its board of directors and officers, and the Court should interfere with their decisions only if it is made clear that those decisions are, *inter alia*, clearly erroneous, made arbitrarily, are in breach of the officers’ and directors’ fiduciary duty to the corporation, are made on the basis of inadequate information or study, are made in bad faith, or are in violation of the Bankruptcy Code.” *In re Farmland Indus., Inc.*, 294 B.R. 855, 881 (Bankr. W.D. Mo. 2003) (citing *In re United Artists Theatre Co.*, 315 F.3d 217, 233 (3d Cir. 2003); *Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1309 (5th Cir. 1985); *In re Defender Drug Stores, Inc.*, 145 B.R. 312, 317 (9th Cir. B.A.P. 1992)).

19. Here, the Debtors have determined in their business judgment that it is prudent to transfer the Revenue Cycle Services for the Clinic Facilities to MedHost. Due to impending loss of Revenue Cycle Staff, Curae cannot continue perform the Revenue Cycle Services for the Clinic Facilities. *See* Clapp Declaration, at ¶ 9. Debtors believe that transferring the Revenue Cycle Services for the Clinic Facilities to MedHost will allow the Debtors to maximize revenue and will minimize expenses for the Debtors’ estates. *Id.* at ¶ 12. Accordingly, Debtors believe that the terms in the MedHost Statements of Work are reasonable and transitioning the remaining Revenue Cycle Services to MedHost is in the best interests of the Debtors, the Debtors’ estates, creditors, and all other parties in interest. *Id.*

NOTICE

20. Concurrently with the filing of this Motion, the Debtors shall provide notice of this Motion to: (a) the Office of the United States Trustee for the Middle District of Tennessee; (b) Centers for Medicare and Medicaid Services; (c) State of Tennessee Department of Health

Division of Licensure and Regulation Office of Health Care Facilities; (d) Mississippi State Department of Health; (e) counsel to the official committee of unsecured creditors established in these cases pursuant to Section 1102 of the Bankruptcy Code; (f) ServisFirst Bank and its counsel; (g) Midcap Financial Trust and its counsel; (h) CHS/Community Health Systems, Inc. and its counsel (i) all Tennessee local counsel having entered a notice of appearance in these cases; (j) the Internal Revenue Service; (k) the Tennessee Attorney General's Office; (l) the Mississippi Attorney General's Office; (m) the Tennessee Secretary of State; (n) Medhost and its counsel; (o) the patient care ombudsman and her proposed counsel; and (p) any party that has requested notice pursuant to Bankruptcy Rule 2002. Service is being executed via the Court's CM/ECF system, email, hand delivery, and/or overnight mail.

WHEREFORE, the Debtors respectfully request that the Court grant the relief sought herein and such other and further relief as the Court may deem proper.

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Dated: December 13, 2018
Nashville, Tennessee

POLSINELLI PC

/s/ Michael Malone

Michael Malone
401 Commerce Street, Suite 900
Nashville, TN 37219
Telephone: (615) 259-1510
Facsimile: (615) 259-1573
mmalone@polsinelli.com

-and-

David E. Gordon (*Admitted Pro Hac Vice*)
Caryn E. Wang (*Admitted Pro Hac Vice*)
1201 West Peachtree Street NW
Atlanta, Georgia
Telephone: (404) 253-6000
Facsimile: (404) 684-6060
dgordon@polsinelli.com
cewang@polsinelli.com

*Counsel to the Debtors and
Debtors in Possession*

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

In re:)	
)	Chapter 11
Curae Health, Inc., <i>et al.</i> ¹)	Case No. 18-05665
)	
1721 Midpark Road, Suite B200)	Judge Walker
Knoxville, TN 37921)	
Debtors.)	Jointly Administered

ORDER (I) AUTHORIZING THE DEBTORS TRANSFER THE REVENUE CYCLE SERVICES FOR DEBTORS' CLINIC FACILITIES TO MEDHOST OF TENNESSEE, INC. AND (II) GRANTING RELATED RELIEF

Upon the motion (the “**Motion**”)² of the debtors and debtors in possession (the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) for entry of an order, pursuant to sections 105(a) and 363 of the Bankruptcy Code and Bankruptcy Rules 2002 and 6004, (I) authorizing the Debtors to transfer the Revenue Cycle Services for Debtors’ Clinic Facilities to MedHost of Tennessee, Inc. (“**MT**”), and (II) granting related relief, all as more fully set forth in the Motion; and upon the record of the hearing on the Motion, if any; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court being able to issue a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion having been given pursuant to Local Rule 9013-1; and it appearing that no other or further notice of the Motion is required; and

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² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

this Court having found that the relief requested by the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and after due deliberation thereon; and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED as set forth below.
2. Pursuant to sections 105(a) and 363 of the Bankruptcy Code, the Debtors are authorized, but not directed, to enter into the Statements of Work annexed to the Motion as Exhibit B and transfer the Revenue Cycle Services to MT.
3. Pursuant to the *Final Order (I) Authorizing The Debtors To (A) Obtain Postpetition Secured Financing And (B) Utilize Cash Collateral, (II) Granting Liens And Superpriority Administrative Expense Status, (III) Granting Adequate Protection, (IV) Modifying The Automatic Stay and (V) Scheduling a Final Hearing* entered in these cases on August 29, 2018 (Docket No. 455) (the "**Final DIP Order**"), the Statements of Work, and all other contracts between one or more of the Debtors and MT and/or any of its affiliates, successors, or assigns, including, MedHost Direct, Inc. ("**MD**"), or any of its affiliates, successors or assigns (and together with MT, "**MedHost**"), including, without limitation, those Hosting and Managed Services Agreements and the Software License and Application Service Agreements to which they are parties, as amended, restated, or otherwise modified, as well as any and all replacements, renewals, and extensions of such agreements (collectively, the "**MedHost Agreements**"), shall be and hereby are part of the DIP Collateral and subject to the DIP Liens securing the DIP Obligations and all of the terms and conditions of the Final DIP Order and DIP Financing Documents. Without limiting the foregoing, Debtors hereby assign and transfer to DIP Agent, and hereby grant to DIP Agent, for the benefit of DIP Lenders, a security interest in, all of

such Debtors' rights, title, and interest in, and benefits under, the MedHost Agreements, and after an Event of Default (as set forth in the Final DIP Order), the DIP Agent shall, at its option and in its sole discretion, be entitled to enforce, either in its own name or in the name of Debtors, all rights of Debtors under any MedHost Agreement in accordance with the terms thereof, and may do any and all other things necessary, convenient or proper to fully and completely effectuate the collateral assignment of the rights of Debtors under such MedHost Agreements pursuant hereto, and if DIP Agent elects to enforce such rights under any of the MedHost Agreements, the applicable MedHost entity shall continue to perform thereunder pursuant to the terms of the applicable MedHost Agreement until such time as the MedHost Agreement is terminated; provided, to the extent DIP Agent elects to enforce such rights under any applicable MedHost Agreement, the applicable MedHost entity shall be entitled to compensation for performing under the MedHost Agreement in accordance with its terms; and provided, further, that the DIP Agent may terminate the applicable MedHost Agreement upon fifteen (15) days prior written notice to the applicable MedHost entity without further liability of the DIP Agent, provided, however, this shall not limit any MedHost entity with respect to its Claims against any of the Debtor or their estates for amounts due for services rendered pre- or post-petition under any MedHost Agreement, for damage resulting from the early termination thereof, or otherwise.

4. Notwithstanding anything to the contrary herein or in the MedHost Agreements, but subject to compliance by the Debtors (or, if applicable, any of the entities mentioned in clause (ii) below) with all applicable requirements of the Bankruptcy Code and Rules, including without limitation 11 U.S.C. section 365: (i) the Debtors are authorized, but not obligated, to assign the MedHost Agreements, without recourse or liability to the estates herein, to one or more purchasers or third party operators of the Debtors' assets, provided that such purchaser or

third party operator agrees to be bound by all terms and conditions of the MedHost Agreement and (ii) any Debtor representative, plan administrator, estate representative, liquidating trustee or similar fiduciary appointed pursuant to any plan of liquidation confirmed in these cases shall, at its option and in its sole discretion, be entitled to enforce, either in its own name or in the name of Debtors, all rights of Debtors under any MedHost Agreement in accordance with the terms and conditions thereof.

5. Notwithstanding the relief granted herein and any actions taken hereunder, nothing in the Motion or this order shall: (a) constitute an admission as to the validity or priority of any claim against the Debtors, (b) constitute a waiver of the Debtors' rights to dispute any claim, or (c) constitute an assumption or rejection of any executory contract or lease of the Debtors.

6. The fourteen (14) day stays imposed by Rules 6004(h) and 6006(d) of the Bankruptcy Rules are waived with respect to this order, and this order shall take effect immediately upon its entry.

7. Within two (2) business days after entry of this Order, the Debtors shall serve this Order on the Notice Parties provided in the Motion.

8. The Debtors are authorized, but not directed, to take such actions and to execute such documents as may be necessary to implement the relief granted by this Order.

9. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation and/or interpretation of this Order.

This Order Was Signed And Entered Electronically As Indicated At The Top Of The First Page

APPROVED FOR ENTRY:

POLSINELLI PC

/s/ Michael Malone

Michael Malone
401 Commerce Street, Suite 900
Nashville, TN 37219
Telephone: (615) 259-1510
Facsimile: (615) 259-1573
mmalone@polsinelli.com

-and-

David E. Gordon (Admitted *Pro Hac Vice*)
Caryn E. Wang (Admitted *Pro Hac Vice*)
1201 West Peachtree Street NW
Atlanta, Georgia
Telephone: (404) 253-6000
Facsimile: (404) 684-6060
dgordon@polsinelli.com
cawang@polsinelli.com

*Counsel to the Debtors and
Debtors in Possession*

EXHIBIT B

Clapp Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
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In re:)	
)	Chapter 11
Curae Health, Inc., <i>et al.</i> ¹)	Case No. 18-05665
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1721 Midpark Road, Suite B200)	Judge Walker
Knoxville, TN 37921)	
Debtors.)	Jointly Administered

DECLARATION OF STEPHEN N. CLAPP IN SUPPORT OF DEBTORS’ MOTION

Pursuant to 28 U.S.C. § 1764, Stephen N. Clapp, declares as follows under the penalty of perjury:

1. I am the President and Chief Executive Officer (“**CEO**”) of Curae Health, Inc. (“**Curae**” or “**the Company**”), a Tennessee nonprofit corporation. Curae is the sole member and sponsoring organization of Amory Regional Medical Center, Inc. (“**Amory**”); Batesville Regional Medical Center, Inc. (“**Batesville**”); and Clarksdale Regional Medical Center, Inc. (“**Clarksdale**”). Amory, Batesville, and Clarksdale are each the sole member of a physician entity as follows: Amory is the sole member of Amory Regional Physicians, LLC (“**Amory Physicians**”); Batesville is the sole member of Batesville Regional Physicians, LLC (“**Batesville Physicians**”); Clarksdale is the sole member of Clarksdale Regional Physicians, LLC (“**Clarksdale Physicians**”). Curae, Amory, Batesville, Clarksdale, Amory Physicians, Batesville Physicians, and Clarksdale Physicians are the debtors and debtors in possession in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) and shall be collectively referred to herein

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Curae Health, Inc. (5638); Amory Regional Medical Center, Inc. (2640); Batesville Regional Medical Center, Inc. (7929); and Clarksdale Regional Medical Center, Inc. (4755); Amory Regional Physicians, LLC (5044); Batesville Regional Physicians, LLC (4952); Clarksdale Regional Physicians, LLC (5311).

as the “**Debtors**” or the “**Company**”. I am authorized to submit this declaration (the “**Declaration**”) on behalf of the Debtors.

2. I have served as President and CEO of Curae since it was formed in 2014. Prior to serving as President and CEO of Curae, I served as President and CEO of Restoration Healthcare, LLC (“**Restoration**”), a for-profit rural hospital company that was focused on helping to save struggling rural hospitals. I served as President and CEO of Restoration from the time it was formed in 2006 until 2013 when Restoration divested its last hospital. Prior to forming Restoration, I worked for Baptist Health System of East Tennessee (“**Baptist**”) from 1995 to 2006. For several years, I served as Senior Vice President of Baptist, and during that time I was responsible for overseeing: (a) the hospital and other operating entities; (b) strategic planning; (c) business development; (d) physician recruitment; and (e) real estate.

3. I am familiar with the Debtors’ business operations, financial condition, policies and procedures, day-to-day operations, and books and records. Except as otherwise noted, I have personal knowledge of the matters set forth herein or have gained knowledge of such matters from other employees, agents, attorneys, and advisors, the accuracy and completeness of which information I relied upon to provide this Declaration.

4. References to the Bankruptcy Code (as hereafter defined), the chapter 11 process, and related legal matters are based on my understanding of such matters in reliance on the explanation provided by, and the advice of, counsel. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

5. I submit this Declaration on behalf of the Debtors in support of the DEBTORS’ EXPEDITED MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING DEBTORS TO TRANSFER THE REVENUE CYCLE SERVICES FOR DEBTORS’ CLINIC FACILITIES TO

MEDHOST OF TENNESSEE, INC., AND (II) GRANTING RELATED RELIEF (the “**Motion**”).

6. Debtor Curae provided Revenue Cycle Services for the Hospital Facilities prior to transferring the Revenue Cycle Services to MedHost. The Revenue Cycle Services provided by Curae encompass the financial process needed by the Facilities to process claims, process payments, and generate revenue. Efficient and effective Revenue Cycle Services are necessary for the Facilities to generate cash. Curae continues to provide Revenue Cycle Services for the Clinic Facilities operated by Debtors.

7. Based on patient volumes at the Clinic Facilities during the 12-month period prior to the Petition Date, Curae required the following staffing structure to perform the Revenue Cycle Services for the Clinic Facilities: the Vice President of Physician Practices, the Director of the Corporate Business Office, the Director of EMR and Operations, and 6 billing and follow up team members (collectively, the “**Revenue Cycle Staff**”).

8. Revenue Cycle Staff are likely to apply and interview for other permanent full-time positions. Because Curae is unable to attract experienced, full-time staff, the loss of any Revenue Cycle Staff will have a negative impact on cash collections for the Clinic Facilities.

9. To ensure the Facilities’ ability to generate cash, Debtors reached an agreement with MedHost whereby MedHost would perform the Revenue Cycle Services for the Hospital Facilities. Following entry of the Order granting the MedHost Hospital Motion, Debtors entered into certain Statements of Work for the Hospital Facilities and transferred the Revenue Cycle Services for the Hospital Facilities to MedHost.

10. Reaching an agreement with Medhost for the Revenue Cycle Services for the Clinic Facilities required more time than the Hospital Facilities for several reasons. First, the

Hospital Facilities' accounts receivable were ten times the amount of the Clinic Facilities' accounts receivable, so focus was placed on ensuring the potential of recovering the largest receivables first. Second, Debtors wanted MedHost to have sufficient time to get the Revenue Cycle Staff transferred and the information system needs in place. Third, the Clinic Facilities' accounts receivable involved working with Athena (the software vendor and cash poster) to ensure the contract could be managed among the three parties. Debtors have now reached an agreement with MedHost whereby MedHost will perform the Revenue Cycle Services for the Clinic Facilities.

11. Based on estimates prepared by the Debtors' financial accounting department, Debtors believe that transferring the Revenue Cycle Services for the Clinic Facilities will decrease expenses for the Debtors' estates. Debtors believe that the terms in the MedHost Statements of Work are reasonable and transitioning the Revenue Cycle Services to MedHost in the best interests of the Debtors, the Debtors' estates, creditors, and all other parties in interest.

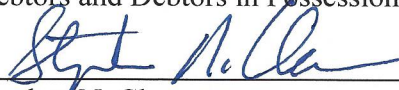
I declare under penalty of perjury that the foregoing is true and correct.

[Signature on Following Page]

Executed this 12th day of December, 2018.

Curae Health, Inc.
Amory Regional Medical Center, Inc.,
Batesville Regional Medical Center, Inc.,
Clarksdale Regional Medical Center, Inc.
Amory Regional Physicians, LLC
Batesville Regional Physicians, LLC
Clarksdale Regional Physicians, LLC

Debtors and Debtors in Possession



Stephen N. Clapp
President and Chief Executive Officer of Curae
Health, Inc.

EXHIBIT C

Statements of Work

Statement of Work Revenue Cycle Professional Services

PO/SOW#: WA – 000xxxx

SOW Creation Date: November 19, 2018	Contracting Entity: Curae Health 121 Leinart St. Clinton, TN 37716	Serviced Facility: Amory Regional Physicians, LLC 1105 Earl Frye Blvd. Amory, MS 38821
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Fee Schedule

CODE	DESCRIPTION	MONTHLY FEES
RCPS	Revenue Cycle Professional Services	9.0% of patient account cash receipts

INTRODUCTION

This Statement of Work # WA – 000xxxx (hereinafter called the “SOW”) is effective as of the last date signed below and is issued pursuant to the Software License and Application Services Agreement #WC-839 between Curae Health and MEDHOST of Tennessee, Inc., (“MEDHOST”), dated July 7, 2015, as amended (the “Agreement”). This SOW is subject to all terms and conditions contained in the Agreement as if this SOW were made a part thereof. Any term not otherwise defined herein shall have the meaning specified in the Agreement. In the event of any conflict or inconsistency between the terms of this SOW and the terms of the Agreement, the terms of the Agreement shall govern and prevail.

All work performed hereunder will be performed for the *Serviced Facility* as contracted for by the *Contracting Entity*, as such entities are identified in the header above. Hereinafter, this SOW will use the defined term “Client” to collectively refer to both the *Serviced Facility* and the *Contracting Entity*. It will be the sole responsibility of the *Contracting Entity*, to determine and to control which entity will be responsible for performing any particular obligation or requirement placed on the “Client” hereunder, but the *Contracting Entity* will remain the legally responsible party under the Agreement and this SOW.

Serviced Facility acknowledges that, for purposes of this Statement of Work, it shall be bound by the terms, conditions, restrictions, limitations, representations and warranties of the Agreement to the same extent as if it were part of “Company” under the Agreement, and represents and warrants that it is bound by the terms of this Statement of Work and is jointly and severally responsible for any and all obligations hereunder, including but not limited to fees payable hereunder for Services provided by MEDHOST.

IN WITNESS WHEREOF, the parties hereto have executed this SOW as of the date last written below.

Curae Health

MEDHOST of Tennessee, Inc.

By: _____
 Name: _____
 Title: _____
 Date: _____

By: _____
 Name: _____
 Title: _____
 Date: _____

Amory Regional Physicians, LLC

By: _____
 Name: _____
 Title: _____
 Date: _____

1. SERVICES AND DELIVERABLES

1.1. Scope of Work

This SOW will cover the following work as described below and further detailed herein.

1.2. Services

MEDHOST will perform the following Services under this SOW:

SERVICE OFFERING: Revenue Cycle Services to include:

- Billing of Clinic/Physician services
- Upload remits into clinic EHR system
- Accounts Receivable management
- Reporting

Service Phases:

- 1) **Implementation:** The implementation phase will include a series of calls with Client and MEDHOST. The initial kick-off call will occur within two weeks of SOW signature and MEDHOST will provide Client with Starter Pack, inclusive of project plan. Client will ensure that all identified key team members based on the MEDHOST starter pack will attend the kick-off meeting. The purpose of the kick-off meeting is to finalize the implementation project plan, clarify Client obligations, and agree to an implementation timeline. The implementation phase will be complete once all components are implemented to allow for service to commence.

MEDHOST Obligations:

- A. Establish implementation plan and data requirements
- B. Assign Project Lead and single escalation point for Client
- C. Document Client specific account workflow
- D. Complete client required training including but not limited to navigation of client systems Set-up systems and technology for MEDHOST best practices, which include written communication, verification, Secure File Transfer Protocol (SFTP), etc. to support service delivery workflows. Define the update and system entry protocol for account transactions and updates made in the client system. Deliver specifications for automating updates in the client system. MEDHOST will send this information to Client system. These specifications may include:
 - a. Financial transactions - payments, adjustments
 - b. Demographic updates
 - c. Insurance updates
 - d. Daily notes
 - e. Any/all Specialized and/or automated workflows such as:
 - i. Financial Assistance/Charity Care
 - ii. Discount approvals
 - iii. Bankruptcy
 - iv. Deceased
 - v. Third Party Liability
 - vi. Workers Com
 - vii. Payment Plans

Client Obligations:

- A. Provide Client set-up documentation within one week of contract execution
 - a. Data necessary for set-up completion includes:
 - i. Tax ID
 - ii. Client Legal Name
 - iii. Client Address
 - iv. List of individual facilities:
 1. Address
 2. NPI

3. Taxonomy Code
 4. PTAN
- B. Ensure attendance of all key stakeholders on kick off call within one week of contract signature to include:
 - a. Primary project contact
 - b. Executive sponsor
 - c. IT representative
 - C. Ensure attendance by IT representatives on System Access and Training
 - D. Ensure attendance at on-going Implementation meetings
 - E. Provide a single point of coordination and escalation for partnership
 - F. Provide Client-specific Policies and supporting documentation applicable to service delivery within two weeks of kick off call. Examples include:
 - a. All Revenue Cycle (PFS) Policies and Procedures
 - b. Payment Agreement Guidelines
 - G. Establish remote Client system access to include:
 - a. Patient accounting system, final bill scrubber, electronic health record, case management systems, CPOE, and any additional clinical or financial information systems access needed to support submission of claims to third party payers
 - b. Access to, or copies of, payer contracts
 - c. Online access to remittance advice, including but not limited to 835 and other payer specific remittance documentation
 - d. Remote printing capability (CMS1500s, Itemized Statements or other documentation required to complete service delivery)
 - e. Access to payer web portals
 - f. System access will be completed within two weeks of request in order to prevent impact to MEDHOST service delivery
 - H. Establish process to proactively keep MEDHOST team members and training up to date when there are changes to the client's software versions, new enhancements, system access when new MEDHOST FTEs are on-boarded and other changes which may affect MEDHOST's ability to accomplish work for the client. Other examples include:
 - a. Deployment into MEDHOST virtual desktops environments
 - b. Changes in MEDHOST equipment (e.g., laptop failure requires replacement equipment)
 - c. System access updates within two weeks of request when changes in FTEs (new, change, term) occur, including equipment requirements
 - I. Secure location (SFTP) to send and retrieve files including transactions, remittance advice, etc. to be determined to reside on MEDHOST or Client system or both.
 - J. Deviation in providing the above outlined files or inability to abide by the File Specification requirements and/or timeline outlined in said addendum, will result in scope change and additional fees
- 2) **Services Delivery:** MEDHOST will provide **Revenue Cycle Services** described below for all accounts receivable. Delivery is predicated on both MEDHOST and Client fulfilling their obligations as outlined in the following.
- **Population:** MEDHOST will be responsible for providing services for:
 - All billed and unbilled accounts with balances owed by a third party including, but not limited to, Medicare, Medicaid, Blue Cross / Blue Shield, Managed Care, Commercial, Workman Compensation, Indian Health, VA, TriCare, and Auto/Homeowners/Liability carriers starting on mutually agreed upon date until contract termination.

Deviation in providing the above outlined referrals or inability to provide accounts within specific tolerances of the above account population, may result in scope change and additional fees.

MEDHOST Revenue Cycle Obligations

MEDHOST will complete all billing, re-billing and follow up activities necessary to resolve assigned accounts, as follows.

- MEDHOST team will manage the retrospective Accounts Receivable process from account placement through resolution based upon program parameters. Resolution is defined to be resolved to zero balance or balance is determined to be patient responsibility through cash payment, adjustment, and/or completion of a formal appeal/grievance process.
- MEDHOST will handle uploading of the ERA 835 files, as well as lock box and any direct mail payments into Client system.
- MEDHOST will process all claims ready for billing from Client system through the claim scrubber and clearing house on a daily basis.

- MEDHOST will identify third party coverage throughout the recovery process and will work the discovered insurance population of AR accounts to resolution. Included actions will be all re-billing, follow-up activities, and clinical review services necessary to finalize discovered insurance accounts.
- MEDHOST will perform account follow-up on all open balances owed by a third party including, but not limited to, Medicare, Medicaid, Blue Cross / Blue Shield, Managed Care, Commercial, Workman Compensation, Indian Health, VA, TriCare, and Auto/Homeowners/Liability carriers as identified by patient access.
- MEDHOST will manage all accounts billed to third parties and denied in total or partially by the third party payer, upon receipt of the denial
- MEDHOST will note all accounts where a letter, call or any other action has been performed during the resolution process.

MEDHOST Reporting Obligations:

- MEDHOST will facilitate a weekly meeting to review initial results of the project. After 90 days, the meetings may be reduced to monthly.
- MEDHOST will provide the following standard reports:
 - Inventory report
 - Weekly Cash Report (by payer)
 - Weekly ATB
 - Number of accounts and dollars in aging categories by payer
- Supplemental reports will be dependent on MEDHOST capabilities

Client Obligations:

- Participation in performance review meetings
- Provide MEDHOST with all Explanation of Benefits or Remittance Advices within 2 days of request by MEDHOST.
- Provide MEDHOST with electronic access to remittance advices for contracted payors including all government payors and any correspondence relevant to patient transactions.
- Client personnel are responsible for the daily receipts, posting, balancing, and the retention of the supporting documentation for over the counter payments.
- Provide MEDHOST with any internal forms used to balance cash, submit adjustment requests, and submit refund requests and any forms with Client letterhead which may be needed to communicate with outside parties such as payors, attorney's, etc.
- Post comments to the patient accounts regarding any actions taken, any communication with patient or payor and any correspondence received regarding the patient accounts.

2. RESPONSIBILITIES

2.1. MEDHOST Responsibilities

MEDHOST will be responsible for the following activities:

1. Provide all Services as described in this SOW.

2.2. Client Responsibilities

Client will be responsible for the following activities:

1. Client represents and warrants that (a) it has all necessary right and authority to execute and perform this SOW in light of pending bankruptcy #3:18-bk-05665, to which both Curae Health, Inc. and Amory Regional Physicians are parties; (b) the Services to be provided hereunder represent services provided for in the ordinary course of Client's business and its relationship with MEDHOST; and (c) it has confirmed that the financial commitment represented by this SOW are contemplated in the applicable budget(s) for the ongoing operation of Client, and that it is responsible for obtaining all necessary approvals from any party claiming an interest in the assets in Client's accounts receivable. MEDHOST shall

have no responsibility to provide any Services hereunder until and unless MEDHOST and its legal counsel are satisfied, in their sole discretion, that all necessary and appropriate approvals have been obtained. Client will provide any reasonable assistance in obtaining such approvals that is requested by MEDHOST

MEDHOST's timely and full performance of this SOW is dependent on Client's fulfillment of these responsibilities.

Initial Points of Contact:

	POINT(S) OF CONTACT	Phone	Email
MEDHOST	Lisa Mounkes Teresa Cantrell	(615) 761-1889 (615) 761-2656	Lisa.Mounkes@medhost.com Teresa.cantrell@medhost.com
Client			

3. ASSUMPTIONS

MEDHOST has created this SOW under the following assumptions. If one or more of these assumptions proves to be invalid, costs and other project factors may be impacted.

1. Where appropriate, knowledgeable Client resources will be made available for functional questions and making business decisions. It is also expected that Client staff will participate throughout the implementation.
2. Unless otherwise agreed, MEDHOST reserves the right to subcontract any or all portions of the Services contemplated hereunder. MEDHOST will remain responsible for its subcontractors. The payment gateway provider is not considered a subcontractor of MEDHOST.
3. Client will have the appropriate software and hardware available at the beginning of and throughout the term of this SOW. The necessary hardware environment (operating system, network, ports) should be configured appropriately and stable.
4. It is expressly understood that MEDHOST is not acting as a collection agency, but acting as a consultant in receivables management.
5. MEDHOST does not provide any guarantees with regard to any specific transaction or variance.

4. PERFORMANCE DETAILS

4.1. Place of Performance

All services will be provided via, remote and/or online means and methods.

4.2. Commencement

This SOW will commence as agreed to by parties.

4.3. Term and Timeline

This SOW represents a commitment by Client for an initial Term of **twelve (12) months** of the monthly services. The Term of this SOW will then continue until either party provides sixty (60) days' written notice of intent to terminate the SOW.

If Client terminates or does not renew the Agreement prior to the conclusion of the initial Term of this SOW, the terms of the Agreement shall continue to govern this SOW as and to the extent such terms would have governed this SOW if the Agreement had never terminated, and shall do so until the end of the then-current Term of this SOW. At the conclusion of such Term, the parties shall mutually agree on a governing agreement to replace the Agreement, or this SOW shall terminate.

5. PAYMENT TERMS

Revenue Cycle Operations

FEE TYPE	PAYMENT TERMS
Fees	<p>The rate for all Services listed hereunder shall be 9.0% of patient accounts.</p> <p>Upon execution, MEDHOST will invoice Client a good-faith estimate of the first two (2) weeks' fees. After the completion of first two weeks of Services hereunder, MEDHOST will invoice the next two weeks' estimated fees, which will be adjusted to true up the difference between the previous invoice's estimated fees and the actual amount of fees owed under this SOW for that two week period. MEDHOST will continue this invoicing process every two weeks for the duration of the term of the SOW. At the conclusion of the SOW, MEDHOST will either invoice (if the most recent paid invoice was less than the actual fees) or refund (if the most recent paid invoice was greater than the actual fees) any true-up amount for the final two weeks of Services.</p> <p>All invoices will be will be due upon receipt, and Client will pay MEDHOST as set forth above via ACH direct debit initiated by MEDHOST</p>

All prices specified in the SOW are exclusive of any taxes, fees, duties or other applicable amounts. Client shall pay the taxes related to Services purchased pursuant to the SOW, or Client shall present an exemption certificate acceptable to the taxing authorities. Applicable taxes, if any, will be billed as a separate item on the invoice.

6. TRAVEL & EXPENSES

To the extent applicable, and unless otherwise specified, out-of-pocket expenses, including per diems, will be invoiced in arrears for the month that they were incurred in accordance with MEDHOST's travel policy. Client will be invoiced for all costs associated with out-of-pocket expenses (including, without limitation, costs and expenses associated with meals, lodging, local transportation and any other applicable business expenses) listed on the invoice as a separate line item. Out-of-pocket expenses will also include any fees incurred by MEDHOST to deliver the Service(s) and/or Deliverable(s) in a remote manner to Client, including, but not limited to, on-line meeting service fees and conference calls. All per diems will be billed at the then-current IRS reimbursement rate.

7. PROPRIETARY AND CONFIDENTIAL

This SOW contains confidential and proprietary information of MEDHOST and its vendors. Information contained in this SOW may not be disclosed, disseminated, or otherwise revealed to any party outside of Client or any party within Client who is not privileged to receive such information without the express written permission of MEDHOST. There is no obligation to maintain the confidentiality of any information which was known to Client prior to receipt of such information from MEDHOST, or becomes publicly known through no fault of Client, or is received without obligation of confidentiality from a third party owing no obligation of confidentiality to MEDHOST.

8. INTELLECTUAL PROPERTY

Upon full payment of all amounts due MEDHOST under this SOW and the Agreement, Client shall own all rights, title, and interest in and to written deliverables (e.g., reports and statements) that were specifically created for Client from Client's data or from the assessment or analysis of Client's operations (hereinafter referred to as "Custom Work Product"). MEDHOST hereby grants, sells, assigns, and conveys to Client all rights of MEDHOST in and to such Custom Work Product.

The transfer of any rights hereunder shall not apply to, Background Technology (as hereinafter defined) or any software, materials or other technology which is owned or controlled by MEDHOST or a third party (collectively referred to as "Existing

Technology). “*Background Technology*” means all processes, tools, works of authorship, user guides, programs, data, utilities or other intellectual property, in whatever form, that MEDHOST prepared or had prepared in connection with the Existing Technology or otherwise outside the scope of the Services provided hereunder. Background Technology, working papers, scripts, proprietary methodology and confidential information belong exclusively to MEDHOST, including to the extent included in the Deliverable. To the extent that the Deliverables contain MEDHOST Background Technology, Client is granted a nonexclusive license to use MEDHOST Background Technology or Existing Technology for the limited purpose of implementing the Deliverable for Client’s internal purposes.

9. PROJECT CHANGE CONTROL PROCEDURE

Services and Deliverables not explicitly addressed within this Statement of Work are beyond its scope and should only be provided pursuant to an executed Amendment to this SOW. Notwithstanding the foregoing, additional work performed at an hourly rate, if such a rate is stated herein, may be performed without execution of an Amendment if the cost of such work is less than \$5,000. In addition, MEDHOST’s performance of additional work without an executed Amendment shall not be deemed a waiver of MEDHOST’s right to collect payment for such work at MEDHOST’s reasonable hourly rate if evidence exists that the parties mutually intended for such work to be performed.

Statement of Work Revenue Cycle Professional Services

PO/SOW#: WA – 000xxxx

SOW Creation Date: November 19, 2018	Contracting Entity: Curae Health 121 Leinart St. Clinton, TN 37716	Serviced Facility: Batesville Regional Physicians, LLC 121 Leinart St. Clinton, TN 37716
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Fee Schedule

CODE	DESCRIPTION	MONTHLY FEES
RCPS	Revenue Cycle Professional Services	9.0% of patient account cash receipts

INTRODUCTION

This Statement of Work # WA – 000xxxx (hereinafter called the “SOW”) is effective as of the last date signed below and is issued pursuant to the Software License and Application Services Agreement #WC-839 between Curae Health and MEDHOST of Tennessee, Inc., (“MEDHOST”), dated July 7, 2015, as amended (the “Agreement”). This SOW is subject to all terms and conditions contained in the Agreement as if this SOW were made a part thereof. Any term not otherwise defined herein shall have the meaning specified in the Agreement. In the event of any conflict or inconsistency between the terms of this SOW and the terms of the Agreement, the terms of the Agreement shall govern and prevail.

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Serviced Facility acknowledges that, for purposes of this Statement of Work, it shall be bound by the terms, conditions, restrictions, limitations, representations and warranties of the Agreement to the same extent as if it were part of “Company” under the Agreement, and represents and warrants that it is bound by the terms of this Statement of Work and is jointly and severally responsible for any and all obligations hereunder, including but not limited to fees payable hereunder for Services provided by MEDHOST.

IN WITNESS WHEREOF, the parties hereto have executed this SOW as of the date last written below.

Curae Health

MEDHOST of Tennessee, Inc.

By: _____
 Name: _____
 Title: _____
 Date: _____

By: _____
 Name: _____
 Title: _____
 Date: _____

Batesville Regional Physicians, LLC

By: _____
 Name: _____
 Title: _____
 Date: _____

1. SERVICES AND DELIVERABLES

1.1. Scope of Work

This SOW will cover the following work as described below and further detailed herein.

1.2. Services

MEDHOST will perform the following Services under this SOW:

SERVICE OFFERING: Revenue Cycle Services to include:

- Billing of Clinic/Physician services
- Upload remits into clinic EHR system
- Accounts Receivable management
- Reporting

Service Phases:

- 1) **Implementation:** The implementation phase will include a series of calls with Client and MEDHOST. The initial kick-off call will occur within two weeks of SOW signature and MEDHOST will provide Client with Starter Pack, inclusive of project plan. Client will ensure that all identified key team members based on the MEDHOST starter pack will attend the kick-off meeting. The purpose of the kick-off meeting is to finalize the implementation project plan, clarify Client obligations, and agree to an implementation timeline. The implementation phase will be complete once all components are implemented to allow for service to commence.

MEDHOST Obligations:

- A. Establish implementation plan and data requirements
- B. Assign Project Lead and single escalation point for Client
- C. Document Client specific account workflow
- D. Complete client required training including but not limited to navigation of client systems Set-up systems and technology for MEDHOST best practices, which include written communication, verification, Secure File Transfer Protocol (SFTP), etc. to support service delivery workflows. Define the update and system entry protocol for account transactions and updates made in the client system. Deliver specifications for automating updates in the client system. MEDHOST will send this information to Client system. These specifications may include:
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 - iii. Bankruptcy
 - iv. Deceased
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 - vi. Workers Com
 - vii. Payment Plans

Client Obligations:

- A. Provide Client set-up documentation within one week of contract execution
 - a. Data necessary for set-up completion includes:
 - i. Tax ID
 - ii. Client Legal Name
 - iii. Client Address
 - iv. List of individual facilities:
 1. Address
 2. NPI

3. Taxonomy Code
 4. PTAN
- B. Ensure attendance of all key stakeholders on kick off call within one week of contract signature to include:
 - a. Primary project contact
 - b. Executive sponsor
 - c. IT representative
 - C. Ensure attendance by IT representatives on System Access and Training
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 - E. Provide a single point of coordination and escalation for partnership
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 - a. All Revenue Cycle (PFS) Policies and Procedures
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 - G. Establish remote Client system access to include:
 - a. Patient accounting system, final bill scrubber, electronic health record, case management systems, CPOE, and any additional clinical or financial information systems access needed to support submission of claims to third party payers
 - b. Access to, or copies of, payer contracts
 - c. Online access to remittance advice, including but not limited to 835 and other payer specific remittance documentation
 - d. Remote printing capability (CMS1500s, Itemized Statements or other documentation required to complete service delivery)
 - e. Access to payer web portals
 - f. System access will be completed within two weeks of request in order to prevent impact to MEDHOST service delivery
 - H. Establish process to proactively keep MEDHOST team members and training up to date when there are changes to the client's software versions, new enhancements, system access when new MEDHOST FTEs are on-boarded and other changes which may affect MEDHOST's ability to accomplish work for the client. Other examples include:
 - a. Deployment into MEDHOST virtual desktops environments
 - b. Changes in MEDHOST equipment (e.g., laptop failure requires replacement equipment)
 - c. System access updates within two weeks of request when changes in FTEs (new, change, term) occur, including equipment requirements
 - I. Secure location (SFTP) to send and retrieve files including transactions, remittance advice, etc. to be determined to reside on MEDHOST or Client system or both.
 - J. Deviation in providing the above outlined files or inability to abide by the File Specification requirements and/or timeline outlined in said addendum, will result in scope change and additional fees
- 2) **Services Delivery:** MEDHOST will provide **Revenue Cycle Services** described below for all accounts receivable. Delivery is predicated on both MEDHOST and Client fulfilling their obligations as outlined in the following.
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 - All billed and unbilled accounts with balances owed by a third party including, but not limited to, Medicare, Medicaid, Blue Cross / Blue Shield, Managed Care, Commercial, Workman Compensation, Indian Health, VA, TriCare, and Auto/Homeowners/Liability carriers starting on mutually agreed upon date until contract termination.

Deviation in providing the above outlined referrals or inability to provide accounts within specific tolerances of the above account population, may result in scope change and additional fees.

MEDHOST Revenue Cycle Obligations

MEDHOST will complete all billing, re-billing and follow up activities necessary to resolve assigned accounts, as follows.

- MEDHOST team will manage the retrospective Accounts Receivable process from account placement through resolution based upon program parameters. Resolution is defined to be resolved to zero balance or balance is determined to be patient responsibility through cash payment, adjustment, and/or completion of a formal appeal/grievance process.
- MEDHOST will handle uploading of the ERA 835 files, as well as lock box and any direct mail payments into Client system.
- MEDHOST will process all claims ready for billing from Client system through the claim scrubber and clearing house on a daily basis.

- MEDHOST will identify third party coverage throughout the recovery process and will work the discovered insurance population of AR accounts to resolution. Included actions will be all re-billing, follow-up activities, and clinical review services necessary to finalize discovered insurance accounts.
- MEDHOST will perform account follow-up on all open balances owed by a third party including, but not limited to, Medicare, Medicaid, Blue Cross / Blue Shield, Managed Care, Commercial, Workman Compensation, Indian Health, VA, TriCare, and Auto/Homeowners/Liability carriers as identified by patient access.
- MEDHOST will manage all accounts billed to third parties and denied in total or partially by the third party payer, upon receipt of the denial
- MEDHOST will note all accounts where a letter, call or any other action has been performed during the resolution process.

MEDHOST Reporting Obligations:

- MEDHOST will facilitate a weekly meeting to review initial results of the project. After 90 days, the meetings may be reduced to monthly.
- MEDHOST will provide the following standard reports:
 - Inventory report
 - Weekly Cash Report (by payer)
 - Weekly ATB
 - Number of accounts and dollars in aging categories by payer
- Supplemental reports will be dependent on MEDHOST capabilities

Client Obligations:

- Participation in performance review meetings
- Provide MEDHOST with all Explanation of Benefits or Remittance Advices within 2 days of request by MEDHOST.
- Provide MEDHOST with electronic access to remittance advices for contracted payors including all government payors and any correspondence relevant to patient transactions.
- Client personnel are responsible for the daily receipts, posting, balancing, and the retention of the supporting documentation for over the counter payments.
- Provide MEDHOST with any internal forms used to balance cash, submit adjustment requests, and submit refund requests and any forms with Client letterhead which may be needed to communicate with outside parties such as payors, attorney's, etc.
- Post comments to the patient accounts regarding any actions taken, any communication with patient or payor and any correspondence received regarding the patient accounts.

2. RESPONSIBILITIES

2.1. MEDHOST Responsibilities

MEDHOST will be responsible for the following activities:

1. Provide all Services as described in this SOW.

2.2. Client Responsibilities

Client will be responsible for the following activities:

1. Client represents and warrants that (a) it has all necessary right and authority to execute and perform this SOW in light of pending bankruptcy #3:18-bk-05665, to which both Curae Health, Inc. and Batesville Rural Health Clinic are parties; (b) the Services to be provided hereunder represent services provided for in the ordinary course of Client's business and its relationship with MEDHOST; and (c) it has confirmed that the financial commitment represented by this SOW are contemplated in the applicable budget(s) for the ongoing operation of Client, and that it is responsible for obtaining all necessary approvals from any party claiming an interest in the assets in Client's accounts receivable. MEDHOST shall

have no responsibility to provide any Services hereunder until and unless MEDHOST and its legal counsel are satisfied, in their sole discretion, that all necessary and appropriate approvals have been obtained. Client will provide any reasonable assistance in obtaining such approvals that is requested by MEDHOST

MEDHOST's timely and full performance of this SOW is dependent on Client's fulfillment of these responsibilities.

Initial Points of Contact:

	POINT(S) OF CONTACT	Phone	Email
MEDHOST	Lisa Mounkes Teresa Cantrell	(615) 761-1889 (615) 761-2656	Lisa.Mounkes@medhost.com Teresa.cantrell@medhost.com
Client			

3. ASSUMPTIONS

MEDHOST has created this SOW under the following assumptions. If one or more of these assumptions proves to be invalid, costs and other project factors may be impacted.

1. Where appropriate, knowledgeable Client resources will be made available for functional questions and making business decisions. It is also expected that Client staff will participate throughout the implementation.
2. Unless otherwise agreed, MEDHOST reserves the right to subcontract any or all portions of the Services contemplated hereunder. MEDHOST will remain responsible for its subcontractors. The payment gateway provider is not considered a subcontractor of MEDHOST.
3. Client will have the appropriate software and hardware available at the beginning of and throughout the term of this SOW. The necessary hardware environment (operating system, network, ports) should be configured appropriately and stable.
4. It is expressly understood that MEDHOST is not acting as a collection agency, but acting as a consultant in receivables management.
5. MEDHOST does not provide any guarantees with regard to any specific transaction or variance.

4. PERFORMANCE DETAILS

4.1. Place of Performance

All services will be provided via, remote and/or online means and methods.

4.2. Commencement

This SOW will commence as agreed to by parties.

4.3. Term and Timeline

This SOW represents a commitment by Client for an initial Term of **twelve (12) months** of the monthly services. The Term of this SOW will then continue until either party provides sixty (60) days' written notice of intent to terminate the SOW.

If Client terminates or does not renew the Agreement prior to the conclusion of the initial Term of this SOW, the terms of the Agreement shall continue to govern this SOW as and to the extent such terms would have governed this SOW if the Agreement had never terminated, and shall do so until the end of the then-current Term of this SOW. At the conclusion of such Term, the parties shall mutually agree on a governing agreement to replace the Agreement, or this SOW shall terminate.

5. PAYMENT TERMS

Revenue Cycle Operations

FEE TYPE	PAYMENT TERMS
Fees	<p>The rate for all Services listed hereunder shall be 9.0% of patient accounts.</p> <p>Upon execution, MEDHOST will invoice Client a good-faith estimate of the first two (2) weeks' fees. After the completion of first two weeks of Services hereunder, MEDHOST will invoice the next two weeks' estimated fees, which will be adjusted to true up the difference between the previous invoice's estimated fees and the actual amount of fees owed under this SOW for that two week period. MEDHOST will continue this invoicing process every two weeks for the duration of the term of the SOW. At the conclusion of the SOW, MEDHOST will either invoice (if the most recent paid invoice was less than the actual fees) or refund (if the most recent paid invoice was greater than the actual fees) any true-up amount for the final two weeks of Services.</p> <p>All invoices will be will be due upon receipt, and Client will pay MEDHOST as set forth above via ACH direct debit initiated by MEDHOST</p>

All prices specified in the SOW are exclusive of any taxes, fees, duties or other applicable amounts. Client shall pay the taxes related to Services purchased pursuant to the SOW, or Client shall present an exemption certificate acceptable to the taxing authorities. Applicable taxes, if any, will be billed as a separate item on the invoice.

6. TRAVEL & EXPENSES

To the extent applicable, and unless otherwise specified, out-of-pocket expenses, including per diems, will be invoiced in arrears for the month that they were incurred in accordance with MEDHOST's travel policy. Client will be invoiced for all costs associated with out-of-pocket expenses (including, without limitation, costs and expenses associated with meals, lodging, local transportation and any other applicable business expenses) listed on the invoice as a separate line item. Out-of-pocket expenses will also include any fees incurred by MEDHOST to deliver the Service(s) and/or Deliverable(s) in a remote manner to Client, including, but not limited to, on-line meeting service fees and conference calls. All per diems will be billed at the then-current IRS reimbursement rate.

7. PROPRIETARY AND CONFIDENTIAL

This SOW contains confidential and proprietary information of MEDHOST and its vendors. Information contained in this SOW may not be disclosed, disseminated, or otherwise revealed to any party outside of Client or any party within Client who is not privileged to receive such information without the express written permission of MEDHOST. There is no obligation to maintain the confidentiality of any information which was known to Client prior to receipt of such information from MEDHOST, or becomes publicly known through no fault of Client, or is received without obligation of confidentiality from a third party owing no obligation of confidentiality to MEDHOST.

8. INTELLECTUAL PROPERTY

Upon full payment of all amounts due MEDHOST under this SOW and the Agreement, Client shall own all rights, title, and interest in and to written deliverables (e.g., reports and statements) that were specifically created for Client from Client's data or from the assessment or analysis of Client's operations (hereinafter referred to as "Custom Work Product"). MEDHOST hereby grants, sells, assigns, and conveys to Client all rights of MEDHOST in and to such Custom Work Product.

The transfer of any rights hereunder shall not apply to, Background Technology (as hereinafter defined) or any software, materials or other technology which is owned or controlled by MEDHOST or a third party (collectively referred to as "Existing

Technology”). “Background Technology” means all processes, tools, works of authorship, user guides, programs, data, utilities or other intellectual property, in whatever form, that MEDHOST prepared or had prepared in connection with the Existing Technology or otherwise outside the scope of the Services provided hereunder. Background Technology, working papers, scripts, proprietary methodology and confidential information belong exclusively to MEDHOST, including to the extent included in the Deliverable. To the extent that the Deliverables contain MEDHOST Background Technology, Client is granted a nonexclusive license to use MEDHOST Background Technology or Existing Technology for the limited purpose of implementing the Deliverable for Client’s internal purposes.

9. PROJECT CHANGE CONTROL PROCEDURE

Services and Deliverables not explicitly addressed within this Statement of Work are beyond its scope and should only be provided pursuant to an executed Amendment to this SOW. Notwithstanding the foregoing, additional work performed at an hourly rate, if such a rate is stated herein, may be performed without execution of an Amendment if the cost of such work is less than \$5,000. In addition, MEDHOST’s performance of additional work without an executed Amendment shall not be deemed a waiver of MEDHOST’s right to collect payment for such work at MEDHOST’s reasonable hourly rate if evidence exists that the parties mutually intended for such work to be performed.

Statement of Work Revenue Cycle Professional Services

PO/SOW#: WA – 000xxxx

SOW Creation Date: November 19, 2018	Contracting Entity: Curae Health 121 Leinart St. Clinton, TN 37716	Serviced Facility: Clarksdale Regional Physicians, LLC 1970 Hospital Drive Clarksdale, MS 38614
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Fee Schedule

CODE	DESCRIPTION	MONTHLY FEES
RCPS	Revenue Cycle Professional Services	9.0% of patient account cash receipts

INTRODUCTION

This Statement of Work # WA – 000xxxx (hereinafter called the “SOW”) is effective as of the last date signed below and is issued pursuant to the Software License and Application Services Agreement #WC-839 between Curae Health and MEDHOST of Tennessee, Inc., (“MEDHOST”), dated July 7, 2015, as amended (the “Agreement”). This SOW is subject to all terms and conditions contained in the Agreement as if this SOW were made a part thereof. Any term not otherwise defined herein shall have the meaning specified in the Agreement. In the event of any conflict or inconsistency between the terms of this SOW and the terms of the Agreement, the terms of the Agreement shall govern and prevail.

All work performed hereunder will be performed for the *Serviced Facility* as contracted for by the *Contracting Entity*, as such entities are identified in the header above. Hereinafter, this SOW will use the defined term “Client” to collectively refer to both the *Serviced Facility* and the *Contracting Entity*. It will be the sole responsibility of the *Contracting Entity*, to determine and to control which entity will be responsible for performing any particular obligation or requirement placed on the “Client” hereunder, but the *Contracting Entity* will remain the legally responsible party under the Agreement and this SOW.

Serviced Facility acknowledges that, for purposes of this Statement of Work, it shall be bound by the terms, conditions, restrictions, limitations, representations and warranties of the Agreement to the same extent as if it were part of “Company” under the Agreement, and represents and warrants that it is bound by the terms of this Statement of Work and is jointly and severally responsible for any and all obligations hereunder, including but not limited to fees payable hereunder for Services provided by MEDHOST.

IN WITNESS WHEREOF, the parties hereto have executed this SOW as of the date last written below.

Curae Health

MEDHOST of Tennessee, Inc.

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

Clarksdale Regional Physicians, LLC

By: _____
Name: _____
Title: _____
Date: _____

1. SERVICES AND DELIVERABLES

1.1. Scope of Work

This SOW will cover the following work as described below and further detailed herein.

1.2. Services

MEDHOST will perform the following Services under this SOW:

SERVICE OFFERING: Revenue Cycle Services to include:

- Billing of Clinic/Physician services
- Upload remits into clinic EHR system
- Accounts Receivable management
- Reporting

Service Phases:

- 1) **Implementation:** The implementation phase will include a series of calls with Client and MEDHOST. The initial kick-off call will occur within two weeks of SOW signature and MEDHOST will provide Client with Starter Pack, inclusive of project plan. Client will ensure that all identified key team members based on the MEDHOST starter pack will attend the kick-off meeting. The purpose of the kick-off meeting is to finalize the implementation project plan, clarify Client obligations, and agree to an implementation timeline. The implementation phase will be complete once all components are implemented to allow for service to commence.

MEDHOST Obligations:

- A. Establish implementation plan and data requirements
- B. Assign Project Lead and single escalation point for Client
- C. Document Client specific account workflow
- D. Complete client required training including but not limited to navigation of client systems Set-up systems and technology for MEDHOST best practices, which include written communication, verification, Secure File Transfer Protocol (SFTP), etc. to support service delivery workflows. Define the update and system entry protocol for account transactions and updates made in the client system. Deliver specifications for automating updates in the client system. MEDHOST will send this information to Client system. These specifications may include:
 - a. Financial transactions - payments, adjustments
 - b. Demographic updates
 - c. Insurance updates
 - d. Daily notes
 - e. Any/all Specialized and/or automated workflows such as:
 - i. Financial Assistance/Charity Care
 - ii. Discount approvals
 - iii. Bankruptcy
 - iv. Deceased
 - v. Third Party Liability
 - vi. Workers Com
 - vii. Payment Plans

Client Obligations:

- A. Provide Client set-up documentation within one week of contract execution
 - a. Data necessary for set-up completion includes:
 - i. Tax ID
 - ii. Client Legal Name
 - iii. Client Address
 - iv. List of individual facilities:
 1. Address
 2. NPI

3. Taxonomy Code
 4. PTAN
 - B. Ensure attendance of all key stakeholders on kick off call within one week of contract signature to include:
 - a. Primary project contact
 - b. Executive sponsor
 - c. IT representative
 - C. Ensure attendance by IT representatives on System Access and Training
 - D. Ensure attendance at on-going Implementation meetings
 - E. Provide a single point of coordination and escalation for partnership
 - F. Provide Client-specific Policies and supporting documentation applicable to service delivery within two weeks of kick off call. Examples include:
 - a. All Revenue Cycle (PFS) Policies and Procedures
 - b. Payment Agreement Guidelines
 - G. Establish remote Client system access to include:
 - a. Patient accounting system, final bill scrubber, electronic health record, case management systems, CPOE, and any additional clinical or financial information systems access needed to support submission of claims to third party payers
 - b. Access to, or copies of, payer contracts
 - c. Online access to remittance advice, including but not limited to 835 and other payer specific remittance documentation
 - d. Remote printing capability (CMS1500s, Itemized Statements or other documentation required to complete service delivery)
 - e. Access to payer web portals
 - f. System access will be completed within two weeks of request in order to prevent impact to MEDHOST service delivery
 - H. Establish process to proactively keep MEDHOST team members and training up to date when there are changes to the client's software versions, new enhancements, system access when new MEDHOST FTEs are on-boarded and other changes which may affect MEDHOST's ability to accomplish work for the client. Other examples include:
 - a. Deployment into MEDHOST virtual desktops environments
 - b. Changes in MEDHOST equipment (e.g., laptop failure requires replacement equipment)
 - c. System access updates within two weeks of request when changes in FTEs (new, change, term) occur, including equipment requirements
 - I. Secure location (SFTP) to send and retrieve files including transactions, remittance advice, etc. to be determined to reside on MEDHOST or Client system or both.
 - J. Deviation in providing the above outlined files or inability to abide by the File Specification requirements and/or timeline outlined in said addendum, will result in scope change and additional fees
- 2) **Services Delivery:** MEDHOST will provide **Revenue Cycle Services** described below for all accounts receivable. Delivery is predicated on both MEDHOST and Client fulfilling their obligations as outlined in the following.
- **Population:** MEDHOST will be responsible for providing services for:
 - All billed and unbilled accounts with balances owed by a third party including, but not limited to, Medicare, Medicaid, Blue Cross / Blue Shield, Managed Care, Commercial, Workman Compensation, Indian Health, VA, TriCare, and Auto/Homeowners/Liability carriers starting on mutually agreed upon date until contract termination.

Deviation in providing the above outlined referrals or inability to provide accounts within specific tolerances of the above account population, may result in scope change and additional fees.

MEDHOST Revenue Cycle Obligations

MEDHOST will complete all billing, re-billing and follow up activities necessary to resolve assigned accounts, as follows.

- MEDHOST team will manage the retrospective Accounts Receivable process from account placement through resolution based upon program parameters. Resolution is defined to be resolved to zero balance or balance is determined to be patient responsibility through cash payment, adjustment, and/or completion of a formal appeal/grievance process.
- MEDHOST will handle uploading of the ERA 835 files, as well as lock box and any direct mail payments into Client system.
- MEDHOST will process all claims ready for billing from Client system through the claim scrubber and clearing house on a daily basis.

- MEDHOST will identify third party coverage throughout the recovery process and will work the discovered insurance population of AR accounts to resolution. Included actions will be all re-billing, follow-up activities, and clinical review services necessary to finalize discovered insurance accounts.
- MEDHOST will perform account follow-up on all open balances owed by a third party including, but not limited to, Medicare, Medicaid, Blue Cross / Blue Shield, Managed Care, Commercial, Workman Compensation, Indian Health, VA, TriCare, and Auto/Homeowners/Liability carriers as identified by patient access.
- MEDHOST will manage all accounts billed to third parties and denied in total or partially by the third party payer, upon receipt of the denial
- MEDHOST will note all accounts where a letter, call or any other action has been performed during the resolution process.

MEDHOST Reporting Obligations:

- MEDHOST will facilitate a weekly meeting to review initial results of the project. After 90 days, the meetings may be reduced to monthly.
- MEDHOST will provide the following standard reports:
 - Inventory report
 - Weekly Cash Report (by payer)
 - Weekly ATB
 - Number of accounts and dollars in aging categories by payer
- Supplemental reports will be dependent on MEDHOST capabilities

Client Obligations:

- Participation in performance review meetings
- Provide MEDHOST with all Explanation of Benefits or Remittance Advices within 2 days of request by MEDHOST.
- Provide MEDHOST with electronic access to remittance advices for contracted payors including all government payors and any correspondence relevant to patient transactions.
- Client personnel are responsible for the daily receipts, posting, balancing, and the retention of the supporting documentation for over the counter payments.
- Provide MEDHOST with any internal forms used to balance cash, submit adjustment requests, and submit refund requests and any forms with Client letterhead which may be needed to communicate with outside parties such as payors, attorney's, etc.
- Post comments to the patient accounts regarding any actions taken, any communication with patient or payor and any correspondence received regarding the patient accounts.

2. RESPONSIBILITIES

2.1. MEDHOST Responsibilities

MEDHOST will be responsible for the following activities:

1. Provide all Services as described in this SOW.

2.2. Client Responsibilities

Client will be responsible for the following activities:

1. Client represents and warrants that (a) it has all necessary right and authority to execute and perform this SOW in light of pending bankruptcy #3:18-bk-05665, to which both Curae Health, Inc. and Clarksdale Regional Physicians are parties; (b) the Services to be provided hereunder represent services provided for in the ordinary course of Client's business and its relationship with MEDHOST; and (c) it has confirmed that the financial commitment represented by this SOW are contemplated in the applicable budget(s) for the ongoing operation of Client, and that it is responsible for obtaining all necessary approvals from any party claiming an interest in the assets in Client's accounts receivable.

MEDHOST shall have no responsibility to provide any Services hereunder until and unless MEDHOST and its legal counsel are satisfied, in their sole discretion, that all necessary and appropriate approvals have been obtained. Client will provide any reasonable assistance in obtaining such approvals that is requested by MEDHOST

MEDHOST's timely and full performance of this SOW is dependent on Client's fulfillment of these responsibilities.

Initial Points of Contact:

	POINT(S) OF CONTACT	Phone	Email
MEDHOST	Lisa Mounkes Teresa Cantrell	(615) 761-1889 (615) 761-2656	Lisa.Mounkes@medhost.com Teresa.cantrell@medhost.com
Client			

3. ASSUMPTIONS

MEDHOST has created this SOW under the following assumptions. If one or more of these assumptions proves to be invalid, costs and other project factors may be impacted.

1. Where appropriate, knowledgeable Client resources will be made available for functional questions and making business decisions. It is also expected that Client staff will participate throughout the implementation.
2. Unless otherwise agreed, MEDHOST reserves the right to subcontract any or all portions of the Services contemplated hereunder. MEDHOST will remain responsible for its subcontractors. The payment gateway provider is not considered a subcontractor of MEDHOST.
3. Client will have the appropriate software and hardware available at the beginning of and throughout the term of this SOW. The necessary hardware environment (operating system, network, ports) should be configured appropriately and stable.
4. It is expressly understood that MEDHOST is not acting as a collection agency, but acting as a consultant in receivables management.
5. MEDHOST does not provide any guarantees with regard to any specific transaction or variance.

4. PERFORMANCE DETAILS

4.1. Place of Performance

All services will be provided via, remote and/or online means and methods.

4.2. Commencement

This SOW will commence as agreed to by parties.

4.3. Term and Timeline

This SOW represents a commitment by Client for an initial Term of **twelve (12) months** of the monthly services. The Term of this SOW will then continue until either party provides sixty (60) days' written notice of intent to terminate the SOW.

If Client terminates or does not renew the Agreement prior to the conclusion of the initial Term of this SOW, the terms of the Agreement shall continue to govern this SOW as and to the extent such terms would have governed this SOW if the Agreement had never terminated, and shall do so until the end of the then-current Term of this SOW. At the conclusion of such Term, the parties shall mutually agree on a governing agreement to replace the Agreement, or this SOW shall terminate.

5. PAYMENT TERMS

Revenue Cycle Operations

FEE TYPE	PAYMENT TERMS
Fees	<p>The rate for all Services listed hereunder shall be 9.0% of patient accounts.</p> <p>Upon execution, MEDHOST will invoice Client a good-faith estimate of the first two (2) weeks' fees. After the completion of first two weeks of Services hereunder, MEDHOST will invoice the next two weeks' estimated fees, which will be adjusted to true up the difference between the previous invoice's estimated fees and the actual amount of fees owed under this SOW for that two week period. MEDHOST will continue this invoicing process every two weeks for the duration of the term of the SOW. At the conclusion of the SOW, MEDHOST will either invoice (if the most recent paid invoice was less than the actual fees) or refund (if the most recent paid invoice was greater than the actual fees) any true-up amount for the final two weeks of Services.</p> <p>All invoices will be will be due upon receipt, and Client will pay MEDHOST as set forth above via ACH direct debit initiated by MEDHOST</p>

All prices specified in the SOW are exclusive of any taxes, fees, duties or other applicable amounts. Client shall pay the taxes related to Services purchased pursuant to the SOW, or Client shall present an exemption certificate acceptable to the taxing authorities. Applicable taxes, if any, will be billed as a separate item on the invoice.

6. TRAVEL & EXPENSES

To the extent applicable, and unless otherwise specified, out-of-pocket expenses, including per diems, will be invoiced in arrears for the month that they were incurred in accordance with MEDHOST's travel policy. Client will be invoiced for all costs associated with out-of-pocket expenses (including, without limitation, costs and expenses associated with meals, lodging, local transportation and any other applicable business expenses) listed on the invoice as a separate line item. Out-of-pocket expenses will also include any fees incurred by MEDHOST to deliver the Service(s) and/or Deliverable(s) in a remote manner to Client, including, but not limited to, on-line meeting service fees and conference calls. All per diems will be billed at the then-current IRS reimbursement rate.

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9. PROJECT CHANGE CONTROL PROCEDURE

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