



EENT _____ Urological _____ Gastroenterology _____
Dental x Acupuncture _____ Abortion (* See 3.) _____

2. Briefly state the overall objective of the surgical treatment center: To provide care to patients needing
oral, maxillofacial and pediatric dental care.
3. Are you a Physician's Practice performing more than 50 surgical abortions annually? Yes _____ No x
If yes, when was the Physician's Practice established to provide surgical abortions n/a
4. Provide proof of the ability to meet the financial needs of the facility.

OWNERSHIP OF BUSINESS:

1. a. Check the type of Legal Entity:
Individual _____ Partnership _____ Corporation _____ Limited Liability Company x
Church Related _____ Government/County _____ Other _____
- b. Check one: For Profit x Non-profit _____
- c. Legal Entity checked in 1.a:
Name Nashville Midtown Surgical, LLC Phone Number (615) 866-2799
Street 500 28th Ave North, STE 101
City Nashville State Tennessee Zip 37209
List name(s) and address(es) of individual owners, partners, directors of the corporation, or head of the governmental entity:
See attached list.
- | Name | Street | City, State, Zip |
|------|--------|------------------|
| | | |
| | | |
- (If additional space is needed, please use a separate sheet)*
- e. If a government/county owned facility, does the administrator have authority to act on behalf of the government/county as it relates to the operation of this facility? Yes _____ No _____ N/A
- f. If no to e., who has said authority? n/a
2. a. Is your facility/organization accredited by a federally approved accrediting body including but not limited to JCAHO, CARF, etc.? Provide proof of accreditation.
Yes _____ No _____ Expiration Date pending AAAHC (waiting to finish first 10 cases)
3. Is this facility chain affiliated? Yes _____ No x
4. If you have a parent company, please provide the following information:
Name n/a Phone Number () _____
Address _____
City _____ State _____ Zip _____

5. a. If a corporation, is there a holding company? Yes _____ No x
- b. If yes, list the name, address, and phone number of the holding company:
- Name _____ Phone Number (____) _____
- Street _____
- City _____ State _____ Zip _____
6. a. Are any owners of the disclosing entity also owners of other health care facilities in Tennessee and/or other states? Yes _____ No x
- b. If yes, list names and addresses of all such facilities:
- n/a
7. a. Do you have a contract with a management firm to operate this facility? Yes x No _____
- If yes, specify dates: From 03/25/2024 To 03/25/2029
- b. If yes, specify name of firm: Blue Cloud Pediatric Surgery Centers, LLC
- Street 182 Industrial Road Phone Number (717) 759-4375
- City Glen Rock State PA Zip 17327
8. For any item in (8) a-h below, please identify, explain and provide documentation of the item(s) noted if response is "Yes". Have either the licensed entity for any of the other health care facilities in Tennessee and/or other states on the list in question (6.b.) above, OR the management firm listed in question (7.) above; been subjected to any of the following within the last (5) years:
- a. Licensure
- i) denied a license ? Yes _____ No x
- ii) had a license suspended or revoked by any state licensure agency? Yes _____ No x
- iii) been subject to a final order or judgment in a state licensure action? Yes _____ No x
- b. Convictions
- i) convicted of a criminal offense related to that person's involvement in any program under any state or Federal health care program (including Medicare, Medicaid, and Tricare)? Yes _____ No x
- c. Exclusion
- i) excluded from participation in Federal health care programs (Medicare, Medicaid, CHIP, or Tricare) in the past? Yes _____ No x
- (Note: "Excluded" is defined as a provider or entity has been told by the Department of Health and Human Services, Office of the Inspector General (HHS-OIG) that they may no longer be a provider for any federally funded healthcare program).
- d. Termination/Suspension
- i) suspended or terminated from participation in Medicare or Medicaid/TennCare programs? Yes _____ No x
- (Note: This would include involuntary termination of a nursing facility or skilled nursing facility by the Centers for Medicare and Medicaid Services (CMS) or state Medicaid agency).

e. Fraud and Abuse

- i) paid through settlement, or civil or criminal fines, any monies to the federal government or any state as a result of any administrative or judicial proceeding based on allegations of fraud or abuse involving claims related to the provision of health care items and services? Yes No X

f. Corporate Integrity Agreement

- i) Is presently an entity covered by and subject the terms of a corporate integrity agreement? Yes No X

(Note: If yes, provide a copy of CIA)

g. Bankruptcy

- i) filed bankruptcy under any provision of the United States Bankruptcy Code? Yes No X

h. Civil Monetary Penalty (CMP)

- i) paid to the Centers for Medicare and Medicaid Services or any state Medicaid agency a civil money penalty equal to or greater than \$250,000.00 as a result of an enforcement action during a survey? Yes No X

Failure to provide true and correct copies of any documents related to the items list in 8(a-h) listed above may be grounds for referral of the application for special consideration, and/or may be grounds for disciplines.

If the applicant answered "Yes" to any of the questions (a)-(h) above, please provide copies of any documentation associated with the event and/or sanction. The documentation should provide the Health Facilities Commission with sufficient information regarding the nature of the event and/or sanction, the current status of the issue, as well as details regarding what corrective action have been implemented (as applicable).

VERIFICATION BY NOTARY PUBLIC:

Signee for application certifies that he or she is of responsible character and able to comply with the minimum standards and regulations established by Tennessee pertaining to the type of facility or agency for which application for licensure is made and with the rules promulgated under Tennessee Code Annotated (TCA §68-11-201.

Signee also certifies that a policy has been implemented to inform all employees of their obligation under TCA § 71-6-103 to report incidents of abuse or neglect.



Applicant Signature

PRESIDENT

Title or Position

7/15/2024

Date

STATE OF TENNESSEE

County of Davidson

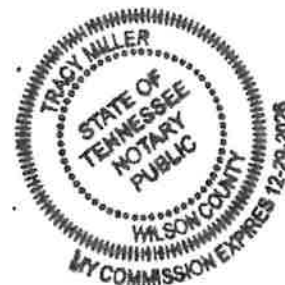
The above named applicant (print name) Adam Pitts, being by me duly sworn on his/her oath, deposes and says that he/she read the foregoing application and knows the contents thereof that the statements concerning the above named facility or agency, therein contained, are correct and true to his/her own knowledge.

Subscribed to and sworn to on this 16th day of July 2024
Month Year

Notary Public: [Signature]

My commission expires: 12-29-26

FEE SCHEDULE: (FEES ARE NON-REFUNDABLE) **\$1,404**





July 12, 2022

Dr. Adam S. Pitts
Nashville Midtown Surgery
500 28th Avenue North, Suite 101
Nashville, Tennessee 37209

Sent via email

File #255
APP #9728
WTRO
ITSD
PLANS Review
Sent 7/8/2024
ESS

Dear Dr. Adam S. Pitts:

This is to acknowledge receipt of your application and fee to apply for licensure of Nashville Midtown Surgery. Please review the instruction sheet that you received with the application to apply for licensure so that you are aware of the process for obtaining licensure of your facility. The facility file number will be 255. If a certificate of need is required to provide services, you will need to contact *Health Services and Developmental Agency* at (615) 741-2364.

Please remember that if you are applying for licensure of a facility that requires an architectural plans review contact Plans Review for complete and details and procedures at (615) 741-6998. You must submit those plans along with the plans review fee prior to scheduling a survey. **For Homes for the Aged facilities specifically, TCA-368-11-202 allows "schematics shall be submitted to the department for approval of plans and specifications, converting and existing single-family dwelling" with six (6) or less beds.**

It is your responsibility to contact the Tennessee Regional Office to request a survey of your facility. Please submit the request in writing to , Regional Administrator, . If you would like to fax the request to) the fax number is .

Your application and fee will be held in a pending status until you are recommended by the Regional Office for licensure. Once the recommendation for licensure is received from the regional office, your facility will receive a letter for "Initial Approval." Admission of patients MAY NOT occur until the facility's receipt of the "Initial Approval" letter. Your application will be presented before the Board for Licensing Health Care Facilities for ratification and final approval at the next regularly scheduled board meeting. Your facility CAN operate once you receive the "Initial Approval."

This application will only be good for one (1) year from the date of receipt. If the initial licensure has not occurred within that one (1) year period, you will be required to submit a new application and fee unless you have contacted our office in writing extending your application.

In the event that a certificate of need is required prior to obtaining a license for this facility the application file will be closed the day following the expiration date of the certificate of need.

Should you have any questions or if I can be of assistance to you, please call me at (615) 741-7202 or you may email me at .

Sincerely,

Vicki Palmer Magsby

Vicki Palmer Magsby, ASA2
Phone: (615) 741-7202
Fax: (615) 253-8798
Vicki.Palmer-Magsby@tn.gov



State of Tennessee

Health Facilities Commission

665 Mainstream Drive, 2nd Floor, Nashville, TN 37243

www.tn.gov/hfc

Phone: 615-741-7221

July 16, 2024

Sent Via Email

Revised

Adam S. Pitts, MD, DDS
Nashville Midtown Surgical, LLC
300 20th Avenue North, Suite 100
Nashville, Tennessee 37203

Facility Type: Ambulatory Surgical Treatment Center

Dear Dr. Pitts:

It is my pleasure to inform you that your application for licensure of Nashville Midtown Surgery, LLC located at 500 28th Avenue North, Suite 101, Nashville, Tennessee 37209 has been initially approved for new ASTC buildout that consists of 1 waiting room, registration desk, male and female locker rooms, nurses station, support spaces, 3 operating rooms, 7 recovery/pre op, 4 consultation rooms, equipment storage room, clean and soiled linen, public restroom, dictation room, electrical and mechanical rooms, nourishment room, storage spaces, sterile processing, and decontamination room; effective date of July 12, 2024 . The CN# is 1908-030A. The license number shall be 255. For this initial approval to become final and permanent, your application must be ratified by the Commission pursuant to T.C.A. §68-11-206. The Commission will consider your application at its next meeting, scheduled for August 2024 . **You are hereby authorized to commence operation pending the final decision of the Commission.** No further action is necessary on your part currently.

For certification purposes, please be advised it is your responsibility to contact your Health Facilities Commission regional office for participation in Medicare/Medicaid. The West Tennessee Regional Office phone number is 731-984-9684 .

If the Commission **does** ratify the approval of your application, the license number listed above will become your permanent license number and a letter will be forwarded to you within three (3) business days; notifying you of the Commission's final decision.

If the Commission **does not** ratify the initial approval of your application, a letter will be forwarded to you providing an explanation and specific instructions as to any action(s) you may take to have the decision reviewed, at which time this authorization shall cease to be effective.

Please contact me if I can be of further assistance.

Sincerely,

Niraj Soni

Niraj Soni, ASA 3
Phone: (615) 741-7539
Fax: (615) 253-8798
Email: Niraj.Soni@tn.gov

cc: West Tennessee Regional Administrator



APPROVAL FOR FACILITY LICENSURE OR OCCUPANCY

Facility Type: ASTC **File # 255** License # (if applicable): _____ County: Davidson

Initial X Renovation _____ Satellite/Off Campus Location _____

Physical Plant/Services/New Addition _____ Relocation/Replacement Facility _____
(Circle One) (Circle One)

Facility Name: Nashville Midtown Surgical, LLC

Address: 500 28th Ave North Suite 101 City: Nashville Zip Code: 37209

Application and fee on file in Central Office (CO)? Yes X No _____ CON #: 1908-030-A

Project #: 2022-07-05-02 Phase: 1 of 1

Facility approved for (if satellite/off campus site include address): Approval for buildout of new ASTC. This includes: 1 waiting room, registration desk, male and female staff locker rooms, nurses station, support spaces, 3 operating rooms, 7 recovery/pre op, 4 consultation rooms, equipment storage room, clean and soiled linen, public restroom, dictation room, electrical and mechanical rooms, nourishment room, storage spaces, sterile processing and decontamination room

Sprinklered: 100 (Full 100%) Partial: _____ (%)

Licensed bed count from: _____ to _____ Number of beds increased/decreased: _____

If secured unit, number of beds in unit: _____ If Alzheimer's unit, number of beds in unit: _____
(NOTE: If this is an increase in the number of beds in a secured Alzheimer's unit, indicate number of beds approved for the increase number only)

Health Surveyor: Brandi Blair, RN/RR Date: 7/9/2024
CH

Fire Safety: Britni Spears Date: 6/25/2024

CD Approved: Yes X No _____ N/A _____ Health Survey Required: Yes X No _____

Facility's Letter of Notification received in Licensure: Yes ✓ No _____
(Completed by Central Office Licensure Staff)

CMS Paperwork (855, etc) approved and received in regional office: Yes _____ No ✓
(NOTE: With exception of Initial Licensure Approvals)

Effective date: July 12, 2024 Licensure is recommended: Yes ✓ No _____
(Completed by Central Office Licensure Staff)

KZ/Rhonda Rogers 7/12/2024
Regional Administrator/Facilities Construction Director or Designee Date

Niraj Seni 7/16/24
Licensure Program Unit Staff Date



Tennessee Department of Health
Cash Listing Report

Client: 5 - Board for Licensing Health Care Facilities
Batch #: 300
Receipt: 1
Total \$ Entered: \$ 1,404.00
Receipts Entered: 1
Origin: Deposit
Deposit #: 071522
Total: \$ 1,404.00
Fiscal Year: 2024
Deposit Date: 2024-02-01
Status: Deposited

Receipt #	DLN	Received	Disp	Pmt	Bad Check?	Unassigned	Prof	Remitted By / Beneficiary	File #	License #	As
1026	34040731	\$ 1,404.00	DEP	C		\$ 1,404.00	535	NASHVILLE MIDTOWN SURGERY	255		
Total:		\$ 1,404.00				\$ 1,404.00					

BUSINESS SERVICES AGREEMENT (ASC)

THIS BUSINESS SERVICES AGREEMENT, dated as of March 25, 2024 (the “**Effective Date**”), is made and entered into by and between Blue Cloud Pediatric Surgery Centers, LLC, a Delaware limited liability company (“**Service Provider**”), and Nashville Midtown Surgical, LLC, a Tennessee limited liability company (“**Company**”). Each member dentist of Company shall be referred to herein as an “**Owner**.”

RECITALS:

A. Company owns and operates a State licensed and Medicare certified ambulatory surgery center located at 500 28th Ave N, Nashville, TN 37209 (the “**Center**” or the “**ASC**”).

B. Service Provider is capable of providing non-clinical administrative and business support services for the Center and Company desires to engage Service Provider to provide such services, and Service Provider is willing to accept such engagement, in each case upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the agreements and mutual covenants set forth herein, and other valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

1. TABLE OF DEFINITIONS

Capitalized terms used herein but not otherwise defined in this Agreement shall have the meanings provided to such terms in the Table of Definitions attached hereto as **Exhibit A**.

2. ENGAGEMENT AND AUTHORITY OF SERVICE PROVIDER

2.1 Engagement. Company hereby engages Service Provider, commencing as of the Effective Date, as Company’s sole and exclusive provider of Business Services (as defined below), and Service Provider hereby accepts such engagement, in each case on the terms and conditions set forth in this Agreement. Subject to the terms and conditions of this Agreement and applicable law, Service Provider will have the right, duty, and commensurate authority to perform the Business Services in a reasonably appropriate manner, and to delegate or subcontract any of its duties or obligations under this Agreement or any portion thereof. No provision of this Agreement will or is intended to limit the right, authority or ability of Service Provider or its Affiliates to contract with or provide services to any other dental or orthodontic practice, dentist, orthodontist or other Person.

2.2 No Practice of Dentistry by Service Provider. Service Provider is not authorized or qualified to engage in any activity that constitutes the practice of dentistry under applicable law, and Service Provider will not be responsible for, and will have no authority to perform and will not perform, any act that would constitute the practice of dentistry under applicable law. If any act or service required or requested of Service Provider under this Agreement is construed or deemed to constitute the practice of dentistry under applicable law or would otherwise violate applicable law, the requirement or request that Service Provider perform such act or service will be deemed to be waived and inapplicable by the Parties and will not be required of or performed by Service Provider.

2.3 Company Control. Company is, and will remain throughout the term of this Agreement, the owner and operator of the Center, with full authority, direction and control over the Center, including the provision of professional dental services and patient care therein. Company acknowledges and the Parties agree that Service Provider does not own, operate or control Company or the Center, nor retain or exercise any authority to direct the mode or manner of any treatment procedure. Without limiting the generality of the foregoing provisions of this Section 2.3 or of Section 2.2, nothing in this Agreement permits or requires Service Provider to (i) practice dentistry, (ii) own, operate or be the manager, proprietor, operator or conductor of Company or the Center, (iii) direct, control or interfere with the professional or clinical judgment of Company or any of its clinical personnel, or (iv) employ any clinical personnel in his or her professional capacity or for the provision of dental services or to operate the Center.

2.4 Relationship of Parties. In the performance of its duties and obligations under this Agreement, Service Provider will, at all times, be acting and performing as an independent contractor of Company, and no provision in this Agreement creates or is intended to create or result in any employment, franchise, fiduciary, partnership or joint venture relationship between the Parties to this Agreement. In the performance of its duties and obligations under this Agreement, Company and its clinical personnel will not be acting as employees or agents of Service Provider.

3. **BUSINESS SERVICES**

3.1 General. Service Provider will provide or arrange for the provision of the non-clinical administrative and business support services described in this Article 3 (the “**Business Services**”), subject to ultimate control and operation of the Center by the Company.

3.2 Basic Services. Service Provider shall provide Company with the following services:

a. **Staff Recruiting:** Source (i.e., create job postings and advertising), screen and interview candidates for Center positions; provide human resources and staff management, provided, however, that Company shall have the final authority with respect to the hiring, supervising and firing of all Center staff; assist the Company with respect to maintaining and credentialing records for all Center staff; ensure that all salaries, benefits, and workers’ compensation and malpractice insurance premiums for all Center staff are timely paid.

b. **Non-Clinical Staff Training:** Coordinate and provide back office training for administrative support personnel for the Center, including scheduling and insurance verification services.

c. **Orientation to Center:** Facilitate Dentist and clinical staff orientation to the Center, and its policies and procedures and premises, to better ensure patient safety and quality of services.

d. **Clinical Staff Training:** In accordance with the training program approved by the Governing Body, ensure required resources and materials are available for training of Dentists and clinical staff.

e. **Property Management:** Ensure ongoing maintenance of Center premises; liaise with landlord to resolve any issues relating to the space; ensure timely rental payments; prepare any reports as required by the landlord relative to Company’s lease for the Center premises. In addition, at the request of the Company, the Service Provider shall, from time to time as necessary, arrange for janitorial, disposal services (including disposal of all medical wastes), grounds and maintenance and repair services for the Company and its equipment and furnishings.

- f. **Support Services, Purchasing & Inventory Management:** Provide support service contracting and supply contracting, as further described in Schedule 3.2(f) hereto.
- g. **Financial Reporting:** Prepare budgets, balance sheets, income statements, and accounts payable and accounts receivable reports as further described in Schedule 3.2(g) hereto.
- h. **Tax, Accounting, and Bookkeeping.** In consultation with the Company, provide the Company with support services for payroll, taxes, benefits administration, bookkeeping, financial reporting, analysis, accounts payable management, and accounts receivable management.
- i. **Accounts Payable:** Provide timely and accurate processing of vendor invoices for Center from the Company Account.
- j. **Regulatory Compliance:** In compliance with the policies approved by the Governing Body, assist the Company in establishing processes for adhering to CMS and OSHA guidelines, and other Federal and State regulations. In consultation with the Company, the Services Company shall also coordinate, through appropriate legal and other professional advisors, (i) legal overview of regulatory issues, (ii) management of malpractice claims and communications with malpractice insurance carriers with respect thereto, (iii) litigation monitoring, (iv) legal document review and development, and (v) review of federal and State regulatory issues on behalf of the Company. Notwithstanding any of the foregoing, the Parties acknowledge and agree that the Service Provider's activities under this section shall not constitute the practice of law and nothing within this Agreement shall be interpreted to obligate the Service Provider to perform any duties that would constitute the practice of law in the State.
- k. **AAAHHC/Medicare Certification:** Assist Company in maintaining and renewing accreditations and certifications for the Center, and preparing for site surveys and audits.
- l. **Licenses:** Assist Company in maintaining and renewing applicable State licenses and designations for the Center, and preparing for site surveys and audits.
- m. **Lobbying:** Service Provider may, in its sole discretion, work with lobbyists from time to time to advance regulation and payment policies favorable to the Center and patient care.
- n. **Promotional Materials Development & Event Planning:** Assist in the preparation of marketing material templates or in planning events to advertise and promote awareness of the Center's services in the community.
- o. **Payor Network Management Assistance:** Facilitate Company relations with Payors to achieve optimal Facility Fee reimbursement levels; facilitate communications between Company and Payors so that the parties can come to terms and execute the appropriate contracts for reimbursement of Facility Fees at the Center; assist Company in credentialing the Center with such Payors for purposes of billing for the Facility Fee.
- p. **Provider Privileging at Center:** Process all provider applications for, and renewals of, privileges at the Center, subject to the Company's approval.
- q. **IT Equipment and Information Systems Support:** Assist in the selection process and facilitate the purchasing/leasing of IT equipment and licensing of software and software support system; assist in negotiating maintenance and support agreements for such IT equipment, hardware and software.

r. **Billing and Collection:** Provide billing and collections services for Facility Fees, as further described in Section 4.

Unless expressly specified in this Agreement as a service to be provided by Service Provider for the Center, Company shall be deemed responsible for the provision of all other services necessary for the operation of the Center. For the avoidance of doubt, Service Provider shall not have any responsibility with respect to billing or collecting the professional fee component of any dental services performed at the Center, whether by a Dentist or any other clinical provider.

3.3 Bylaws; Policies. Service Provider shall assist in Company's review and updating of Center bylaws, policies and procedures, and other policies and procedures required for the ASC's accreditation, certification and operation for consideration by the Governing Body and adoption in its reasonable judgment. Service Provider may also assist and monitor the completeness of dentist credentialing statistics, files and documentation and in credentialing and re-credentialing as required by the ASC's bylaws. In addition, Service Provider will assist Company in ensuring that any policies, procedures and committees required for Medicare or Medicaid coverage are in place.

3.4 ASC Premises; ASC Equipment; Signage. Company shall be responsible for leasing the space occupied by the ASC from a third-party lessor pursuant to the terms of separate master lease agreement ("**Master Lease Agreement**") and shall make payments under such Master Lease Agreement directly to the master landlord. Company shall provide Service Provider with a copy of the Master Lease Agreement and Service Provider shall notify the master landlord of any repair or related work which is the responsibility of the master landlord pursuant to the Master Lease Agreement. Service Provider shall not be responsible for obtaining external signage for the ASC. In addition, Company shall be responsible for providing, directly or indirectly, all furniture and medical and office equipment as are necessary for the operation of the ASC.

3.5 Licenses; Permits and Provider Numbers. The Service Provider will assist the Company in ensuring that (i) the Company prepares and files with the appropriate governmental authority all applicable annual reports and similar documentation, and (ii) that the Company and the Center and clinical personnel have all licenses, permits, certificates, registrations, certifications and authorizations as are necessary or appropriate to operate the Center under applicable laws.

3.6 Patient Reports and Records.

a. **Patient Records.** The Company and its clinical personnel are responsible for creating and maintaining procedures and policies for the timely creation, preparation, filing, and retrieval of all patient records in connection with provision of dental services at the Center, and, subject to applicable law, shall ensure that patient records are promptly available to the Dentists and any other appropriate persons. During the term of this Agreement, all patient records shall be retained and maintained in accordance with all applicable State and federal laws relating to the confidentiality and retention thereof. All patient records shall remain the property of Company or the Dentist performing the dental services in accordance with all applicable State and federal laws. Service Provider shall have full and complete access to all such patient charts and records on a confidential basis for purposes of providing Business Services, including under Section 3.1, or the resolution of a dispute or investigation or legal proceeding or action.

b. **Other Reports and Records.** Service Provider shall create, prepare, and file such additional reports and records as are reasonably necessary and appropriate in connection with the operation of the Center, and shall be prepared to analyze such reports and records upon the request of Company. Service Provider may disclose all non-confidential facility-related information necessary or desirable in connection with any public or private offering of any security of Service Provider or its affiliates, or in

accordance with Service Provider's or any affiliate's public reporting requirements, subject in all instances to compliance with HIPAA.

3.7 Governmental Regulation.

a. Service Provider shall use commercially reasonable efforts to assist Company in ensuring that the ASC complies with all federal, state and local laws, regulations and ordinances applicable to the ASC. Without limiting the foregoing, Service Provider shall use commercially reasonable efforts to assist Company with regard to its compliance with the patient privacy requirements set forth in HIPAA, as described in the HIPAA Business Associate Agreement attached hereto as **Exhibit B**. In furtherance thereof, Service Provider shall design, implement and oversee Company's health information privacy policies and procedures including, without limitation, the negotiation, execution, delivery and performance in the name and on behalf of Company of such business associate agreements as Service Provider shall, in its reasonable judgment, deem to be required or otherwise in the best interests of Company.

b. Service Provider, if requested to do so by Company will, on behalf of Company and in the name of Company, provide reasonable assistance in the appeal or contest of any action taken by any governmental agency or authority against the ASC, including, without limitation contest by legal proceedings of the validity of any statute, ordinance, law, regulation or order adverse to the ASC.

4. BILLING AND COLLECTION SERVICES

Service Provider shall perform the following billing and collection services on behalf of Company:

4.1 Provider Numbers.

a. Service Provider shall exercise commercially reasonable efforts to assist Company in obtaining Medicare and applicable Medicaid provider numbers, required for or in connection with the operation of the ASC, other than those relating to the practice of dentistry or the administration of drugs by the Dentists. Company shall cooperate with Service Provider in applying for, obtaining and maintaining such provider numbers. Without limiting the generality of the foregoing, Company shall execute and deliver to Service Provider within five (5) days of Service Provider's request any certificates, documents, applications or other documents necessary, appropriate or otherwise requested by Service Provider in connection with the foregoing. Notwithstanding the foregoing, it is expressly understood that Service Provider shall have no liability to Company if any such provider number is not obtained, is not obtained promptly as desired, or otherwise maintained, except to the extent that the same is the result of the gross negligence or willful misconduct of Service Provider.

b. Company acknowledges that Company's delay in or failure to provide Service Provider the information, certificates, applications, and all other documents described in this Agreement in a timely manner may negatively impact Service Provider's ability to perform the billing and collection services described in this Agreement. It is expressly understood that Service Provider shall have no liability with respect to losses, expenses, or reductions in reimbursement to Company or other damages to Company, as a result of any such information, certificate, application or other document not being completed and delivered to Service Provider by Company in a timely manner. Further, Company acknowledges that Service Provider does not make any representation or warranty under or implementation of any third party payor agreement can or will be achieved, and it is expressly understood that Service Provider shall have no liability to Company if Company or any Dentist is not credentialed under any such agreement or any such agreement is not implemented, except to the extent that the same is the result of the negligence or willful misconduct by Service Provider.

4.2 Policies and Procedures. The Company will establish and maintain policies and procedures for the billing and collection of Facility Fees. Company will keep Service Provider informed of any and all existing contracts between Company and a third party, alternative delivery system or other purchaser of group healthcare services pursuant to which reimbursement will be sought for Facility Fees, together with a copy of each such contract and the most recent fee schedule or rate structure applicable to each such contract. In the event Company is unable to provide a copy of any such contract, Service Provider may, at its discretion and on behalf of Company, obtain a copy of the contract and applicable fee schedule directly from the third party, alternative delivery system or other purchaser. Further, Company shall provide to Service Provider a copy of any additional contract with a third party, alternative delivery system or other purchaser of group healthcare services entered into by Company following the Commencement Date within thirty (30) days following execution of such contract.

4.3 Billing and Collection. Service Provider shall, in a timely and commercially reasonable manner, bill third parties and attempt to collect payment for all Facility Fees for which Company may receive reimbursement under Medicare, Medicaid or other third-party payor arrangement. Service Provider will, when requested to do so by Company, advise and consult with Company regarding the proper documentation for purposes of billing any and all Facility Fees. In all cases, Company shall use reasonable efforts to provide accurate, complete, proper and timely documentation to allow for the proper billing of any and all Facility Fees. Service Provider shall have no obligation to submit bills for any claim that violates applicable law. Company acknowledges that it and Service Provider have certain compliance responsibilities in connection with billing and collection and legal compliance. Each party agrees to cooperate fully with the other party in connection with any reasonable compliance program (and the requirements thereof) that such other party has in place from time to time where such program is designed to ensure compliance with applicable law. Further, Company acknowledges that it shall be responsible for all consequences resulting from Company's decisions with respect to acceptance of each patient including, but not limited to, provision of accurate insurance information by the patient, specifics of insurance coverage and pre-certification for each patient by Dentists and confirmation thereof (which Service Provider shall supervise and direct on behalf of Company), Medicare and Medicaid coverage, and charitable care. Neither Service Provider nor Company shall bill or collect for any "designated health services" provided to a patient at the Center, as such term is defined in the Stark Law. No Person other than the Company shall have the right to receive any Facility Fee.

4.4 Power of Attorney. In connection with the billing and collection services to be provided hereunder, and throughout the Term (and thereafter as provided in Section 12.4), Company hereby grants Service Provider, subject to all applicable laws, rules and regulations, a special power of attorney and appoints Service Provider as Company's true and lawful agent and attorney-in-fact, and Service Provider accepts such special power of attorney and appointment, for the following purposes:

- a. To bill Company's patients, in Company's name and on Company's behalf, for any and all Facility Fees;
- b. To bill all claims for reimbursement or indemnification to insurance companies, Medicare, Medicaid, and all other third-party payors or fiscal intermediaries (collectively, "**Payors**"), in Company's name and on Company's behalf, for any and all Facility Fees; and
- c. To make payments specified in this Agreement from the Company Account or as otherwise as requested from time to time by Company.

The special power of attorney granted in this Agreement shall be coupled with an interest. The power of attorney shall expire when this Agreement has been terminated or expires. If Service Provider

assigns this Agreement in accordance with its terms, Company shall execute a power of attorney in the same form in favor of the assignee.

4.5 Receipt and Deposit by Company. Company will (a) receive such payments for Facility Fees; (b) deposit such payments into an account maintained by Company as specified in Section 5.6 below; and (c) provide Service Provider with the necessary and appropriate details concerning such payments (including the amounts thereof) so that Service Provider can perform under this Agreement.

4.6 Billing Personnel. Service Provider shall, at Company's request, provide or arrange for the provision of certified and licensed coders to review bills on behalf of Company for accuracy and completeness to ensure appropriate reimbursement. Service Provider will use commercially reasonable efforts to resolve discrepancies between the operative note and the CPT and ICD-10 codes selected by the Dentists; *provided, however*, Service Provider will not be responsible for any failures to collect outstanding balances that are caused by coding errors made by Company, any Dentist or any other clinical personnel. Service Provider may provide or arrange for the provision of appeals personnel to review denied claims, look for patterns in billing and denial of claims, and conduct the appeals process with respect to denied claims. Service Provider may further provide personnel to ensure that electronic claims submitted on behalf of Company reach the appropriate governmental or non-governmental payor. Service Provider may conduct or arrange for the provision of, on behalf of Company, any Medicare, Medicaid, or other reimbursement-related audits of the ASC. Further, Service Provider may assist Company in the appeal or contest of any overpayment claims or other action taken by any governmental agency or authority against the Company in connection with the ASC with respect to reimbursement matters.

5. RESPONSIBILITIES OF COMPANY

5.1 Center Operation. Company represents and warrants to Service Provider that Company intends to exercise commercially reasonable efforts to operate the Center as a successful and viable ambulatory surgery center for the Term in accordance with the Federal and State laws and regulations applicable to Company as a State licensed and Medicare certified ambulatory surgical center. Such efforts shall include, without limitation, adherence to the operational parameters consistent with the Medicare Conditions of Coverage for ambulatory surgical centers, at 42 C.F.R., Part 416, subparts B and C, and Company's retention of ultimate authority over the Center as described in Section 2.2. Company will require Dentists to regularly attend quarterly clinical quality and safety meetings with respect to dental services provided at the Center. In reliance on these representations and warranties set forth in this Section 5.1, Service Provider has agreed to enter into this Agreement and to provide the enumerated Business Services described herein.

5.2 Governing Body. Company shall maintain a Governing Body for the Center and cause such body to fulfill its responsibilities to the Center in accordance with the Federal and State laws and regulations applicable to Company as a State licensed and Medicare certified ambulatory surgical center, including without limitation the following: appointing an administrator (or State law equivalent); approving, implementing and monitoring all policies and procedures governing the Center's operations, including those pertaining to credentialing and privileging; adopting and evaluating a quality assessment and performance improvement plan; and developing and maintaining a disaster preparedness plan.

5.3 Company Personnel. Company shall, directly or indirectly, credential Dentists and clinical and other staff sufficient and appropriate for the provision of dental services at the Center, as will reasonably be necessary to meet patient demand for dental services at the Center. Company shall require each Dentist who performs services at the Center during the Term to (i) hold a valid and unrestricted license to practice dentistry in the State and (ii) comply with, be controlled and governed by, and otherwise provide such dental services in accordance with applicable Federal, State, and municipal laws, rules, regulations,

ordinances, and orders, and the ethics and standards of care of the community in which the Dentist practices. Service Provider shall not have any responsibility for paying the compensation for any employed or contracted Dentists or other staff at the Center or for withholding and paying any sums for income tax, unemployment insurance, social security, FICA, Medicare, FUTA or any other withholding or payroll related tax required by applicable law.

5.4 Medical Director. Company will select and retain a Medical Director for the ASC. Company shall, as a Company Expense, be responsible for paying the compensation for the Medical Director and, if applicable, for withholding and paying, as required by law, any sums for income tax, unemployment insurance, social security, FICA, Medicare, FUTA and any other withholding or payroll related tax required by applicable law. Company shall also pay, as a Company Expense, any travel expenses associated with the Medical Director attending meetings, conferences, or seminars to benefit Company or the operation of the ASC.

5.5 Services. Company shall make available or contract with Dentists or a dental group as necessary to provide dental services to patients at the Center. Company shall be responsible for scheduling Dentists and clinical staff coverage of all dental procedures.

5.6 Company Account. Company shall cause all amounts received by or on behalf of Company in connection with the operation of the Center to be deposited in an account maintained by Company. The Company Account shall be the account identified on **Exhibit C** attached hereto. The Company Account for this purpose shall be separate and distinct from any other account maintained by the Company for the receipt of funds for any other location, including any other ambulatory surgery center. Company shall be responsible for all fees, costs and expenses incurred in connection with establishing and maintaining such account. The Company and Owners will be responsible for ensuring the Company Account has adequate funds to operate the Center.

5.7 Sweep Rights. Designated employees of Service Provider shall have signatory authority over the Company Account and on a regular basis shall disburse to Service Provider from the Company Account, in an amount sufficient to pay the Service Fee and all other amounts owed to Service Provider pursuant to **Section 6.2**. Any funds remaining (subject to any reasonable reserve amount approved by Company) in the Company Account after such disbursement to Service Provider shall be remitted by Service Provider to a separate bank account designated by Company.

5.8 Collections Reports and Records. Company shall provide Service Provider with records and reports relating to the payments received by Company from patients or Payors on a monthly basis, which may include, but not be limited to, AR reports, recoupment reports, deposit records, remittance reports, EOB statements or denials or other correspondence from patients or Payors, or such other documents as may be reasonably requested by Service Provider to verify the Company's receipt of payments from patients and Payors. Service Provider shall reconcile the records and reports provided by Company against the Center's records on no less than a quarterly basis to confirm the accuracy of the Service Fees paid to Service Provider. In the event that such reports and records do not accurately support the Service Fees paid, then upon written notice by Service Provider to Company, Company shall pay Service Provider the amount of any deficiency, or Service Provider shall pay Company the amount of any overpayment (as the case may be), within thirty (30) days after notice of the results are provided to Company.

6. FINANCIAL ARRANGEMENT

6.1 Reimbursement of Expenses. Company shall be solely, fully and individually financially responsible for all costs and expenses incurred by or on behalf of the Company, and all other liabilities

arising out of the ownership, operation and maintenance of the Center (including, without limitation, the Service Fee and any other amounts due to Service Provider or any of its Affiliates in connection with this Agreement) (collectively, "Company Expenses"). Service Provider shall have no obligation to incur, pay, satisfy or advance any Company Expenses; provided, however, that if Service Provider elects to so incur, pay, satisfy or advance any Company Expenses, Company shall, immediately upon receipt of an invoice, reimburse Service Provider for all such Company Expenses. In the event of any dispute pertaining to Company Expenses incurred, paid, satisfied or advanced by Service Provider and invoiced to Company, the parties shall first use good faith efforts to resolve the terms of such dispute for a period of thirty (30) days and thereafter either party may submit the issue to dispute resolution pursuant to Section 16.4.

6.2 Payment of Expenses and Service Fee.

a. As consideration for the services rendered by Service Provider, Company shall pay to Service Provider a monthly service fee (the "**Service Fee**") as follows:

- (i) During the period from the Effective Date until the date that is sixty (60) days prior to the Commencement Date, an amount equal to \$5,000 per month (pro-rated for any partial month); and
- (ii) For each full or partial calendar month thereafter, an amount equal to the greater of (x) \$15,000 per month or (y) eleven percent (11%) of Revenue for such month (pro-rated for any partial month). For each month, the first \$15,000 of the Service Fee owed for such month shall be paid no later than the 1st business day of such month, in advance, and the remaining portion of the Service Fee owed for such month, if any, shall be due by the 10th business day after the end of such month.

b. Service Provider shall submit to Company no less than once a month an invoice and statement for the Service Fee for such month and any reimbursable Company Expenses owed to Service Provider. Company shall pay Service Provider the undisputed amount set forth in the invoice within five (5) days following receipt of the invoice and statement by Company from Service Provider. In the event of any dispute regarding the amount invoiced to Company, the parties shall first use good faith efforts to resolve the terms of such dispute for a period of thirty (30) days and thereafter either party may submit the issue to litigation.

6.3 Interest on Unpaid Amounts. Any amount not paid by Company on or before the date such amount became originally due and payable shall bear interest at the rate of twelve percent (12%) per year from the date such amount became due and payable until paid or recovered in full. In the event Company has withheld disputed amounts of the Service Fee or reimbursable Company Expenses, and such dispute is resolved in favor of Service Provider, then Service Provider shall be entitled to interest at the rate of twelve percent (12%) per year from the date such amount originally became due and payable on all such unpaid disputed amounts of the Service Fee or reimbursable Company Expenses.

6.4 Fair Market Value; No Referrals. The parties agree that the Service Fee provided herein has been determined in arm's-length bargaining and is consistent with fair market value in arm's-length transactions and is not and has not been determined in a manner that takes into account the volume or value of any referrals or business generated between the parties or their respective Affiliates. Service Provider, Company, and the Owners each acknowledge and agree that the benefits they will receive hereunder do not require, are not payment for, and are not in any way contingent upon the referral, admission, or any other arrangement for the provision of any item or service of: (a) any patient of Center or any Dentist or Owner to any health care facility, laboratory, or other health care operation controlled, managed, or operated by

Service Provider or any Affiliate of Service Provider, or (b) any patient of Service Provider or any Affiliate of Service Provider to Company, any Dentist, any Owner or any health care facility, laboratory or other health care operation controlled, managed, or operated by Company, an Owner or a Dentist. This Agreement is not intended to influence the judgment of any Dentist in choosing the facility appropriate for the proper treatment of his/her patient. The parties specifically intend to comply with 42 U.S.C. §1320a-7b(b) (commonly known as the “**Anti-Kickback Statute**”), 42 U.S.C. § 1395nn (commonly known as the “**Stark Law**”), and any other Federal or State law provision governing fraud and abuse or self-referrals under the Medicare or Medicaid programs, as such provisions may be amended from time to time. This Agreement shall be construed in a manner consistent with compliance with such statutes and regulations, and the parties agree to take such actions as are necessary to administer this Agreement therewith. In the event any court or administrative agency of competent jurisdiction determines this Agreement violates any of such statutes or regulations, then the parties hereto agree to take such actions as are necessary to amend this Agreement to comply with the applicable statutes or regulations.

6.5 Subsequently Requested Services. The parties agree that the Service Fee is compensation for only those services specifically set forth in the Agreement. In the event that Company requests that Service Provider perform any services in addition to those set forth and described in the Agreement, or that constitute an expansion or material modification to or of the services described in the Agreement (the “**Subsequent Services**”), Service Provider shall, at its sole discretion, determine whether it will agree to perform such Subsequent Services, and the compensation for such Subsequent Services shall be as reasonably agreed by the parties. If Service Provider determines that it will agree to perform such Subsequent Services, Service Provider and Company will enter into an amendment to the Agreement specifically describing the Subsequent Services and the compensation to be paid Service Provider for Subsequent Services. In the event Service Provider refuses, at its sole discretion, to provide such Subsequent Services or in the event Company will not agree to pay the additional compensation as determined by Service Provider for such Subsequent Services, Service Provider shall have no obligation, responsibility or liability with respect to the requested Subsequent Services.

7. PROPRIETARY RIGHTS

7.1 Confidential and Proprietary Information. The manuals, software, systems, methods, procedures, policies, controls, documents, pricing, know-how, and any and all related information, materials and confidential communications (whether in electronic or other form) provided or made available to Company (including, without limitation, purchase orders and all form documents), in connection with the performance of this Agreement and all other agreements between Service Provider and Company, and all non-public and proprietary information relating to Service Provider and its Affiliates, (including without limitation, the financial condition, marketing plans, regulatory affairs, and business strategies employed or obtained by Service Provider or its Affiliates), and all trademarks, service marks, trade names, copyrights and other proprietary rights in which Service Provider or any of its Affiliates has any interest, (collectively, “**Service Provider’s Proprietary Rights**”) are proprietary to Service Provider and shall remain the property of Service Provider and may not, at any time during the Term of this Agreement or thereafter, be utilized, distributed, disseminated, disclosed, copied or otherwise employed or acquired by Company, the Owners, or any of Company’s Affiliates, shareholders, members, agents or employees, except with Service Provider’s written approval. In the event Company desires to use or adopt any proprietary materials, know-how, policies and/or procedures developed or acquired by Service Provider and made available to Company under this Agreement, subject to Company’s maintenance of the confidentiality of the licensed Manager’s Proprietary Rights and other the terms and conditions of this Agreement, Service Provider grants to Company a limited non-exclusive license to use such materials, know-how, policies and procedures during the Term solely with respect to operation of the Center specified in this Agreement. The license herein granted conveys no right to grant sub-licenses, and it is nontransferable by operation of law for any purpose, indivisible and non-assignable, except with the Service Provider’s prior written approval.

Company shall not use, distribute, disseminate, disclose, copy or otherwise employ such know-how, materials, policies and/or procedures, or any other manuals or documents related thereto or provided by Service Provider except for the specific purpose set forth herein. Company agrees to at all times treat and maintain all licensed materials, know-how, and information received from Service Provider hereunder as secret and confidential, and upon termination or expiration of this Agreement for any reason whatsoever, Company shall immediately cease use of such know-how, materials, policies, procedures, and manuals and shall return all original materials, manuals and any and all copies thereof to Service Provider.

7.2 Required Disclosure. If requested by legal process to disclose any information constituting any of Service Provider's Proprietary Rights, Company shall promptly give written notice of such request or requirement to Service Provider so that Service Provider may, at its own cost and expense, seek an appropriate protective order or, in the alternative, waive compliance to the extent necessary to comply with such request if a protective order is not obtained. Company may disclose such information only to the extent required by such court order, to the extent permitted by such waiver, to the extent required by applicable law, or as necessary to enforce any rights under this Agreement.

7.3 Service Provider Proprietary Marks. Company and each Owner shall not, and shall ensure that each Dentist and dentist group with which it contracts does not, use any of Service Provider's names, logo, or other trademarks or service marks without the prior written consent of Service Provider.

7.4 Nondisclosure of Terms. Company and each Owner agrees that, except for information which it is expressly required by law to disclose, it will not advertise or disclose any of the contents or terms of this Agreement to any person or organization other than its attorney and/or financial advisors, *provided* it shall first obtain from any such attorney and financial advisor a commitment not to disclose the contents or terms of this Agreement. Any violation of this provision shall be considered a material breach of this Agreement that confers upon Service Provider the right to terminate the Agreement without further obligation to Company pursuant to Section 12.1 and to seek any other legal recourse available to it. Notwithstanding the foregoing, nothing in this Agreement shall prevent or preclude any Party from disclosing the existence and/or terms of this Agreement to enforce any Party's rights hereunder.

7.5 Return of Service Provider's Proprietary Rights. Upon the termination or expiration of this Agreement for any reason, Company and each Owner shall return to Service Provider all of Service Provider's Proprietary Rights. Notwithstanding the foregoing, Company shall be allowed to retain one copy of all clinical and operational policies and procedures and other related materials ("**Retained Materials**") necessary for Company to seek its only accreditation status for its own internal use; *provided* that Company may not reproduce or share the Retained Materials with any third party and shall continue to treat the Retained Materials as confidential.

7.6 Survival. The provisions of this Article 7 shall survive the expiration or termination of this Agreement. A party may seek enforcement of this Article and/or equitable and other relief as provided in Section 16.4.

8. COVENANTS, REPRESENTATIONS AND WARRANTIES OF SERVICE PROVIDER

8.1 No Warranty. Service Provider will provide the services described herein in a manner consistent with reasonable and customary business practices in the community served by the Center, and shall exercise standards and degree of care customarily used by Service Provider of a business such as the Center. The Company acknowledges that Service Provider has not made and will not make any express or implied warranties or representations that the services provided by Service Provider will result in any particular volume of procedures or dental services, or income to Company, the Owners or the Dentists.

8.2 Organization and Operation; Cooperation. Service Provider shall at all times during the Term be and remain legally organized and operated to provide the services described herein and in a manner consistent with all State and Federal laws. Service Provider shall cooperate with Company to the extent reasonably necessary for Company to perform its obligations under this Agreement.

8.3 Non-Excluded Providers. Service Provider represents and warrants that neither Service Provider nor any of Service Provider's personnel providing services at the Center or for Company (i) is currently excluded, debarred, or otherwise ineligible to participate in the Federal health care programs as defined in 42 U.S.C. §1320a-7b(f) (the "**Federal Healthcare Programs**"); (ii) has been convicted of a criminal offense related to the provision of health care items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the Federal Healthcare Programs; and (iii) is under investigation or otherwise aware of any circumstances which may result in Service Provider or any of Service Provider's personnel being excluded from participation in the Federal Healthcare Programs. This shall be an ongoing representation and warranty during the term of this Agreement and Service Provider shall immediately notify Company of any change in the status of the representation and warranty set forth in this Section and remove such party from providing further services at the Center.

9. COVENANTS, REPRESENTATIONS AND WARRANTIES OF COMPANY

9.1 Organization and Operation; Cooperation. Company shall at all times during the Term be and remain (i) legally organized and validly existing as a limited liability company in good standing under the laws of the State and (ii) operated as an ambulatory surgery center, consistent with all State and Federal laws and regulations. Company represents and warrants that ownership in Company is in compliance with all State and Federal laws and regulations and is not related to the expected volume of referrals, items or services furnished, or the amount of business otherwise generated by Service Provider or by any Owner, Dentist, or any of their respective Affiliates. Each dentist Owner will have and maintain the appropriate licenses, credentials and have the necessary experience to ensure the safety and quality of dental services provided at the Center. Company shall ensure that any and all agreements or arrangements related to dental services entered into by Company with an Owner, Dentist, or other third party, and all referrals by Company, the Owners and the Dentists to the Center, shall be in compliance with all State and Federal laws and regulations including, without limitation, the Federal Anti-kickback Statute and regulations, and the Federal Stark statute and regulations and any applicable State anti-kickback and self-referral laws. Company, each Owner, and each Dentist shall cooperate with Service Provider to the extent reasonably necessary for Service Provider to perform its obligations under this Agreement.

9.2 No Corporate Practice. Company and each Owner represents and warrants that it does not have any knowledge that the actions, transaction, or relationships arising from, and contemplated by this Agreement violate any applicable law, rule or regulations relating to fee splitting and/or the corporate practice of dentistry. Company accordingly agrees that it will not, in an attempt to void and nullify this Agreement, sue, claim, aver, allege or assert that this Agreement or any relationship among Company and Service Provider violates any law, rule or regulation relating to fee splitting or the corporate practice of dentistry; *provided, however*, that Company and Owners may make such claim, averment, allegation or assertion if they reasonably believe, on advice from counsel, that failure to terminate this Agreement or such relationship will subject them to material liability or such relationship will subject them to material liability.

9.3 Non-Excluded Providers. Company represents and warrants that neither Company nor any Dentist or Owner (i) is currently excluded, debarred, or otherwise ineligible to participate in the Federal health care programs as defined in 42 U.S.C. §1320a-7b(f) (the "**Federal Healthcare Programs**"); (ii) has been convicted of a criminal offense related to the provision of health care items or services but have not yet been excluded, debarred, or otherwise declared ineligible to participate in the Federal Healthcare

Programs; and (iii) is under investigation or otherwise aware of any circumstances which may result in Company, any Owner or any Dentist being excluded from participation in the Federal Healthcare Programs. This shall be an ongoing representation and warranty during the Term of this Agreement and Company shall immediately notify Service Provider of any change in the status of the representation and warranty set forth in this Section 9.3, and remove such party from providing further dental services at the Center.

9.4 Ambulatory Surgical Center Safe Harbor. Company represents and warrants that it has not relied on Service Provider as it relates to compliance with the Office of Inspector General's Safe Harbor 42 CFR § 1001.952(r).

10. COMPLIANCE WITH LAWS

10.1 Compliance Generally. Company, the Service Provider and each Owner shall comply with all applicable Federal, State, and local laws, rules, regulations, and restrictions in the conduct of the Center. Neither Company, nor any Owner, nor Service Provider shall do any of the following in connection with the Center and its operations:

a. enter into any contract, lease, agreement or arrangement, including, but not limited to, any joint venture or consulting agreement, to provide services, lease space, lease equipment or engage in any other venture or activity with, any dentist, hospital, pharmacy, or other person or entity which is intended to make or influence referrals to, or otherwise generate business for Company, any Owner or Service Provider, if such transaction is in violation of any applicable law, rule or regulation;

b. knowingly and willfully make or cause to be made a false statement or representation of a material fact in any application for any benefit or payment;

c. knowingly and willfully pay, solicit or receive any remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, in cash or in kind or offer to pay or receive such remuneration (i) in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by Medicare or Medicaid, or (ii) in return for purchasing, leasing, or ordering, or arranging for or recommending purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part by Medicare or Medicaid; or

d. refer a patient for "designated health services" (as that term is defined in the Stark Law) to, or provide designated health services to a patient upon a referral from, an entity or person with which Company, Service Provider or any Owner (or an immediate family member of any Owner) has a financial relationship, other than as permitted by exceptions set forth in the Stark Law and any applicable State self-referral laws.

10.2 Patient Confidentiality Requirements. Each party agrees that it shall comply with the requirements of HIPAA, as may be amended from time to time. The parties agree to enter into any further agreements as necessary to facilitate their compliance with HIPAA. The provisions of this Section shall survive the expiration or termination of this Agreement.

10.3 No Discrimination. No party shall discriminate in employment or provisions of services on the basis of age, race, color, religion, marital status, sex, national origin, ancestry, sexual orientation, disability, or medical condition, source of payment, or as otherwise set forth in applicable Federal and State laws, regulations or ordinances.

11. TERM

The term of this Agreement shall begin on the Effective Date and continue until for a period of five (5) years (the “**Initial Term**”). At the end of the Initial Term, this Agreement shall automatically renew for additional, successive two (2) year periods (each a “**Renewal Term**”) unless any party provides the other parties with written notice of non-renewal not less than one hundred eighty (180) days prior to the expiration of then current Term. The Initial Term and the Renewal Term shall collectively be referred to as the “**Term**”. Notwithstanding the foregoing, this Agreement may be earlier terminated as set forth elsewhere in this Agreement.

12. TERMINATION

12.1 Termination for Cause. If any party defaults in any payment obligation under this Agreement, and such default continues for a period of ten (10) days after written notice is delivered to the breaching party from the other party stating the specific default, then the non-breaching party may seek all legal recourse available to it. Without limiting the foregoing, the non-breaching party may, at its sole discretion, terminate this Agreement in the event of such a breach by giving notice thereof to the breaching party. If either party materially defaults in the performance of any other material covenant, agreement, term or provision of this Agreement to be performed by it, and such material default continues for a period of sixty (60) days after written notice is delivered to the breaching party from the other party stating the specific default, then the non-breaching party may terminate this Agreement upon written notification to the other party, and/or seek all legal recourse available to it. Notwithstanding the foregoing, the Agreement may not be terminated if such breach is not capable of cure within the sixty (60) day period, but the breaching party promptly commences appropriate action to cure and diligently pursues such action until complete within one hundred twenty (120) days after such notice of breach was given. If such material default has not been cured to the reasonable satisfaction of the non-breaching party within such one hundred twenty (120) day period then the non-breaching party may immediately terminate this Agreement.

12.2 Immediate Termination. This Agreement shall automatically terminate:

a. If any party shall apply for or consent to the appointment of a receiver, trustee or liquidator for it or for all or substantially all of its assets, file a voluntary petition in bankruptcy or admit in writing its inability to pay its debts as they become due, make a general assignment for the benefit of creditors, file a petition or any answer seeking reorganization or arrangement with creditors or to take advantage of any insolvency law, or if an order, judgment or decree shall be entered by a court of competent jurisdiction, on the application of a creditor, adjudicating any party to be bankrupt or appointing a receiver, trustee, or liquidator of any party with respect to all or substantially all of the assets of such party, and such order, judgment or decree shall continue unstayed and in effect for any period of forty-five (45) consecutive days;

b. Upon the Center’s loss of Medicare accreditation or State licensure;

c. If any party is excluded, debarred or otherwise becomes ineligible to participate in any State or Federal Healthcare Program, is listed as an excluded provider or banned contractor by the United States Department of Health and Human Services Office of Inspector General or United States General Services Administration, or is listed in the Office of Foreign Assets Control’s “Specially Designated Nationals and Blocked Persons” list;

d. If any party is convicted of a felony relating to the provision of health care services;
or

e. If this Agreement is assigned, transferred or otherwise conveyed by a party in violation of Section 16.6 hereof.

12.3 Termination Upon Prior Notice. Service Provider or Company may, at any time, terminate this Agreement upon at least one hundred fifty (150) days' prior written notice to the other Party.

12.4 Effects of Expiration or Termination.

a. Except as otherwise provided in this Agreement, upon expiration or termination of this Agreement for any reason or cause whatsoever, as hereinabove provided, neither party shall have any further obligations under this Agreement except for (i) obligations accruing prior to the date of expiration or termination, including, without limitation, payment of all reimbursable Company Expenses (to the extent that Service Provider has paid those on Company's behalf and seeks reimbursement) and the Service Fee, which first become due and payable prior to the date of expiration or termination, which amounts shall be paid by Company within thirty (30) days after receipt of an invoice from Service Provider and (ii) obligations, promises, or covenants set forth in this Agreement that are expressly made to extend beyond the Term.

b. Upon the expiration or termination of this Agreement for any reason or cause whatsoever, Service Provider will prepare and deliver to Company the financial reports and records for the last month of services no later than forty five (45) days after the expiration or termination date of this Agreement.

c. To the extent that Service Provider is providing billing services with respect to any Facility Fees as indicated in Section 3.1, Service Provider shall continue to bill and collect the accounts receivable for all Facility Fees with respect to service provided prior to the date of termination or expiration of this Agreement with the reasonable ongoing cooperation of the Company for a period of not more than thirty (30) days following the date of termination. Company shall pay to Service Provider the Service Fee attributable to any and all collections for such Facility Fees.

d. Upon the expiration or termination of this Agreement for any reason or cause whatsoever, either party will have the right to conduct a final audit and reconciliation of the Service Fees paid with the reasonable full cooperation the other party. Both parties shall have the right to request additional or supplementary records and reports (including, but not limited to the Company's and Service Provider's banking records, books of account, etc.) as may be reasonably necessary to audit Company's and Service Provider's records to confirm the accuracy of the Service Fees paid to Service Provider. In the event that such reports and records do not accurately support the Service Fees paid, then Company shall pay Service Provider the amount of any deficiency, or Service Provider shall pay Company the amount of any overpayment (as the case may be), within thirty (30) days after either (a) agreement of the Parties with respect to the amount of the discrepancy, or (b) resolution of the amount of the discrepancy by final judgment.

e. Upon the expiration or termination of this Agreement for any reason or cause whatsoever, and upon the expiration of Service Provider's right to continue collections pursuant to Section 12.4(c) and the completion of the audit contemplated in Section 12.4(d), Service Provider shall surrender to Company all books and records of the Company in its possession; *provided, however*, that Service Provider shall be entitled to retain (i) an archival copy of such books and records for its compliance purposes and (ii) and patient medical records if required by law for its compliance purposes. Service Provider shall cooperate with Company, at the Company's expense, to transition all patient and other records in whatever form or media as may be reasonably requested by Company as soon as possible with reasonable diligence.

12.5 Rights and Remedies. The parties acknowledge and agree that in the event of a default under this Agreement, each party shall be entitled to any and all powers, rights, elections and remedies granted or reserved by this Agreement, as well as any others the parties may be entitled to at law and/or in equity, which shall be construed as cumulative in nature, and not exclusive.

12.6 Legislative, Regulatory or Administrative Change. In the event there shall be a change in the Medicare or Medicaid statutes or the adoption of new federal or State legislation or the interpretation of existing Medicare or Medicaid statutes and/or regulations, any of which are reasonably likely to materially affect the manner in which either party may perform or be compensated for its services under this Agreement or which shall make this Agreement unlawful, the parties shall immediately use their best efforts to enter into a new business services arrangement or basis for compensation for the services furnished pursuant to this Agreement that complies with all legal requirements or policy and that approximates as closely as possible the economic position of the parties prior to the change. If the parties are unable to reach a new agreement within a reasonable time, then either party may submit the issue to mediation pursuant to Section 16.4 for the purpose of reaching an alternative arrangement that is equitable under the circumstances.

13. INSURANCE

13.1 Company's Insurance. During the Term, Company shall, as a Company Expense, obtain and maintain with reputable commercial carriers, appropriate worker's compensation coverage for employees of Company, and professional, casualty, and comprehensive general liability insurance covering the Center, the Company, and any employees providing services at the Center. The comprehensive general liability coverage shall be in the minimum amount of One Million Dollars (\$1,000,000). Company shall ensure that Company, each Owner, and each Dentist carries commercial professional liability coverage in the minimum amount of One Million Dollars (\$1,000,000) for each occurrence, Three Million Dollars (\$3,000,000) annual policy aggregate. In addition, Company shall obtain and maintain appropriate and commercially reasonable casualty and comprehensive general liability insurance covering the Center and any equipment located in the Center in such amounts, on such basis, and upon such terms and conditions as are commercially reasonable and as Company deems appropriate. All of the foregoing insurance coverages shall list the Service Provider as an additional insured. Company shall provide certificates of insurance or other written evidence, satisfactory to Service Provider in its discretion, of such insurance coverage upon execution of this Agreement and upon written request of Service Provider.

13.2 Service Provider's Insurance. During the Term, Service Provider shall obtain and maintain with a reputable commercial carrier, appropriate worker's compensation coverage for employees of Service Provider, and casualty, and comprehensive general liability insurance covering the Service Provider, the Service Provider's property located on-site, and any employees providing services at the Center. The comprehensive general liability coverage shall be in the minimum amount of One Million Dollars (\$1,000,000) and shall list Company as an additional insured.

14. INDEMNIFICATION

14.1 By Company. Company hereby agrees to defend, indemnify and hold Service Provider, its Affiliates, and their respective officers, employees, shareholders, successors and assigns ("**Service Provider Indemnified Parties**") harmless, from and against any and all liabilities, causes of action, damages, losses, demands, claims, penalties, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees and related costs) of any kind or nature whatsoever that may be sustained or suffered by any Service Provider Indemnified Party in any way relating to, arising out of, or resulting from (A) the ownership, operation or maintenance of the Center, except to the extent caused by the Service Provider's negligence or willful misconduct related to the Business Services provided pursuant to this

Agreement, (B) any act or omission of any Owner, any Dentist, any member of the clinical staff of the Company, any other employee or independent contractor of the Company, or any dental or medical group contracted by the Company, or (C) any breach by Company of any of the representations, warranties, covenants, obligations or duties under this Agreement. Company shall further indemnify, defend and hold harmless the Service Provider Indemnified Parties from and against any and all liability and expense of any kind, including reasonable attorneys' fees, related to (i) a Federal or State governmental investigation or challenge relating to Company ownership structure, buy-in provisions, distribution of revenues, or other operations of Company for which Service Provider does not directly provide services hereunder, any agreements between Company and any Dentist, any Owner, or other third party relating to dental services or the Center, or referrals by Company, any Dentist, any Owner or any third party to the Center under any Federal or State statute, regulation or rule or (ii) a Federal or State governmental investigation of Company or Company's practices unrelated to Service Provider.

14.2 By Service Provider. Service Provider hereby agrees to defend, indemnify and hold Company, and its managers, members, officers, employees, equity holders, successors and assigns ("**Company Indemnified Parties**") harmless, from and against any and all liabilities, causes of action, damages, losses, demands, claims, penalties, judgments, costs and expenses (including, without limitation, reasonable attorneys' fees and related costs) of any kind or nature whatsoever that may be sustained or suffered by any Company Indemnified Party in any way caused by Service Provider's negligence or willful misconduct related to the Business Services provided pursuant to this Agreement, and/or Service Provider's breach of this Agreement. Service Provider shall further indemnify, defend and hold harmless Company Indemnified Parties from and against any and all liability and expense directly related to a governmental investigation of Service Provider or Service Provider's practices which are in connection with the Business Services provided hereunder and only to the extent that such investigation has targeted Service Provider's practices and not those of Company.

14.3 Enforceability. The parties have carefully structured this Agreement and the arrangements hereunder to comply with applicable laws and regulations, and have consulted to their satisfaction with their respective legal counsel in connection herewith. Service Provider and Company acknowledge and agree that this Agreement and such arrangements are valid, legal and enforceable obligations of such party, and each agrees that it will not make, assert, maintain or initiate, nor cause to be made, asserted, maintained or initiated, any claim, charge, demand, action, arbitration or proceeding of any type, the basis of which is, in whole or in part, that this Agreement or any portion hereof, or the relationships created hereby, is illegal or unenforceable, or that any amount payable to Service Provider under this Agreement is unreasonable or unlawful or does not represent fair market value for the services provided by Service Provider hereunder. If any party takes any action which is inconsistent with the preceding sentence, then such party will pay all costs and expenses (including reasonable attorneys' fees) and other losses or damages incurred by the other party, including in defending or responding to such claim, charge, demand, action, arbitration or proceeding, which payment will be made promptly to such other party upon its request.

14.4 Survival. The provisions of this Article 14 shall survive the expiration or termination of this Agreement.

15. COVENANTS

15.1 Non-Solicitation.

a. During the Term and for a period of two years thereafter, neither Company nor any Owner, nor any of their respective representatives, officers, directors, employees, agents or Affiliates (collectively, the "**Company Restricted Persons**"), will directly or indirectly solicit or hire the employees or independent contractors of Service Provider (or its Affiliates), or act in any manner which shall interfere

with or attempt to disrupt the relationship between Service Provider and its personnel, without the prior written consent of Service Provider. The parties agree that a general advertisement in print or electronic form shall not be considered a violation of this Section 15.1(a).

b. During the Term and for a period of two years thereafter, neither Service Provider nor any of its respective representatives, officers, directors, employees, agents or controlled Affiliates (collectively, the “**Service Provider Restricted Persons**”), will directly or indirectly solicit or hire the employees or independent contractors of Company (or its Affiliates), or act in any manner which shall interfere with or attempt to disrupt the relationship between Company and its personnel, without the prior written consent of Company. The parties agree that a general advertisement in print or electronic form shall not be considered a violation of this Section 15.1(b).

15.2 Non-Disparagement.

a. None of the Company Restricted Persons shall say, publish or cause to be published or do anything that casts the Service Provider or its officers, members, managers, directors, shareholders or Affiliates in an unfavorable light, or disparages or injures any such person’s goodwill, business reputation or relationship with existing or potential suppliers, vendors, customers, employees, contractors, investors or the financial community in general, unless the furnishing of such information is required by law, in which case the disclosing party may make such disclosure only to the extent necessary, in the reasonable opinion of counsel for the disclosing party, to comply with such legal requirement.

b. None of the Service Provider Restricted Persons shall say, publish or cause to be published or do anything that casts the Company or its officers, members, managers, directors, shareholders or Affiliates in an unfavorable light, or disparages or injures any such person’s goodwill, business reputation or relationship with existing or potential suppliers, vendors, customers, employees, contractors, investors or the financial community in general, unless the furnishing of such information is required by law, in which case the disclosing party may make such disclosure only to the extent necessary, in the reasonable opinion of counsel for the disclosing party, to comply with such legal requirement.

c. Nothing in this Section 15.2 shall preclude any party from making any truthful statement in any litigation, arbitration, or other proceeding for purposes of enforcing that party’s rights under this Agreement and/or any related agreement.

15.3 Survival and Enforcement. The rights and obligations of the parties under this Article 15 shall survive the expiration or termination of this Agreement in accordance with the terms of this Agreement. Each of the parties acknowledges, represents and warrants that the covenants set forth in this Article 15 are reasonable, necessary, and enforceable to protect the legitimate interests of each of the parties, and that neither party would have entered into this Agreement in the absence of such covenants. If a Company Restricted Person or a Service Provider Restricted Person breaches any obligation of this Article 15, in addition to any other remedies available under this Agreement, at law or in equity, the non-breaching party shall be entitled to enforce this Agreement by injunctive relief and by specific performance of this Agreement, such relief to be without the necessity of posting a bond or other security. Additionally, nothing in this paragraph shall limit the non-breaching party’s right to recover from the breaching party (i) any damages to which the non-breaching party is entitled as a result of such breach and (ii) the non-breaching party’s reasonable attorneys’ fees and costs incurred in enforcing the provisions of this Article 15. If any provision of the covenants in this Article 15 is held by a court of competent jurisdiction to be unenforceable due to an excessive time period, geographic area, or restricted activity, the covenant at issue shall be reformed to comply with the time period, geographic area, or restricted activity that would be held enforceable. Further, if any part or all of the covenants in this Article 15 is held by a court of competent jurisdiction to be unenforceable, void, or voidable for any reason whatsoever all the remaining terms,

provisions, promises, covenants, and conditions of this Agreement or their application to other persons or circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

15.4 No Personal Liability. For avoidance of doubt, no Owner shall have any duties, liabilities, or obligations in his or her personal capacity arising from or relating to this Agreement.

16. MISCELLANEOUS

16.1 Status of Parties. Service Provider does not under this Agreement act in any other capacity, except as an independent contractor and does not, under this Agreement, act as principal in the operation of the Center.

16.2 Notices. All notices, requests, demands, claims and other communications required or permitted to be delivered, given or otherwise provided under this Agreement must be in writing and must be delivered, given or otherwise provided: (a) by hand (in which case, it will be effective upon delivery); (b) by e-mail during normal business hours (in which case, it will be effective upon receipt of confirmation of good transmission); or (c) by overnight delivery by a nationally recognized courier service (in which case, it will be effective on the next Business Day after being deposited with such courier service), addressed as follows:

COMPANY:	Nashville Midtown Surgical, LLC 500 28 th Ave. N. Suite 100 Nashville, TN 37209 Attn: Dr. Adam Pitts
WITH A COPY TO:	Carver Darden Koretzky Tessier Finn Blossman & Areaux, LLC 1100 Poydras Street, 31 st Floor New Orleans, LA 70163 Email: segrist@carverdarden.com Attn: Peter J. Segrist
SERVICE PROVIDER:	Blue Cloud Pediatric Surgery Centers, LLC 182 Industrial Road Glen Rock, PA 17327 Attention: Connor Van Alfen Email: connor.vanalfen@bluecloudpsc.com
WITH A COPY TO:	Holland & Knight LLP 511 Union Street, Suite 2700 Nashville, TN 37219 Attention Ignacio De la Huerta Email: ignacio.delahuerta@hklaw.com

or to another address, or to the attention of another person or officer, that either party may designate by written notice.

16.3 Governing Law; Venue This Agreement will be governed and construed in accordance with the laws of the State to the fullest extent permitted by law without regard to the application of conflict of laws rules. This Agreement and its subject matter have substantial contacts with the State and all actions, suits or other proceedings with respect to this Agreement will be brought only in a court of competent jurisdiction sitting in Nashville, Tennessee. In any such action, suit or proceeding, such court will have personal jurisdiction of all of the parties hereto, and service of process upon them under any applicable statutes, laws and rules will be deemed valid and good. In any civil action, arbitration or other proceeding brought to enforce the terms hereof, or to redress a breach of a term hereof, the prevailing party will be entitled to payment from the non-prevailing party of its reasonable attorneys' fees and expenses in addition to any damages or other relief to which it may become entitled. EACH OF THE PARTIES KNOWINGLY AND VOLUNTARILY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, ARISING OUT OF, OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

16.4 Dispute Resolution. Any controversy, dispute or claim arising out of or relating to this Agreement or the transactions contemplated hereunder or the breach hereof, (each, a "**Dispute**"), will (unless resolved by written agreement of the Parties) be resolved in accordance with the following. Upon the written demand of either Party hereto, the Dispute will be submitted to mediation administered by the American Health Lawyers Association Dispute Resolution Service or its successor ("**AHLA**") under its rules for mediation. The mediation will be conducted by a single mediator selected and appointed in accordance with such rules. If no amicable resolution or settlement of the Dispute is reached during the mediation process within thirty (30) days after it commences, then either party may commence suit in a court of competent jurisdiction sitting in Nashville, Tennessee.

16.5 No Warranties. The Company acknowledges that Service Provider has not made and will not make any express or implied warranties or representations that the services provided by Service Provider will result in any amount or level of revenue or profits to the Company, and that SERVICE PROVIDER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, HEREUNDER, AND ALL EQUIPMENT (INCLUDING DENTAL EQUIPMENT), SOFTWARE AND OTHER ASSETS ARE PROVIDED BY SERVICE PROVIDER "AS IS," AND ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT THERETO OR ANY SERVICES PROVIDED HEREUNDER ARE HEREBY WAIVED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

16.6 Assignment. Except as provided herein, no party shall assign or otherwise transfer this Agreement, or any interest herein or obligation hereunder, without the prior written consent of the other parties. Notwithstanding the foregoing, Service Provider may assign this Agreement to a wholly-owned Affiliate, or to a purchaser of all or substantially all of its assets or beneficial interests or ownership. Subject to the above restrictions on assignment, this Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective permitted, successors and assigns.

16.7 Enforcement; Waiver of Breach. If either party resorts to legal action to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover the costs and expenses of the action, including, without limitation, reasonable attorneys' fees, in addition to any other relief to which such party shall be entitled. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a party must be in writing to be effective, and shall apply solely to the specific instance expressly stated.

16.8 Gender and Number; Divisions and Headings. Whenever the context of this Agreement requires, the gender of all words shall include the masculine, feminine, and neuter, and the number of all

words shall include the singular and plural. The divisions of this Agreement into articles, sections, and subsections and the use of captions and headings in connection therewith is solely for convenience and shall not affect in any way the meaning or interpretation of this Agreement.

16.9 Consents, Approvals, and Exercise of Discretion. Except as otherwise provided herein, whenever this Agreement requires any consent or approval to be given by either party or either party must or may exercise discretion, the parties agree that the consent or approval shall not be unreasonably withheld, conditioned or delayed and that the discretion shall be reasonably exercised.

16.10 Cooperation; Further Assistance. From time to time, as and when reasonably requested by either party hereto, the other party will (at the expense of the requesting party) execute and deliver, or cause to be executed and delivered, all such documents, instruments and consents and will use reasonable efforts to take all such actions as may be reasonably requested or necessary to carry out the intent and purpose of this Agreement.

16.11 Force Majeure. Neither party shall be deemed to be in violation of this Agreement, and shall not be liable for any resulting claims, losses, damages, expenses and liabilities if it is prevented, either directly or indirectly, from performing any of its obligations hereunder for any reason beyond its control, including, without limitation, shortages, a third party's lack of financial resources, acts of God, or any statute, regulation or rule of the Federal government, any State or local government, or any agency thereof.

16.12 Severability. It is the intent and desire of the parties that this Agreement be enforced to the fullest extent permissible under the law. Should any provision of this Agreement be deemed unenforceable or invalid by a court of competent jurisdiction, such provision shall be modified or restricted to the extent necessary to make such provision valid, binding, and enforceable, or, if not possible, then such provision shall be severable from, and shall not affect the enforceability or validity of, the remaining portions of this Agreement.

16.13 Amendments. This Agreement may be amended only upon the signed written agreement of the parties, executed by each respective party's duly authorized officer.

16.14 Entire Agreement. This Agreement, including all of the exhibits and attachments hereto, contains the entire agreement and understanding between the parties hereto and supersedes any and all prior agreements, either oral or written, between the parties concerning the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. The parties specifically acknowledge that in entering into and executing this Agreement, the parties are relying solely upon the representations and agreements contained in this Agreement and no others.

16.15 Counterparts. This Agreement may be executed in one or more counterparts (facsimile transmission, scanned .pdf or otherwise), each of which taken together shall be deemed an original, but all of which taken together shall constitute but one and the same Agreement.

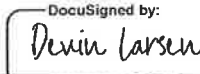
16.16 Drafting. Service Provider's counsel has drafted this Agreement solely as a matter of convenience for the parties hereto. The parties hereto have carefully reviewed and negotiated the terms of this Agreement and, accordingly, any drafting errors, ambiguities or inconsistencies shall not be interpreted against Service Provider.

16.17 Third Party Beneficiaries. This Agreement is entered into for the sole benefit of the parties. Nothing contained herein or in the parties' course of dealings shall be construed as conferring any third party beneficiary status on any person or entity not a party to this Agreement. No party shall be entitled

to benefits other than those specified herein. Notwithstanding the foregoing, (i) the Company Indemnified Parties shall be third party beneficiaries of this Agreement for purposes of enforcing Section 14.2, and (ii) the Service Provider Indemnified Parties shall be third party beneficiaries of this Agreement for purposes of enforcing Section 14.1.

IN WITNESS WHEREOF, Service Provider and Company have caused this Agreement to be executed as of the dates indicated below.

SERVICE PROVIDER: BLUE CLOUD PEDIATRIC SURGERY CENTERS, LLC

By: 
Name: Devin Larsen
Title: President
Date: 3/25/2024

COMPANY: NASHVILLE MIDTOWN SURGICAL, LLC

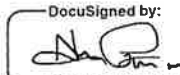
By: 
Name: Dr. Adam Pitts
Title: Authorized Representative
Date: 3/22/2024

EXHIBIT A
TABLE OF DEFINITIONS

For the purposes of this Agreement, the following terms have the following meanings, unless otherwise clearly required by the context in which the term is used.

1. **“Affiliate”** shall mean any entity or person which, directly or indirectly, controls, is controlled by, or is under common control with a party.
2. **“Agreement”** means this Business Services Agreement including all schedules and exhibits and any amendments that may be adopted from time to time as hereinafter provided.
3. **“Commencement Date”** means the date that a surgical procedure is performed at the Center.
4. **“Company Account”** means the bank account of Company established pursuant to Section 5.6 of this Agreement.
5. **“Company Expense”** means any expense or cost incurred by the Company or for which the Company is financially liable pursuant to the terms of this Agreement.
6. **“Dentist”** means each individually licensed dentist who provides professional dental services at the Center.
7. **“Facility Fees”** means the facility fee component of any and all dental services provided at the Center.
8. **“Governing Body”** means the entity described in Section 5.2 that will perform the functions for the Center that are required by the licensing and accreditation agencies having oversight of the Center.
9. **“Payor”** means third party insurance companies, Medicare, Medicaid, and all other commercial or government programs, fiscal intermediaries, guarantors, third party payors, alternative delivery systems or other purchasers of healthcare services.
10. **“Parties”** means, collectively, Service Provider and Company (and each, a **“Party”**).
11. **“Revenue”** means, on a monthly basis, the actual Facility Fee cash receipts collected by the Company from the provision of services provided at the Center, after deducting returned checks, refunds, recoupments, and overpayments.
12. **“State”** means the State of Tennessee.

EXHIBIT B
BUSINESS ASSOCIATE AGREEMENT

EXHIBIT C

COMPANY ACCOUNT

- [This Exhibit C shall be updated by the mutual agreement of the parties following the Effective Date.]

Schedule 3.2(f)

Contract Support Services, Purchasing & Inventory Management

1) **Contract Assistance.** Upon the request of Company, Service Provider will consult with and will advise Company with respect to and will negotiate, on Company's behalf, as appropriate and only to the extent permitted by applicable law, all contractual arrangements with third parties that are reasonably necessary and appropriate for Company's operation of the Center, including, but not limited to, oxygen suppliers, employee health benefits, linens, cleaning and janitorial, biohazardous waste collection, trash collection, pest control, and patient transportation. With respect to contractual arrangements with third-party payors, alternative delivery systems, or other purchasers of group healthcare services, Service Provider will consult with Company regarding such agreements and reasonably assist Company in their implementation to the extent permitted by applicable law. Notwithstanding the foregoing, Company may, in its sole discretion, determine whether to enter into any particular contractual relationship. Service Provider shall incur no debt or obligation on behalf of the Company without the consent of the Company. Furthermore, Service Provider shall not contract for any obligations on behalf of or for the benefit of the Company that are the personal obligation of any Owner or Dentist.

2) **Supplies.** Service Provider shall assist the Company in purchasing reasonable medical, dental, office, and other supplies, except, however, that Company shall order, purchase, stock, and monitor the inventory of pharmaceuticals and other medical and dental supplies, substances, or items that require a permit, registration, certification, or identification number through or as an ambulatory surgery center or that an ambulatory surgery center must purchase, maintain, or secure. Service Provider makes no representations or warranties either express or implied, as to the condition of any supplies purchased or otherwise acquired by Service Provider on behalf of Company, and Service Provider shall not be responsible for any defects in any of such items. Company may, in its sole discretion, purchase the supplies directly from the vendor. For the avoidance of doubt, the Company shall be solely responsible for ensuring that the Center is at all times adequately stocked with the supplies that are reasonably necessary, customary and appropriate.

Schedule 3.2(g)

Fiscal Matters

1) **Accounting and Financial Records**. Service Provider shall establish and administer accounting procedures, controls, and systems for the development, preparation, and safekeeping of administrative or financial records and books of account relating to the business and financial affairs of Company, all of which shall be prepared and maintained on an accrual basis. Service Provider shall prepare and deliver to Company within thirty (30) days after the end of each month, and within sixty (60) days after the end of each calendar year, the financial statements of Company prepared on an accrual basis. Company shall have the reasonable right to have its independent accountants review such records and books during Service Provider's normal business hours on reasonable notice to Service Provider. The cost of any such review shall be a Company Expense, *provided* that Service Provider shall not charge any additional fees for the review of its books by the Company.

2) **Annual Budget**. The initial budget for the Center shall be established by Service Provider and Company prior to Commencement Date. Thereafter, annually, Service Provider, in consultation with Company, shall prepare and deliver to Company, for the approval of Company, a budget setting forth an estimate of Company's revenues and expenses (including, without limitation, all Company Expenses and all other costs and fees associated with the services provided by Service Provider under this Agreement). Any subsequent modification or increase in expenses or costs which causes a material variance from the budget (which for purposes of this Agreement shall be defined as ten percent (10%)) shall be subject to Company's approval. In the event the parties are unable to agree on a budget by the beginning of any fiscal year, until an agreement is reached, the budget for the prior year shall be deemed to be adopted as the budget for the current upcoming year. In the event the parties are unable to agree on a budget for a year following the initial year by the beginning of the second quarter of any fiscal year, either party may submit this issue to dispute resolution in accordance with **Section 16.4** of the Agreement.



State of Tennessee

Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

February 26, 2020

John Wellborn
Development Support Group
4219 Hillsboro Road, Suite 210
Nashville, TN 37215

RE: Nashville Midtown Surgical - CN1908-030A

Dear Mr. Wellborn:

As referenced in our recent letter, please find enclosed your Certificate of Need for the above-referenced application that was approved at the January 23, 2020 meeting of the Tennessee Health Services and Development Agency.

The Health Services and Development Agency Rules require that an Annual Progress Report be submitted each year and a Final Project Report form is to be submitted within ninety (90) days after completion of a project which shall include completion date, final costs, and other relevant information in regards to the project, per 68-11-1611. Also required is the registration of certain medical equipment pursuant to Tennessee Code Annotated § 68-11-1607(i), which states "The owners of the following types of equipment shall register such equipment with the health services and development agency: computerized axial tomographers, magnetic resonance imagers, linear accelerators and positron emission tomography." "The survey shall include but not limited to the identification of the equipment and utilization data according to source of payment."

The aforementioned forms can be found on the Agency's website at www.tennessee.gov/HSDA. Should you have any questions or require further information regarding this Certificate, please do not hesitate to contact this office.

Sincerely,

Logan Grant
Executive Director

cc: Trent Sansing, TDH/Health Statistics, PPA
Ann R. Reed, TDH/HCF

STATE OF TENNESSEE
Health Services and Development Agency



Certificate of Need # **CN1908-030A** is hereby granted under the provisions of T.C.A. § 68-11-1601, *et seq.*, and rules and regulations issued thereunder by this Agency.

To: **Nashville Midtown Surgical, LLC**
324 22nd Avenue North
Nashville, TN 37203

For: **Nashville Midtown Surgical**

This Certificate is issued for:

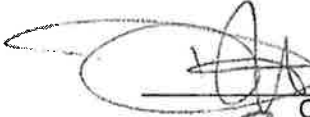
For the establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to oral and maxillofacial surgery and dentistry with three operating rooms and no procedure rooms.

On the premises located at: **500 28th Avenue North**
Nashville (Davidson County), TN 37203

For an estimated project cost of: **\$4,559,044.**

The Expiration Date for this Certificate of Need is **March 1, 2022** or upon completion of the action for which the Certificate of Need was granted, whichever occurs first. After the expiration date, this Certificate of Need is null and void.

Date Approved: January 23, 2020


Chairman

Date Issued: February 26, 2020


Executive Director



State of Tennessee
Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

January 27, 2020

John Wellborn
Development Support Group
4219 Hillsboro Road, Suite 210
Nashville, TN 37215

RE: Nashville Midtown Surgical
- Certificate of Need No. CN1908-030

Dear Mr. Wellborn,

On January 23, 2020, the Tennessee Health Services and Development Agency met in regular session to consider your application. The application proposed the following:

For the establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to oral and maxillofacial surgery and dentistry with three operating rooms and no procedure rooms located at 500 28th Avenue North, Nashville (Davidson County), TN 37203. The applicant is owned by Adam S. Pitts, M.D. The estimated project cost is \$4,559,044.

This letter is to advise you that the Agency voted to **approve** the Certificate of Need for the referenced project.

Per TCA § 68-11-1609(b) the Agency found the application should be approved because the action proposed in the application is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of adequate and effective health care facilities or services. Please note the quality standards language was added as the fourth criterion necessary for a certificate of need to be granted, effective July 1, 2016.

Agency members made this decision after full consideration of all the information provided to them including but not limited to the original application and supplemental responses; staff summary and reviewing agency report; support and opposition letters, if applicable; consideration of the criteria and standards and all other applicable parts of the State Health Plan; Agency Rules; and all additional evidence gathered during the presentation of the application. The HSDA maintains a publically available detailed written record that fully documents the factual and legal basis for this decision.

From: [Jim Christoffersen](#)
To: [Looney, Kim H.](#); [Logan Grant](#)
Cc: [Simmons-Curry, Geri](#); [Ann R. Reed](#); [Alecia L. Craighead](#)
Subject: Re: [External]FW: Final Project Report - CN1908-030
Date: Monday, July 8, 2024 12:46:00 PM
Attachments: [image001.png](#)

A 1 month extension was granted on June 28th.

From: Looney, Kim H. <Kim.Looney@klgates.com>
Sent: Monday, July 8, 2024 12:13 PM
To: Jim Christoffersen <Jim.Christoffersen@tn.gov>; Logan Grant <Logan.Grant@tn.gov>
Cc: Simmons-Curry, Geri <Geri.Simmons-Curry@klgates.com>
Subject: RE: [External]FW: Final Project Report - CN1908-030

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. ***

Checking back on this one.



Kim Harvey Looney
Partner
K&L Gates LLP
501 Commerce Street
Suite 1500
Nashville, Tennessee 37203
Direct: (615) 780-6727
Mobile: (615) 812-4039
kim.looney@klgates.com
www.klgates.com

From: Looney, Kim H.
Sent: Monday, July 1, 2024 4:41 PM
To: 'Jim Christoffersen' <Jim.Christoffersen@tn.gov>; Logan Grant (logan.grant@tn.gov) <logan.grant@tn.gov>
Cc: Simmons-Curry, Geri <Geri.Simmons-Curry@klgates.com>
Subject: RE: [External]FW: Final Project Report - CN1908-030

Double checking on this – in follow up with Ann, the licensure survey is scheduled for July 9 so hopefully another month will do it.



Kim Harvey Looney
Partner

K&L Gates LLP
501 Commerce Street
Suite 1500
Nashville, Tennessee 37203
Direct: (615) 780-6727
Mobile: (615) 812-4039
kim.looney@klgates.com
www.klgates.com

From: Looney, Kim H.
Sent: Friday, June 28, 2024 5:22 PM
To: Jim Christoffersen <jim.Christoffersen@tn.gov>; Logan Grant (logan.grant@tn.gov)
<logan.grant@tn.gov>
Cc: Simmons-Curry, Geri <Geri.Simmons-Curry@klgates.com>
Subject: FW: [External]FW: Final Project Report - CN1908-030

Ann is trying to track this down to see exactly where they are in the process for licensure, but at this time we cannot tell if licensure is done or not. Can we ask for another month – they are totally done with the construction and have been working through licensure process for a while now. If I hear anything different from Ann I will let you know. Thank you and have a nice weekend.



Kim Harvey Looney
Partner
K&L Gates LLP
501 Commerce Street
Suite 1500
Nashville, Tennessee 37203
Direct: (615) 780-6727
Mobile: (615) 812-4039
kim.looney@klgates.com
www.klgates.com

From: Adam Pitts <pitts@tnosi.com>
Sent: Thursday, June 27, 2024 10:41 PM
To: Looney, Kim H. <Kim.Looney@klgates.com>
Cc: Simmons-Curry, Geri <Geri.Simmons-Curry@klgates.com>; Tracy Miller <tmiller@tnosi.com>
Subject: RE: [External]FW: Final Project Report - CN1908-030

Kim,

We had our initial evaluation by the state last week and have our Clinical evaluation on July 9th. We then are required to see 10 patients pro-bono in 30 days of which the state will do a “surprise” visit to evaluate how we are doing. I don’t know when this counts as being “done” with things but wanted to get your professional opinion. Our CON technically expires on 7/1/2024...do we need another extension during this state inspection period or is the fact that

we have started "count"? Please get back to me ASAP this morning on this to let me know if we need another extension.

Thank you again.

Adam S. Pitts, M.D., D.D.S., F.A.C.S.
President, Oral Surgical Institute
500 28th Ave. N
Ste. 100
Nashville, TN 37209
(615) 329-4401

125 Cool Springs Blvd. Ste. 120
Franklin, TN 37067
(615) 778-0902

Chairman, Dept. of Oral & Maxillofacial Surgery
HCA/Tristar Centennial Medical Center
2300 Patterson St.
Nashville, TN 37203
(615) 342-1000

Instructor, Dept. of Oral & Maxillofacial Surgery
Vanderbilt University Medical Center
1301 Medical Center Dr.
Nashville, TN 37232

From: Looney, Kim H. <Kim.Looney@klgates.com>
Sent: Monday, June 3, 2024 2:17 PM
To: Adam Pitts <pitts@tnosi.com>
Cc: Simmons-Curry, Geri <Geri.Simmons-Curry@klgates.com>
Subject: [External]FW: Final Project Report - CN1908-030

How is the project?????

Kim Harvey Looney
Partner
K&L Gates LLP
501 Commerce Street
Suite 1500
Nashville, Tennessee 37203
Direct: (615) 780-6727
Mobile: (615) 812-4039
kim.looney@klgates.com
www.klgates.com

From: Alecia L. Craighead <Alecia.L.Craighead@tn.gov>
Sent: Monday, June 3, 2024 1:58 PM

To: Looney, Kim H. <Kim.Looney@klgates.com>; Simmons-Curry, Geri <Geri.Simmons-Curry@klgates.com>

Subject: Final Project Report - CN1908-030

Nashville Midtown Surgical (CN1908-030) project will be expiring on July 1, 2024. The Final Project Report will need to be submitted within 90 days of its completion or implementation. Attached you will find the Final Project Form. It will need to be completed then sent to my attention at Alecia.L.Craighead@tn.gov.

If you need additional time to complete the project, a request must be made in writing with any additional extension filing fee to the Agency's General Counsel, Jim Christoffersen, prior to the expiration date.

Your assistance in this manner is greatly appreciated.



Alecia Craighead | Data and Analysis Administrator
Health Facilities Commission
Andrew Jackson State Office Building, 9th Floor
502 Deaderick Street, Nashville, TN 37243
p. 615-253-2782
alecia.l.craighead@tn.gov
tn.gov/hfc



K&L GATES

May 10, 2024

Kim Looney
kim.looney@klgates.com

T 615 780 3727
F 615 780 6799

Via Electronic Mail

Jim Christoffersen
General Counsel
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Re: Nashville Midtown Surgical (CN1908-030)

Dear Jim:

This letter serves as a request of an extension for the above-referenced project, which is set to expire on June 1, 2024.

The project has received its State Health Inspection Certification Completion, and the applicant is in the process of obtaining State Health Licensure. Out of an abundance of caution, we would like to request a one-month extension from June 1, 2024, until July 1, 2024.

Sincerely,



Kim Harvey Looney

cc: Alecia L. Craighead
Logan Grant
Adam Pitts

From: [Jim Christoffersen](#)
To: [Simmons-Curry, Geri](#)
Cc: [Logan Grant](#); [Adam Pitts](#); [Looney, Kim H.](#); [Ann R. Reed](#); [Niraj Soni](#); [Alecia L. Craighead](#)
Subject: RE: Nashville Midtown Surgical Extension Request (for July 1, 2024) [KLG-USE_ACTIVE01.FID3058566]
Date: Tuesday, May 14, 2024 1:18:58 PM
Attachments: [image001.png](#)

Geri,

The extension has been approved.

Jim Christoffersen
General Counsel
Health Facilities Commission
Andrew Jackson State Office Building, 9th Floor
502 Deaderick Street, Nashville, TN 37243
p. 615-741-2364
Jim.Christoffersen@tn.gov
tn.gov/hsda



From: Simmons-Curry, Geri <Geri.Simmons-Curry@klgates.com>
Sent: Friday, May 10, 2024 11:17 AM
To: Jim Christoffersen <Jim.Christoffersen@tn.gov>
Cc: Logan Grant <Logan.Grant@tn.gov>; Adam Pitts <pitts@tnosi.com>; Looney, Kim H. <Kim.Looney@klgates.com>
Subject: [EXTERNAL] Nashville Midtown Surgical Extension Request (for July 1, 2024) [KLG-USE_ACTIVE01.FID3058566]
Importance: High

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. ***

Jim,

Please see attached request for an additional one-month extension to July 1, 2024 for completion of the Certificate of Need for Nashville Midtown Surgical.

Thanks, and please let us know if you have any questions.

Kindest regards,

Geri



Geri Simmons-Curry

Senior Practice Assistant

K&L Gates LLP

501 Commerce Street

Suite 1500

Nashville, TN 37203

Phone: 615-514-1825

Geri.Simmons-Curry@klgates.com

www.klgates.com



K&L GATES

March 12, 2024

Kim Looney
kim.looney@klgates.com

T 615 780 3727
F 615 780 6799

Jim Christoffersen
General Counsel
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Re: Nashville Midtown Surgical (CN1908-030)

Dear Jim:

This letter serves as a request of an extension for the above-referenced project, which is set to expire on April 1, 2024.

The project has received its State Health Inspection Certification Completion, and the applicant is in the process of obtaining State Health Licensure. Out of an abundance of caution, we would like to request a two-month extension from April 1, 2024, until June 1, 2024.

Sincerely,



Kim Harvey Looney

cc: Alecia L. Craighead
Logan Grant
Adam Pitts

From: [Jim Christoffersen](#)
To: [Looney, Kim H.](#)
Cc: [Logan Grant](#); [Ann R. Reed](#); [Niraj Soni](#); [Alecia L. Craighead](#)
Subject: Fw: Nashville Midtown Surgical - Extension Request to June 1, 2024(318045931.1).pdf [IMAN-USE_ACTIVE01.FID3058566]
Date: Thursday, March 21, 2024 9:45:28 AM
Attachments: [Nashville Midtown Surgical - Extension Request to June 1, 2024\(318045931.1\).pdf](#)

The CON extension request has been approved.

Alecia will contact you about any additional fees that may be required.

Jim Christoffersen
General Counsel
Tennessee Health Facilities Commission
Andrew Jackson Bldg., 9th Fl.
502 Deaderick St.
Nashville, TN 37243

From: Logan Grant <Logan.Grant@tn.gov>
Sent: Wednesday, March 13, 2024 8:41 AM
To: Jim Christoffersen <Jim.Christoffersen@tn.gov>
Subject: FW: Nashville Midtown Surgical - Extension Request to June 1, 2024(318045931.1).pdf [IMAN-USE_ACTIVE01.FID3058566]

I approve, please let them know

Logan Grant
Executive Director
Health Facilities Commission

From: Simmons-Curry, Geri <Geri.Simmons-Curry@klgates.com>
Sent: Tuesday, March 12, 2024 11:33 AM
To: Jim Christoffersen <Jim.Christoffersen@tn.gov>
Cc: Logan Grant <Logan.Grant@tn.gov>; Adam Pitts <pitts@tnosi.com>; Looney, Kim H. <Kim.Looney@klgates.com>
Subject: [EXTERNAL] Nashville Midtown Surgical - Extension Request to June 1, 2024(318045931.1).pdf [IMAN-USE_ACTIVE01.FID3058566]

*** This is an EXTERNAL email. Please exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email - STS-Security. ***

Jim,

Please see attached request for an additional two-month extension for completion of the Certificate of Need for Nashville Midtown Surgical.

Thanks, and please let us know if you have any questions.

Kindest regards,

Geri

Geri Simmons-Curry

Senior Practice Assistant

K&L Gates LLP

501 Commerce Street

Suite 1500

Nashville, TN 37203

Phone: 615-514-1825

Geri.Simmons-Curry@klgates.com

www.klgates.com



K&L GATES

January 30, 2024

Kim Looney
kim.looney@klgates.com

T 615 780 3727
F 615 780 6799

Logan Grant
Executive Director
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

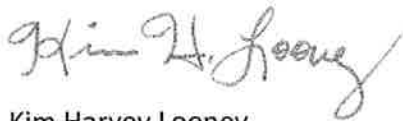
Re: Nashville Midtown Surgical (CN1908-030)

Dear Logan:

This letter serves as a request of an extension for the above-referenced project, which is set to expire on March 1, 2024.

The project has received its State Health Inspection Certification Completion, and the applicant is in the process of obtaining State Health Licensure. Out of an abundance of caution, we would like to request a one-month extension from March 1, 2024, until April 1, 2024.

Sincerely,



Kim Harvey Looney



March 8, 2023

Health Services and Development Agency
502 Deaderick Street
Andrew Jackson Building, 9th Floor
Nashville, TN 37243
615.253.2782

RE: Annual Progress Report - CN1908-030

Per the attached letter from BL Harbert International (project developer and contractor), construction on the surgery center leasehold improvements is well underway and should be completed by the end of June 2023. This date is unchanged from our 2022 Progress Report.

In my letter with last year's Progress Report, I requested an additional one-year extension of the CON which was set to expire on March 1, 2023. Based on the substantial progress made, I am still requesting an extension of the CON beyond March 1, 2023.

Sincerely,

A handwritten signature in black ink, appearing to read "JL Stockard".

Jeffrey L. Stockard
VP / COO



State of Tennessee

Health Services and Development Agency

Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

ANNUAL PROGRESS REPORT
ANNUAL REVIEW FOLLOWING CERTIFICATION

Project Name: Nashville Midtown Surgical Certificate of Need #: CN1909-030
Legal Owner: Nashville Midtown Surgical, LLC Approval Date: January 23, 2020
Expiration Date: March 1, 2023
Project Description: For the establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to oral and maxillofacial surgery and dentistry with three operating rooms and no procedure rooms.

******PLEASE SUBMIT EVIDENCE TO SUPPORT EACH ANSWER******

In a brief narrative, please describe the current stage of completion for the project (use another sheet of paper if necessary). **Please note that this report will not be considered complete without this information.**

A. CONSTRUCTION PROJECTS

1. Anticipated date of project completion. June 2023
2. Provide written confirmation from the contractor documenting the stage of construction at the current time.
3. If proposed construction costs have increased over ten (10%) percent please provide information as an attachment to this form. Please note that such an overrun could require additional action before the Agency.

B. NON-CONSTRUCTION PROJECTS

1. Anticipated date of service implementation, acquisition or operation of the facility or equipment as certified.

2. Provide written confirmation from the institutional representative verifying the occupancy/opening date for the service, equipment, or facility.



Signature of Authorized Agent or Chief Operating Officer

March 8, 2023

Date

State of Tennessee

Health Services and Development Agency

Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

ANNUAL PROGRESS REPORT
ANNUAL REVIEW FOLLOWING CERTIFICATION

Project Name: Nashville Midtown Sugical Certificate of Need #: CN1908-030

Legal Owner: Nashville Midtown Surgical, LLC Approval Date: January 23, 2020

Expiration Date: March 1, 2023

Project Description: For the establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to oral and maxillofacial surgery and dentistry with three operating rooms and no procedure rooms.

******PLEASE SUBMIT EVIDENCE TO SUPPORT EACH ANSWER******

In a brief narrative, please describe the current stage of completion for the project (use another sheet of paper if necessary). Please note that this report will not be considered complete without this information.

A. CONSTRUCTION PROJECTS

- | | | |
|----|--|------------------|
| 1. | Anticipated date of project completion. | <u>June 2023</u> |
| 2. | Provide written confirmation from the contractor documenting the stage of construction at the current time. | |
| 3. | If proposed construction costs have increased over ten (10%) percent please provide information as an attachment to this form. Please note that such an overrun could require additional action before the Agency. | |

B. NON-CONSTRUCTION PROJECTS

1. Anticipated date of service implementation, acquisition or operation of the facility or equipment as certified.

2. Provide written confirmation from the institutional representative verifying the occupancy/opening date for the service, equipment, or facility.

Signature of Authorized Agent or Chief Operating Officer

June 21, 2022
Date



State of Tennessee

Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

July 13, 2021

Mr. Jeffrey Stockard, V.P./C.O.O.
Community Care Outpatient Center
5217 Maryland Way, Suite 200
Brentwood, TN 37027

**RE: Nashville Midtown Surgical
CN1908-030AE**

Dear Mr. Stockard:

The Executive Director of the Health Services and Development Agency has approved a one - year extension of the above-referenced certificate of need's [CON] expiration date from 3/1/2022 to 3/1/2023.

He has also approved an estimated cost increase of \$3,193,489.

These changes will require an additional filing fee of \$20,068.27, which includes the following:

- \$13,032.48 extension fee; and
- \$7,035.79 fee for additional project cost.

Please let me know if we can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "J. B. Christoffersen", written over a horizontal line.

James B. Christoffersen
General Counsel

cc: Ann Rutherford-Reed
Director of the Board for Licensing Health Care Facilities, Department of Health
