

Exhibit “A”

QIPP Year 2, 2nd 6 Months IGT

Manager	Provider Name	NSGO Provider Legal Name	QIPP Year 2 Second 6 Month IGT Amount
Caring	Spring Branch Transitional Care Center	Winnie Stowell Hospital District	\$ 693,153.26
Caring	Marshall Manor West	Winnie Stowell Hospital District	\$ 241,289.76
Caring	Rose Haven Retreat	Winnie Stowell Hospital District	\$ 148,959.31
Caring	Marshall Manor Nursing & Rehabilitation Center	Winnie Stowell Hospital District	\$ 332,416.38
Caring	Golden Villa	Winnie Stowell Hospital District	\$ 215,085.08
Caring	Garrison Nursing Home & Rehabilitation Center	Winnie Stowell Hospital District	\$ 213,893.41
	Caring Total		\$ 1,844,797.20
HMG	Park Manor Westchase	Winnie Stowell Hospital District	\$ 333,875.57
HMG	Park Manor Quail Valley	Winnie Stowell Hospital District	\$ 317,556.93
HMG	Park Manor Cypress Station	Winnie Stowell Hospital District	\$ 266,521.64
HMG	Park Manor Cyfair	Winnie Stowell Hospital District	\$ 302,964.99
HMG	Deerbrook Skilled Nursing and Rehab	Winnie Stowell Hospital District	\$ 248,366.85
HMG	Friendship Haven Healthcare & Rehab Center	Winnie Stowell Hospital District	\$ 291,887.28
HMG	Park Manor Conroe	Winnie Stowell Hospital District	\$ 238,444.33
HMG	Park Manor of Southbelt	Winnie Stowell Hospital District	\$ 266,059.56
HMG	Park Manor of Tomball	Winnie Stowell Hospital District	\$ 291,169.85
HMG	Park Manor The Woodlands	Winnie Stowell Hospital District	\$ 240,791.20
HMG	Park Manor Humble	Winnie Stowell Hospital District	\$ 268,662.66
	HMG Total		\$ 3,066,300.86
Regency	Clairmont Beaumont	Winnie Stowell Hospital District	\$ 297,274.14
Regency	Hallettsville	Winnie Stowell Hospital District	\$ 128,348.20
Regency	Highland Park Care Center	Winnie Stowell Hospital District	\$ 144,411.49
Regency	The Woodlands Healthcare Center	Winnie Stowell Hospital District	\$ 449,176.15
Regency	Monument Rehabilitation Center	Winnie Stowell Hospital District	\$ 155,999.92
	Regency Total		\$ 1,175,209.90
SLP	Oakland Manor	Winnie Stowell Hospital District	\$ 144,983.01
SLP	Oak Manor	Winnie Stowell Hospital District	\$ 111,141.88
	SLP Total		\$ 256,124.89
	Grand Total		\$6,342,432.85

Exhibit “B”

Loan 14
10 MONTH-SHORT TERM COMMERCIAL REVENUE NOTE
November 30, 2018 –September 30, 2019

BORROWER INFORMATION

Winnie-Stowell Hospital District
538 Broadway
Winnie, Texas 77665

NOTE. This Commercial Promissory Note dated November 30, 2018, will be referred to in this document as the “Note.”

LENDER. “Lender” means Salt Creek Capital, LLC whose address is P. O. Box, 930, 455 Elm Street, Suite 100, Graham, Young County, Texas 76450, its successors and assigns.

BORROWER. The Winnie Stowell Hospital District (“Borrower”) is a Political Subdivision of the State of Texas that was created pursuant to Article IX, Section 9 of the Texas Constitution and Chapter 286 of the Health and Safety Code.

REVENUE NOTE. Both Borrower and Lender agree that Article III, Section 52 of the Texas Constitution, prohibits the Legislature from authorizing any county, city, town or other political corporation or subdivision of the State to lend its credit or to grant public money or thing of value in aid of, or to any individual, association or corporation whatsoever, or to become a stockholder in such corporation, association or company. Both the Borrower and the Lender understand that neither the State of Texas, the Borrower, nor any political corporation, subdivision, or agency of the state, (i.e., Debtor) shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the state, the unit, or any other political corporation, subdivision, or agency thereof is pledged to the payment of the principal of or the interest on such debt, note, or bonds.

PROMISE TO PAY. For value received, receipt of which is hereby acknowledged, on November 30, 2018, (the Maturity Date), the Borrower promises to pay the principal amount of \$4,342,432.85 or four million three hundred forty-two thousand and four hundred and thirty-two dollars and 85/100 cents (\$4,342,432.85) and all interest on the outstanding principal balance and all other charges provided for in this Note, including service charges, to the order of Lender at its office at the address noted above or at such other place as Lender may designate in writing. The Borrower will make all payments in lawful money of the United States of America.

PAYMENT SCHEDULE. This Note will be paid according to the following schedule: 1) Total Interest on this note is calculated by the following formula: $((\text{Principle} \times \text{annual interest}) / 365 \text{ days}) \times (10 \text{ months} / 12)$; 2) to be paid in ten (10) equal payments of \$60,794.06 on the last day of each month beginning on December 31, 2018 and continuing each month through September 30, 2019; and 3) thereafter, any unpaid interest accrued on the unpaid principal balance of this Note and the entire balance of unpaid principal shall be finally due and payable, without notice or demand on September 30, 2019, Maturity Date. All payments received by the Lender for application on this Note may be applied to the Borrower’s obligations under this Note in such order and manner as Lender shall determine in its sole discretion.

INTEREST RATE AND SCHEDULED PAYMENT CHANGES. Interest on the principal of this Note from time to time outstanding will begin to accrue on the date of this Note and continue until all principal and accrued interest on this Note shall have been fully paid and satisfied. Before maturity, the interest rate on this Note will be fixed at 16.8% per annum, and all past due principal and interest shall bear interest at a rate per annum equal to the less of 18% per annum or the Highest Lawful Rate. It is the intention of Borrower and Lender to conform strictly to the usury laws in force in the State of Texas and in the United States of America, as applicable. If, for any reason whatsoever, the interest paid or received on this Note shall exceed the Highest Lawful Rate (defined below), the owner or holder of this Note shall credit on the principal hereof, or after all principal has been paid, refund to the payor, such portion of said interest as may be necessary to cause the interest paid on this Note to equal to the Highest Lawful Rate. “Highest Lawful Rate” means the maximum non-usurious rate of interest from time to time permitted by applicable federal or Texas law, whichever permits the higher lawful rate. All sums paid or agreed to be paid to the owner or holder hereof for the use, forbearance or detention of the indebtedness evidenced hereby shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of this Note. To the fullest extent permitted by law, all amounts charged, paid or received hereunder shall be

characterized as a fee or an expense and not as interest. In the event any amount is charged, paid or received hereunder which would result in a payment of interest in excess of the Highest Lawful Rate, such overcharged or overpaid amount may, at Lender's or any subsequent owner's or holder's discretion, be applied as a partial prepayment of principal or refunded to Borrower.

LATE PAYMENT CHARGE. If any required payment is more than 10 days late, then at Lender's option, Lender will assess a late payment charge of 5.000% of the amount of the required payment then past due.

SECURITY. This Note is secured by a security agreement dated November 30th, 2018, between the Borrower, as debtor, and the Lender, as secured party, covering deposit accounts.

RIGHT OF SET-OFF. To the extent permitted by law, Borrower agrees that Lender has the right to set-off any amount due and payable under this Note, whether matured or unmatured, against any amount owing by Lender to Borrower. Such right of set-off may be exercised by Lender against Borrower or against any assignee for the benefit of creditors, receiver, or execution, judgment or attachment creditor of Borrower, or against else claiming through or against Borrower or such assignee for the benefit of creditors, receiver, or execution, judgment or attachment creditor, notwithstanding the fact that such right of set-off has not been exercised by Lender prior to the making, filing or issuance or service upon Lender of, or of notice of, assignment for the benefit of creditors, appointment or application for the appointment of a receiver, or issuance of execution, subpoena or order or warrant. Borrower agrees to hold Lender harmless from any claim arising as a result of Lender exercising Lender's right to set-off.

RELATED DOCUMENTS. The words "Related Documents" mean all promissory notes, security agreements, mortgages, deeds of trust, deeds to secure debt, business loan agreements, construction loan agreements, resolutions, guaranties, environmental agreements, subordination agreements, assignments and any other documents or agreements executed in connection with this Note whether now or hereafter existing, including any modifications, extensions, substitutions or renewals of any of the foregoing. The Related Documents are hereby made a part of this Note by reference thereto, with the same force and effect as if fully set forth herein.

DEFAULT. Upon the occurrence of any one of the following events (Each, an "Event or Default" or "default" or "event of default"), Lender's obligations, if any, to make any advances will, at Lender's option, immediately terminate and Lender, at its option, may declare all indebtedness of Borrower to Lender under this Note immediately due and payable without further notice of any kind notwithstanding anything to the contrary in this Note or any other agreement: (a) Borrower's failure to make any payment on time in the amount due; (b) any default by Borrower under the terms of this Note or any other Related Documents executed in connection with this Note; (c) any default by Borrower under the terms of any Related Documents in favor of Lender; (d) the dissolution or termination of existence of Borrower or any guarantor; (e) Borrower is not paying Borrower's debts as such debts become due; (f) the commencement of any proceeding under bankruptcy or insolvency laws by or against Borrower or any guarantor or the appointment of a receiver; (g) any default under the terms of any other indebtedness of Borrower to any other creditor; (h) any writ of attachment, garnishment, execution, tax lien or similar instrument is issued against any collateral securing the loan, if any, or any of Borrower's property or any judgment is entered against Borrower or any guarantor; (i) any part of Borrower's business is sold to or merged with any other business, individual, or entity; (j) any representation or warranty made by Borrower to Lender in any of the Related Documents or any financial statement delivered to Lender proves to have been false in any material respect as of the time when made or given; (k) if any guarantor, or any other party to any Related Documents in favor of Lender entered into or delivered in connection with this Note terminates, attempts to terminate or defaults under any such Related Documents in favor of Lender entered into or delivered in connection with this Note terminates, attempts to terminate or defaults under any such Related Documents; (l) Lender has deemed itself insecure or there has been a material adverse change of condition of the financial prospects of Borrower or any collateral securing the obligations owing to Lender by Borrower. Upon the occurrence of an event of default, Lender may pursue any remedy available under any Related Document, at law or in equity.

GENERAL WAIVERS. To the extent permitted by law, the Borrower severally waives any required notice of presentment, demand, acceleration, intent to accelerate, protest and any other notice and defense due to extensions of time or other indulgence by Lender or to any substitution or release of collateral. No failure or delay on the part of Lender, and no course of dealing between Borrower and Lender, shall operate as a waiver of such power or right, nor shall any single or partial exercise of any power or right preclude other or further exercise thereof or the exercise of any other power or right.

JOINT AND SEVERAL LIABILITY. If permitted by law, each Borrower executing this Note is jointly and severally bound.

SEVERABILITY. If a court of competent jurisdiction determines any term or provision of this Note is invalid or prohibited by law, that term or provision will be ineffective to the extent required. Any term or provision that has

been determined to be invalid or prohibited will be severed from the rest of this Note without invalidating the remainder of either the affected provision or this Note.

SURVIVAL. The rights and privileges of the Lender hereunder shall inure to the benefit of its successors and assigns, and this Note shall be binding on all heirs, executors, administrators, assigns and successors of Borrower.

ASSIGNABILITY. Lender may assign, pledge or otherwise transfer this Note or any of its rights and powers under this Note without notice, with all or any of the obligations owing to Lender by Borrower, and in such event the assignee shall have the same rights as if originally named herein in place of Lender. Borrower may not assign this Note or any benefit accruing to it hereunder or delegate any of its obligations hereunder without the express written consent of the Lender.

GOVERNING LAW. This Note is governed by the laws of the state of Texas except to the extent that federal law controls. Venue shall be deemed to be proper in Young, County, Texas, being the place of payment on this note and the place at which the contract had its inception and is to be performed.

HEADING AND GENDER. The headings preceding text in this Note are for general convenience in identifying subject matter but have no limiting impact on the text which follows any particular heading. All words used in this Note shall be construed to be of such gender or number as the circumstances require.

ATTORNEYS' FEES AND OTHER COSTS. If legal proceedings are instituted to enforce the terms of this Note, Borrower agrees to pay all costs of the Lender in connection therewith, including reasonable attorney's fees, to the extent permitted by law.

ADDITIONAL PROVISIONS. Federal Small Business Certification. Borrower represents, warrants and certifies, that none of the principals of Borrower or Borrower's affiliates have been convicted of, or pleaded nolo contendere to, any offense covered by 42 U.S.C. sec.16911(7). For purposes of this subsection, the term "principal" means: (a) with respect to a sole proprietorship, the proprietor; (b) with respect to a partnership, each managing partner and each partner who is a natural person and holds twenty percent (20.00%) or more ownership interest in the partnership; and (c) with respect to a corporation, limited liability company, association or development company, each director, each of the five most highly compensated executives or officers of the entity, and each natural person who is direct or indirect holder of twenty percent (20.00%) or more of the ownership stock or stock equivalent of the entity.

The loan proceeds are to fund operation of its nursing homes, including Borrower's inter-governmental transfers for Borrower's participation in the Quality Incentive Payment Program for Nursing Facilities provided for and described in Tex. Admin. Code §353.1301 and §353.1303, Borrower and signers, with proper board of director approval and consent, certify the loan proceeds will be used for this sole purpose, and to the best of their knowledge, they are authorized to borrow this loan for this purpose. Borrower agrees to cause all "QIPP capitation rate components" funds ("QIPP Funds") as defined in Tex. Admin. Code §353.1303(g) to be direct deposited by the Managed Care Organizations described in Tex. Admin. Code §353.1303(b)(6) into the Borrower's Government Receivables Account at Interbank in Graham, Texas. The account number for the Government Receivables Account is 1755271008. Said account shall be subject to a Deposit Account Instruction and Service Agreement ("DAISA") entered between Lender, Interbank, and Borrower that requires all QIPP Funds on deposit to be swept daily into the Borrower's Funding and Disbursement Account, account number 1755470228. The Funding and Disbursement Account shall be subject to a Deposit Account Control Agreement ("DACA") between Lender, Interbank, and Borrower. Except as required in this Agreement, the Borrower agrees to not withdraw any funds defined as "Component 1" funds pursuant to Tex. Admin. Code §353.1303(g)(1) from the Funding and Disbursement Account before maturity of the Note and such funds will be used to make timely payments on this Note

This Note and the Related Documents constitute the complete and final expression of the parties' loan agreement and may not be amended or modified by oral agreement.

No present or future agreement securing any other debt owed to Salt Creek Capital, LLC will secure the payment of this Loan if, with respect to this loan, Borrower fails to fulfill any necessary requirements or limitations of Sections 19(a), 32 or 35 of Regulation Z or if, as a result, this Loan would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007. This Note is governed by the laws of Texas and the United States of America, and to the extent required, by the laws of the jurisdiction where the property securing this Note is located, except to the extent such state laws are preempted by federal law. Borrower agrees to supply Salt Creek Capital, LLC with whatever information it reasonably requests. Salt Creek Capital, LLC will make requests for this information without undue frequency, and will give Borrower reasonable time in which to supply the

information. Unless otherwise required by law, any notice will be given by delivering it or mailing it by email or first class mail. Notice to one Borrower will be deemed to be notice to all Borrowers. Borrower will inform Salt Creek Capital, LLC in writing of any change in my name, address or other application information and agrees to provide Salt Creek Capital, LLC any correct and complete financial statements or other information it requests. Borrower agrees to sign, deliver, and file any additional documents or certifications that Salt Creek Capital, LLC may consider necessary to perfect, continue, and preserve any obligations under the Loan and to confirm Salt Creek Capital, LLC lien status on any Property. Time is of the essence.

By signing this Note, Borrower acknowledges reading, understanding, and agreeing to all its provisions and receipt of a true and complete copy of this Note.

Borrower: Winnie-Stowell Hospital District

By: _____

Name: _____

Title: _____

Winnie-Stpwell Hospital District Loan 14

Compound Period : Monthly

Nominal Annual Rate : 16.800 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	11/30/2018	4,342,432.85	1		
2 Payment	12/31/2018	60,794.06	9	Monthly	08/31/2019
3 Payment	09/30/2019	4,403,226.91	1		

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	11/30/2018				4,342,432.85
1	12/31/2018	60,794.06	60,794.06	0.00	4,342,432.85
2018 Totals		60,794.06	60,794.06	0.00	
2	01/31/2019	60,794.06	60,794.06	0.00	4,342,432.85
3	02/28/2019	60,794.06	60,794.06	0.00	4,342,432.85
4	03/31/2019	60,794.06	60,794.06	0.00	4,342,432.85
5	04/30/2019	60,794.06	60,794.06	0.00	4,342,432.85
6	05/31/2019	60,794.06	60,794.06	0.00	4,342,432.85
7	06/30/2019	60,794.06	60,794.06	0.00	4,342,432.85
8	07/31/2019	60,794.06	60,794.06	0.00	4,342,432.85
9	08/31/2019	60,794.06	60,794.06	0.00	4,342,432.85
10	09/30/2019	4,403,226.91	60,794.06	4,342,432.85	0.00
2019 Totals		4,889,579.39	547,146.54	4,342,432.85	
Grand Totals		4,950,373.45	607,940.60	4,342,432.85	

LOAN 14
SECURITY AGREEMENT FOR
10 MONTH-SHORT TERM COMMERCIAL REVENUE NOTE
November 30, 2018–September 30, 2019

Effective as of November 30, 2018, WINNIE-STOWELL HOSPITAL DISTRICT, a political subdivision of the State of Texas (“Debtor”), whose address is P.O. Box 1997, Winnie, Texas 77665, and SALT CREEK CAPITAL, LLC (“Secured Party”), a Texas limited liability company whose address is P.O. Box 930, 455 Elm Street, Suite 100, Graham, Texas 76540, agree as follows:

ARTICLE 1
LOAN AGREEMENT

Debtor is a Political Subdivision of the State of Texas that was created pursuant to Article IX, Section 9 of the Texas Constitution and Chapter 286 of the Health and Safety Code. Pursuant to Article III, Section 52 of the Texas Constitution, the Legislature shall have no power to authorize any county, city, town or other political corporation or subdivision of the State to lend its credit or to grant public money or thing of value in aid of, or to any individual, association or corporation whatsoever, or to become a stockholder in such corporation, association or company. Both the Debtor and the Lender understand that neither the State of Texas, the unit, nor any political corporation, subdivision, or agency of the state (i.e., the Debtor) shall be obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the state, the unit, or any other political corporation, subdivision, or agency thereof is pledged to the payment of the principal of or the interest on such debt, note, or bonds.

Debtor and Secured Party have agreed that Secured Party will from time to time, in its discretion and on an uncommitted basis, fund a loan or loans to Debtor to fund Debtor’s operation of its nursing homes, including Debtor’s inter-governmental transfers for Debtor’s participation in the Quality Incentive Payment Program for Nursing Facilities provided for and described in Tex. Admin. Code §353.1301 and §353.1303, as amended, each such loan to be evidenced by a promissory note (the “Note”), whether one or more) executed or to be executed by Debtor and made payable to the order of Secured Party. Debtor agrees to cause all “QIPP capitation rate components” funds (“QIPP Funds”) as defined in Tex. Admin. Code §353.1303(g) to be direct deposited by the Managed Care Organizations described in Tex. Admin. Code §353.1303(b)(6) into the Debtor’s Government Receivables Account at Interbank in Graham, Texas. The account number for the Government Receivables Account is 1755271008. Said account shall be subject to a Deposit Account Instruction and Service Agreement (“DAISA”) entered between Secured Party, Interbank, and Debtor that requires all QIPP Funds on deposit to be swept daily into the Debtor’s Funding and Disbursement Account, account number 1755470228. The Funding and Disbursement Account shall be subject to a Deposit Account Control Agreement (“DACA”) between Secured Party, Interbank, and Debtor. The Debtor agrees to not withdraw any funds defined as “Component 1” funds pursuant to Tex. Admin. Code §353.1303(g)(1) from the Funding and Disbursement Account before maturity of the Note.

ARTICLE 2
CREATION OF SECURITY INTEREST

In order to secure the prompt and unconditional payment of the Debt (defined in Section 3.2) and the other obligations of Debtor hereinafter described or referred to, and the performance of the obligations, covenants, agreements and undertakings herein described, and to the extent allowed by the United States Code; Code of Federal Regulations; any rules and regulations promulgated by an agent of the United State of America, including but not limited to, the Center for Medicare and Medicaid Services (“CMS”); Article III, Section 52 of the Texas Constitution; or statutes of the State of Texas, Debtor hereby grants to Secured Party a security interest in and mortgages, assigns, transfers, delivers, pledges, sets over and confirms to Secured Party all of Debtor’s non-Federal, non-Medicaid, or non-Medicare revenues, powers, privileges, rights, titles and interests (including all power of Debtor, if any, to pass greater title than it has itself) of every kind and character now owned or hereafter acquired, created or arising in and to the following:

- (i) Account maintained by the Debtor with InterBank, Graham, Texas, Account Number: 1755470228, for the purpose of serving as the Debtor’s Funding and Disbursement Account.
- (ii) To the extent allowed by the laws of the United States and the State of Texas, all other bank deposit accounts now owned or hereafter established or acquired by Debtor with InterBank, Graham, Texas or any other state bank or national banking association; and
- (iii) all interest on the foregoing; all modifications, extensions and increases of the foregoing; all sums now or at any time hereafter on deposit in the foregoing or represented by the foregoing; all shares, deposits, investments and interest of every kind of Debtor at any time evidenced by any deposit account receipt or certificate relating to the foregoing or issued in connection with the foregoing, and all other related property;

together with all accessions, appurtenances and additions to and substitutions for any of the foregoing and all products and proceeds of any of the foregoing, together with all renewals and replacements of any of the foregoing, all accounts, receivables, accounts receivable, instruments, notes, chattel paper, documents, books, records, contract rights and general intangibles arising in connection with any of the foregoing. All of the property and interests described in this Article are herein collectively called the “Collateral.” The inclusion of proceeds does not authorize Debtor to sell, dispose of or otherwise use the Collateral in any manner not authorized by Secured Party in writing. It is expressly contemplated that additional Collateral may from time to time be pledged to Secured Party as additional security for the Debt (hereinafter defined), and the term “Collateral” as used herein shall be deemed for all purposes hereof to include all such Collateral, together with all other property of the types described above related to the Collateral.

Each capitalized term used but not otherwise defined herein shall have the meaning ascribed to such term in the Loan Agreement.

ARTICLE 3
SECURED INDEBTEDNESS

3.1. This Security Agreement (this “Agreement”) is made to secure Note, (10 Month Day) Short Term Commercial Note signed on November 30, 2018 by the Debtor with a term ending September 30, 2019, and all of the following present and future debt and obligations including:

- (a) any and all obligations of Debtor, whether absolute or contingent and howsoever and whensoever arising under the Note or any of them;
- (b) any and all obligations of Debtor evidenced by the Note and the any Related Documents (as defined in the Note, to which reference is here made for all purposes);
- (c) all other obligations incurred by Debtor to Secured Party, if any, described or referred to in any other place in this Agreement; and
- (d) any and all sums and the interest which accrues on them as provided in this Agreement which Secured Party may advance or which Debtor may owe Secured Party pursuant to this Agreement on account of Debtor's failure to keep, observe or perform any of Debtor's covenants under this Agreement.

3.2. The term "Debt" means and includes all debt and obligations of Debtor to Secured Party described or referred to in Section 3.1. The Debt includes interest and other obligations accruing or arising on the Debt after (a) commencement of any case under any bankruptcy or similar laws by or against any party comprising Debtor or any other person or entity now or hereafter primarily or secondarily obligated to pay all or any part of the Debt (with such parties comprising Debtor and any such other persons and entities being sometimes hereinafter collectively referred to as "Obligors") or (b) the obligations of any Obligor shall cease to exist by operation of law or for any other reason. The Debt also includes all reasonable attorneys' fees and any other expenses incurred by Secured Party in enforcing this Agreement.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

Debtor represents and warrants as follows:

- (a) Debtor is the legal and equitable owner and holder of good and marketable title to the Collateral free of any adverse claim and free of any security interest or encumbrance except only for the security interest granted hereby in the Collateral. Debtor agrees to defend the Collateral and its proceeds against all claims and demands of any person at any time claiming the Collateral, its proceeds or any interest in either. Debtor has not heretofore granted control of the Collateral to any Person other than Secured Party or signed or authorized the filing of any financing statement directly or indirectly affecting the Collateral or any part of it which has not been completely terminated of record, and no such financing statement signed or authorized by Debtor is now on file in any public office.
- (b) Debtor's execution, delivery and performance of this Agreement has been duly authorized by all necessary action under Debtor's organizational documents and otherwise. Debtor's execution, delivery and performance of this Agreement do not and will not require (i) any consent of any other person or entity or (ii) any consent, license, permit, authorization or other approval (including foreign exchange approvals) of any court, arbitrator, administrative agency or other governmental authority, or any notice to, exemption by, any registration, declaration or filing with or the taking of any other action in respect of, any such court, arbitrator, administrative agency or other governmental authority.
- (c) Neither execution or delivery of this Agreement, nor the fulfillment of or compliance with the terms and provisions hereof will (i) violate any constitutional provision, law or rule, or any regulation, order or decree of any governmental authority or the basic organizational documents of Debtor or

- (ii) conflict with or result in a breach of the terms, conditions or provisions of, or cause a default under, any agreement, instrument, franchise, license or concession to which Debtor is a party or bound.
- (d) Debtor has duly and validly executed, issued and delivered this Agreement. This Agreement is in proper legal form for prompt enforcement and is Debtor's valid and legally binding obligation, enforceable in accordance with its respective terms. Debtor does not have any indebtedness other than indebtedness owing to Secured Party and indebtedness specifically disclosed in writing to Secured Party prior to the date hereof.
- (e) Debtor is now solvent, and no bankruptcy or insolvency proceedings are pending or contemplated by or to Debtor's knowledge against Debtor. Debtor's liabilities and obligations under this Agreement do not and will not render Debtor insolvent, because Debtor's liabilities to exceed Debtor's assets or leave Debtor with too little capital to properly conduct all of its business as now conducted or contemplated to be conducted.
- (f) All of Debtor's books and records with regard to the Collateral are maintained and kept at the address of Debtor set forth in this Agreement.
- (g) The liens and security interests of this Agreement will constitute valid and perfected first and prior liens and security interests on the Collateral, subject to no other liens, security interests or charges whatsoever.
- (h) The Collateral is genuine, free from any restriction on transfer, duly and validly authorized and issued, constituting the valid and legally binding obligation of the issuer or issuers thereof, enforceable in accordance with its terms, and fully paid, and is hereby duly and validly pledged and hypothecated to Secured Party in accordance with law.
- (i) There is no action, suit or proceeding pending or, to the best of Debtor's knowledge, threatened against or affecting Debtor or the Collateral, at law or in equity, or before or by any governmental authority, which might result in any material adverse change in Debtor's business or financial condition or in the Collateral or in Debtor's other property or Debtor's interest in it.
- (j) Debtor is not in default with respect to any order, writ, injunction, decree or demand of any court or other governmental authority, in the payment of any debt for borrowed money or under any agreement or other papers evidencing or securing any such debt.
- (k) Debtor is not a party to any contract or agreement which materially and adversely affects its business, property, assets or financial condition.

ARTICLE 5 COVENANTS

5.1. Debtor covenants and agrees with Secured Party as follows:

- (a) Debtor shall furnish to Secured Party such instruments as may be reasonably required by Secured Party to assure Secured Party's control of the Collateral and the transferability of the Collateral when and as often as may be requested by Secured Party.

- (b) If the validity or priority of this Agreement or of any rights, titles, security interests or other interests created or evidenced hereby shall be attacked, endangered or questioned or if any legal proceedings are instituted with respect thereto, Debtor will give prompt written notice thereof to Secured Party and at Debtor's own cost and expense will diligently endeavor to cure any defect that may be developed or claimed, and will take all necessary and proper steps for the defense of such legal proceedings, and Secured Party (whether or not named as a party to legal proceedings with respect thereto) is hereby authorized and empowered to take such additional steps as in its judgment and discretion may be necessary or proper for the defense of any such legal proceedings or the protection of the validity or priority of this Agreement and the rights, titles, security interests and other interests created or evidenced hereby, and all expenses so incurred of every kind and character shall constitute sums advanced pursuant to Section 5.2.
- (c) Debtor will, on request of Secured Party, (i) promptly correct any defect, error or omission which may be discovered in the contents of this Agreement or in any other instrument executed in connection herewith or in the execution or acknowledgment thereof, (ii) execute, acknowledge, deliver and record or file such further instruments (including further security agreements, financing statements and continuation statements) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of this Agreement and such other instruments and to subject to the security interests hereof and thereof any property intended by the terms hereof and thereof to be covered hereby and thereby including specifically any renewals, additions, substitutions, replacements or appurtenances to the then Collateral, and (iii) execute, acknowledge, deliver, procure and record or file any document or instrument (including specifically any financing statement) deemed advisable by Secured Party to protect the security interest hereunder against the rights or interests of third persons, and Debtor will pay all costs connected with any of the foregoing.
- (d) To the extent not prohibited by applicable law, Debtor will pay all out-of-pocket costs and expenses and reimburse Secured Party for any and all expenditures of every character incurred or expended from time to time in connection with enforcing and realizing upon Secured Party's security interests in and liens on any of the Collateral, and all costs and expenses relating to Secured Party's exercising any of its rights and remedies under this Agreement or at law; provided, that no right or option granted by Debtor to Secured Party or otherwise arising pursuant to any provision of this or any other instrument shall be deemed to impose or admit a duty on Secured Party to supervise, monitor or control any aspect of the character or condition of any of the Collateral or any operations conducted in connection with it for the benefit of Debtor or any other person or entity other than Secured Party. Any amount to be paid under this Section by Debtor to Secured Party shall be a demand obligation owing by Debtor to Secured Party and shall bear interest from the date of expenditure until paid at the highest lawful rate permitted by applicable law (the "Past Due Rate").
- (e) Debtor will not sell, lease, exchange, lend, rent, assign, transfer or otherwise dispose of, or pledge, hypothecate or grant any security interest in, or permit to exist any lien, security interest, charge or encumbrance against, all or any part of the Collateral or any interest therein or permit any of the foregoing to occur or arise or permit title to the Collateral, or any interest therein, to be vested in any other party, in any manner whatsoever, by operation of law or otherwise, without the prior written consent of Secured Party.
- (f) Debtor agrees that as part of this Security Agreement, Debtor will comply with the terms of its Second Amended Transfer Procedures adopted by the Debtor's Board on January 20, 2016, including, but not limited, obtaining written consent of the Secured Party before changing the Procedures.

5.2. If Debtor should fail to comply with any of its agreements, covenants or obligations under this Agreement and such failure continues beyond any applicable notice or cure period afforded herein, then Secured Party (in Debtor's name or in Secured Party's own name) may perform them or cause them to be performed for Debtor's account and at Debtor's expense, but shall have no obligation to perform any of them or cause them to be performed. Any and all expenses thus incurred or paid by Secured Party shall be Debtor's obligations to Secured Party due and payable on demand, and each shall bear interest from the date Secured Party pays it until the date Debtor repays it to Secured Party, at the Past Due Rate. Upon making any such payment or incurring any such expense, Secured Party shall be fully and automatically subrogated to all of the rights of the person, corporation or body politic receiving such payment. Any amounts owing by Debtor to Secured Party pursuant to this or any other provision of this Agreement shall automatically and without notice be and become a part of the Debt and shall be secured by this and all other instruments securing the Debt.

ARTICLE 6 EVENTS OF DEFAULT

The occurrence of an Event of Default under any Note shall constitute an Event of Default (herein so called) under this Agreement.

ARTICLE 7 REMEDIES IN EVENT OF DEFAULT

- 7.1. At any time after the occurrence of an Event of Default:
- (a) Secured Party shall have the option of declaring, without notice to any person, all Debt to be immediately due and payable and take possession of such Debt and all accrued and unpaid interest from any accounts on which secured party has perfected a lien;
 - (b) Secured Party shall have all the rights of a secured party after default under the Uniform Commercial Code of Texas and in conjunction with, in addition to or in substitution for those rights and remedies:
 - (i) it shall not be necessary that the Collateral or any part thereof be present at the location of any sale pursuant to the provisions of this Article; and
 - (ii) before application of proceeds of disposition of the Collateral to the Debt, such proceeds shall be applied to the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable attorneys' fees and legal expenses incurred by Secured Party, each Obligor, to the extent applicable, to remain liable for any deficiency; and
 - (iii) the sale by Secured Party of less than the whole of the Collateral shall not exhaust the rights of Secured Party hereunder, and Secured Party is specifically empowered to make successive sale or sales hereunder until the whole of the Collateral shall be sold; and, if the proceeds of such sale of less than the whole of the Collateral shall be less than the aggregate of the Debt, this Agreement and the security interest created hereby shall remain in full force and effect as to the unsold portion of the Collateral just as though no sale had been made; and

- (iv) in the event any sale hereunder is not completed or is defective in the opinion of Secured Party, such sale shall not exhaust the rights of Secured Party hereunder and Secured Party shall have the right to cause a subsequent sale or sales to be made hereunder; and
- (v) any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale hereunder as to nonpayment of any indebtedness or as to the occurrence of any default, or as to Secured Party having declared all of such indebtedness to be due and payable, or as to notice of time, place and terms of sale and the Collateral to be sold having been duly given, as to any other act or thing having been duly done by Secured Party, shall be taken as *prima facie* evidence of the truth of the facts so stated and recited; and
- (vi) Secured Party may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Secured Party, including the sending of notices and the conduct of sale, but in the name and on behalf of Secured Party; and
- (vii) demand of performance, advertisement and presence of property at sale are hereby WAIVED by Debtor and Secured Party is hereby authorized to sell hereunder any evidence of debt it may hold as security for the Debt. All demands and presentments of any kind or nature are expressly WAIVED by Debtor. Debtor WAIVES the right to require Secured Party to pursue any other remedy for the benefit of Debtor and agrees that Secured Party may proceed against any Obligor for the amount of the Debt owed to Secured Party without taking any action against Debtor any other Obligor without selling or otherwise proceeding against or applying any of the Collateral in Secured Party's possession.

7.2. All remedies herein expressly provided for are cumulative of any and all other remedies existing at law or in equity and are cumulative of any and all other remedies provided for in any other instrument securing the payment of the Debt, or any part thereof, or otherwise benefiting Secured Party, and the resort to any remedy provided for hereunder or under any such other instrument or provided for by law shall not prevent the concurrent or subsequent employment of any other appropriate remedy or remedies.

7.3. Secured Party may resort to any security given by this Agreement or to any other security now existing or hereafter given to secure the payment of the Debt, in whole or in part, and in such portions and in such order as may seem best to Secured Party in its sole and absolute discretion, and any such action shall not in anywise be considered as a waiver of any of the rights, benefits or security interests evidenced by this Agreement.

7.4. To the full extent Debtor may do so, Debtor agrees that Debtor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension or redemption, and Debtor, for Debtor, Debtor's heirs, devisees, executors, administrators, personal representatives, successors, receivers, trustees and assigns, and for any and all persons ever claiming any interest in the Collateral, to the extent permitted by law, hereby WAIVES and releases all rights of redemption, valuation, appraisal, stay of execution, notice of intention to mature or to declare due the whole of the Debt, notice of election to mature or to declare due the whole of the Debt and all rights to a marshaling of the assets of Debtor, including the Collateral, or to a sale in inverse order of alienation in the event of foreclosure of the security interest hereby created.

ARTICLE 8
ADDITIONAL AGREEMENTS

8.1. Subject to the automatic reinstatement provisions set forth below, upon full payment and performance of the Debt and final termination of all obligations, if any, of Secured Party to fund loans or provide other financial accommodations to or for Debtor, all rights under this Agreement shall terminate and the Collateral shall thereafter become wholly clear of the security interest evidenced hereby, and upon written request by Debtor such security interest shall be released by Secured Party in due form, at Debtor's cost.

8.2. Secured Party may waive any default without waiving any other prior or subsequent default. Secured Party may remedy any default without waiving the default remedied. The failure by Secured Party to exercise any right, power or remedy upon any default shall not be construed as a waiver of such default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by Secured Party of any right, power or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof, and every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision hereof nor consent to any departure by Debtor therefrom shall in any event be effective unless the same shall be in writing and signed by Secured Party and then such waiver or consent shall be effective only in the specific instances, for the purpose for which given and to the extent therein specified. No notice to nor demand on Debtor in any case shall of itself entitle Debtor to any other or further notice or demand in similar or other circumstances. Acceptance by Secured Party of any payment in an amount less than the amount then due on the Debt shall be deemed an acceptance on account only and shall not in any way affect the existence of a default hereunder.

8.3. Secured Party shall not be required to take any steps necessary to preserve any rights against prior parties to any of the Collateral.

8.4. The security interest and other rights of Secured Party hereunder shall not be impaired by any indulgence, moratorium or release granted by Secured Party, including but not limited to (a) any renewal, extension or modification which Secured Party may grant with respect to the Debt, (b) any surrender, compromise, release, renewal, extension, exchange or substitution which Secured Party may grant in respect of any item of the Collateral, or any part thereof or any interest therein, or (c) any release or indulgence granted to any endorser, guarantor or surety of the Debt.

8.5. Debtor hereby authorizes Secured Party to cause all financing statements and continuation statements relating hereto to be recorded, filed, re-recorded and refiled in such manner and in such places as Secured Party shall reasonably elect and will pay all such recording, filing, re-recording, and re-filing taxes, fees and other charges. Debtor also hereby authorizes Secured Party to take such other measures as Secured Party may deem necessary or appropriate to perfect any security interests created hereunder in and to the Collateral.

8.6. In the event the ownership of the Collateral or any part thereof becomes vested in a person other than Debtor, Secured Party may, without notice to Debtor, deal with such successor or successors in interest with reference to this Agreement and to the Debt in the same manner as with Debtor, without in any way vitiating or discharging Debtor's liability hereunder or upon the Debt. No sale of the Collateral, and no forbearance on the part of Secured Party and no extension of the time for the payment of the Debt given by Secured Party shall operate to release, discharge, modify, change or affect, in whole or in part, the liability of Debtor hereunder for the payment of the Debt or the liability of any other person hereunder for the payment of the Debt, except as agreed to in writing by Secured Party.

8.7. Any other or additional security taken for the payment of any of the Debt shall not in any manner affect the security given by this Agreement.

8.8. If any part of the Debt cannot be lawfully secured by this Agreement, or if the lien, assignments and security interests of this Agreement cannot be lawfully enforced to pay any part of the Debt, then and in either such event, at the option of Secured Party, all payments on the Debt shall be deemed to have been first applied against that part of the Debt.

8.9. This Agreement shall not be changed orally but shall be changed only by agreement in writing signed by Debtor and Secured Party. No course of dealing between the parties, no usage of trade and no parole or extrinsic evidence of any nature shall be used to supplement or modify any of the terms or provisions of this Agreement.

8.10. Any notice, request or other communication required or permitted to be given hereunder shall be given in writing by delivering it against receipt for it, by depositing it with an overnight delivery service or by depositing it in a receptacle maintained by the United States Postal Service, postage prepaid, registered or certified mail, return receipt requested, addressed to the respective parties at the addresses shown herein (and if so given, shall be deemed given when mailed). Debtor's address for notice may be changed at any time and from time to time, but only after thirty (30) days' advance written notice to Secured Party and shall be the most recent such address furnished in writing by Debtor to Secured Party. Secured Party's address for notice may be changed at any time and from time to time, but only after ten (10) days' advance written notice to Debtor and shall be the most recent such address furnished in writing by Secured Party to Debtor. Actual notice, however and from whomever given or received, shall always be effective when received.

8.11. This Agreement shall be binding upon Debtor, and the heirs, devisees, executors, administrators, personal representatives, trustees, beneficiaries, conservators, receivers, successors and assigns of Debtor, including all successors in interest of Debtor in and to all or any part of the Collateral, and shall benefit Secured Party and its successors and assigns.

8.12. Secured Party is hereby authorized at any time and from time to time after the occurrence of an Event of Default, without notice to any person or entity (and Debtor hereby WAIVES any such notice) to the fullest extent permitted by law, to set-off and apply any and all monies, securities and other properties of Debtor now or in the future in the possession, custody or control of Secured Party, or on deposit with or otherwise owed to Debtor by Secured Party including without limitation the Collateral and all other monies, securities and other properties held in general, special, time, demand, provisional or final accounts or for safekeeping or as collateral or otherwise (but excluding those accounts clearly designated as escrow or trust accounts held by Debtor for others unaffiliated with Debtor) against any and all of Debtor's obligations to Secured Party now or hereafter existing, irrespective of whether Secured Party shall have made any demand therefor.

8.13. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and this Agreement shall be liberally construed so as to carry out the intent of the parties to it. Each waiver in this Agreement is subject to the overriding and controlling rule that it shall be effective only if and to the extent that (a) it is not prohibited by applicable law and (b) applicable law neither provides for nor allows any material sanctions to be imposed against Secured Party for having bargained for and obtained it.

8.14. The pronouns used in this Agreement are in the masculine and neuter genders but shall be construed as feminine, masculine or neuter as occasion may require. "Secured Party", "Obligor" and "Debtor" as used in this Agreement include the heirs, devisees, executors, administrators, personal representatives, trustees, beneficiaries, conservators, receivers, successors and assigns of those parties.

8.15. The section headings appearing in this Agreement have been inserted for convenience only and shall be given no substantive meaning or significance whatever in construing the terms and provisions of this Agreement. Terms used in this Agreement which are defined in the Texas Uniform Commercial Code are used with the meanings as therein defined. Wherever the term "including" or a similar term is used in this Agreement, it shall be read as if it were written "including by way of example only and without in any way limiting the generality of the clause or concept referred to."

8.16. This Agreement is performable in Young County, Texas, which shall be a proper place of venue for suit on or in respect of this Agreement. Debtor irrevocably agrees that any legal proceeding in respect of this Agreement shall be brought in the district courts of Young County, Texas or the United States District Court for the Northern District of Texas. Nothing herein shall affect the right of Secured Party to commence legal proceedings or otherwise proceed against Debtor in any jurisdiction or to serve process in any manner permitted by applicable law. Debtor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE APPLICABLE LAWS OF THE STATE OF TEXAS AND THE UNITED STATES OF AMERICA FROM TIME TO TIME IN EFFECT.

8.17. Debtor agrees that, if at any time all or any part of any payment previously applied by Secured Party to the Debt is or must be returned by Secured Party or recovered from Secured Party for any reason (including the order of any bankruptcy court), this Agreement shall automatically be reinstated to the same effect, as if the prior application had not been made, and, in addition, Debtor hereby agrees to indemnify Secured Party against, and to save and hold Secured Party harmless from any required return by Secured Party or recovery from Secured Party of any such payments because of its being deemed preferential under applicable bankruptcy, receivership or insolvency laws, or for any other reason.

8.18. This Agreement embodies the entire agreement and understanding between Secured Party and Debtor with respect to their subject matter and supersedes all prior conflicting or inconsistent agreements, consents and understandings relating to such subject matter. Debtor acknowledges and agrees there is no oral agreement between Debtor and Secured Party which has not been incorporated in this Agreement.

8.19. Provided no default or Event of Default is continuing, cash on deposit comprising the Collateral may be requested by Debtor to pay for customary operating expenses of the Project incurred by Debtor after the date the Evidence of Completion has been delivered to Lender. Such requests shall be accompanied by bills or invoices setting forth in reasonable detail the basis for the expense, the name of the payee, and all relevant payment information.

NOTICE PURSUANT TO TEX. BUS. & COMM. CODE 26.02

THIS AGREEMENT, THE LOAN AGREEMENT AND ANY OTHER RELATED CREDIT DOCUMENTS TOGETHER CONSTITUTE A WRITTEN AGREEMENT AND REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

DEBTOR:

WINNIE-STOWELL HOSPITAL DISTRICT

By: _____

Name: Edward Murrell

Title: President, Winnie Stowell Hospital District

SECURED PARTY:

SALT CREEK CAPITAL, LLC

By: _____

Name: Alfred G. Allen, III

Title: President

Loan 14
Blocked Account Control
Agreement (“Shifting Control”)
November 30, 2018 –September 30, 2019

AGREEMENT dated as of	November 30,	2018,	by and among	WINNIE-STOWELL HOSPITAL DISTRICT	(the “District”),
SALT CREEK CAPITAL, LLC			(the “Lender”)	and INTERBANK	(the “Depository”).

The parties hereto refer to Account No.	1755271008	in the name of District maintained at Depository (the “Account”)
and hereby agree as follows:		

- District and Lender notify Depository that by separate agreement District has granted Lender a security interest, attached hereto as **Exhibit A**, in the Account and all funds on deposit from time to time therein. Depository acknowledges being so notified.
- The purpose of this Agreement is to perfect a lien against the District’s Texnet Account at Interbank in Graham, Texas, Account No. 1755271008, in the event the District defaults on the attached (10 Month) Short Term Commercial Note No. 14 signed on November 30, 2018 by the District. (See **Exhibit B**)

Prior to the Effective Time (as defined below) Depository shall honor all withdrawal, payment, transfer or other fund disposition or other instructions which the District is entitled to give under the Account Documentation (as hereinafter defined) (collectively, “instructions”) received from the District (but not those from Lender) concerning the Account. On and after the Effective Time (and without District’s consent), Depository shall honor all instructions received from Lender (but not those from District) concerning the Account and District shall have no right or ability to access or withdraw or transfer funds from the Account.

For the purposes hereof, the “Effective Time” shall be the opening of business on the business day next succeeding the business day on which a notice purporting to be signed by Lender in substantially the same form as **Exhibit C**, attached hereto, with a copy of this Agreement attached thereto (a “Shifting Control Notice”), is actually received by Depository; provided that if any such notice is so received after 2:00 PM, Central time, on any business day, the “Effective Time” shall be the opening of business on the second business day next succeeding the business day on which such receipt occurs; and provided further, that a “business day” is any day other than a Saturday, Sunday or other day on which Depository is authorized or required by law to be closed.

Notwithstanding the foregoing: (i) all transactions involving or resulting in a transaction involving the Account duly commenced by Depository or any affiliate prior to the Effective Time and so consummated or processed thereafter shall be deemed not to constitute a violation of this Agreement; and (ii) Depository and/or any affiliate may (at its discretion and without any obligation to do so) (x) cease honoring District’s instructions and/or commence honoring solely Lender’s instructions concerning the Account at any time or from time to time after it becomes aware that Lender has sent to it a Shifting Control Notice but prior to the Effective Time therefor (including without limitation halting, reversing or redirecting any transaction referred to in clause (i) above), or (y) deem a Shifting Control Notice to be received by it for purposes of the foregoing paragraph prior to the specified unit’s actual receipt if otherwise actually received by Depository (or if such Shifting Control Notice does not comply with the form attached hereto as **Exhibit C** or does not attach an appropriate copy of this Agreement), with no liability whatsoever to District or any other party for doing so.

- This Agreement supplements, rather than replaces, Depository’s deposit account agreement, terms and conditions and other standard documentation in effect from time to time with respect to the Account or services provided in connection with the Account (the “Account Documentation”), which Account Documentation will continue to apply to the Account and such services, and the respective rights, powers, duties, obligations, liabilities and responsibilities of the parties thereto and hereto, to the extent not expressly conflicting with the provisions of this Agreement (however, in the event of any such conflict, the provisions of this Agreement shall control). Prior to issuing any instructions on or after the Effective Time, Lender shall provide Depository with such documentation as Depository may reasonably request to establish the identity and authority of the individuals issuing instructions on behalf of Lender. Lender may request the Depository to provide other services (such as automatic daily transfers) with respect to the Account on or after the Effective Time; however, if such services are not authorized or otherwise covered under the Account Documentation, Depository’s decision to provide any such services shall be made in its sole discretion (including without limitation being subject to District and/or Lender executing such Account Documentation or other documentation as Depository may require in connection therewith).
- Depository agrees not to exercise or claim any right of offset, banker’s lien or other like right against the Account for so long as this Agreement is in effect except with respect to (i) returned or charged-back items, reversals or cancellations of payment orders and other electronic fund transfers or other corrections or adjustments to the Account or transactions therein, (ii) overdrafts in the Account or (iii) Depository’s charges, fees and expenses with respect to the Account or the services provided hereunder.
- Notwithstanding anything to the contrary in this Agreement: (i) Depository shall have only the duties and responsibilities with respect to the matters set forth herein as is expressly set forth in writing herein and shall not be deemed to be an agent, bailee or fiduciary for any party hereto; (ii) Depository shall be fully protected in acting or refraining from acting in good faith without investigation on any notice (including without limitation a Shifting Control Notice), instruction or request purportedly furnished to it by District or Lender in accordance with the terms hereof, in which case the parties hereto agree that Depository has no duty to make any further inquiry whatsoever; (iii) it is hereby acknowledged and agreed that Depository has no knowledge of (and is not required to know) the terms and provisions of the separate agreement referred to in paragraph 1 above or any other related documentation or whether any actions by Lender (including without limitation the sending of a Shifting Control Notice), District or any other person or entity are permitted or a breach thereunder or consistent or inconsistent therewith, (iv) Depository shall not be liable to any party hereto or any other person for any action or failure to act under or in connection with this Agreement except to the extent such conduct constitutes its own willful misconduct or gross negligence (and to the maximum extent permitted by law, shall under no circumstances be liable for any incidental, indirect, special, consequential or punitive damages); and (v) Depository shall not be liable for losses or delays caused by force majeure, interruption or

malfunction of computer, transmission or communications facilities, labor difficulties, court order or decree, the commencement of bankruptcy or other similar proceedings or other matters beyond Depository's reasonable control.

6. District hereby agrees to indemnify, defend and save harmless Depository against any loss, liability or expense, including reasonable fees and disbursements of counsel (collectively, "Covered Items"), incurred in connection with this Agreement or the Account (except to the extent due to Depository's willful misconduct or gross negligence) or any interpleader proceeding relating thereto or incurred as a result of following District's direction or instruction. Lender hereby agrees to indemnify, defend and save harmless Depository against any Covered Items incurred (i) on or after the Effective Time in connection with this Agreement or the Account (except to the extent due to Depository's willful misconduct or gross negligence) or any interpleader proceeding related thereto, (ii) as a result of following Lender's direction or instruction (including without limitation Depository's honoring of a Shifting Control Notice) or (iii) due to any claim by Lender of an interest in the Account or the funds on deposit therein.
7. Depository may terminate this Agreement (i) in its discretion upon the sending of at least thirty (30) days' advance written notice to the other parties hereto or (ii) because of a material breach by District or Lender of any of the terms of this Agreement or the Account Documentation, upon the sending of at least five (5) days advance written notice to the other parties hereto. Lender may terminate this Agreement in its discretion upon the sending of at least three (3) days advance written notice to the other parties hereto, provided that Depository may shorten or waive the requirement that Lender's notice be in advance and any such shortening or waiver shall be binding on all parties. Any other termination or any amendment or waiver of this Agreement shall be effected solely by an instrument in writing executed by all the parties hereto. The provisions of paragraphs 5 and 6 above shall survive any such termination.
8. District shall compensate Depository for the opening and administration of the Account and services provided hereunder in accordance with Depository's fee schedules from time to time in effect. Payment will be effected by a direct debit to the Account.
9. This Agreement: (i) may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument; (ii) shall become effective when counterparts hereof have been signed by the parties hereto; and (iii) **shall be governed by and construed in accordance with the laws of the State of Texas**. All notices under this Agreement shall be in writing and sent (including via emailed pdf or similar file or facsimile transmission) to the parties hereto at their respective addresses, email addresses or fax numbers set forth below (or to such other address, email address or fax number as any such party shall designate in writing to the other parties from time to time).

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

WINNIE-STOWELL HOSPITAL DISTRICT				SALT CREEK CAPITAL, LLC			
By:		Date:		By:		Date:	
Name:		Edward Murrell		Name:		Alfred G. Allen, III	
Title:		President		Title:		Manager	
Address for Notices:		P.O. Box 1997, 538 Broadway		Address for Notices:		P.O. Box 930, 455 Elm Street, Suite 100	
		Winnie, Texas 77665				Graham, Texas 76540	
Fax No.:		(409) 296-6326		Fax No.:		(940) 549-5691	
Email Address:		Murrelledward@yahoo.Com		Email Address:		aga@turnerandallen.com	
INTERBANK							
By:		Date:					
Name:		Harold Wilbanks					
Title:		Sr. Vice President					
Address for other Notices:				Address For Shifting Control and Termination Notices:			
InterBank 455 Elm Street Graham, Texas 76450 Attention: <u>Harold Wilbanks</u> Email: <u>harold.wilbanks@interbankus.com</u> Fax No.: _____				InterBank 455 Elm Street Graham, Texas 76450 Attention: <u>Harold Wilbanks</u> Email: <u>harold.wilbanks@interbankus.com</u> Fax No.: _____			

Exhibit A

Exhibit B

Exhibit C

SHIFTING CONTROL NOTICE

InterBank
455 Elm Street
Graham, Texas 76450
Attention: Harold Wilbanks
Email: harold.wilbanks@interbankus.com
Fax No.: _____

Re: Blocked Account Control Agreement dated as of November 30, 2018, (the "Agreement") by and among
Winnie-Stowell Hospital District ("Debtor"), SALT CREEK Capital, LLC ("Secured Party") and InterBank
relating to Account(s) 1755271008

Ladies and Gentlemen:

This constitutes a Shifting Control Notice as referred to in paragraph 2 of the Agreement, a copy of which is attached hereto.

SALT CREEK CAPITAL, LLC			
By:		Date:	
Name:	Alfred G. Allen, III		
Title:	Manager		

Exhibit “C-1”

DY7 UC Allocation Form

TRACE Number:

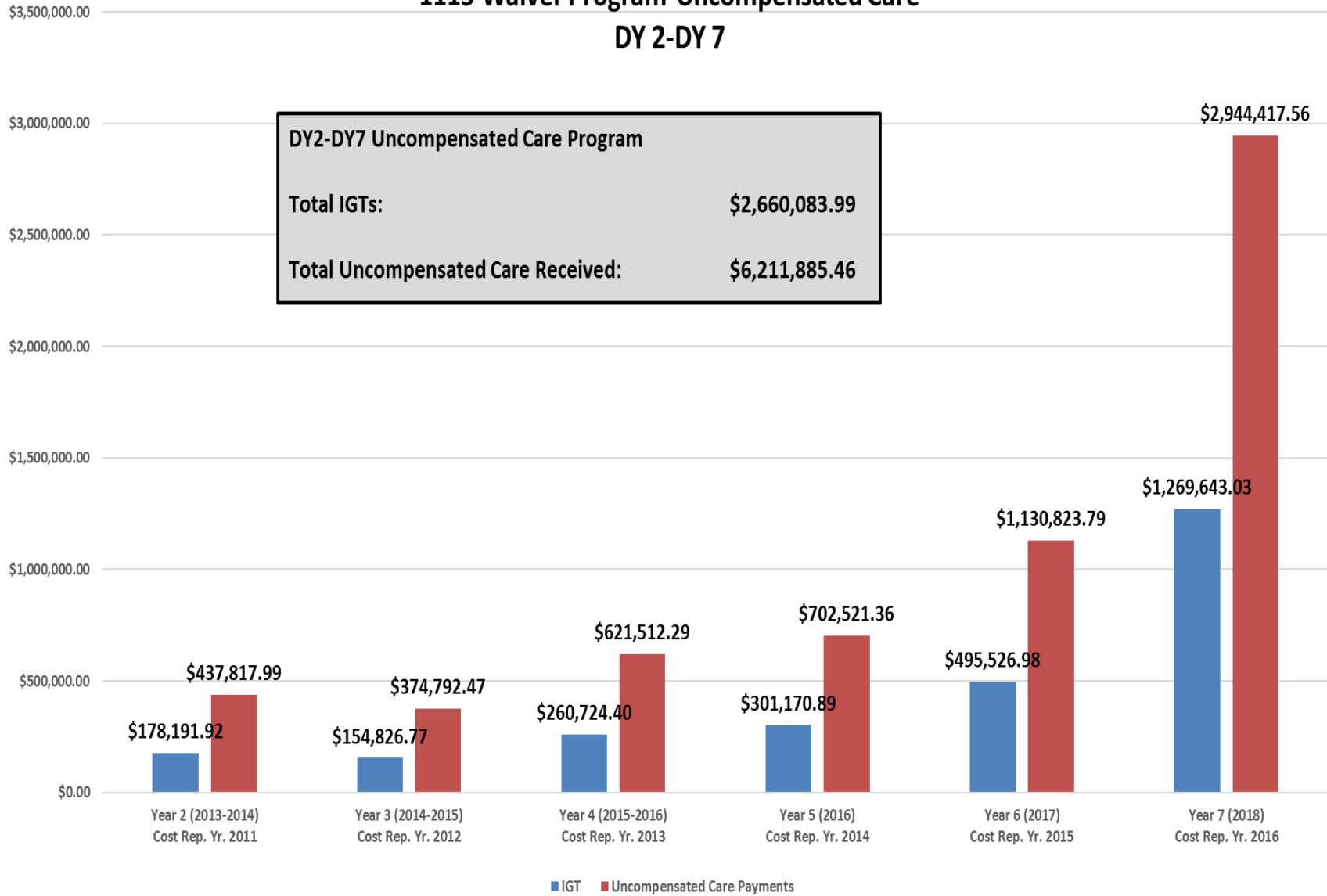
The Trace Number is in the receipt you receive from the Comptroller once you have submitted your IGT into TexNet.

The Trace Sheet and Allocation Form must be submitted together in the same email. All Trace Sheet submissions must be accompanied by an Allocation Form

Provider Affiliation Number	Provider Name	9 Digit TPI	Government Entity	RHP Region	IGT Total
100-13-0000-00006	Winnie Community Hospital LLC	148698701	Winnie-Stowell Hospital District	3	\$ _____

Master TPI	Provider Name	DBA Name	County	Total UC Costs (HSL remaining after DSH plus PCP and Adjustments)	YTD DY 7 UC Payments	DY 7 Dec. 2018 UC Return Payment	Maximum IGT (Commitment Cannot Exceed This Amount) ((Total UC Costs - YTD UC Payments)*DY 7 State Share FMAP	DY 7 UC IGT Commitment Amount (Cannot Exceed Value in Column J)
148698701	Winnie Community Hospital LLC	Winnie Community Hospital LLC	Chambers	\$2,944,417.56	\$993,262.30	\$1,951,155.26	\$841,338.15	

Winnie Community Hospital 1115 Waiver Program-Uncompensated Care DY 2-DY 7



Explanation of Calculation of DY 7 UC Partial Final Payment

Purpose

The purpose of this document is to explain to providers the methodology used by the Texas Health and Human Services Commission (HHSC) to calculate the September partial final payment for Demonstration Year (DY) 7 in the Uncompensated Care (UC) program.

Background Summary

Two developments within the past year will have a significant impact on the distribution of uncompensated-care (UC) funds to hospitals for DY 7: (1) federal judicial decisions were issued in two lawsuits related to the calculation of the hospital-specific limit (HSL)¹; and (2) there has been an increase in the number of urban hospitals that have sought and received designation as a rural referral center (RRC) from the Centers for Medicare & Medicaid Services (CMS), thereby becoming eligible as "Rider 38 hospitals" for UC.

Numerous stakeholders and stakeholder groups requested that HHSC revise its payment methodology for the DY 7 UC payment as these two developments resulted in an unanticipated large shift of funds between different hospital classes within the UC pool. The result of these developments is that almost \$1.09 billion (of the total \$3.1 billion UC pool) would be distributed to "Rider 38" hospitals, compared with \$515 million in DY 6 and \$434 million in DY 5. The 12 non-rural RRCs would receive \$570 million in DY 7 UC under the existing methodology compared with \$182 million if they were not treated as Rider 38 hospitals. These developments also cause a swing away from other hospital types including the large publics, the privates and small publics. HHSC estimates approximately a \$241 million reduction to private non-Rider 38s, \$20 million to small publics (non-Rider 38) and \$84 million to the large publics.

After considering stakeholder input, HHSC has identified five possible options as a basis for the distribution of a partial final payment in September. Four of these five options would require a rule change. In order to allow time for a rule change, if one is necessary, and to keep supplemental payments flowing to providers, HHSC is making a partial final payment in September followed by the final payment in December.

The options that HHSC has identified are:

Option #1: Do nothing. The definition of "Rider 38 hospital" would remain the same (i.e. includes non-rural RRCs) and the interim hospital-specific limits would be calculated the same for all UC hospitals using a methodology that includes all eligible costs not offset by Medicare payments and commercial insurance payments (usually referred to as "the post-CHAT-decision methodology").

Option #2: Withdraw proposed §355.8201 and re-propose the rule to describe a methodology that gives rural and non-rural Rider 38 hospitals preferential treatment but uses interim HSLs that do offset costs by Medicare and commercial insurance payments

¹ See *Children's Hospital Assoc. of Texas v. Azar*, Civ.A.17-844, 2018 WL 1178024 (D.D.C. March 6, 2018) (hereinafter "CHAT") and *Texas Children's Hospital v. Azar*, Civ.A.14-2060, 2018 WL 2464462 at *11 (D.D.C. June 1, 2018).

(i.e., “pre-CHAT interim HSLs”). The rule would propose to use the post-CHAT HSLs for all non-Rider 38 hospitals.

Option #3: Withdraw proposed §355.8201 from the current packet and re-propose it for an earlier adoption date. (The proposed rule replaces the term “Rider 38” hospital with “rural hospital” and defines the term to exclude non-rural RRCs, effective in DY8).

Option #4: Withdraw proposed §355.8201 from the current packet and re-propose the rule to describe a methodology that applies the pre-CHAT HSL to only the non-rural RRCs that currently meet the definition of Rider 38 under the existing rule.

Option #5: Withdraw proposed §355.8201 from the current packet and re-propose the rule to describe a methodology that would provide preferential treatment to non-rural RRCs through a set-aside pool that would pay them 54 percent of their hospital specific limit.²

Partial Final DY 7 UC Payment in September 2018: The partial final payment in September was calculated by using the lowest payment calculations under each of these five options. The lowest payment amounts were further reduced by a 10% contingency to reduce the probability of recoupment at the time that the balance of the final payment is made in December 2018.

The attached Excel spreadsheet (“DY 7 Partial Final Payment Summary”) contains information on the expected payment for the partial final payment in September (column T). Under this approach approximately \$856 million in UC payments will be paid out in September out of a possible total payment of \$1.59 billion after taking into account the advance DY 7 UC payment.

Final DY 7 Payment in December 2018: As indicated above, HHSC is considering possible approaches to making the final December 2018 payment for DY 7, including the five options used as the basis of the DY 7 payment and additional options submitted by stakeholders as of August 24, 2018. HHSC will announce the methodology for the final UC payment at a later date.

Please direct any questions related to the September payment calculations to uctools@hhsc.state.tx.us.

Please direct any questions related to the submission of intergovernmental transfers (IGT) of funds to RAD_UC_Payments@hhsc.state.tx.us.

² This percentage approximates the amount the non-rural Rider 38 hospitals would have received as a group using an interim HSL that takes into account Medicare payments for dual eligibles and also commercial insurance payments associated with Medicaid patients.

Exhibit “C-2”

2018.11.19 WSHD Cash Report

Funds Summary	Estimated Date	Totals
Prosperity Operating		\$2,017,924.16
Interbank (Prepaid Interest)		\$936,922.57
Prosperity CD		\$105,542.72
TexStar		\$669,805.71
Post Oak Bank LOC (Available)		\$2,733,749.99
Net Cash Position (less Interbank)		\$5,527,022.58
Expenses Paid at November Meeting		(\$869,615.28)
Ending Balance		\$4,657,407.30
Upcoming Income and Expenses		
IGT for QIPP Year 2, 3rd and 4th Quarter	Nov. 2018	(\$2,000,000.00)
Prepaid Interest for Loan 14 (Nov. 2018	Nov. 2018	(\$305,000.00)
QIPP Year 2, 1st Qtr. Component 2, 3, Lapsing Funds (85%)(Net)	Jan. 2019	\$688,500.00
Prepaid Interest using QIPP Year 2, 1st Qtr. Component 2, 3, and Lapsing Funds	Jan. 2019	(\$305,000.00)
IGT for UC Program (Feb. 2019)-Based on 2	Feb. 2019	(\$138,516.86)
		(\$2,060,016.86)
		\$2,597,390.44
Less IGT for DY 7		

Exhibit “C-3”



Riceland
MEDICAL CENTER

Uncompensated Care Funding Changes

2012-2017	2018-2019	2020-2022
<p>Pool size established in Waiver based on hospitals' UC costs:</p> <ul style="list-style-type: none"> - Medicaid Shortfall - Bad Debt - Charity Care 	<p>Pool size established in Waiver based on hospitals' UC costs:</p> <ul style="list-style-type: none"> - Medicaid Shortfall - Bad Debt - Charity Care 	<p>Pool will be resized based on hospitals' UC costs as reported on modified 2017 Worksheet S-10 or costs reports for children's and specialty hospitals:</p> <ul style="list-style-type: none"> - Charity care costs for uninsured patients
<p>Payments are made to qualifying hospital and non-hospital providers for costs reported on CMS-approved UC Tool. UC costs include:</p> <ul style="list-style-type: none"> - Medicaid Shortfall - Bad Debt - Charity Care 	<p>Payments are made to qualifying hospital and non-hospital providers for costs reported on CMS-approved UC Tool. UC costs include:</p> <ul style="list-style-type: none"> - Medicaid Shortfall - Bad Debt - Charity Care 	<p>Payments can be made to qualifying hospital and non-hospital providers for UC costs reported on a new CMS-approved UC tool. UC costs will include only charity care for the uninsured.</p>

2013 – 2016 Uncompensated Care Comparison

	2016 %	2016	2016	2015	2014	2013
30.00 ADULT	23.65%	1,777,104	1,777,104	1,709,559	1,440,990	1,343,426
54.00 RADIOLOGY	5.34%	401,240	401,240	384,119	302,718	262,043
60.00 LAB	14.40%	1,082,043	1,082,043	796,328	696,745	709,367
65 RESP THER	0.46%	34,927	34,927	37,976	73,511	33,564
66.00 PT	3.13%	235,150	235,150	3,338	2,771	3,167
69.00 BKG	0.40%	30,116	30,116	36,725	9,711	8,304
71.00 MED SUPPLIES	1.93%	144,734	144,734	164,028	176,359	208,825
73.00 DRUGS	2.63%	197,262	197,262	200,276	168,733	205,777
76.00 TREATMENT ROOM	0.00%	-	-	-	-	-
76.01 PHP	22.75%	1,709,338	1,709,338	1,434,551	351,243	-
91.00 ER	25.32%	1,902,336	1,902,336	1,826,848	1,677,780	1,514,835
92.00 OBS						
TOTAL	100.00%	7,514,250	7,514,250	6,593,748	4,900,561	4,289,308

* All numbers are derived from the cost reports from 2013 - 2016

Breakdown of uncompensated care reflected on the cost report for IGT

	Total Percentage	Inside Winnie Area	Outside Winnie Area	2016 Allowable Cost
30.00 ADULT	23.65%	23.65%	Nil	\$1,777,104
54.00 RADIOLOGY	5.34%	5.34%	Nil	\$401,240
60.00 LAB	14.40%	14.40%	Nil	\$1,082,043
65 RESP THER	0.46%	0.46%	Nil	\$34,927
66.00 PT	3.13%	3.13%	Nil	\$235,150
69.00 EKG	0.40%	0.40%	Nil	\$30,116
71.00 MED SUPPLIES	1.93%	1.93%	Nil	\$144,734
73.00 DRUGS	2.63%	2.63%	Nil	\$197,262
76.00 TREATMENT ROOM	0.00%	0.00%	Nil	\$0
76.01 PHP	22.75%	5.90%	16.85%	\$1,709,338
91.00 ER	25.32%	25.32%	Nil	\$1,902,336
92.00 OBS	Nil	Nil	Nil	Nil
TOTAL	100.00%	83.15%	16.85%	\$7,514,250

* All numbers are derived from the cost reports from 2016



Needs Assessment Report

- Conducted In 2016, The Report Highlighted:
 - The importance of the Emergency Department of the Hospital.
 - The need to improve the Inpatient Unit.
 - Some of the community's comments regarding the ER Department were:
 - "The best thing the hospital could do is improve the ER—with real doctors and start taking more cases instead of referring out of town"
 - "ER is the key problem. Care is only as good as the people staffing it. They must have physicians to see patients and have physician backup for injuries and heart conditions."



Implementation

- Our goal for 2019 is to deliver the highest quality of **Care, Confidence, and Comfort** the hospital has ever delivered.
- We have already done our test run by hiring a few doctors to cover the ER shifts. It was a great experience highly appreciated by the community and the hospital district. In 2019 we plan to cover all the ER shifts with Doctors so that we can provide the best possible care to our community members and local citizens at any time of the day, week, or year. Having the ER Coverage done by the doctors would require us to
 - Hire more highly skilled Nurses with experience and exposure to higher acuity patients.
 - Upgrade and add some equipment.
 - Have a proper ER WAITING area.
 - Upgrade procedure room.
 - Have better Doctor's Mess and Resting area. (Completed)
 - Keep Malpractice insurance coverage for ER Physicians.
- Furthermore, we plan to invest in our in-patient and psychiatric in-patient division. This way, patients in need of urgent care that visit the ER or are admitted to our hospital are received in a more comfortable environment.

Projects In Progress



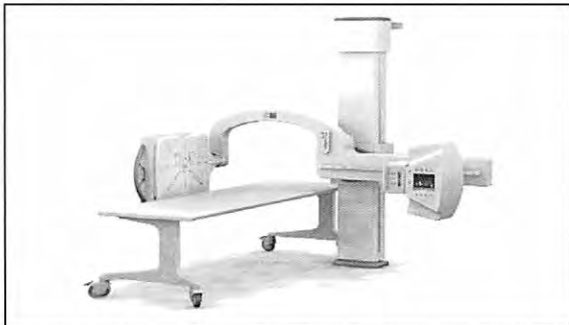
24/7 ER Coverage



ER Equipment Improvements



Procedure Room Upgrade



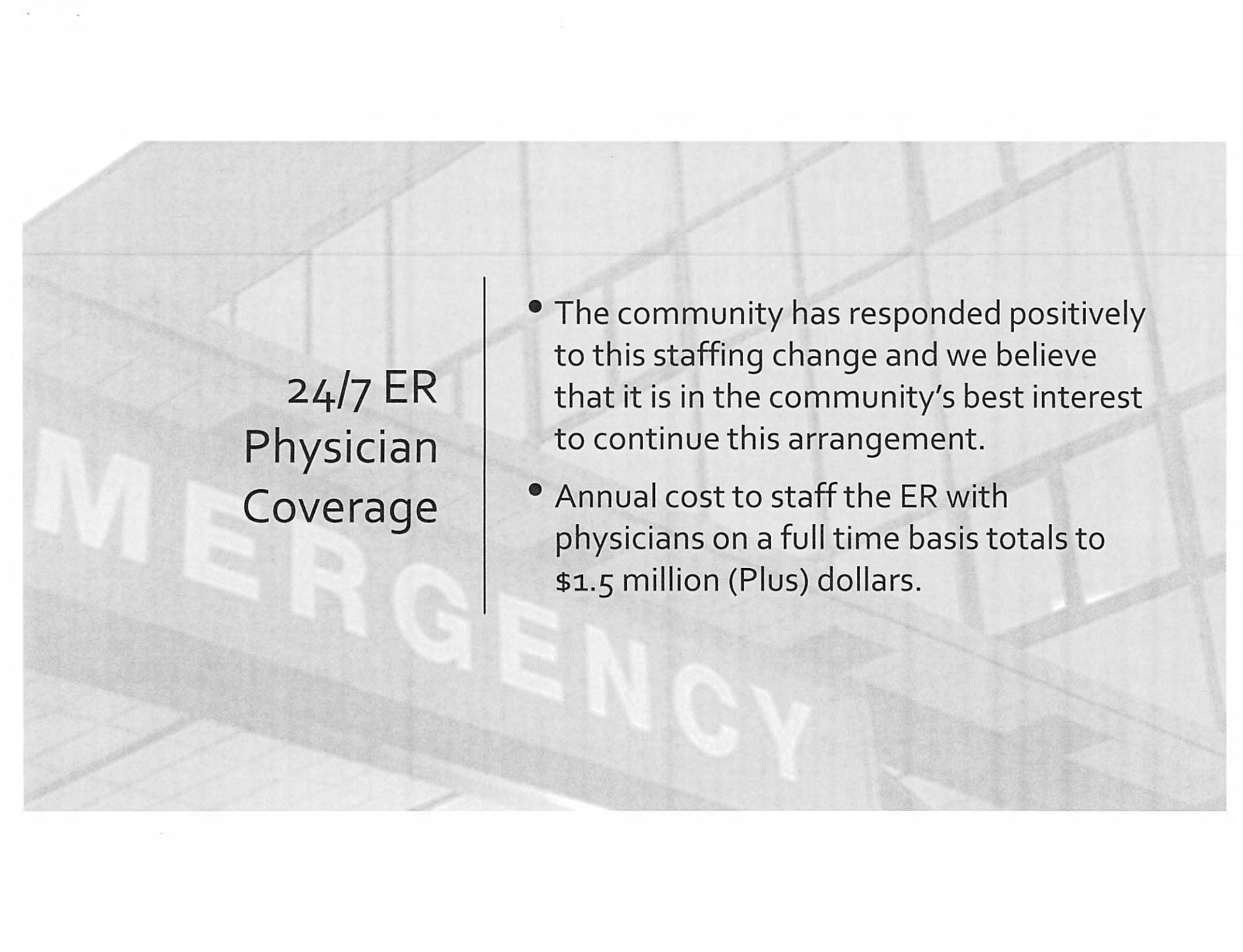
In-Patient & X-Ray Improvements



EMR Upgrade



Psychiatric In-Patient Unit



24/7 ER Physician Coverage

- The community has responded positively to this staffing change and we believe that it is in the community's best interest to continue this arrangement.
- Annual cost to staff the ER with physicians on a full time basis totals to \$1.5 million (Plus) dollars.

ER Equipment Improvements

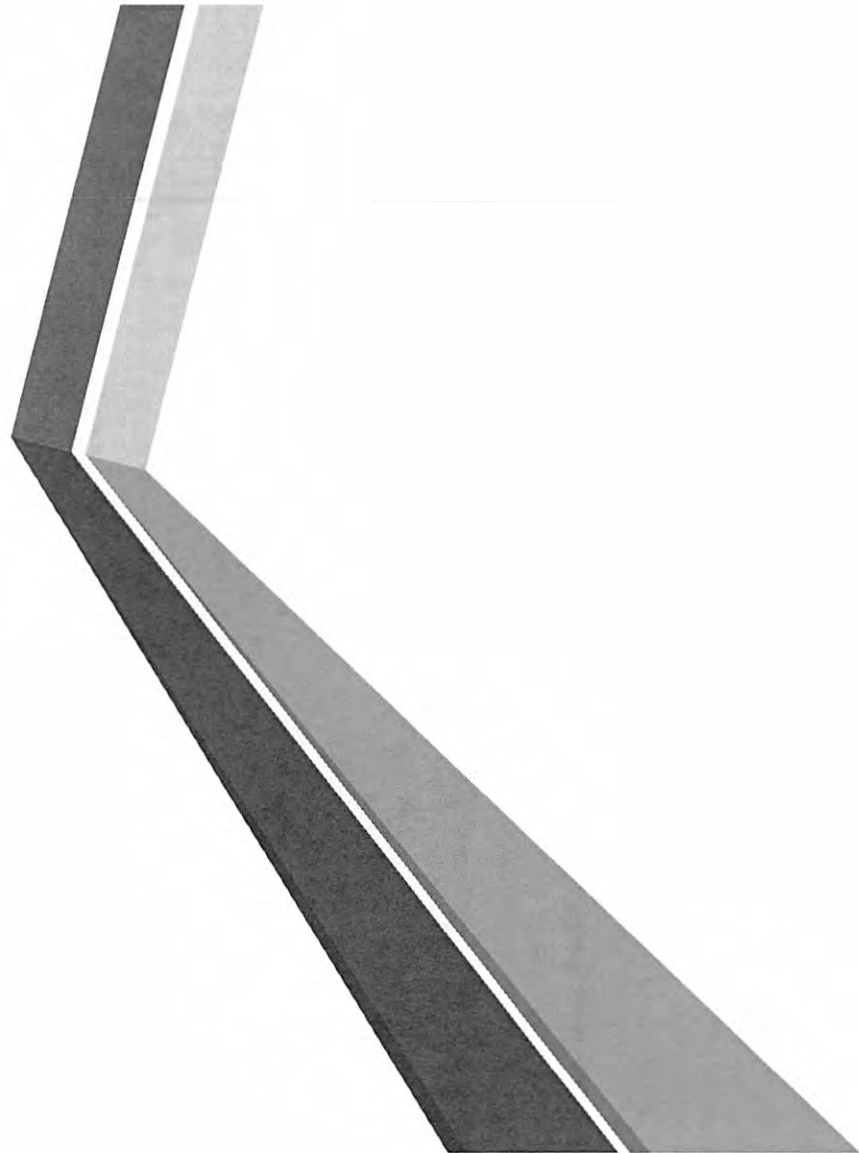
- ER, Inpatient, and X-Ray machine will cost approximately \$300K



Upgrade to Procedure Room

- We have completed a successful year with our procedure room at the hospital. Our podiatrist, Dr. Sarah Sweeney, has taken patient satisfaction to higher levels and we plan to expand the types of services we can provide with the procedure room with more physicians on board.
- With two general surgeons on board, we can fully utilize their skills by having them perform surgeries right at the hospital.
- This dedicated procedure room allows patients to have minor procedures done right on the unit, eliminating the need to go to the operating room. The entire process, from scheduling to hospital discharge, takes place in one location.
- This helps eliminate any stress or anxiety a patient may feel about travelling to another hospital or medical center. Many patients feel comfort in knowing they can remain in a familiar place throughout the duration of their stay.
- These are some of the common procedures that we are currently doing, and some of them we would be adding. Biopsies, joint injections, laceration repairs, incision and drain of abscesses, wound grafts, initial management of fractures, tendon releases, simple amputations, removal of: skin cancers, warts, and foreign bodies.





ER Physicians

DR LEONIDAS S. ANDRES, M.D

- General Surgery
- Board Certified: Diplomate, American Board Of Forensic Medicine
- Positions Held:
 - Chief Of Staff- Riceland Medical Center
 - Chief Of Staff- Bayside Community Hospital (1981-2014)
 - Medical Director: Anahuac Volunteer Ems (1981-present)
 - Health Director: Chambers County Health Department (1981-2002)



DR NASEER KHAN, M.D

- Board Certification American Board of Family Medicine
- Advanced Trauma Life Support (ATLS)
- Advance Cardiac Life Support (ACLS)
- Pediatric Advance Life Support (PALS)
- Neonatal Resuscitation Program (NRP)
- Extensive experience in the states of KY, LA, and TX.



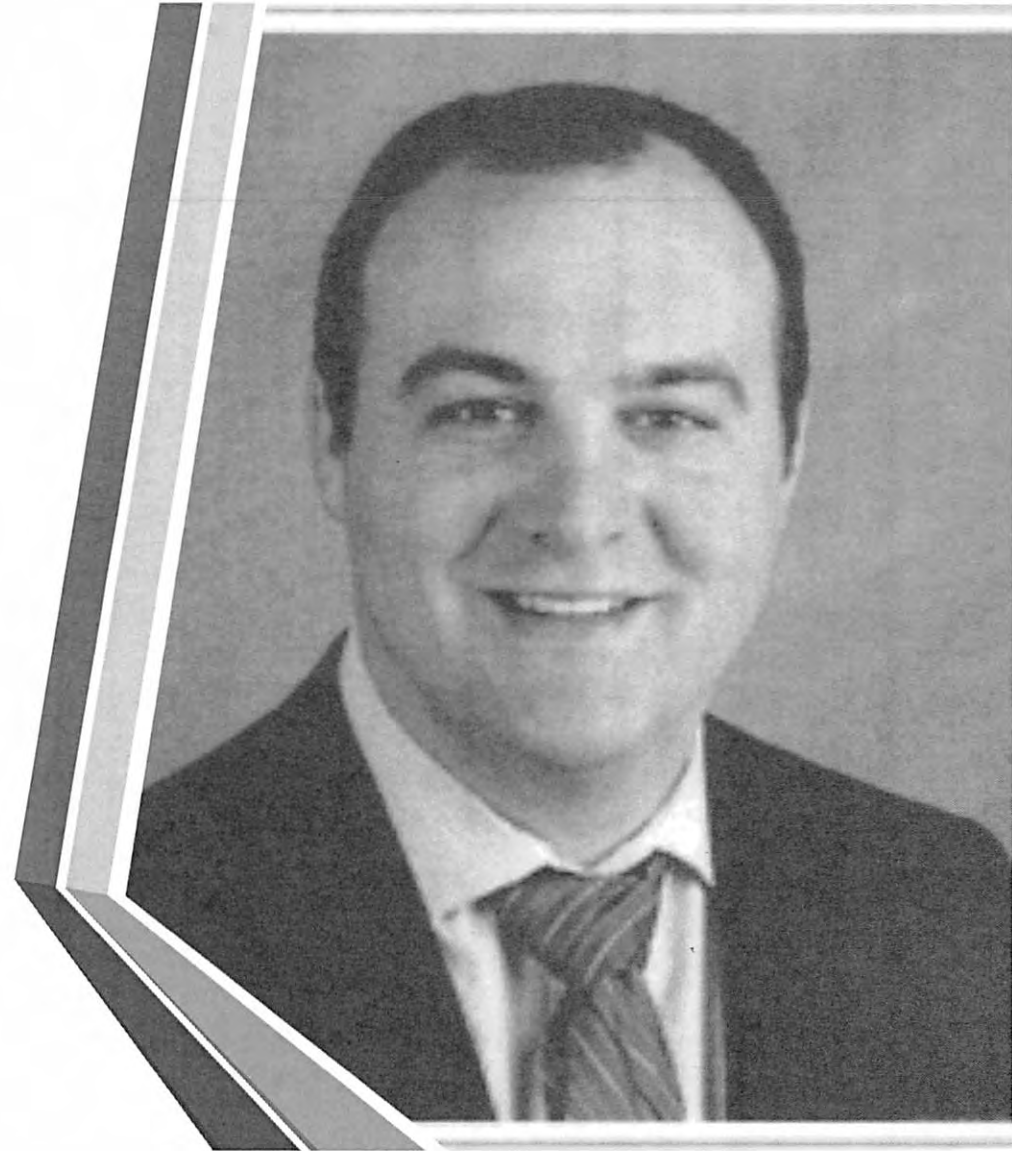
DR MORY SHATERY, M.D

- **Emergency Medicine**
- **Board Certified- American Board of Surgery,
Recert. Pending- No. 43340**
- **Board Certified- American Board of Thoracic
Surgery, June 2026- No. 6319**



Dr. Jeremy S.
Williamson, D.O.

- PGY-2 Resident at a categorical 3-year
Emergency Medical training program at Texas
Tech University Health Science Center in El
Paso





Dr. Robert Rollo, MD

Dr. Robert Rollo, MD

He has 23 years of experience.
His specialties include Emergency
Medicine and Family Medicine.





In-Patient Psychiatric Physician

Dr. Robert Robinson, M.D.

- **Board Certified: Psychiatry, Ophthalmology**
- Expertise in:
 - Personality Disorder
 - Depressive Disorder
 - Schizophrenia
 - Manic Depressive Disorder
 - Bipolar Disorder / Manic Depressive Disorder
 - Clinical Depression
 - Sleep Disorders
 - Insomnia
 - Mood Disorders
 - Mental Illness
 - Attention-Deficit/Hyperactivity Disorder (ADHD)





Providers In Our Network

Dr. Sarah K. Sweeney, DPM

- Specialization podiatric surgery and podiatric foot & ankle surgery.



DR NEDRANA BOUTTE, M.D.

- Board Certified: Family Medicine
- Over 10 years of working in Winnie, TX/ Chambers County



Dr. James Slayton Jr., D.O.

- Board Certified: American Board of Osteopathic Internal Medicine



ER Admissions/Waiting Room/Triage





X-RAY Room Improvement

X- Ray Improvements

- MiiRAD URX
- Universal U-Arm Radiography System
- **Digital vs Cassette ****





In-Patient Room Upgrades

- IV Pumps
- EKG Machine
- Blood Gas Machine
- Nurse Call System
- Glidascope For Intubation
- BIPAP Machine
- Blanket Warmer
- IV Warmer
- Updated Patient Lift Scale
- Patient transfer Dolly



Future Projects

Face lifting of the Hospital

- Improve the front image of the hospital.
- Make improvements to the parking lot.
- General landscaping to improve the visual appeal of the hospital.





In-Patient Psychiatric Unit

- Local justice and police organizations have urged us on the need of having an in-patient psychiatric unit so that community members that are suffering from mental and behavioral illness can safely and securely receive the proper care they need.
- Estimated Cost: \$2 million(Plus)

Exhibit “C-4”

DURBIN & COMPANY, L. L. P.

Certified Public Accountants

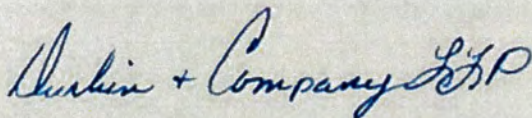
2950 50th Street
Lubbock, Texas 79413
(806) 791-1591
Fax (806) 791-3974

May 9, 2017

Board of Directors
Riceland Medical Center
Winnie, Texas

The accompanying Unaudited Hospital Cost Report, Form CMS 2552-10 for Riceland Medical Center, Contract Number 45-1328, for the year ended December 31, 2016, has been compiled by us.

A compilation is limited to presenting information that is the representation of management. We have not audited or reviewed the accompanying Unaudited Hospital Cost Report and, accordingly, do not express an opinion or any other form of assurance on it.



Durbin & Company, L.L.P.

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CR 2016

Health Financial Systems

RICELAND MEDICAL CENTER

In Lieu of Form OMS-2552-10

COST ALLOCATION - GENERAL SERVICE COSTS

Provider CON: 45-1328

Period:
From 01/01/2016
to 12/31/2016

Date/Time Prepared:
5/3/2017 3:01 pm

Cost Center Description		Subtotal	Intern & Residents Cost & Post Stepdown Adjustments	Total	
		24.00	25.00	26.00	
GENERAL SERVICE COST CENTERS					
1.00	00100				1.00
2.00	00200				2.00
4.00	00400				4.00
5.00	00500				5.00
6.00	00600				6.00
7.00	00700				7.00
8.00	00800				8.00
9.00	00900				9.00
10.00	01000				10.00
11.00	01100				11.00
13.00	01300				13.00
16.00	01600				16.00
17.00	01700				17.00
INPATIENT ROUTINE SERVICE COST CENTERS					
30.00	03000	1,777,104	0	1,777,104	30.00
ANCILLARY SERVICE COST CENTERS					
54.00	05400	401,240	0	401,240	54.00
57.00	05700	0	0	0	57.00
60.00	06000	1,082,043	0	1,082,043	60.00
63.00	06300	0	0	0	63.00
65.00	06500	34,927	0	34,927	65.00
66.00	06600	235,150	0	235,150	66.00
69.00	06900	30,116	0	30,116	69.00
71.00	07100	144,734	0	144,734	71.00
73.00	07300	197,262	0	197,262	73.00
76.00	03020	0	0	0	76.00
76.01	03030	1,709,338	0	1,709,338	76.01
OUTPATIENT SERVICE COST CENTERS					
88.00	08800	2,932,492	0	2,932,492	88.00
91.00	09100	1,902,336	0	1,902,336	91.00
92.00	09200		0		92.00
OTHER REIMBURSABLE COST CENTERS					
95.00	09500	9,915	0	9,915	95.00
SPECIAL PURPOSE COST CENTERS					
113.00	11300				113.00
118.00		10,456,657	0	10,456,657	118.00

WINNIE COMMUNITY HOSPITAL UNCOMPENSATED CARE BASIS

WORKSHEET B-PART 1, COL 24 - ALLOWABLE COSTS BY DEPT / YEAR

	Weight	2016	2015	2014	2013
30.00 ADULT	23.65%	1,777,104	1,709,559	1,440,990	1,343,426
54.00 RADIOLOGY	5.34%	401,240	384,119	302,718	262,043
60.00 LAB	14.40%	1,082,043	796,328	696,745	709,367
65 RESP THER	0.46%	34,927	37,976	73,511	33,564
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92.00 OBS					
TOTAL	100.00%	7,514,250	6,593,748	4,900,561	4,289,308